

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on February 8, 2007, in Room 514-S of the Capitol.

All members were present except:
Representative Kay Wolf - excused

Committee staff present:
Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Jim Wilson, Revisor of Statutes
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:
Sheila Frahm, Executive Director, Kansas Community College Association
Clark Coco, President, North Central Kansas Technical College
David Monical, Executive Director of Governmental and University Relations, Washburn University

Others attending:
See attached list.

- Attachment 1 Budget Committee Report on Kansas Animal Health Department and the Kansas State Fair
- Attachment 2 Presentation on Deferred Maintenance Issues of Community Colleges and Technical Schools by Sheila Frahm
- Attachment 3 Presentation on Deferred Maintenance Issues of Technical Colleges and Schools by Clark Coco
- Attachment 4 Presentation on Deferred Maintenance Issues at Washburn University by David Monical

Representative Tapanelli moved to introduce legislation concerning employment preference for veterans. The motion was seconded by Representative Holmes. Motion carried.

Representative Tapanelli moved to introduce legislation for a house resolution to urge the United States Senate to restore funding levels to pre-base realignment levels. The motion was seconded by Representative Carlin. Motion carried.

Representative Masterson moved to introduce legislation concerning mental health reimbursement costs. The motion was seconded by Representative Holmes. Motion carried.

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Animal Health Department for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 1). The motion was seconded by Representative Pottorff. Motion carried.

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Animal Health Department for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 1). The motion was seconded by Representative Gatewood. Motion carried.

The Budget Committee noted that the request in Item No. 2 for funding for two additional inspectors was not funded because the agency was unable to answer some Budget Committee questions. The Budget Committee felt that the agency should work to address the backlog of kennel inspections by improving the procedure for inspections and making better use of the inspectors' time.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 8, 2007, in Room 514-S of the Capitol.

Representative Gatewood, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas State Fair for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 1). The motion was seconded by Representative Powell. Motion carried.

Representative Gatewood, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas State Fair for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 1). The motion was seconded by Representative Powell. Motion carried.

With reference to the deletion of funding in Item No. 3, the Budget Committee noted that studies do not show sufficient cost savings for alternative energy enhancements. In addition, the alternative energy enhancements were not being used for educational purposes.

Chair Schwartz recognized Sheila Frahm, Executive Director, Kansas Association of Community College Trustees, who presented testimony on deferred maintenance issues relating to community colleges (Attachment 2). Ms. Frahm was accompanied by Dr. Tom Burke, President of the Kansas City Community College. The Kansas Association of Community Colleges represents the 19 community colleges in Kansas, serving approximately 170,000 students. Each college is governed by a locally elected board of trustees in the county in which they are located. Ms. Frahm reported that the property taxing district for each college is the county in which they are located. Approximately 44 percent of the funding comes from the county property taxes, 23 percent from the students and 23 percent from the State.

Ms. Frahm stated that the Board of Regents is responsible for coordinating all higher education including the community colleges and technical schools. However, the community colleges and technical schools were not included in the recent deferred maintenance study performed by the Board of Regents. A separate study conducted by the ISES Corporation, the same firm that conducted the Regents' study, has been performed to determine the needs of 18 community colleges, technical schools and Washburn University. Ms. Frahm reported that the study showed a need for \$149.5 million for deferred maintenance needs. Johnson County Community College did not participate in the study. The cost does not include dormitories or portion of buildings used for student unions. At this time, the Association is working to remove athletic buildings from the study.

Ms. Frahm reported the buildings on the various campuses are locally owned. All maintenance has been funded through current funding sources. No specific State dollars are designated for deferred maintenance. Responding to a question from the Committee, Ms. Frahm reported that there are a total of 243 buildings located on the community colleges.

The Chair recognized Clark Coco, President, North Central Kansas Technical College, who testified on funding issues for the technical colleges and schools (Attachment 3). Mr. Coco reported that there are 5 technical colleges and 2 technical schools within the State. The technical colleges and schools have no taxing authority; buildings are owned by the individual college or school; funding is received by an allocation through the Board of Regents and tuition fees; some funding is received through grants; and capitol outlay funding is received through a mill levy as authorized by the Statute. All maintenance, upgrades or items of deferred maintenance are funded through general fund dollars. Mr. Coco noted that the technical colleges and schools receive no local tax dollars from a local mill levy.

Chair Schwartz recognized David Monical, Executive Director of Governmental and University Relations, Washburn University, who presented information on the University's deferred maintenance needs (Attachment 4). The study performed by ISES Corporation indicates a need of approximately \$20 million for deferred maintenance issues at Washburn University.

The meeting was adjourned at 10:35 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 9, 2007.


Sharon Schwartz, Chair

House Appropriations Committee
February 8, 2007
9:00 A.M.

NAME	REPRESENTING
Sheila F. Ahm	KACC T
Ed Berger	Hutchinson CC
Mary Ann Hankiewicz	KGFA
Vicki Lynn Helsel	Budget
MARILYN D. MATTE	WATC
Tom Burke	KCKCC
Ken Secher	Hear Law Firm
Joan Dougherty	BSU
Mike Reecht	JCCC

FY 2007 and FY 2008
Agriculture and Natural Resources
~~HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE~~

Kansas State Fair
Kansas Animal Health Department


Representative Larry Powell, Chair

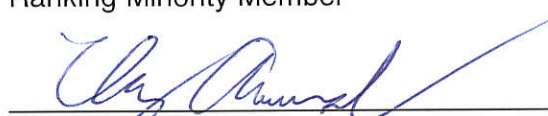

Representative Vaughn Flora


Representative John Grange, Vice-Chair


Representative Carl Holmes


Representative Doug Gatewood
Ranking Minority Member


Representative Sharon Schwartz


Representative Clay Aurand


Representative Jason Watkins


Representative Sydney Carlin

HOUSE APPROPRIATIONS

DATE 2-08-2007
ATTACHMENT 1

House Budget Committee Report

Agency: Kansas State Fair

Bill No. HB --

Bill Sec. --

Analyst: Krahl

Analysis Pg. No. Vol. 1-63

Budget Page No. 165

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 467,251	\$ 467,251	\$ 0
Other Funds	5,126,410	5,126,410	(95,384)
Subtotal - Operating	<u>\$ 5,593,661</u>	<u>\$ 5,593,661</u>	<u>\$ (95,384)</u>
Capital Improvements:			
State General Fund	\$ 3,555,727	\$ 3,555,727	\$ 0
Other Funds	7,713	7,713	0
Subtotal - Capital Improvements	<u>\$ 3,563,440</u>	<u>\$ 3,563,440</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 9,157,101</u>	 <u>\$ 9,157,101</u>	 <u>\$ (95,384)</u>
 FTE Positions	 23.0	 23.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>23.0</u>	<u>23.0</u>	<u>0.0</u>

Agency Estimate

The Kansas State Fair estimates FY 2007 operating expenditures of \$5,593,661, an increase of \$367,340, or 7.0 percent, above the approved amount and includes funding for 23.0 positions. The estimate includes State General Fund expenditures of \$467,251, the same as the approved amount. The revised 2007 estimate includes a supplemental request of \$95,384 from the Economic Development Initiatives Fund (EDIF) for increased utility costs and increased State Fair Fee Fund expenditures of \$271,956. The revised estimate include: \$1,521,478 for salaries and wages to fund 23.0 positions; \$2,599,146 for contractual services; \$230,786 for commodities; \$75,000 for capital outlay and \$1,167,251 for debt service interest. The State Fair also requests a 2007 capital improvements supplemental request of \$100,000 from the State General Fund for building maintenance and repair. The capital improvements estimate also includes \$2,375,727 from the State General Fund, for the construction of a new sheep and swine barn. Attendance at the 2006 Kansas State Fair was 343,225, an increase of 18,520, or 5.7 percent, above the 2005 State Fair.

Governor's Recommendation

The Governor concurs with the agency's revised estimate.

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House Budget Committee Recommendation

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

1. Delete \$95,384 from the Economic Development Initiative Fund for the supplemental request for increased utility costs and review at Omnibus.

House Budget Committee Report

Agency: Kansas State Fair

Bill No. HB --

Bill Sec. --

Analyst: Krahl

Analysis Pg. No. Vol. 1-63

Budget Page No. 165

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 428,884	\$ 428,884	\$ 0
Other Funds	5,198,233	5,114,200	(81,284)
Subtotal - Operating	<u>\$ 5,627,117</u>	<u>\$ 5,543,084</u>	<u>\$ (81,284)</u>
Capital Improvements:			
State General Fund	\$ 1,120,000	\$ 1,120,000	\$ 0
Other Funds	689,057	196,556	(111,525)
Subtotal - Capital Improvements	<u>\$ 1,809,057</u>	<u>\$ 1,316,556</u>	<u>\$ (111,525)</u>
TOTAL	<u><u>\$ 7,436,174</u></u>	<u><u>\$ 6,859,640</u></u>	<u><u>\$ (192,809)</u></u>
FTE Positions	23.0	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>23.0</u></u>	<u><u>23.0</u></u>	<u><u>0.0</u></u>

Agency Request

The Kansas State Fair requests 2008 operating expenditures of \$5,627,117, an increase of \$33,455, or 0.6 percent, above the 2007 revised estimate and includes funding for 23.0 FTE positions. The 2008 request includes State General Fund expenditures of \$428,884, a decrease of \$38,367, or 8.2 percent, below the FY 2007 estimate. The request include operating enhancements of \$260,153, all from the Economic Development Initiatives Fund (EDIF) for increased marketing and promotion, an economic impact study, enhanced exhibit premiums and increased utility costs in FY 2008. Without the enhancement requests, the 2008 operating request is \$5,366,964, a decrease of \$226,697, or 4.1 percent, below the FY 2007 revised estimate. The 2008 request includes a capital improvements enhancement of \$579,190 from the Economic Development Initiatives Fund for alternative energy sources. The request include: \$1,543,464 for salaries and wages to fund 23.0 positions; \$2,648,678 for contractual services; \$231,091 for commodities; \$75,000 for capital outlay; and \$1,128,884 for debt service interest.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$5,543,084, a decrease of \$50,577, or 0.9 percent, below the FY 2007 recommendation and a decrease of \$84,033, or 1.5 percent, below the State Fair's request. The recommendation includes State General Fund expenditures of \$428,884, a decrease of \$38,367, or 8.2 percent, below the FY 2007

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recommendation and is the same as the State Fair's request. The recommendation includes \$110,000 from the Economic Development Initiatives Fund for marketing and promotion, an economic impact study and enhanced exhibit premiums. The recommendation also includes a capital improvements enhancement of \$111,525 from the Economic Development Initiatives Fund for alternative energy sources. The Governor's FY 2008 recommendation includes the addition of \$41,284, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. The recommendation include: \$1,584,748 for salaries and wages to fund 23.0 positions; \$2,498,525 for contractual services; \$231,091 for commodities; \$75,000 for capital outlay; and \$1,153,720 for debt service interest.

House Budget Committee Recommendation

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

1. Delete \$41,284 from special revenue funds, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.

2. Delete \$40,000 from the Economics Development Initiatives Fund for an economic impact and demographic study of the State Fair and non-fair activities and review at Omnibus.

3. Delete \$111,525 from the Economics Development Initiatives Fund for alternative energy enhancements to the Fairgrounds. This includes the two 50-kilowatt wind turbines; a solar thermal heat system; and electrical sub-metering equipment.

4. The Budget Committee requests that the State Fair consider alternative options for displaying exhibits, especially the quilt display. The Budget Committee recommends the State Fair look at how other state fairs display quilts and determine the best fashion in which all quilts can be exhibited with care and opportunity for better presentation.

5. The Budget Committee wishes to commend the Kansas State Fair for positively managing the continuous growth of the fair exhibits, attractions and fair attendance and complements the State Fair on the continuing improvements appreciated and enjoyed by all who attend the State Fair and non-fair events.

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House Budget Committee Report

Agency: Kansas Animal Health Department **Bill No.** HB --

Bill Sec. --

Analyst: Krahl

Analysis Pg. No. Vol. 1-25

Budget Page No. 59

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 874,929	\$ 814,072	\$ 0
Other Funds	1,935,065	1,935,065	0
Subtotal - Operating	<u>\$ 2,809,994</u>	<u>\$ 2,749,137</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 2,809,994</u></u>	<u><u>\$ 2,749,137</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	33.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u><u>34.0</u></u>	<u><u>34.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The Animal Health Department estimates FY 2007 operating expenditures of \$2,809,994, a decrease of \$10,417, or 0.4 percent, below the approved amount. The estimate includes State General Fund expenditures of \$874,929, an increase of \$62,109, or 7.6 percent, above the approved amount. The revised estimate include supplemental requests totaling \$60,857 from the State General Fund to replace two vehicles and salaries and wages overtime for staff. The all other fund expenditures of \$1,935,065 are a decrease of \$72,526, or 3.6 percent, and are due to a decrease in federal funds. The FY 2007 estimate include: \$1,797,329 for salaries and wages to fund 34.0 positions; \$668,669 for contractual services; \$66,830 for commodities; \$44,353 for capital outlay; and \$232,813 for aid to local units.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$2,749,137, a decrease of \$71,274, or 2.5 percent, below the approved amount. The Governor does not recommend the supplemental requests. The recommendation include State General Fund expenditures of \$814,072, an increase of \$1,252, or 0.2 percent, above the approved amount. The all other funds expenditures of \$1,935,065, are a decrease of \$71,274, or 3.6 percent, below the approved amount. The recommendation include: \$1,767,472 for salaries and wages to fund 34.0 positions; \$668,669 for

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contractual services; \$66,830 for commodities; \$13,353 for capital outlay; and \$232,813 for aid to local units.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: Kansas Animal Health Department **Bill No.** HB --

Bill Sec. --

Analyst: Krahl

Analysis Pg. No. Vol. 1-25

Budget Page No. 59

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,014,560	\$ 830,157	\$ 0
Other Funds	1,784,922	1,850,723	(65,801)
Subtotal - Operating	\$ 2,799,482	\$ 2,680,880	\$ (65,801)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 2,799,482	\$ 2,680,880	\$ (65,801)
FTE Positions	35.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	36.0	34.0	0.0

Agency Request

The Animal Health Department requests FY 2008 operating expenditures of \$2,799,482, a decrease of \$10,512, or 0.4 percent, below the FY 2007 estimate. The request includes State General Fund expenditures of \$1,014,560, an increase of \$139,631, or 16.0 percent, above the FY 2007 estimate. The FY 2008 request includes enhancement requests totaling \$214,403 from the State General Fund. The enhancements include: \$27,757 for salaries and wages overtime; \$44,778 for office furniture and equipment; \$10,000 for shelter and pound fees; \$10,000 for boarding and veterinary bills; and \$121,868 for two additional Agriculture Inspector II positions. Without the enhancement package, the FY 2008 request is \$2,585,079, a decrease of \$224,915, or 8.0 percent, below the FY 2007 revised estimate. The request include: \$1,950,408 for salaries and wages to fund 36.0 positions; \$706,362 for contractual services; \$68,126 for commodities; and \$74,586 for capital outlay.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$2,680,880, a decrease of \$68,257, or 2.5 percent, below the FY 2007 recommendation and a decrease of \$118,602, or 4.2 percent, below the agency's request. The recommendation includes State General Fund expenditures of \$830,157, an increase of \$16,085, or 2.0 percent, above the FY 2007 recommendation and includes enhancement requests of: \$20,000 for office equipment; \$5,000 for

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shelter and pound fees; and \$5,000 for boarding and veterinary bills. The recommendation also includes \$65,801, for the Governor's recommended pay plan adjustment. The recommendation include: \$1,900,934 for salaries and wages to fund 34.0 positions; \$691,820 for contractual services; \$68,126 for commodities; and \$20,000 for capital outlay.

House Budget Committee Recommendation

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

1. Delete \$65,801 from special revenue funds for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees , a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.

2. The Budget Committee notes that the Department is not adequately staffed to sufficiently complete kennel inspections. The agency requested \$121,868 from the State General Fund for two additional Agriculture Inspector II positions and equipment. This request includes salaries and wages plus benefits for \$43,759 each; two trucks at \$14,500 each; two laptops, printers and software at \$4,900; two cameras for \$300; and two cell phones and internet connections for \$150. These positions would enable the agency to meet the goals and objectives set out in the Animal Facilities Inspection Program and during the last fiscal year, completed inspections increased by 219 inspections. Currently the Department is behind by 336 routine and re-inspections. In addition, the Department received 325 complaints during the last fiscal year.

3. The Budget Committee wishes to review at Omnibus the need for feral swine management. Additional funding of \$94,127 would add one employee position to increase the ability to work with landowners to control and operationally remove the feral swine. The employee would be based in Southeast Kansas which has the highest feral swine population in the State. The funding would also increase aerial hunting which is the fastest way to remove large numbers of feral swine.

4. The Budget Committee recommends the continued inclusion of the following proviso:

Provided, that expenditures shall be made by the Kansas animal health department for the operating expenditures account of the state general fund to establish a feral swine monitoring and reporting system, which shall include collection of reports by a toll-free telephone number, postcard or electronic communication through the internet to the Kansas animal health department, and the Kansas animal health department shall maintain a database of information collected through such feral swine monitoring and reporting system, which shall also be made available to the Kansas pork industry to accomplish the goal of eradicating feral swine; *Provided further*; that the Kansas animal health department shall compile quarterly reports of the information collected through such feral swine monitoring and reporting system and shall make such information available to the public and the Kansas pork industry; and *provided further* that the Kansas animal health department shall incorporate methods intended to control and eradicate feral swine, including, but not limited to, aerial hunting, trapping, snaring and the establishment of a bounty program.



KANSAS ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES

700 SW Jackson, Suite 1000 • Topeka, KS 66603-3757 • Phone: 785-357-5156 • Fax: 785-357-5157
Sheila Frahm, Executive Director • E-mail: frahm@kacct.org • Website: www.kacct.org

MEMO

TO: House Appropriations Committee
Representative Sharon Schwartz, Chairman

From: Sheila Frahm, Executive Director

Date: January 25, 2007

RE: *Community College Deferred Maintenance Report*

Madam Chairman and members of the Appropriations Committee,

Please find attached a copy of the Power Point presentation which provides background information regarding the community college deferred maintenance needs.

HOUSE APPROPRIATIONS

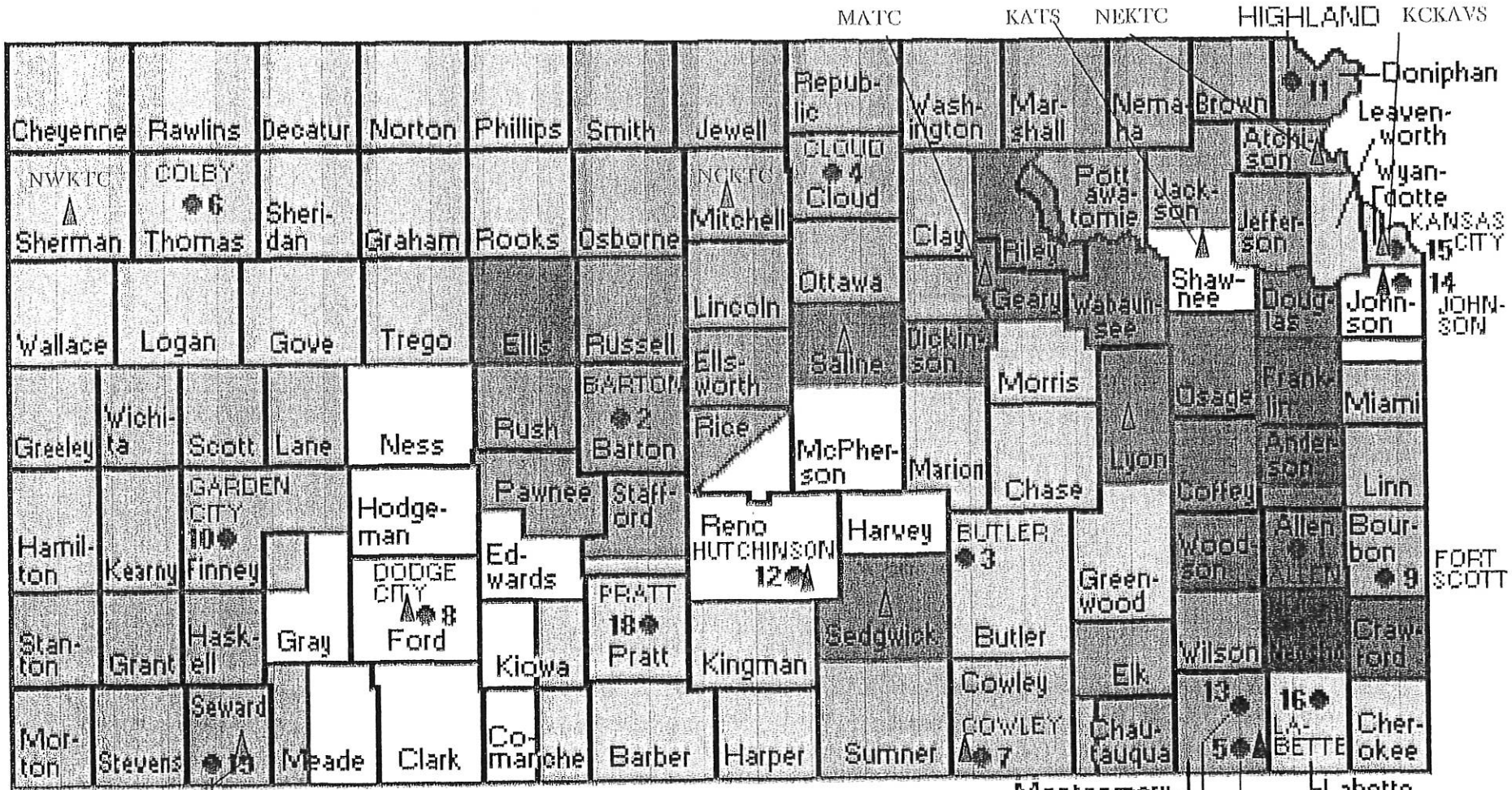
DATE 2-08-2007
ATTACHMENT 2

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Deferred Maintenance Kansas Community Colleges

Fall 2006

ISES CORPORATON



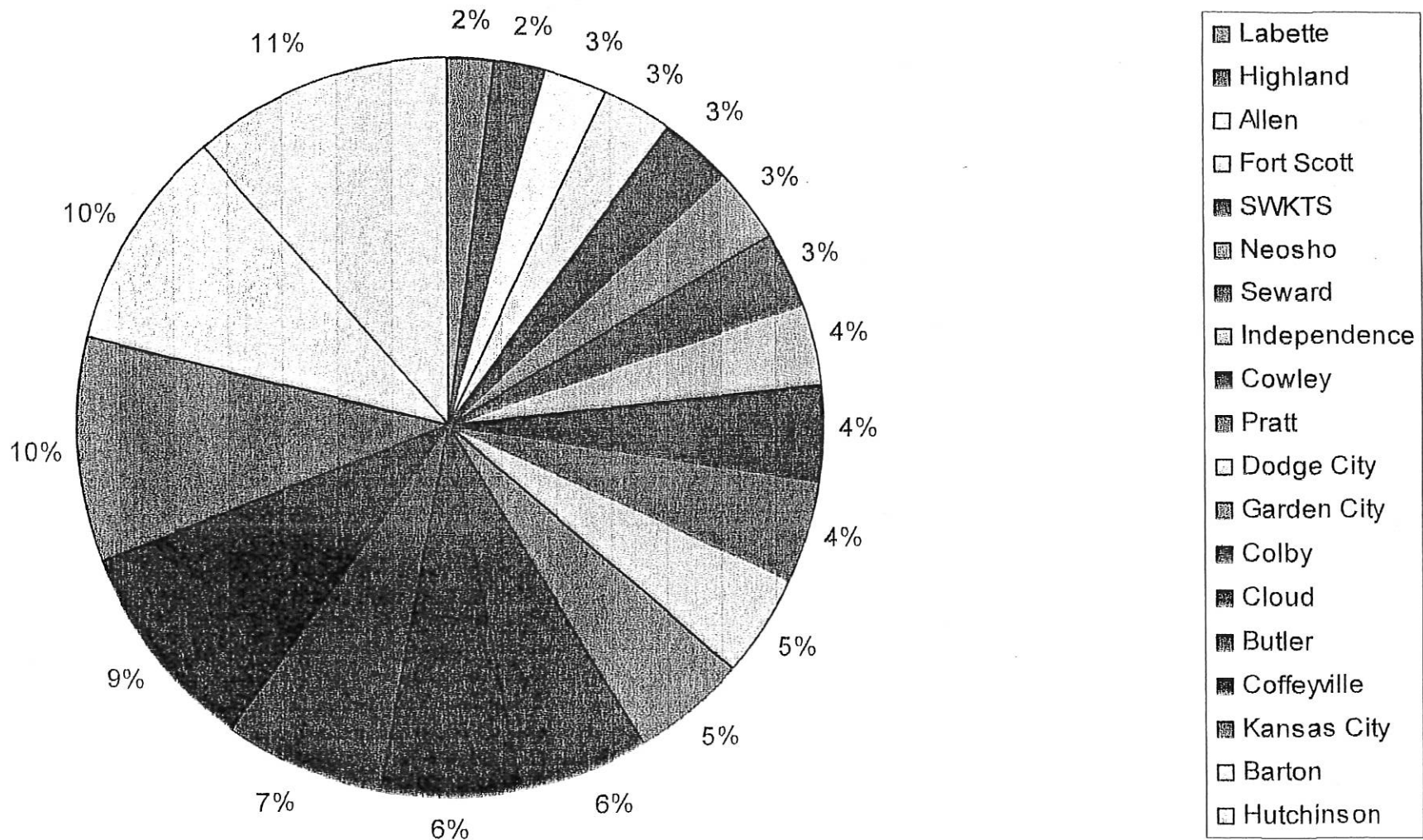
- Service Area for Allen County
- Service Area for Neosho County
- Regents

- Merged Institution
- Area Vocational School or Technical College

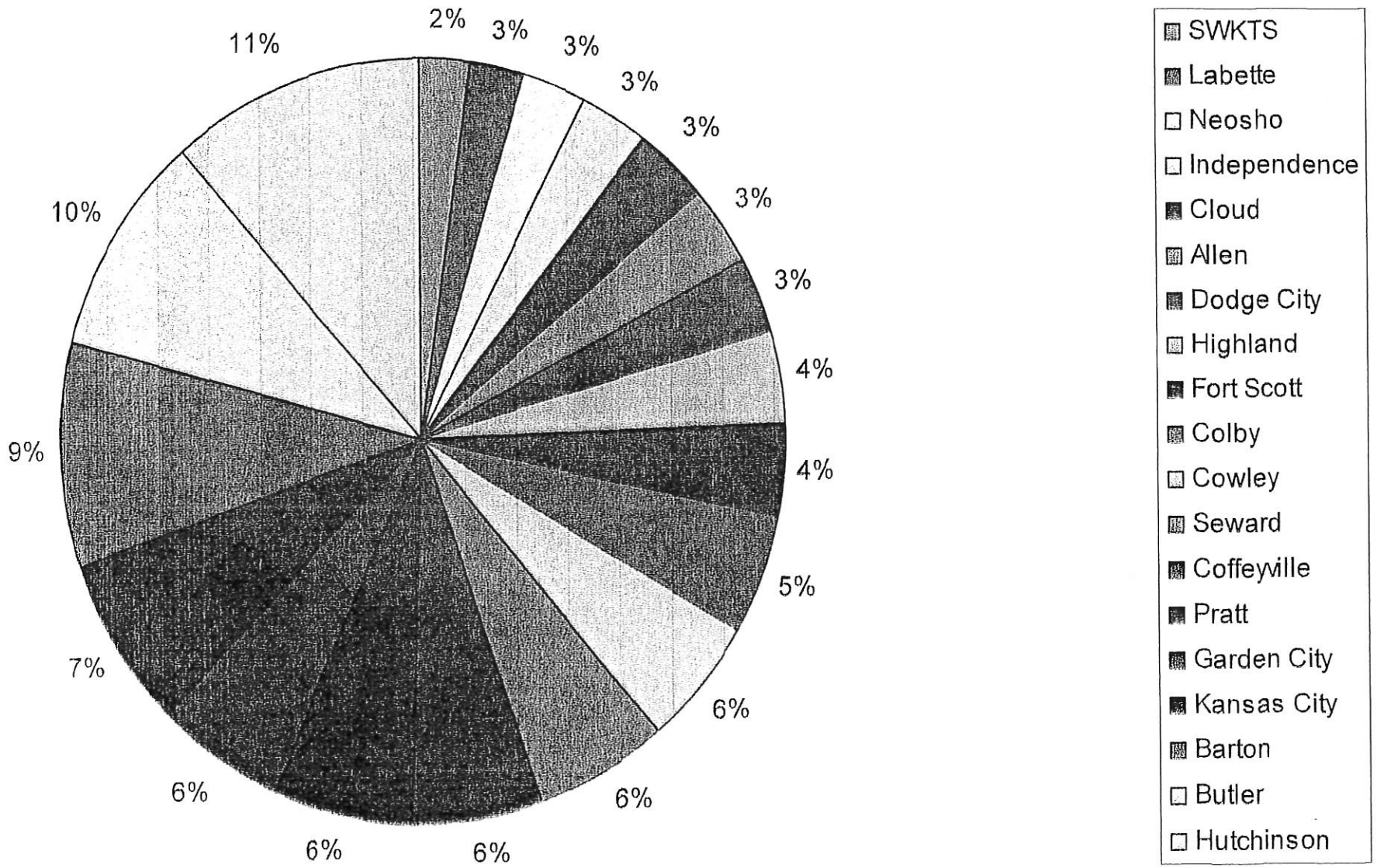
Montgomery INDEPENDENCE
 Labette COFFEYVILLE

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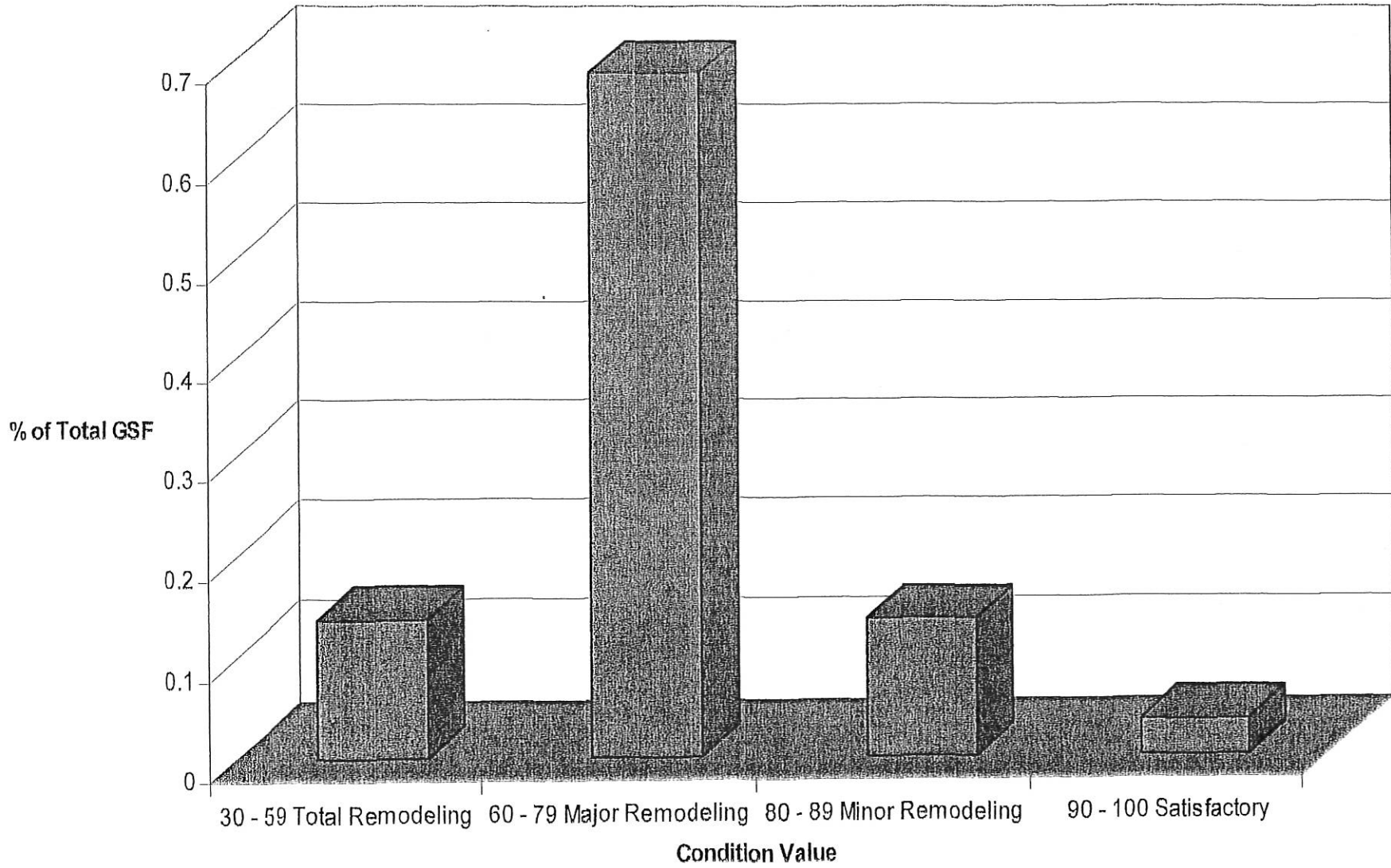
E & G Renewal Cost By Campus



E & G Replacement Cost by Campus

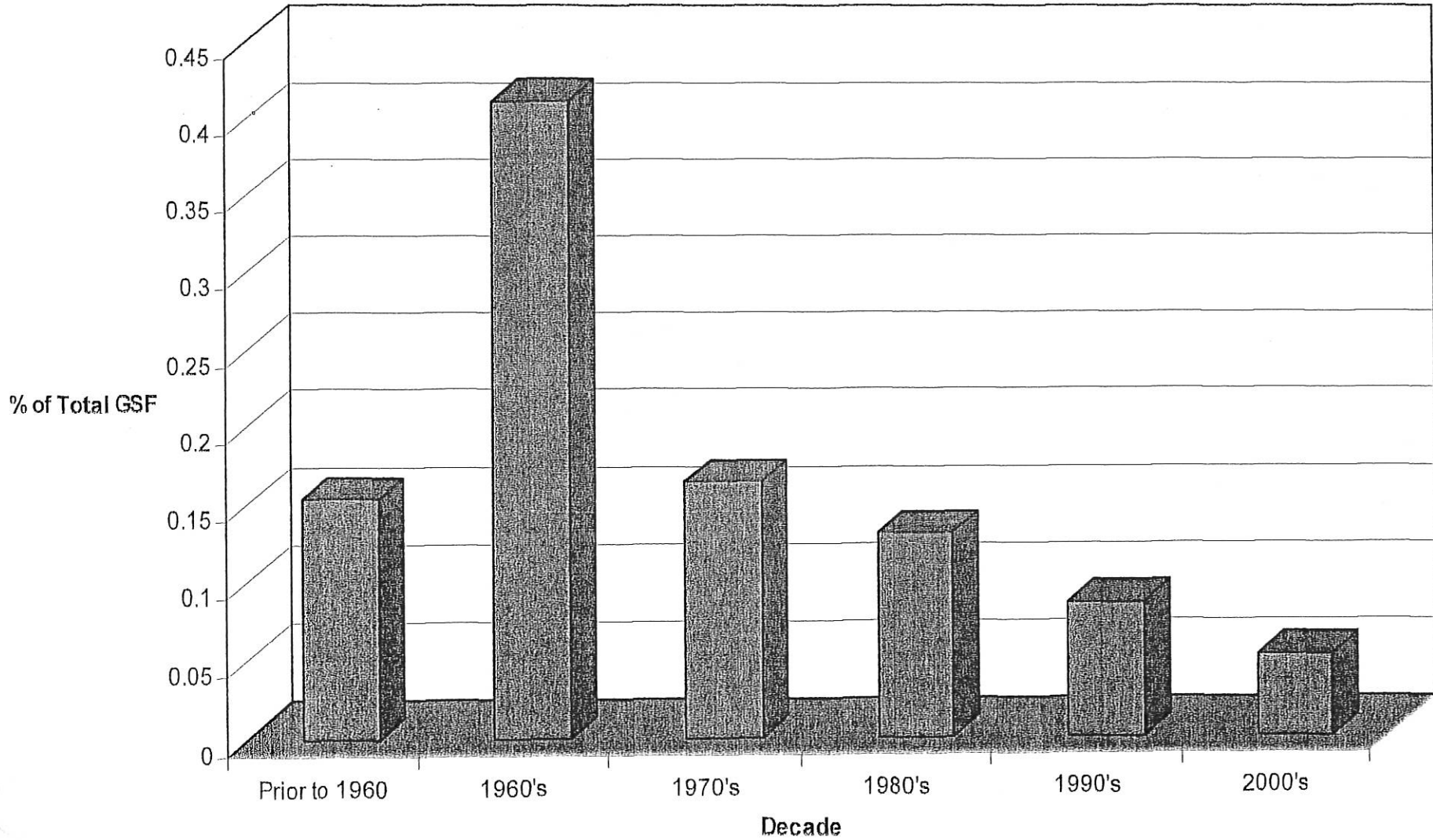


Condition Distribution All Campuses E & G



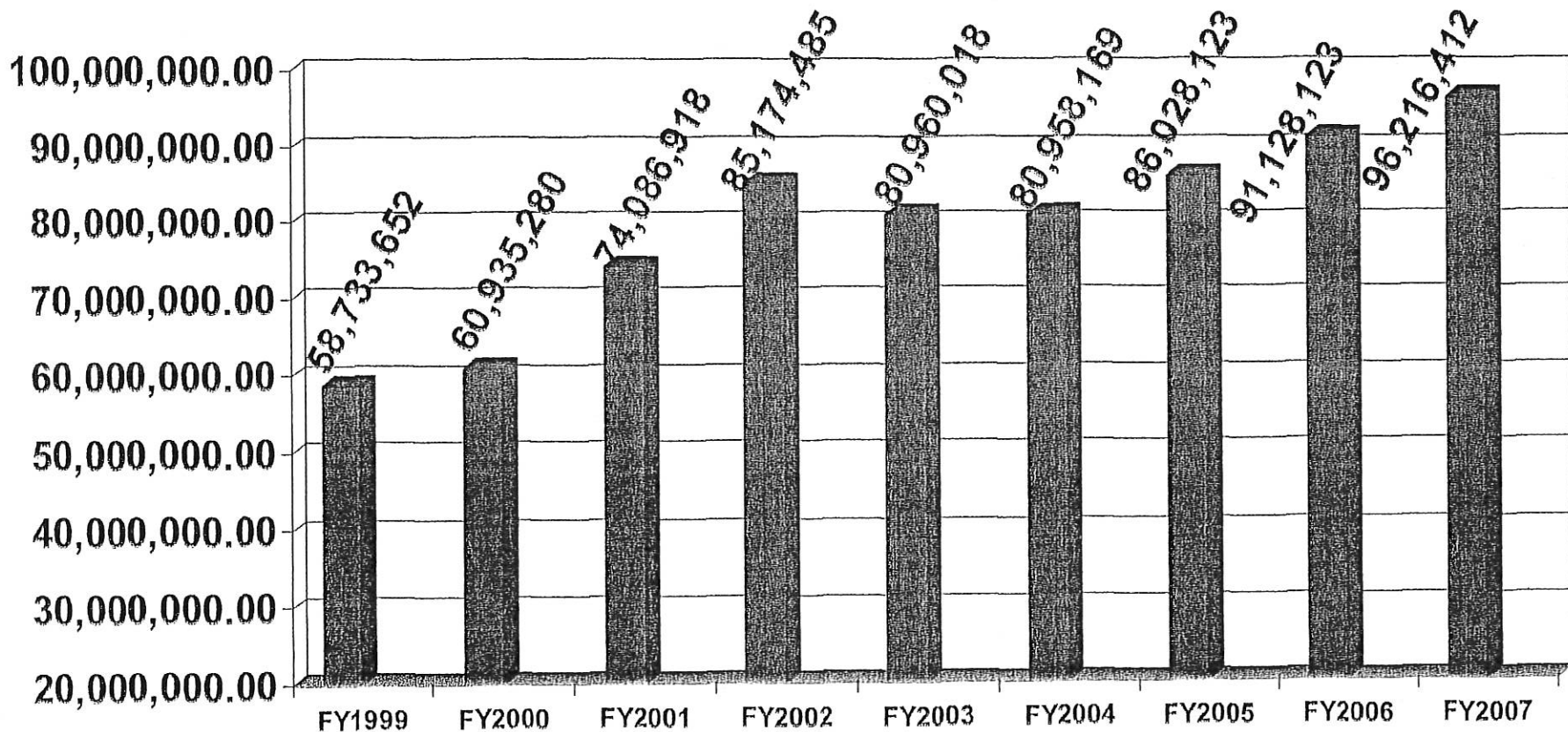
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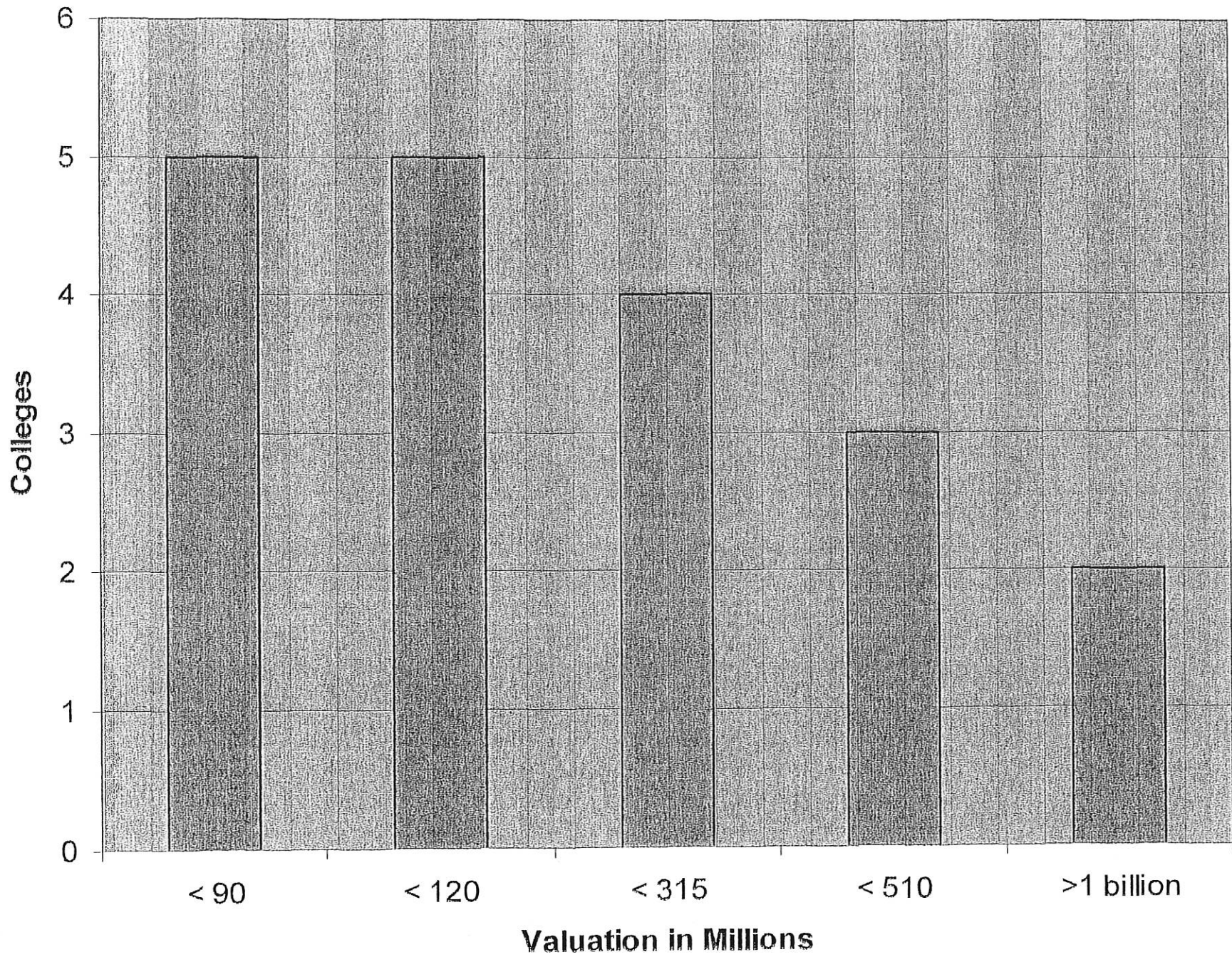
Age Distribution All Campuses E & G



State Grant- All Community Colleges

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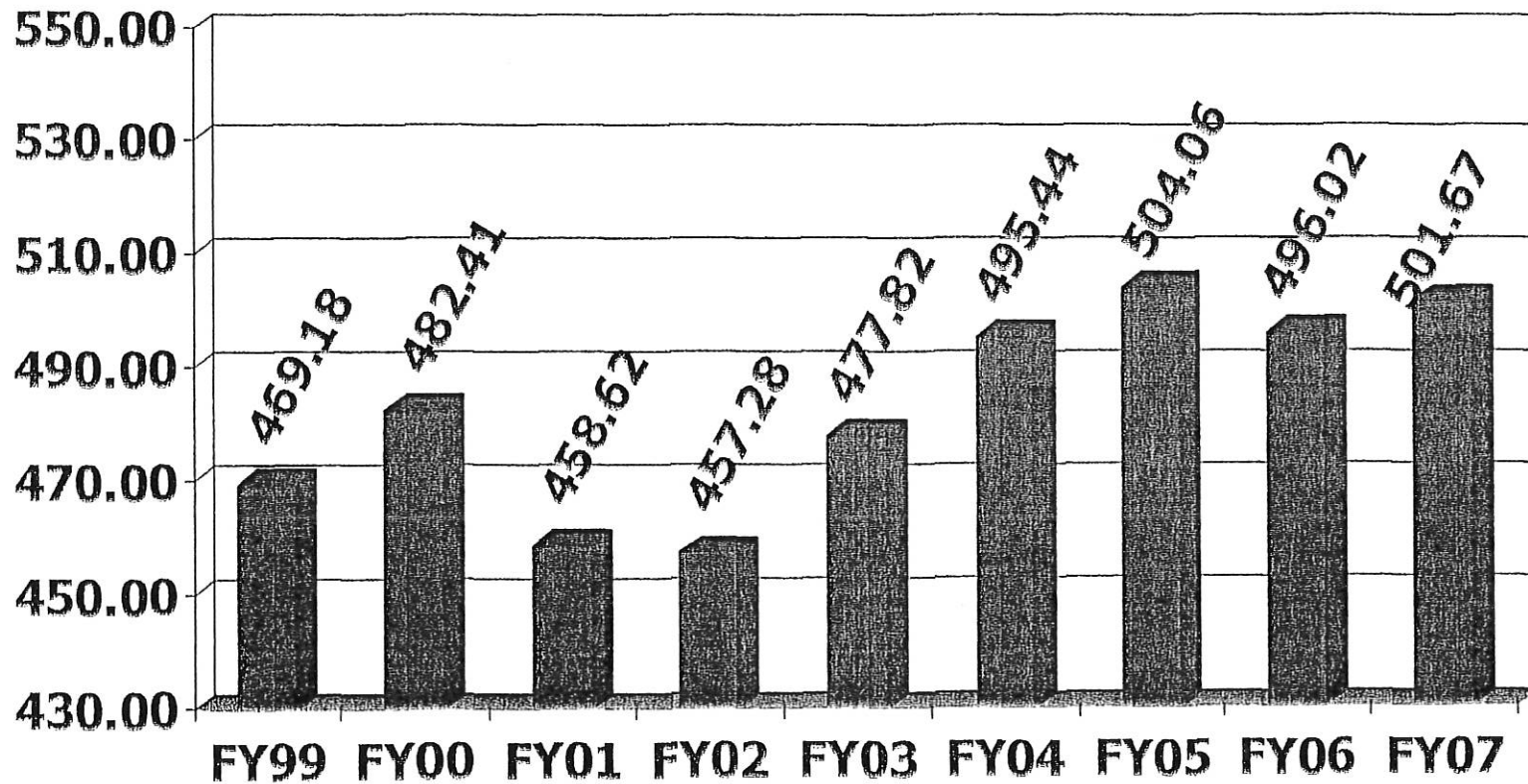




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Kansas Community College Mill Levies



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KANSAS ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES

2006 Local Mill Levy

Final Valuation/Mill Levy's	Certified							
Kansas Community Colleges								
	2006/2007	2006/2007	Adult	Bond &	Capital	No Funds	Special	
	Assessed	General Mill	Education	Interest	Outlay	Warrants	Assessme	
COLLEGES	Valuation	Levy					nt	
Allen County	84,632,201	13.352			3.334			16.686
Barton County	206,376,190	30.537						30.537
Butler County	471,677,198	17.363						17.363
Cloud County	70,510,266	27.721			3.995			31.716
Coffeyville	109,588,433	36.798			1.942			38.740
Colby	80,743,172	33.400						33.400
Cowley County	210,324,808	18.595						18.595
Dodge City	223,347,352	28.072	0.249		2.00			30.321
Fort Scott	88,754,941	22.342						22.342
Garden City	507,337,233	18.217			0.999			19.216
Highland	66,816,640	14.620						14.620
Hutchinson	477,812,976	21.704			1.993			23.697
Independence	112,315,524	35.651						35.651
Johnson County	7,728,958,492	8.353			0.5		0.019	8.872
Kansas City Kansas	1,169,496,962	18.218			2.026			20.244
Labette	119,132,871	35.093	0.261					35.354
Neosho County	101,614,552	32.233	0.082					32.315
Pratt	110,690,684	39.037			1.951			40.988
Seward County	312,241,381	26.011						26.011
TOTALS	12,252,371,876.00	477.32	0.59	0.00	18.74	0.00	0.02	496.67

North Central Kansas Technical College
Beloit, Kansas
Narrative of Benefits – Expansion of Practical Nursing Program

The North Central Kansas Technical College offers three programs for students who qualify and wish to achieve vocational licenses to work in the nursing field. Practical Nursing programs are offered to thirty students at both the Beloit and Hays campuses, and the Registered Nurse program is offered to twenty students at the Hays campus. The NCKTC administration made a strategic decision in the spring of 2006 to expand the classes offered at the Beloit campus for Practical Nursing from one to two per year, increasing the number of student graduates from 30 to 60 each twelve months. This decision was predicated on the reported shortage of nurses in the State of Kansas, as well as nationally, and the large number of applications (86) submitted to the college in consideration for acceptance into one of the thirty available slots for the fall class. This endeavor is currently in place with 30 students beginning the program on January 3, 2007 and successful students will graduate in September of 2007.

With thought and planning, the Nursing/Business Building was realigned to accommodate the infusion of two classes of nursing students participating in classroom instruction at the same time. The college then began the recruitment and hiring of additional nursing instructors to provide for the classroom and clinical training of two concurrent programs. This increased the number of instructional FTE's in the department from 2.8 to 5.45, and was accomplished by virtue of hiring part-time instructor's verses full-time staff. Projected additional costs for new instructors are \$100,598.

Some remodeling was performed by NCKTC maintenance personnel and contracted craftsmen to provide better space utilization, and also provide a mild "facelift" to the existing building. These improvements were scheduled to be performed in the next several years without regard to the expansion of the nursing program. Approximately \$5,700 was expended to purchase tables, chairs, and multimedia equipment for the new classroom and lab areas, which is a one-time purchase and cost factor in the first year of the expanded enrollment only. New and larger lockers were purchased for the entire student nursing population, and the cost of this initiative was incorporated into the annual state-funded capital outlay process for all educational departments.

Given all the factors associated with the expansion of the Practical Nursing program it is projected that the investment of \$113,707 in increased operating costs will net an increase in revenue from tuition and state aid in the amount of \$219,701. This relationship produces a rate of return of \$1.93 in revenue for each dollar expended for the college, and as importantly, introduces a significant number of additional practical nurses into the workforce or as candidates for higher degreed programs (RN, BSN, MSN). The North Central Kansas Technical College staff and Board of Trustees believe that these are significant positive outcomes for student nurses, NCKTC and the healthcare facilities in Kansas and nationally.

HOUSE APPROPRIATIONS

DATE 2-08-2007
ATTACHMENT 3

NORTH CENTRAL KANSAS TECHNICAL COLLEGE

1/31/07

Analysis of Nursing Expansion to Two 30 Student Sessions per Year
FY2006-2007

Assumptions:

- (1) Current LPN program consists of 912 clock hours of classroom/clinical instruction per year.
- (2) Post Secondary Aid rate of payment \$5.78 per clock hour based on most recent funding formula.
- (3) Additional start-up costs for medical equipment or space is estimated.
- (4) Tuition rate for the LPN program for 2006-2007 is \$2,052.
- (5) Cost estimates do not include Nursing Director's salary - this is fixed regardless of student count.

<u>Estimated Revenue:</u>	<u>Calculation:</u>	<u>30 Students</u>	<u>60 Students</u>
P.S. Aid =	30 X 912 X \$5.78 60 X 912 X \$5.78	158,141	316,282
Tuition =	30 X \$2,052 60 X \$2,052	61,560	123,120
Total Revenue		219,701	439,402

Projected Expenses:

2007 Expenditures	118,002	118,002
Additional expenses @ 60 students:		
Deb McDonald - \$20.75/hr @ 63% year contract		27,481
Mary and Gayle from 9 to 12 months		11,128
4 part-time instructors (from 2 to 6)		63,328
Medical supplies	-	6,000
Classroom furniture/instructional equip. (one-time)	-	5,770
Total Expenses	118,002	231,709
Margin from Revenue and Expenses	101,699	207,693

North Central Kansas Technical College
Beloit, Kansas
Narrative of Benefits – Expansion of Practical Nursing Program

The North Central Kansas Technical College offers three programs for students who qualify and wish to achieve vocational licenses to work in the nursing field. Practical Nursing programs are offered to thirty students at both the Beloit and Hays campuses, and the Registered Nurse program is offered to twenty students at the Hays campus. The NCKTC administration made a strategic decision in the spring of 2006 to expand the classes offered at the Beloit campus for Practical Nursing from one to two per year, increasing the number of student graduates from 30 to 60 each twelve months. This decision was predicated on the reported shortage of nurses in the State of Kansas, as well as nationally, and the large number of applications (86) submitted to the college in consideration for acceptance into one of the thirty available slots for the fall class. This endeavor is currently in place with 30 students beginning the program on January 3, 2007 and successful students will graduate in September of 2007.

With thought and planning, the Nursing/Business Building was realigned to accommodate the infusion of two classes of nursing students participating in classroom instruction at the same time. The college then began the recruitment and hiring of additional nursing instructors to provide for the classroom and clinical training of two concurrent programs. This increased the number of instructional FTE's in the department from 2.8 to 5.45, and was accomplished by virtue of hiring part-time instructor's verses full-time staff. Projected additional costs for new instructors are \$100,598.

Some remodeling was performed by NCKTC maintenance personnel and contracted craftsmen to provide better space utilization, and also provide a mild "facelift" to the existing building. These improvements were scheduled to be performed in the next several years without regard to the expansion of the nursing program. Approximately \$5,700 was expended to purchase tables, chairs, and multimedia equipment for the new classroom and lab areas, which is a one-time purchase and cost factor in the first year of the expanded enrollment only. New and larger lockers were purchased for the entire student nursing population, and the cost of this initiative was incorporated into the annual state-funded capital outlay process for all educational departments.

Given all the factors associated with the expansion of the Practical Nursing program it is projected that the investment of \$113,707 in increased operating costs will net an increase in revenue from tuition and state aid in the amount of \$219,701. This relationship produces a rate of return of \$1.93 in revenue for each dollar expended for the college, and as importantly, introduces a significant number of additional practical nurses into the workforce or as candidates for higher degreed programs (RN, BSN, MSN). The North Central Kansas Technical College staff and Board of Trustees believe that these are significant positive outcomes for student nurses, NCKTC and the healthcare facilities in Kansas and nationally.

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KANSAS TECHNICAL COLLEGES/SCHOOLS FACILITY MAINTENANCE & IMPROVEMENT NEEDS

<u>INSTITUTION</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009-FY2012</u>	<u>ESTIMATED TOTAL</u>
FLINT HILLS TECHNICAL COLLEGE	\$222,000			\$222,000
KAW AREA TECHNICAL SCHOOL				\$3,675,000
MANHATTAN TECHNICAL COLLEGE	\$595,000			\$595,000
NORTH CENTRAL KANSAS TECHNICAL COLLEGE	\$201,648	\$572,150	\$965,350	\$1,739,148
NORTHWEST KANSAS TECHNICAL COLLEGE	\$1,007,560			\$1,007,560
SALINA AREA TECHNICAL SCHOOL				\$8,696,000
SOUTHWEST TECHNICAL COLLEGE				\$4,045,951
			TOTAL:	\$19,980,659

3-5

FLINT HILLS TECHNICAL COLLEGE

PARKING LOTS (REAR OF MAIN BUILDING)	\$100,000 (Approximate)	
ROOF ON MAIN BUILDING (REPAIR)	50,000	
SIDE WALK REPAIR	20,000	
STORAGE BUILDING FOR CAR FLEET/MAIN. TRUCKS	40,000	
GROUNDS WORK	12,000	
		\$222,000

SUB-TOTAL TOTAL

KAW AREA TECHNICAL SCHOOL

ROOF REPAIRS	\$475,000	
UTILITY REPAIRS/UPGRADES	3,200,000	
*Additional capital improvement needs of parking lot resurfacing and general maintenance are not reflected in these totals.		\$3,675,000

MANHATTAN TECHNICAL COLLEGE

HVAC	\$130,000	
FLOORS	125,000	
WINDOWS	200,000	
PARKING LOT REPAIRS	140,000	
		\$595,000

NORTH CENTRAL KANSAS TECHNICAL COLLEGE

NEW CONSTRUCTION & MAJOR REMODELING	\$1,278,525	
REPAIR & MAINTENANCE, CAMPUS	369,173	
REPAIR & MAINTENANCE, DORMS & STUDENT UNION	91,450	
		\$1,739,148

NORTHWEST KANSAS TECHNICAL COLLEGE

PARKING LOT REPAIR	\$465,585	
ROOF REPLACEMENT	192,375	
HVAC SYSTEMS	348,000	
HOT WATER UNITS	1,600	
		\$1,007,560

3-6

SALINA AREA TECHNICAL SCHOOL

PARKING LOT/ENTRY, EXTERIOR SKIN, WINDOWS, LOBBY FINISHES, ELEVATOR, RESTROOMS (4)	\$975,000	
REMODEL CLASSROOMS, OFFICES ETC.	2,432,000	
COPY CENTER EXTERIOR, WINDOWS, ROOF EXTERIOR WINDOWS, ROOF, INTERIOR REMODEL	632,000	

Additional Needs:

REMODEL ADMINISTRATION, CLASSROOM BUILDING	4,082,000	
REPAIR PARKING LOT (EAST)	300,000	
NEW PARKING LOT FOR HEALTH OCCUPATIONS	275,000	\$8,696,000

OR

PARKING LOT/ENTRY, EXTERIOR SKIN, WINDOWS, LOBBY FINISHES, ELEVATOR, RESTROOMS (4)	\$975,000	
REMODEL CLASSROOMS, OFFICES ETC.	2,432,000	
COPY CENTER EXTERIOR, WINDOWS, ROOF EXTERIOR WINDOWS, ROOF, INTERIOR REMODEL	632,000	
NEW CONSTRUCTION TO REPLACE CURRENT FACILITY- BUILDING "A"	6,000,000	
REPAIR PARKING LOT (EAST)	300,000	
NEW PARKING LOT FOR HEALTH OCCUPATIONS	275,000	\$10,614,000

SOUTHWEST KANSAS TECHNICAL COLLEGE

(As submitted by ISES Corp.)

(ACCESSIBILITY, ELECTRICAL, EXTERIOR STRUCTURE,
FIRE/LIFE SAFETY, HEALTH, HVACR, INTERIOR FINISHES/
SYSTEMS, PLUMBING, SITE):

DEFERRED MAINTENANCE	237,460	
CURRENTLY CRITICAL (IMMEDIATE)	132,820	
POTENTIALLY CRITICAL (YEAR ONE)	824,257	
NECESSARY (YEAR 2-5)	2,851,414	\$4,045,951

(According to ISES Corp., SWKTC facility replacement
cost - \$18,237,588)

Total	\$19,980,659
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**State General Fund Expenditures for Higher Education
FY 1997 - FY 2006 Approved**

Fiscal Year	State Universities	Community Colleges	Washburn University	Vocational Education	Financial Assistance	Adult Basic Education	Board Ops & Other	Total
FY1997	\$ 453,162,667	\$ 53,548,877	\$ 7,168,150	\$ 17,439,555	\$ 13,752,901	\$ 814,739	\$ 1,859,863	\$ 547,746,752
FY1998	477,629,352	55,692,817	7,454,876	18,405,779	15,200,993	904,135	2,508,034	577,795,986
FY1999	505,838,775	58,688,909	7,902,169	18,865,924	16,891,967	987,920	1,957,109	611,132,773
FY2000	524,135,731	60,937,104	8,187,783	20,007,958	19,263,034	1,099,897	2,493,874	636,125,381
FY2001	547,308,029	74,086,918	9,270,411	19,507,958	16,766,434	1,099,261	3,363,260	671,402,271
FY2002	561,824,368	85,174,486	10,561,191	20,083,890	19,244,350	1,100,000	4,199,371	702,187,656
FY2003	539,807,163	80,942,158	10,100,858	19,486,488	12,963,369	1,048,998	4,276,164	668,625,198
FY2004	542,339,319	80,958,169	10,102,336	15,299,515	15,080,316	951,881	5,239,345	669,970,881
FY2005App	565,560,255	86,028,123	10,555,928	20,542,730	16,734,023	1,048,998	5,547,799	706,017,856
FY2006App	595,581,989	94,230,331	11,112,456	20,673,603	17,334,162	1,148,998	5,698,876	745,780,415
Five-Year Percent Change (FY 2001-FY2006App)	8.8 %	27.2 %	19.9 %	6.0 %	3.4 %	4.5 %	69.4 %	11.1 %
Six-Year Percent Change (FY 2000-FY2006App)	13.6 %	54.6 %	35.7 %	3.3 %	(10.0) %	4.5 %	128.5 %	17.2 %
Ten-Year Percent Change (FY1997-FY2006App)	31.4 %	76.0 %	55.0 %	18.5 %	26.0 %	41.0 %	206.4 %	36.2 %

Note: The Board of Regents assumed responsibility for the community colleges, Washburn University, and the technical colleges in FY 2000. FY 2001 was the first year of 1999 SB 345 funding (which did not address technical college funding).



Office of the President

**Presentation on Deferred Maintenance Issue
to the House Appropriations Committee**

by

David G. Monical

Executive Director of

Governmental and University Relations

February 8, 2007

Madame Chairperson, Members of the Committee:

Thank you for this opportunity to discuss Washburn University's deferred maintenance needs. In doing so, we will be focusing on both the similarities and differences among Washburn and its sister institutions. Last fall we enrolled over 7,000 students from 90 Kansas counties. We have alumni in every county in Kansas and every state in the nation. Like other post-secondary institutions, our influence and impact extends far beyond the physical boundaries of the campuses.

The Washburn campus occupies 160 acres in central Topeka. We own 34 facilities encompassing more than 1.3 million gross square feet of space with a total replacement value in excess of \$175 million dollars.

- Washburn's deferred maintenance needs estimated by ISES Corporation and following Kansas Board of Regents guidelines total approximately \$20 million.
 - This estimate excludes auxiliary enterprises, athletic facilities and Stoffer Hall (see below).
 - ISES is the same consulting firm that reviewed the KBoR needs and estimated those at the community colleges.
 - While this review provides an "apples to apples" estimate of our total respective needs, resources will ultimately be allocated on a per-project basis.
- The dollar amount of Washburn's deferred maintenance needs are one half the amount at similarly sized state educational institutions. This is due to several factors:
 - The 1968 tornado effectively eliminated most of the pre-1960 buildings on campus, thereby removing buildings requiring extraordinary maintenance.
 - Washburn has a dedicated, 3 mill levy on property within the City of Topeka, for a Debt Retirement & Construction Fund. The levy has been capped at 3 mills since it was increased in the mid-1980s.
 - Residents of Topeka pay this levy in addition to the 1 mill levy for the Educational Building Fund supporting the State Educational Institutions.

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DATE 2-8-2007
ATTACHMENT 4

- Washburn has approximately \$2.75 million annually for ALL of its capital needs, including maintenance, renewals, renovations, new construction and equipment. Approximately \$2 million is expended annually on maintenance-type projects.
- Bonded indebtedness requires any remaining capital funding and is approximately the same proportion it was 15 years ago. Debt financing is the primary source, supplemented by private giving, for major academic capital improvements.
- Washburn's dedicated 3 mil local levy is identical in use to the 1 mil state-wide levy of the state educational institutions.
- These allocations for Washburn and the State Educational Institutions are insufficient to address ongoing maintenance needs.
- Yet, even with these resources, Washburn still has deferred maintenance needs.
 - Over 50% of the University's square footage was built in the years immediately following the tornado and is approaching 40 years of age thereby becoming more maintenance intensive.
 - Increases in assessed valuation within the city of Topeka are not sufficient to meet the University's capital needs, particularly when the institution has increased enrollment by over 25 percent in the past six years.
 - The ongoing maintenance needs of the University, using the conservative formulas employed by the consultants, indicate an ongoing need of over \$3.5 million annually compared to the \$2.0 million currently available (75% above the current allocation) from capital funds. This is independent of any other capital needs the University may have for additional space, remodeled space or other renovations.
- Washburn is a major asset to the state of Kansas and has received state funding for over forty years. While the state operating grant is a key element in our success, the University has to date been responsible for its own capital improvements. Currently under construction on our campus is an addition and renovation of Stoffer Science Hall which will result in some of the finest teaching laboratories for undergraduates in the state. The project is funded from reserves and private donations. In addition to space renewal, this project also removes this 47 year old building from the deferred maintenance list as those projects are being funded through the renovation.
- In conclusion, we have similar needs to the other institutions; we are relatively better off because of our dedicated funding, but that has not prevented a backlog of maintenance items from building up. Local resources are no longer sufficient to eliminate the backlog of maintenance projects nor to keep the backlog from emerging again in the future. All of our facilities, no matter which institution or sector, were paid for and are supported by the taxpayers of Kansas. To preserve the trust the taxpayers have placed in all of us, we urge you to adopt a deferred maintenance initiative for all of public higher education. Our residents attend each of our campuses and we are all state assets. Regardless of how the state chooses to govern and fund us, we are all public, tax supported institutions.