

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on March 6, 2007, in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
J. G. Scott, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efir, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Becky Krahl, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Tom Palace, Executive Director, Petroleum Marketers and Convenience Store Association of Kansas
David Gaudet, BARS Program

Others attending:

See attached list.

Bill Introductions

Senator Schodorf moved, with a second by Senator Teichman, to introduce a conceptual bill regarding proposed Regents deferred maintenance that would dedicate \$330.6 million, including \$135.0 million from the State General Fund, to address Regents' deferred maintenance through FY 2013 (Attachment 1). Motion carried on a voice vote.

Chairman Umbarger welcomed Tom Palace, Executive Director, Petroleum Marketers and Convenience Store Association of Kansas, who mentioned that he appreciated the opportunity to meet with the Committee to talk about a method to reduce tobacco sales to minors at point-of-sale (Attachment 2). Mr. Palace explained why they want a better compliance rate for their retailers of tobacco products. He also introduced Dave Gaudet, representative of the BARS Program.

The Chairman welcomed Dave Gaudet (Attachment 3). Mr. Gaudet mentioned that The BARS Program is the nation's largest compliance check training firm with service in 50 states and thousands of visits each month. They have a comprehensive reporting structure and service can be personalized to Kansas' needs. Mr. Gaudet detailed the following information:

- Statewide coverage
- Comprehensive reporting
- Service outcomes
- State plan pricing
- Speed to market

Committee questions and discussion followed.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on March 6, 2007, in Room 123-S of the Capitol.

Copies of the Kansas Legislative Research Department Budget Analysis report for FY 2007 and FY 2008 were available to the committee.

Subcommittee reports on:

Capital Improvements (Attachment 4)

Subcommittee Chair Steve Morris reported that the subcommittee on Capital Improvements concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation in FY 2008 with adjustments. It was noted that the first two pages of the subcommittee report contain a consolidation of the adjustments. Under the Kansas Department of Corrections it was noted that a Minority Report was submitted by Senator Jim Barone.

Senator Emler moved, with a second by Senator Morris, to adopt the subcommittee budget report on Capital Improvements in FY 2007 and FY 2008. Motion carried on a voice vote.

Post Secondary Education:

**University of Kansas
Kansas State University
Kansas State University - Veterinary Medical Center
Kansas State University - Extension Systems and Agriculture Research Program
Wichita State University
Kansas Board of Regents
University of Kansas Medical Center
Emporia State University
Fort Hays State University
Pittsburg State University
Regents Systemwide (Attachment 5)**

Subcommittee Chair Steve Morris reported that the subcommittee on the University of Kansas, Kansas State University, Kansas State University - Veterinary Medical Center, Kansas State University - Extension Systems and Agriculture Research Program, Wichita State University, Kansas Board of Regents, University of Kansas Medical Center, Emporia State University, Fort Hays State University, Pittsburg State University and Regents Systemwide concurs with the Governor's recommendation in FY 2007 and with the Governor's FY 2008 recommendation.

Senator Emler moved, with a second by Senator Morris, to adopt the subcommittee budget report on the University of Kansas, Kansas State University, Kansas State University - Veterinary Medical Center, Kansas State University - Extension Systems and Agriculture Research Program, Wichita State University, Kansas Board of Regents, University of Kansas Medical Center, Emporia State University, Fort Hays State University, Pittsburg State University and Regents Systemwide inn FY 2007 and FY 2008. Motion carried on a voice vote.

The meeting adjourned at 11:30 a.m. The next meeting is scheduled for March 7, 2007.

SENATE WAYS AND MEANS COMMITTEE
GUEST LIST

Date March 6, 2007

Name	Representing
Julia Thomas DAVID GUTWISZ	JOB The BARS Program
TOM PALACE	PMCA OF KS
Patrick Hurley	KAPD
Kennie Hepler	Budget
Rick Smith	SRS
Matt Bryant	Coast Group
Marijepe Kellum & ERIC SEXTON	TFKQ WCU
Juni Rose	KACCT
SUE PETERSON	K-STATE
Keith Yehle	KU
HOWARD SMITH	PITTSBURG STATE UNIVERSITY
D. Prideaux	- FHSSU -
Ron Seiber	Hin Law Firm
David & Monica	Washburn University
Janice Harper	Adjutant General
Doug Penner	KICA
PETER CARTER	KDOT
Edward & Bickson	KDOT
MARK BOZANYSK	Capitol Strategists
Kelly Peak	SRS
Tom Groneman	ABC-KDOR

SENATE WAYS AND MEANS COMMITTEE
GUEST LIST

Date March 7, 2007

Name	Representing
John Spurgerson	KDWP
Michael Wilson	"
Patti Krugger	Polsinelle Law Firm
Robert Shaimeyer	School for the Blind
WARREN HURST	Section 4/e DEAF
Jennie Chinn	Historical Society
RANDALL BALES	HISTORICAL SOCIETY
Kyle Smith	KBI
LISA BENLON	AMER. CANCER SOCIETY
Kathy Johnson	KU
ERIC KING	K.S. PD REGENTS
John Frederick	Suz
John D. Pinegar	Pinegar Smith & Associates
Brendan Yorkley	Budget

Proposed Regents Deferred Maintenance Legislation

The proposed plan to address the Regents deferred maintenance would provide, between direct funding and loan authorization, over \$0.5 billion dollars for the next six years. The plan would dedicate \$330.6 million, including \$135.0 million from the State General Fund, to address Regents' deferred maintenance through FY 2013.

The plan would utilize the existing \$28.6 million from the Educational Building Fund (EBF) and retained interest, as well as an additional \$15.0 million from the State General Fund in FY 2008 for Regents maintenance expenses. The total amount available in FY 2008 would be \$43.6 million, increasing to \$73.2 million, including \$25.0 million from the State General Fund by FY 2013. The additional funding would be supplemented by \$200.0 million in no-interest revolving loans available from the Pooled Money Investment Board. Regents universities would be responsible for repaying these loans.

There are several non-financial components to the bill as well:

- The bill would require the Regents to expend their retained interest funds on maintenance;
- The additional funding would be used to address deferred maintenance, not new construction;
- Expenditures of the additional funds would be subject to review by the Joint Committee on State Building Construction; and
- Any new construction from non-state funds would be required to have a long-term source of funding for maintenance, for a new construction contracts entered into after the effective date of the bill. The state would not be responsible for the maintenance of these new buildings.

The financial components of the plan are as follows:

- **Educational Building Fund (EBF)** - Revenues to the EBF are approximately \$32.5 million a year. Through FY 2012, \$15.0 million is dedicated to paying bonds for the Crumbling Classrooms initiative, leaving \$15.0 million for maintenance at the state universities. In FY 2008, \$20.1 million is available for maintenance at the universities. Beginning in FY 2013, \$38.9 million will be available in the EBF for maintenance at the universities.
- **Retained Interest** - The 2006 Legislature passed legislation allowing

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Attachment 1

interest earnings on certain state university funds to be retained in those funds. Under prior law, the interest earned by the General Fees Fund (tuition revenue), the Restricted Fees Fund (student fees and other revenue), and various housing revenue funds were retained in the State General Fund. The 2006 legislation provided these various funds could retain their interest within each fund. The anticipated estimates of revenue from retained interest systemwide are \$8.5 million in FY 2008 and growing to \$9.3 million in FY 2013. This plan would require the Regents to expend this retained interest on maintenance projects.

- **State General Fund** - Add \$15.0 million from the State General Fund in FY 2008 for Regents maintenance, and increase that amount by \$5.0 million annually through FY 2010.
- **Revolving Loan Pool** - Establish a loan pool of \$200.0 million with the Pooled Money Investment Board for Regents university and community college deferred maintenance. The loans would be no-interest loans, underwritten by the State General Fund. The Regents institutions would be responsible for repaying the no-interest loans.

The plan increases from FY 2008 through FY 2013 can be found below:

Revenue Sources for Regents Universities Deferred Maintenance

Funding Source	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Educational Building Fund (Less Crumbling Classrooms Debt Service)	\$20,084,043	\$18,924,077	\$20,149,070	\$21,117,196	\$22,492,224	\$38,920,859
Retained Interest	8,500,000	8,755,000	9,017,650	9,017,650	9,288,150	9,288,180
State General Fund	<u>15,000,000</u>	<u>20,000,000</u>	<u>25,000,000</u>	<u>25,000,000</u>	<u>25,000,000</u>	<u>25,000,000</u>
TOTAL	\$43,584,043	\$47,679,077	\$54,166,720	\$55,134,846	\$56,780,374	\$73,209,039

* Includes unappropriated balances in FY 2008.



Memo To: Senate Ways and Means Committee
From: Thomas M. Palace
Date: March 6, 2007
Re: Tobacco Prevention at Point-of-Sale

Mr. Chairman and members of Senate Ways and Means Committee:

My name is Tom Palace. I am the Executive Director of the Petroleum Marketers and Convenience Store Association of Kansas (PMCA of Kansas), a statewide trade association representing over 300 independent Kansas petroleum distribution companies and convenience store owners throughout Kansas.

We appreciate the opportunity to meet with you today to talk about a method to reduce tobacco sales to minors at point-of-sale.

Kansas tobacco retailers have struggled for years to maintain the federal Synar compliance rate of 80% or better. Retailers have participated in many state approved "We Card" seminars to educate their clerks in the proper techniques of combating sales of tobacco products to minors. Additionally, software programs have been implemented in many retail sites to help clerks sell responsibly. However, even with the help of computer programs to regulate a tobacco sale, clerks often make mistakes reading driver's licenses; some get too busy to follow company procedures and sell a tobacco product without asking for identification or they override the system that is in place to assist a clerk in determining if a customer is old enough to purchase a tobacco product. Bottom line: when the human element enters into enforcement of the law, sales to minors are inevitable.

PMCA supports Master Settlement Agreement (MSA) payments to fund proven comprehensive tobacco use prevention programs. We participated in the "It's Everybody's Business" initiative last year and feel the state made big strides to get our tobacco compliance rate up to an acceptable level, 80%. Or is 80% an acceptable level? We feel this rate is too low. We want a better compliance rate for our retailers of tobacco products.

Tobacco retailers need your assistance. It has been reported that Kansas received over \$50 million from the MSA. I am told that approximately \$1 million of the \$50 plus million Kansas receives yearly has been used for prevention. That number must increase if we want to attain our desired goal to improving our compliance rates.

The current "It's Everybody's Business (IEB)" campaign is a good one, but it does not go far enough. One of the goals of IEB was to conduct several mystery shopper compliance checks at each tobacco retail location in Kansas. How is this accomplished? IEB has a person enter a tobacco retail location and ask for a tobacco product. If the clerk asks for

Petroleum Marketers and Convenience Store Association of Kansas
115 SE 7th • Topeka, KS 66603
PO Box 678 • Topeka, KS 66601-0678
785-233-9655 • Fax: 785-354-4374

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Attachment 2

an ID, the clerk passes the compliance check and is issued a green card that basically says he or she passed. If the clerk does not ask for an ID, a red card is issued to the clerk. The red card explains in print form what the clerk did incorrectly and that a fine could have been levied if this were a state compliance sting.

PMCA would like to increase the frequency of these compliance checks from two per year to 12 per year. We have found a national company that has a proven track record that could accomplish this at an affordable price. IEB is effective but expensive (\$45-\$50 per visit). The cost to implement IEB exceeds \$2 million for a limited amount of compliance visits.

Tobacco retailers, in most cases, have a high ratio of employee turnover. If compliance visits are limited to two or three visits per year, many clerks fall "under the radar" with the current program. The national company that we have spoken to is The BARS Program, located in Denver, Colorado. We have asked Mr. David Gaudet, President of the BARS program, to explain the mystery shopper approach. They service all 50 states, conducting thousands of compliance checks each month. They have quoted a cost of \$800,000 annually to visit each Kansas tobacco retailer (approximately 2500 locations) that is not in an age sensitive environment (same guidelines for IEB). This includes additional visits to focus on problem areas that show a poor compliance rate.

In addition to his appearance today, Mr. Gaudet recently made a similar presentation that included the Secretary of Revenue, and she supports the BARS program. The common goal is to reduce tobacco sales to minors and increase the state compliance rate

Mr. Chairman, PMCA agrees that we must do a better job keeping tobacco products out of the hands of our youth. The proper funding for more frequent compliance visits will go a long way to achieving our common goal, increase our federal compliance rate and keep tobacco products out of the hands of people under the age of 18.

Thank you.

Why The BARS Program?

- Nation's largest Compliance Check Training Firm.
- Service in 50 states, thousands of visits each month.
- Effective, yet inexpensive business model.
- Comprehensive reporting structure.
- Unequaled experience dealing with retailers of tobacco and alcohol products.
- Service can be personalized to Kansas' needs.

Statewide Coverage

- The BARS Program can deliver monthly service to every tobacco-selling store in Kansas.
- Our visit procedures work in any type of selling environment (w/ or w/o AVDs).

Comprehensive Reporting

- Our reporting site can be personalized to the State's request.
- Reports can be used for measuring goals.
- Daily Store Visits reported within 24 hours.
- Weekly Trend Reports automatically sent.
- Performance & YTD reports available to authorized users.
- All Visit Records archived on site.
- Data is password-protected.

Service Outcomes

- Failed Tobacco Stings reduced.
- Responsible sales documented by store and community.
- Financially workable service for every store.
- Company policy reinforced & documented, employees ID under 27!
- Age-Verification Devices/Technology used properly.
- Retailer can isolate problem stores, quickly correct employee behaviors.
- Consistent Visits maintain positive results, even in stores with higher employee turnover rates.

■ **PROVEN RETAILER SELF-POLICING, 97.8% CLIENT RETENTION!**



State Plan Pricing

- Our price per visit for each store would be \$20.00.
- This assumes 2500 locations statewide each month. Annually, 30,000 store visits would be completed, which includes every tobacco-selling store in the entire State of Kansas.
- Total Annual Cost would be \$600,000.
- For an additional \$200,000, the State could have an additional 10,000 store visits to focus on problem areas.
- The above pricing includes all set-up costs for an annual program.

Speed to Market

- Since The BARS Program currently operates in the major markets in Kansas, we can be up and running for the State within 3 weeks.

FY 2007 and FY 2008

SENATE WAYS AND MEANS SUBCOMMITTEE

Capital Improvements



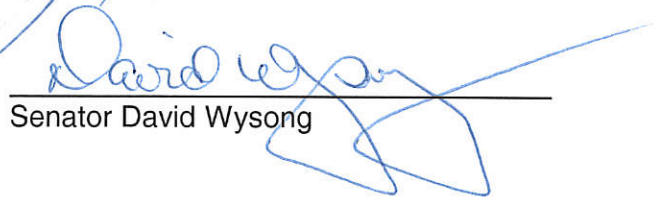
Senator Dwayne Umbarger, Chair



Senator Jim Barone



Senator Jay Emler



Senator David Wysong

Senate Subcommittee on Capital Improvements

FY 2007

The Senate Subcommittee concurs with the Governor's capital improvements recommendations for FY 2007.

FY 2008

The Senate Subcommittee concurs with the Governor's capital improvement recommendations for FY 2008 with the following adjustments:

School for the Deaf

1. Add \$125,000 from the State Institutions Building Fund to replace windows in the Roth Administration Building in FY 2008.

Department of Corrections

1. **Minority Report.** Numerous agencies have come before the Subcommittee regarding issues with utility and steam tunnels, including the Board of Regents. It is not my position to place the needs of correctional facilities over those of higher education students and Regents Universities. I believe we need a comprehensive plan to address all deferred maintenance before we add more new buildings to our state responsibilities. I look forward to considering these capital improvements as a part of that comprehensive plan. (Senator Jim Barone)

Postsecondary Education Systemwide

1. The Subcommittee recommends review of the Regents institutions FY 2008 capital improvements during Omnibus.

Department of Administration

1. The Subcommittee is concerned about the failure of the state to adequately fund repair and maintenance costs in the Capitol Complex, producing a condition not unlike that at Regents institutions where deferred maintenance is a major issue. Without a comprehensive plan for the Capitol Complex and the funding to implement a long-range plan, deferred maintenance will become a major issue for Docking, Landon, and the Dillon House. The agency request for \$14.1 million to address primarily maintenance and repair projects in the Capitol Complex was reduced by the Governor to \$775,000 from all funds in FY 2008. Absent a comprehensive plan to guide future expenditures, this approach of minimal funding for repairs and maintenance will accelerate the problem to becoming a major issue of deferred maintenance on the scale faced by the Regents institutions.

Wildlife and Parks

1. The Subcommittee notes a continuing problem in maintaining infrastructure funding for the state parks and recommends consideration during Omnibus of the addition of \$950,000 from the State General Fund for repair and maintenance costs of the state parks. The agency request for

\$2,450,000, including \$2,300,000 from the State General Fund, was reduced by the Governor to \$1,500,000 from the State General Fund in FY 2008. The additional funding to be considered during Omnibus would restore expenditures to the \$2,450,000 in FY 2008 as requested by the agency.

2. Delete \$1.0 million from the State Water Plan Fund in FY 2008 as a capital improvement item. Earlier this session the Senate Ways and Means Committee adopted a recommendation by the Subcommittee on the Department of wildlife and Parks budget to delete the \$1.0 million from the capital improvements budget and to add \$200,000 from the State Water Plan Fund to the operating budget in FY 2008, pending a report by Omnibus about negotiations for a multi-year contract. The Subcommittee recommended reconsideration of additional funding after March 1, 2007, if the Secretary negotiates a multi-year contract to replace the one-year agreement.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Blind **Bill No. - -** **Bill Sec. - -**

Analyst: Alishahi **Analysis Pg. No.** Vol. I - 491 **Capital Budget Page No.** Vol. I - 216

<u>Project</u>	<u>Agency Est. FY 2007</u>	<u>Gov. Rec. FY 2007</u>	<u>JCSBC Rec. FY 2007</u>	<u>Subcomm. Rec. FY 2007</u>
Projects:				
Install Underground Drain	\$ 57,150	\$ 57,150	\$ 57,150	\$ 57,150
Rehabilitation and Repair	67,451	67,451	67,451	67,451
Debt Service Principal:				
Facilities Conservation Improvement Program	<u>25,277</u>	<u>25,277</u>	<u>25,277</u>	<u>25,277</u>
TOTAL	<u>\$ 149,878</u>	<u>\$ 149,878</u>	<u>\$ 149,878</u>	<u>\$ 149,878</u>

Financing:				
State General Fund	\$ 25,277	\$ 25,277	\$ 25,277	\$ 25,277
State Institutions Building Fund	124,601	124,601	124,601	124,601
TOTAL	<u>\$ 149,878</u>	<u>\$ 149,878</u>	<u>\$ 149,878</u>	<u>\$ 149,878</u>

Agency Estimate

The agency estimates current year capital improvement expenditures of \$149,878, an increase of \$1 above the approved amount. The increase reflects an additional \$1 from the State General Fund that was shifted from operating expenditures to capital improvements for an adjustment to the debt service principal.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 revised estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Blind **Bill No.** SB 359 **Bill Sec.** 04

Analyst: Alishahi **Analysis Pg. No.** Vol. I - 491 **Capital Budget Page No.** Vol. I - 216

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Reroof Brighton Building	\$ 83,263	\$ 83,263	\$ 83,263	\$ 83,263
Rehabilitation and Repair	70,823	70,823	70,823	70,823
Debt Service Principal:				
Facilities Conservation Improvement Program	26,494	26,494	26,494	26,494
TOTAL	\$ 180,580	\$ 180,580	\$ 180,580	\$ 180,580
Financing:				
State General Fund	\$ 26,494	\$ 26,494	\$ 26,494	\$ 26,494
State Institutions Building Fund	154,086	154,086	154,086	154,086
TOTAL	\$ 180,580	\$ 180,580	\$ 180,580	\$ 180,580

Agency Request

The agency requests budget year capital improvement expenditures of \$180,580. This request includes:

- \$83,263 from the State Institutions Building Fund (SIBF) for an enhancement request to reroof the Brighton building;
- \$70,823 from the SIBF for rehabilitation and repair; and
- \$26,494 from the State General Fund for the debt service principal.

Governor's Recommendation

The Governor concurs with the agency's FY 2008 request.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Deaf **Bill No. - -** **Bill Sec. - -**

Analyst: Alishahi **Analysis Pg. No.** Vol. I - 474 **Capital Budget Page No.** Vol. I - 216

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Key Card Entry System	\$ 19,577	\$ 19,577	\$ 19,577	\$ 19,577
Gym Roof Repair	1,921	1,921	1,921	1,921
Tuckpoint and Seal Roth Building	140,000	140,000	140,000	140,000
Roth Dorm Renovation:				
East Wing Completion	458,445	458,444	458,444	458,444
Architect Fees for West Wing	25,000	25,000	25,000	25,000
Subtotal - Projects	<u>\$ 644,943</u>	<u>\$ 644,942</u>	<u>\$ 644,942</u>	<u>\$ 644,942</u>
Rehabilitation and Repair	\$ 193,905	\$ 193,905	\$ 193,905	\$ 193,905
Debt Service Principal:				
Facilities Conservation Improv. Prgm.	<u>\$ 54,197</u>	<u>\$ 54,197</u>	<u>\$ 54,197</u>	<u>\$ 54,197</u>
TOTAL	<u>\$ 893,045</u>	<u>\$ 893,044</u>	<u>\$ 893,044</u>	<u>\$ 893,044</u>
Financing:				
State General Fund	\$ 54,197	\$ 54,197	\$ 54,197	\$ 54,197
State Institutions Building Fund	838,848	838,847	838,847	838,847
TOTAL	<u>\$ 893,045</u>	<u>\$ 893,044</u>	<u>\$ 893,044</u>	<u>\$ 893,044</u>

Agency Estimate

The agency estimates current year capital improvement expenditures of \$893,045, an increase of \$488,848, or 120.9 percent, above the approved amount. The increase is the result of a State Institutions Building Fund (SIBF) reappropriation of:

- \$19,577 for the Key Card Entry System project;
- \$1,921 for the Gym Roof Repair project;
- \$458,445 for the Roth Dorm Renovation project; and
- \$8,905 for rehabilitation and repair.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 revised estimate with the exception of a \$1 adjustment in the SIBF reappropriation for the Roth Dorm Renovation project.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Deaf **Bill No.** SB 359 **Bill Sec.** 05

Analyst: Alishahi **Analysis Pg. No.** Vol. I - 474 **Capital Budget Page No.** Vol. I - 216

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Roth Administration Window Replacement	\$ 125,000	\$ 0	\$ 0	\$ 125,000
Roth Dorm Renovation:				
Architect Fees for West Wing	250,290	0	0	0
Utility Electrical Distribution Upgrade	172,000	0	0	0
Subtotal - Projects	<u>\$ 547,290</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 125,000</u>
Rehabilitation and Repair	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000
Debt Service Principal:				
Facilities Conservation Improvement Program	<u>\$ 56,464</u>	<u>\$ 56,464</u>	<u>\$ 56,464</u>	<u>\$ 56,464</u>
TOTAL	<u>\$ 793,754</u>	<u>\$ 246,464</u>	<u>\$ 246,464</u>	<u>\$ 371,464</u>
Financing:				
State General Fund	\$ 56,464	\$ 56,464	\$ 56,464	\$ 56,464
State Institutions Building Fund	737,290	190,000	190,000	315,000
TOTAL	<u>\$ 793,754</u>	<u>\$ 246,464</u>	<u>\$ 246,464</u>	<u>\$ 371,464</u>

Agency Request

The agency requests budget year capital improvement expenditures of \$793,754. This request includes:

- \$547,290 from the State Institutions Building Fund (SIBF) for the following three enhancement requests:
 - \$125,000 to replace the windows in the Roth Administration Building;
 - \$250,290 for architect fees for the remodeling of the west wing of the Roth dormitory; and
 - \$172,000 to upgrade the electrical distribution system.
- \$190,000 from the SIBF for rehabilitation and repair, including:
 - An enhancement request of \$5,000 from the SIBF for additional rehabilitation and repair. Without the enhancement, the agency's rehabilitation and repair request totals \$185,000.
- \$56,464 from the State General Fund for the debt service principal payment.

Governor's Recommendation

The Governor recommends FY 2008 capital improvement expenditures of \$246,464, including \$190,000 from the SIBF for rehabilitation and repair and \$56,464 from the State General Fund for the debt service principal.

- **Enhancement Requests.** The Governor's recommendation includes the agency's enhancement request for additional funding for rehabilitation and repair. However, the Governor does not recommend the agency's three other enhancement requests for additional funding to replace the windows in the Roth Administration Building; for architect fees for the remodeling of the west wing of the Roth dormitory; or to upgrade the electrical distribution system.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Add \$125,000 from the SIBF to replace the windows in the Roth Administration Building in FY 2008.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Department of Corrections

Bill No. - -

Bill Sec. - -

Analyst: Cussimano

Analysis Pg. No. Various

Capital Budget Page No. 223

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Department of Corrections				
Rehabilitation and Repair	\$ 2,666,356	\$ 2,666,356	\$ 2,666,356	\$ 2,666,356
KCI Rehabilitation and Repair	979,000	979,000	979,000	979,000
Debt Service Principal	3,456,000	3,456,000	3,456,000	3,456,000
<i>Subtotal - DOC</i>	\$ 7,101,356	\$ 7,101,356	\$ 7,101,356	\$ 7,101,356
El Dorado Correctional Facility				
Rehabilitation and Repair	\$ 33,150	\$ 33,150	\$ 33,150	\$ 33,150
Debt Service Principal	171,431	171,431	171,431	171,431
<i>Subtotal - EDCF</i>	\$ 204,581	\$ 204,581	\$ 204,581	\$ 204,581
Ellsworth Correctional Facility				
Rehabilitation and Repair	\$ 11,879	\$ 11,879	\$ 11,879	\$ 11,879
Debt Service Principal	77,097	77,097	77,097	77,097
<i>Subtotal - ECF</i>	\$ 88,976	\$ 88,976	\$ 88,976	\$ 88,976
Hutchinson Correctional Facility				
Rehabilitation and Repairs	\$ 237,357	\$ 237,642	\$ 237,642	\$ 237,642
Debt Service Principal	248,112	248,112	248,112	248,112
<i>Subtotal - HCF</i>	\$ 485,469	\$ 485,754	\$ 485,754	\$ 485,754
Lansing Correctional Facility				
Rehabilitation and Repair	\$ 389,264	\$ 389,264	\$ 389,264	\$ 389,264
Debt Service Principal	330,202	330,202	330,202	330,202
<i>Subtotal - LCF</i>	\$ 719,466	\$ 719,466	\$ 719,466	\$ 719,466
Larned Correctional Mental Health Facility				
Rehabilitation and Repair	\$ 118,765	\$ 118,765	\$ 118,765	\$ 118,765
Debt Service Principal	14,762	14,762	14,762	14,762
<i>Subtotal - LCMHF</i>	\$ 133,527	\$ 133,527	\$ 133,527	\$ 133,527
Norton Correctional Facility				
Rehabilitation and Repair	\$ 106,096	\$ 106,096	\$ 106,096	\$ 106,096
Debt Service Principal	149,535	149,535	149,535	149,535
<i>Subtotal - NCF</i>	\$ 255,631	\$ 255,631	\$ 255,631	\$ 255,631
Topeka Correctional Facility				
Rehabilitation and Repair	\$ 441,357	\$ 441,357	\$ 441,357	\$ 441,357
Debt Service Principal	64,015	64,015	64,015	64,015
<i>Subtotal - TCF</i>	\$ 505,372	\$ 505,372	\$ 505,372	\$ 505,372
Winfield Correctional Facility				
Rehabilitation and Repair	\$ 718,664	\$ 718,664	\$ 718,664	\$ 718,664
Debt Service Principal	125,202	125,202	125,202	125,202
<i>Subtotal - WCF</i>	\$ 843,866	\$ 843,866	\$ 843,866	\$ 843,866
TOTAL - DOC and Facilities	\$ 10,338,244	\$ 10,338,529	\$ 10,338,529	\$ 10,338,529

Financing:

State General Fund	\$ 2,946,659	\$ 2,946,659	\$ 2,946,659	\$ 2,946,659
Correctional Institutions Building Fund (CIBF)	6,412,585	6,412,870	6,412,870	6,412,870
Construction Defects Recovery	0	0	0	0
Correctional Industries Fund (CIF)	979,000	979,000	979,000	979,000
TOTAL	\$ 10,338,244	\$ 10,338,529	\$ 10,338,529	\$ 10,338,529

Agency Estimate

The agency estimates FY 2007 capital improvements of \$10,338,244 including: \$2,946,659 from the State General Fund, \$6,412,585 from the Correctional Institutions Building Fund (CIBF) and \$979,000 from the Correctional Industries Fund (CIF) for Kansas Correctional Industries (KCI). Included in the amount is \$5,701,905 for rehabilitation and repair, including \$6,412,585 from the CIBF and \$979,000 from the CIF. Debt service principal of \$4,636,356 includes \$1,180,356 from the State General Fund for the Facilities Conservation Improvement Program.

Governor's Recommendation

The Governor recommends FY 2007 capital improvements of \$10,338,529 including: \$2,946,659 from the State General Fund, \$6,412,870 from the Correctional Institutions Building Fund (CIBF) and \$979,000 from the Correctional Industries Fund (CIF) for Kansas Correctional Industries (KCI). Included in the amount is \$5,702,173 for rehabilitation and repair, including \$6,412,870 from the CIBF and \$979,000 from the CIF. The recommendation is an increase of \$285 above the agency FY 2007 estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Department of Corrections

Bill No. SB 359

Bill Sec. 22

Analyst: Cussimano

Analysis Pg. No. Various

Capital Budget Page No. 223

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Department of Corrections				
Rehabilitation and Repair	\$ 5,802,252	\$ 5,787,385	\$ 5,787,385	\$ 5,787,385
KCI Rehabilitation and Repair	80,000	80,000	80,000	80,000
Debt Service Principal	4,210,000	4,210,000	4,210,000	4,210,000
<i>Subtotal - DOC</i>	<u>\$ 10,092,252</u>	<u>\$ 10,077,385</u>	<u>\$ 10,077,385</u>	<u>\$ 10,077,385</u>
El Dorado Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	171,431	171,431	171,431	171,431
<i>Subtotal - EDCF</i>	<u>\$ 171,431</u>	<u>\$ 171,431</u>	<u>\$ 171,431</u>	<u>\$ 171,431</u>
Ellsworth Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	77,097	77,097	77,097	77,097
<i>Subtotal - ECF</i>	<u>\$ 77,097</u>	<u>\$ 77,097</u>	<u>\$ 77,097</u>	<u>\$ 77,097</u>
Hutchinson Correctional Facility				
Rehabilitation and Repairs	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	248,112	248,112	248,112	248,112
<i>Subtotal - HCF</i>	<u>\$ 248,112</u>	<u>\$ 248,112</u>	<u>\$ 248,112</u>	<u>\$ 248,112</u>
Lansing Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	340,754	340,754	340,754	340,754
<i>Subtotal - LCF</i>	<u>\$ 340,754</u>	<u>\$ 340,754</u>	<u>\$ 340,754</u>	<u>\$ 340,754</u>
Larned Correctional Mental Health Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	14,762	14,762	14,762	14,762
<i>Subtotal - LCMHF</i>	<u>\$ 14,762</u>	<u>\$ 14,762</u>	<u>\$ 14,762</u>	<u>\$ 14,762</u>
Norton Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	155,637	155,637	155,637	155,637
<i>Subtotal - NCF</i>	<u>\$ 155,637</u>	<u>\$ 155,637</u>	<u>\$ 155,637</u>	<u>\$ 155,637</u>
Topeka Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	64,015	64,015	64,015	64,015
<i>Subtotal - TCF</i>	<u>\$ 64,015</u>	<u>\$ 64,015</u>	<u>\$ 64,015</u>	<u>\$ 64,015</u>
Winfield Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	125,202	125,202	125,202	125,202
<i>Subtotal - WCF</i>	<u>\$ 125,202</u>	<u>\$ 125,202</u>	<u>\$ 125,202</u>	<u>\$ 125,202</u>
TOTAL - DOC and Facilities	<u><u>\$ 11,289,262</u></u>	<u><u>\$ 11,274,395</u></u>	<u><u>\$ 11,274,395</u></u>	<u><u>\$ 11,274,395</u></u>

Financing:

State General Fund	\$ 3,717,313	\$ 3,717,313	\$ 3,717,313	\$ 3,717,313
Correctional Institutions Building Fund (CIBF)	4,935,867	4,921,000	4,921,000	4,921,000
Construction Defects Recovery	2,556,082	2,556,082	2,556,082	2,556,082
Correctional Industries Fund (CIF)	80,000	80,000	80,000	80,000
TOTAL	\$ 11,289,262	\$ 11,274,395	\$ 11,274,395	\$ 11,274,395

Agency Request

The agency requests FY 2008 capital improvements of \$11,289,262 including: \$3,717,313 from the State General Fund, \$4,935,867 from the Correctional Institutions Building Fund (CIBF), \$80,000 from the Correctional Industries Fund (CIF) for Kansas Correctional Industries and \$2,556,082 in construction defects recovery from the proceeds of the El Dorado site utilities lawsuit. The request is an increase of \$951,018, or 9.2 percent, above the agency's FY 2007 capital improvements estimate. The increase includes \$5,882,252 for rehabilitation and repair, an increase of \$180,364, or 3.2 percent, above the FY 2007 estimate. The request includes debt service principal of \$5,407,010, an increase of \$770,654, or 16.6 percent, above the FY 2007 estimate. Based on the established debt service schedules for current bond issues, the estimated payments for principal and interest costs remaining after FY 2008 are as follows:

Bond Issue	Amount
Revenue Refunding Bond Issue - A - 1 Bonds	10,229,000
Labette Correctional Conservation Camps - A - 2 Bonds	314,000
El Dorado Correctional Facility - RDU Project - H - Bonds	18,237,000
TOTAL	\$ 28,780,000

The agency requests bonding authority of \$19.3 million, including expenditures of \$2.6 million from the proceeds of the El Dorado site utilities lawsuit to finance the following projects:

Proposed Projects from Bond Issuance	Amount
Replace locking system at Hutchinson Correctional Facility	\$ 4,333,440
Replace water treatment plant at Norton Correctional Facility	3,975,000
Change current-medium security dining hall from second floor to ground level at Norton Correctional Facility	696,935
Upgrade utilities tunnel at Norton Correctional Facility	1,700,000
Replace security perimeter detection at Hutchinson Correctional Facility	869,300
Replace fire alarm systems at multiple facilities	1,500,000
Replace locking system at Ellsworth Correctional Facility	470,000
Add new clinic and infirmary at Lansing Correctional Facility	6,007,000
Bring multiple facilities into ADA compliance	750,000
Install security cameras and other equipment at facilities	1,500,000
TOTAL	\$ 21,801,675
 Financing:	
Bond Proceeds	\$ 19,245,593
Construction Defects Recovery	2,556,082
TOTAL	\$ 21,801,675

Governor's Recommendation

The Governor recommends FY 2008 capital improvements of \$11,274,395 including \$3,717,313 from the State General Fund, \$4,921,000 from the Correctional Institutions Building Fund (CIBF), \$80,000 from the Correctional Industries Fund (CIF) for Kansas Correctional Industries (KCI) and \$2,556,082 in construction defects recovery from the proceeds of the El Dorado site utilities lawsuit. The recommendation is a decrease of \$14,867 below the agency's FY 2008 request and an increase of \$935,866, or 9.0 percent, above the FY 2007 recommendation. The Governor concurs with the agency request for bonding authority of \$19.3 million and also recommends up to \$39,525,000 in bonding authority to the Department of Corrections to expand prison capacity.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

MINORITY REPORT

Numerous agencies have come before the Subcommittee regarding issues with utility and steam tunnels, including the Board of Regents. It is not my position to place the needs of correctional facilities over those of higher education students and Regents Universities. I believe we need a comprehensive plan to address all deferred maintenance before we add more new buildings to our state responsibilities. I look forward to considering these capital improvements as a part of that comprehensive plan.



Senator Jim Barone

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Department of Commerce

Bill No. --

Bill Sec. --

Analyst: Deckard

Analysis Pg. No. Vol. II - 1048

Capital Budget Page No. 213

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Debt Service Principal	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000
Rehabilitation and Repair	80,000	80,000	80,000	80,000
HVAC replacement	238,500	238,500	238,500	238,500
Roof replacement	80,000	80,000	80,000	80,000
TOTAL	<u>\$ 463,500</u>	<u>\$ 463,500</u>	<u>\$ 463,500</u>	<u>\$ 463,500</u>
Financing:				
Federal Funds	\$ 398,500	\$ 398,500	\$ 398,500	\$ 398,500
Other Funds	65,000	65,000	65,000	65,000
TOTAL	<u>\$ 463,500</u>	<u>\$ 463,500</u>	<u>\$ 463,500</u>	<u>\$ 463,500</u>

Agency Estimate

The agency estimates FY 2007 capital improvements of \$463,500. The estimate includes \$65,000 for debt service principal, \$80,000 for rehabilitation and repair, \$238,500 for HVAC replacement at the Topeka Workforce Center, and \$80,000 for roof replacement at the Topeka Workforce Center.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Department of Commerce

Bill No. SB 359

Bill Sec. 19

Analyst: Deckard

Analysis Pg. No. Vol. II - 1048

Capital Budget Page No. 213

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Debt Service Principal	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Rehabilitation and Repair	80,000	80,000	80,000	80,000
Roof replacement	100,000	100,000	100,000	100,000
TOTAL	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
Financing:				
Federal Funds	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Other Funds	70,000	70,000	70,000	70,000
TOTAL	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>

Agency Request

The agency requests FY 2008 capital improvements of \$250,000. The request includes \$70,000 for debt service principal payments, \$80,000 for rehabilitation and repair, and \$100,000 for roof replacement at the Kansas City Workforce Building.

Governor's Recommendation

The Governor concurs with the agency's request for FY 2008 capital improvements.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Regents

Bill No. SB 358

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Various

Capital Budget Page No. Various

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcommittee Rec. FY 2007
Projects:				
Board of Regents				
Systemwide Rehab. and Repair	\$ 0	\$ 0	\$ 0	0
Debt Service Principal - Crumbling Classrooms	11,450,000	11,450,000	11,450,000	11,450,000
Debt Service Principal - Research Corp. Bonds	6,000,000	6,000,000	6,000,000	6,000,000
Subtotal - Board of Regents	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>
University of Kansas				
Rehabilitation and Repair (EBF)	\$ 10,379,127	\$ 10,379,127	\$ 10,379,127	\$ 10,379,127
Rehabilitation and Repair (Other)	993,928	993,928	993,928	993,928
Utility Tunnel Improvements	450,000	0	0	0
Computer Services Facility	1,333,339	1,333,339	1,333,339	1,333,339
Stouffer Place Apts Renovation	630,049	630,049	630,049	630,049
Multicultural Resource Ctr Construction	4,262,276	4,262,276	4,262,276	4,262,276
Wescoe Hall Renovation	217,609	217,609	217,609	217,609
Storm Damage Repair	0	5,422,544	5,422,544	5,422,544
Addition to Child Care Facility	0	0	0	0
Debt Service Principal	4,096,151	4,096,151	4,096,151	4,096,151
Subtotal - University of Kansas	<u>\$ 22,362,476</u>	<u>\$ 27,335,023</u>	<u>\$ 27,335,023</u>	<u>\$ 27,335,023</u>
KU Medical Center				
Rehab and Repair	\$ 1,642,191	\$ 1,642,191	\$ 1,642,191	\$ 1,642,191
Applegate Energy Center	0	0	0	0
Lied Building Renovation	0	0	0	0
Parking Lot Maintenance	604	604	604	604
Debt Service - Principal	695,000	695,000	695,000	695,000
Subtotal - KU Medical Center	<u>\$ 2,337,795</u>	<u>\$ 2,337,795</u>	<u>\$ 2,337,795</u>	<u>\$ 2,337,795</u>
Kansas State University				
Rehabilitation and Repair (EBF)	\$ 5,206,655	\$ 5,206,655	\$ 5,206,655	\$ 5,206,655
Rehabilitation and Repair (Other Funds)	0	0	0	0
Classroom/Office Renovation - Memorial Stadium	0	0	0	0
Lease Payment - Aeronautical Center	189,446	189,446	189,446	189,446
Runway Improvements - Salina	2,000,000	2,000,000	2,000,000	2,000,000
Konza Barn Renovation	0	0	0	0
Parking Lot Maintenance	800,000	800,000	800,000	800,000
K-State Union Sprinkler System	0	0	0	0
McCain entry Drive	0	0	0	0
Debt Service Principal	4,141,857	4,141,857	4,141,857	4,141,857
Subtotal - Kansas State University	<u>\$ 12,337,958</u>	<u>\$ 12,337,958</u>	<u>\$ 12,337,958</u>	<u>\$ 12,337,958</u>
KSU Veterinary Medical Center				
Debt Service Principal	\$ 0	\$ 0	\$ 0	0
KSU-ESARP				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	0
Grain Science Center Debt Service Principle	1,350,000	1,350,000	1,350,000	1,350,000
Subtotal - KSU-ESARP	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcommittee Rec. FY 2007
Wichita State University				
Rehabilitation and Repair	\$ 2,824,456	\$ 2,824,456	\$ 2,824,456	\$ 2,824,456
Debt Service Principal	2,433,286	2,433,286	2,433,286	2,433,286
Subtotal - Wichita State University	<u>\$ 5,257,742</u>	<u>\$ 5,257,742</u>	<u>\$ 5,257,742</u>	<u>\$ 5,257,742</u>
Emporia State University				
Rehabilitation and Repair (EBF)	\$ 1,602,912	\$ 1,602,912	\$ 1,602,912	\$ 1,602,912
Rehabilitation and Repair (Other)	0	0	0	0
WAW Library Addition	0	0	0	0
Parking Lot Improvements	90,000	90,000	90,000	90,000
Debt Service Principal	547,000	547,000	547,000	547,000
Subtotal - Emporia State University	<u>\$ 2,239,912</u>	<u>\$ 2,239,912</u>	<u>\$ 2,239,912</u>	<u>\$ 2,239,912</u>
Fort Hays State University				
Rehabilitation and Repair (EBF)	\$ 1,409,749	\$ 1,409,749	\$ 1,409,749	\$ 1,409,749
Rehabilitation and Repair (Other)	0	0	0	0
Picken Hall Renovation	0	0	0	0
McMindes Hall HVAC Improvements	0	0	0	0
Parking Lot Maintenance	200,000	200,000	200,000	200,000
Debt Service Principal	393,939	393,939	393,939	393,939
Subtotal - Fort Hays State University	<u>\$ 2,003,688</u>	<u>\$ 2,003,688</u>	<u>\$ 2,003,688</u>	<u>\$ 2,003,688</u>
Pittsburg State University				
KSANG Readiness/Classroom/Recreation Center	\$ 800,452	\$ 800,452	\$ 800,452	\$ 800,452
McCray Hall Renovations	0	0	0	0
Parking Maintenance and Improvements	400,000	400,000	400,000	400,000
Jack H. Overman Student Center Improvements	250,000	250,000	250,000	250,000
Student Health Center Improvements	20,000	20,000	20,000	20,000
New Student Health Center	75,000	75,000	75,000	75,000
Housing System Maintenance and Improvements	750,000	750,000	750,000	750,000
Rehabilitation and Repair	1,407,847	1,407,847	1,407,847	1,407,847
Deferred Maintenance Support	0	0	0	0
Debt Service Principal	824,142	824,142	824,142	824,142
Subtotal - Pittsburg State University	<u>\$ 4,527,441</u>	<u>\$ 4,527,441</u>	<u>\$ 4,527,441</u>	<u>\$ 4,527,441</u>
TOTAL	\$ 52,417,012	\$ 57,389,559	\$ 57,389,559	\$ 57,389,559
Financing:				
State General Fund	\$ 3,082,399	\$ 2,632,399	\$ 2,632,399	\$ 2,632,399
General Fees Fund	1,492,353	1,492,353	1,492,353	1,492,353
Educational Building Fund	36,173,388	36,173,388	36,173,388	36,173,388
Other Funds	29,118,874	34,541,418	34,541,418	34,541,418
TOTAL	<u>\$ 69,867,014</u>	<u>\$ 74,839,558</u>	<u>\$ 74,839,558</u>	<u>\$ 74,839,558</u>

Agency Estimate

The agency estimates FY 2007 expenditures of \$69.9 million, including \$3.1 million from the State General Fund for capital improvements. The estimate of \$36.2 million from the Educational Building Fund includes \$11.5 million for Crumbling Classrooms debt service principal payments and \$24.7 million for systemwide rehabilitation and repair projects.

The estimate includes a supplemental request for \$450,000 from the State General Fund for utility tunnel improvements at the University of Kansas.

Governor's Recommendation

The Governor recommends \$74.8 million, including \$2.6 million from the State General Fund for FY 2007 capital improvements. The recommendation of \$36.2 million from the Educational Building Fund includes \$11.5 million for Crumbling Classrooms debt service principal payments and \$24.7 million for systemwide rehabilitation and repair projects.

The Governor does not recommend the supplemental request of \$450,000 from the State General Fund for utility tunnel improvements at the University of Kansas. However, the Governor's recommendation does include an additional \$5.4 million in federal funds for storm damage repair.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Regents

Bill No. SB 359

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Various

Capital Budget Page No. Various

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcommittee Rec. FY 2007
Projects:				
Board of Regents				
Systemwide Rehab. and Repair	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Debt Service Principal - Crumbling Classrooms	12,045,000	12,045,000	12,045,000	12,045,000
Debt Service Principal - Research Corp. Bonds	6,000,000	6,000,000	6,000,000	6,000,000
Subtotal - Board of Regents	<u>\$ 33,045,000</u>	<u>\$ 33,045,000</u>	<u>\$ 33,045,000</u>	<u>\$ 33,045,000</u>
University of Kansas				
Rehabilitation and Repair (EBF)	\$ 0	\$ 0	\$ 0	\$ 0
Rehabilitation and Repair (Other)	1,617,960	1,617,960	1,617,960	1,617,960
Utility Tunnel Improvements	5,100,000	0	0	0
Computer Services Facility	0	0	0	0
Stouffer Place Apts Renovation	667,951	667,951	667,951	667,951
Multicultural Resource Ctr Construction	749,808	749,808	749,808	749,808
Wescoe Hall Renovation	0	0	0	0
Storm Damage Repair	0	0	0	0
Addition to Child Care Facility	0	2,000,000	2,000,000	2,000,000
Debt Service Principal	4,311,396	4,311,396	4,311,396	4,311,396
Subtotal - University of Kansas	<u>\$ 12,447,115</u>	<u>\$ 9,347,115</u>	<u>\$ 9,347,115</u>	<u>\$ 9,347,115</u>
KU Medical Center				
Rehab and Repair	\$ 409,721	\$ 409,721	\$ 409,721	\$ 409,721
Applegate Energy Center	7,233,000	0	0	0
Lied Building Renovation	500,000	500,000	500,000	500,000
Parking Lot Maintenance	550,000	550,000	550,000	550,000
Debt Service - Principal	850,000	850,000	850,000	850,000
Subtotal - KU Medical Center	<u>\$ 9,542,721</u>	<u>\$ 2,309,721</u>	<u>\$ 2,309,721</u>	<u>\$ 2,309,721</u>
Kansas State University				
Rehabilitation and Repair (EBF)	\$ 0	\$ 0	\$ 0	\$ 0
Rehabilitation and Repair (Other Funds)	3,536,971	3,536,971	3,536,971	3,536,971
Classroom/Office Renovation - Memorial Stadium	515,000	0	0	0
Lease Payment - Aeronautical Center	189,446	189,446	189,446	189,446
Runway Improvements - Salina	2,000,000	2,000,000	2,000,000	2,000,000
Konza Barn Renovation	710,000	710,000	710,000	710,000
Parking Lot Maintenance	800,000	800,000	800,000	800,000
K-State Union Sprinkler System	1,000,000	1,000,000	1,000,000	1,000,000
McCain entry Drive	1,700,000	1,700,000	1,700,000	1,700,000
Debt Service Principal	4,223,692	4,223,692	4,223,692	4,223,692
Subtotal - Kansas State University	<u>\$ 14,675,109</u>	<u>\$ 14,160,109</u>	<u>\$ 14,160,109</u>	<u>\$ 14,160,109</u>
KSU Veterinary Medical Center				
Debt Service Principal	\$ 538,719	\$ 538,719	\$ 538,719	\$ 538,719
KSU-ESARP				
Rehabilitation and Repair	\$ 951,345	\$ 951,345	\$ 951,345	\$ 951,345
Grain Science Center Debt Service Principle	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal - KSU-ESARP	<u>\$ 1,951,345</u>	<u>\$ 1,951,345</u>	<u>\$ 1,951,345</u>	<u>\$ 1,951,345</u>

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcommittee Rec. FY 2007
Projects:				
Wichita State University				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	0
Debt Service Principal	2,684,637	2,684,637	2,684,637	2,684,637
Subtotal - Wichita State University	<u>\$ 2,684,637</u>	<u>\$ 2,684,637</u>	<u>\$ 2,684,637</u>	<u>\$ 2,684,637</u>
Emporia State University				
Rehabilitation and Repair (EBF)	\$ 0	\$ 0	\$ 0	0
Rehabilitation and Repair (Other)	649,627	649,627	649,627	649,627
WAW Library Addition	425,036	0	0	0
Parking Lot Improvements	90,000	90,000	90,000	90,000
Debt Service Principal	662,700	662,700	662,700	662,700
Subtotal - Emporia State University	<u>\$ 1,827,363</u>	<u>\$ 1,402,327</u>	<u>\$ 1,402,327</u>	<u>\$ 1,402,327</u>
Fort Hays State University				
Rehabilitation and Repair (EBF)	\$ 0	\$ 0	\$ 0	0
Rehabilitation and Repair (Other)	0	0	0	0
Picken Hall Renovation	400,000	0	0	0
McMindes Hall HVAC Improvements	1,675,000	1,675,000	1,675,000	1,675,000
Parking Lot Maintenance	400,000	400,000	400,000	400,000
Debt Service Principal	698,931	698,931	698,931	698,931
Subtotal - Fort Hays State University	<u>\$ 3,173,931</u>	<u>\$ 2,773,931</u>	<u>\$ 2,773,931</u>	<u>\$ 2,773,931</u>
Pittsburg State University				
KSANG Readiness/Classroom/Recreation Center	\$ 3,982,786	\$ 3,982,786	\$ 3,982,786	\$ 3,982,786
McCray Hall Renovations	3,730,000	0	0	0
Parking Maintenance and Improvements	300,000	300,000	300,000	300,000
Jack H. Overman Student Center Improvements	250,000	250,000	250,000	250,000
Student Health Center Improvements	20,000	20,000	20,000	20,000
New Student Health Center	0	0	0	0
Housing System Maintenance and Improvements	750,000	750,000	750,000	750,000
Rehabilitation and Repair	0	0	0	0
Deferred Maintenance Support	576,819	576,819	576,819	576,819
Debt Service Principal	1,054,754	1,054,754	1,054,754	1,054,754
Subtotal - Pittsburg State University	<u>\$ 10,664,359</u>	<u>\$ 6,934,359</u>	<u>\$ 6,934,359</u>	<u>\$ 6,934,359</u>
TOTAL	\$ 90,550,299	\$ 75,147,263	\$ 75,147,263	\$ 75,147,263
Financing:				
State General Fund	\$ 20,226,268	\$ 2,823,232	\$ 2,823,232	\$ 2,823,232
General Fees Fund	2,633,978	2,633,978	2,633,978	2,633,978
Educational Building Fund	27,045,000	27,045,000	27,045,000	27,045,000
Other Funds	40,645,053	42,645,053	42,645,053	42,645,053
TOTAL	<u>\$ 90,550,299</u>	<u>\$ 75,147,263</u>	<u>\$ 75,147,263</u>	<u>\$ 75,147,263</u>

Agency Request

The agency requests FY 2008 capital improvements expenditures of \$90.6 million including \$20.2 million from the State General Fund. The estimate of \$27.0 million from the Educational Building Fund includes \$12.0 million for Crumbling Classrooms debt service and \$15.0 million for systemwide rehabilitation and repair projects.

The agency request includes the following enhancements:

- University of Kansas - \$5.1 million from the State General Fund for utility tunnel improvements;

- KU Medical Center - \$7.2 million from the State General Fund to update the Applegate Energy Center;
- Kansas State University - \$515,000 from the State General Fund for Classroom/Office renovation at Memorial Stadium;
- Emporia State University - \$425,036 from the State General Fund for an addition to the William Allen White Library;
- Fort Hays State University - \$400,000 from the State General Fund renovation to Picken Hall; and
- Pittsburg State University - \$3.7 million from the State General Fund for McCray Hall Renovations.

Governor's Recommendation

The Governor recommends \$75.1 million, including \$2.8 million from the State General Fund for FY 2008 capital improvements. The recommendation of \$27.0 million from the Educational Building Fund includes \$12.0 million for Crumbling Classrooms debt service and \$15.0 million for systemwide rehabilitation and repair projects. The Governor does not recommend the requested enhancements, however, the Governor adds \$2.0 million from special revenue funds for expansion to the Hilltop Child Care Center at the University of Kansas.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2008 and recommends review of the Regents capital improvements requests during Omnibus.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Administration **Bill No.** -- **Bill Sec.** --

Analyst: Efird **Analysis Pg. No.** Vol. II – 947 **Capital Budget Page No.** Vol. 1 – 211

<u>Project</u>	<u>Agency Est. FY 2007</u>	<u>Gov. Rec. FY 2007</u>	<u>JCSBC Rec. FY 2007</u>	<u>Subcomm. Rec. FY 2007</u>
Reportable Projects:				
Statehouse and Cedar Crest Maintenance	\$ 469,077	\$ 469,077	\$ 469,077	\$ 469,077
Judicial Center Maintenance	106,766	106,766	106,766	106,766
Dillon House Roof Repair	52,000	52,000	52,000	52,000
Memorial Hall Security	1,172	1,172	1,172	1,172
Total – Reportable	<u>\$ 629,015</u>	<u>\$ 629,015</u>	<u>\$ 629,015</u>	<u>\$ 629,015</u>
Reportable Financing:				
State General Fund	\$ 629,015	\$ 629,015	\$ 629,015	\$ 629,015
Nonreportable Projects:				
Special Maintenance and Repair	\$ 321,008	\$ 321,008	\$ 321,008	\$ 321,008
Printing Plan Maintenance	75,000	75,000	75,000	75,000
Total – Nonreportable	<u>\$ 396,008</u>	<u>\$ 396,008</u>	<u>\$ 396,008</u>	<u>\$ 396,008</u>

Agency Estimate

The agency requests \$629,015 in reportable expenditures financed from the State General Fund in FY 2007 for maintenance and repair projects in the reportable budget and \$396,008 from special revenue funds in the nonreportable budget.

Governor's Recommendation

The Governor concurs with the agency's estimate of \$629,015 from the State General Fund for maintenance and repair projects in the reportable budget and \$396,008 from special revenue funds in the nonreportable budget.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the agency's estimate of \$629,015 from the State General Fund for maintenance and repair projects in the reportable budget and \$396,008 from special revenue funds in the nonreportable budget.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Administration

Bill No. SB 359

Bill Sec. 08

Analyst: Efird **Analysis Pg. No.** Vol. II – 947

Capital Budget Page No. Vol. 1 – 211

Project	Agency Est. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2007
Reportable Projects:				
Statehouse and Cedar Crest Maintenance	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Judicial Center Maintenance	200,000	100,000	100,000	100,000
Capitol Complex Maintenance Tunnel	2,886,000	0	0	0
Docking Projects	235,950	0	0	0
Forbes Projects	1,222,270	0	0	0
Eisenhower Projects	1,030,400	0	0	0
Landon Projects	3,807,704	0	0	0
West Complex Projects	271,260	0	0	0
Judicial Center Projects	764,000	0	0	0
Memorial Hall Projects	1,304,606	0	0	0
Dillon House Renovation	1,875,500	0	0	0
Parking Lot Projects	270,000	0	0	0
Total – Reportable	\$ 14,067,690	\$ 300,000	\$ 300,000	\$ 300,000
Reportable Financing:				
State General Fund	\$ 14,067,690	\$ 300,000	\$ 300,000	\$ 300,000
Nonreportable Projects:				
Special Maintenance and Repair	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Printing Plan Maintenance	75,000	75,000	75,000	75,000
Parking Lot and Sidewalk Maintenance	55,000	0	0	0
Total – Nonreportable	\$ 530,000	\$ 475,000	\$ 475,000	\$ 475,000
Nonreportable Financing:				
Special Revenue Funds	\$ 530,000	\$ 475,000	\$ 475,000	\$ 475,000

Agency Estimate

The agency requests \$14,067,690 from the State General Fund in FY 2008 for capital improvement projects in the reportable budget and \$530,000 from special revenue funds in the nonreportable budget.

Governor's Recommendation

The Governor recommends \$300,000 from the State General Fund for capital improvement maintenance projects in the reportable budget and \$475,000 from special revenue funds for maintenance projects in the nonreportable budget.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommended \$300,000 from the State General Fund for capital improvement maintenance projects in the reportable budget and \$475,000 from special revenue funds for maintenance projects in the nonreportable budget.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with recommended funding and makes an additional comment:

1. The Subcommittee expresses concern about the failure of the state to adequately fund repair and maintenance costs in the Capitol Complex, producing a condition not unlike that at Regents institutions where deferred maintenance is a major issue. Without a comprehensive plan for the Capitol Complex and the funding to implement a long-range plan, deferred maintenance will become a major issue for Docking, Landon and Dillon House. The agency request for \$14.1 million to address primarily maintenance and repair projects in the Capitol Complex was reduced by the Governor to \$775,000 from all funds in FY 2008. Absent a comprehensive plan to guide future expenditures, this approach of minimal funding for repairs and maintenance will accelerate the problem to becoming a major issue of deferred maintenance on the scale faced by Regents institutions.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Wildlife and Parks **Bill No.** --

Bill Sec. --

Analyst: Efird **Analysis Pg. No.** Vol. I – 103

Capital Budget Page No. Vol. I – 228

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
State Parks Maintenance	\$ 4,311,419	\$ 4,311,419	\$ 4,311,419	\$ 4,311,419
State Parks Roads and Bridges	2,855,728	2,855,728	2,855,728	2,855,728
State Park No. 24 Planning	25,000	25,000	25,000	25,000
Tuttle Creek Campground Relocation	233,050	233,050	233,050	233,050
Milford Fish Hatchery Water Line	**	**	**	**
Cheyenne Bottoms Information Center	1,714,204	1,714,204	1,714,204	1,714,204
Prairie Spirit Trail Extension	812,652	812,652	812,652	812,652
Public Lands Acquisition	1,991,167	1,991,167	1,991,167	1,991,167
Public Lands Maintenance	1,124,867	1,124,867	1,124,867	1,124,867
Wetlands Acquisition and Maintenance	413,033	413,033	413,033	413,033
River and Motor Boat Access	2,504,859	2,504,859	2,504,859	2,504,859
Coast Guard Projects	102,186	102,186	102,186	102,186
TOTAL	\$ 16,088,165	\$ 16,088,165	\$ 16,088,165	\$ 16,088,165
Financing:				
State General Fund	\$ 2,205,000	\$ 2,205,000	\$ 2,205,000	\$ 2,205,000
Special Revenue Funds	13,883,165	13,883,165	13,883,165	13,883,165
TOTAL	\$ 16,088,165	\$ 16,088,165	\$ 16,088,165	\$ 16,088,165

Agency Estimate

The agency estimates \$16,088,165, including \$2,205,000 from the State General Fund, for capital improvements in FY 2007.

Governor's Recommendation

The Governor concurs with \$16,088,165, including \$2,205,000 from the State General Fund, for capital improvements.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommended funding of \$16,088,165, including \$2,205,000 from the State General Fund, for capital improvements.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with funding of \$16,088,165, including \$2,205,000 from the State General Fund, for capital improvements.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Wildlife and Parks

Bill No. SB 359

Bill Sec. 27

Analyst: Efird **Analysis Pg. No.** Vol. I – 102

Capital Budget Page No. Vol. I – 228

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
State Parks Maintenance	\$ 2,450,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
State Parks Roads and Bridges	1,745,000	1,745,000	1,745,000	1,745,000
State Park No. 24 Development	745,000	745,000	745,000	745,000
Fish Hatchery Renovations	1,598,000	1,598,000	1,598,000	1,598,000
Milford Nature Center Expansion	75,000	75,000	75,000	75,000
Circle K Ranch Acquisition and Development	400,000	0	0	0
Pratt Office Renovation	140,000	140,000	140,000	140,000
Public Lands Acquisition	1,000,000	800,000	800,000	800,000
Public Lands Maintenance	444,500	444,500	444,500	444,500
Wetlands Acquisition and Maintenance	450,000	450,000	450,000	450,000
River and Motor Boat Access	1,035,700	1,035,700	1,035,700	1,035,700
Coast Guard Projects	124,000	124,000	124,000	124,000
Almena Water Rights Multiyear Lease	1,000,000	1,000,000	1,000,000	0
TOTAL	\$ 11,207,200	\$ 9,657,200	\$ 9,657,200	\$ 8,657,200
Financing:				
State General Fund	\$ 2,655,000	\$ 1,855,000	\$ 1,855,000	\$ 1,855,000
State Water Plan Fund	1,000,000	1,000,000	1,000,000	0
Lottery Funds	350,000	0	0	0
All Other Special Revenue Funds	7,202,200	6,802,200	6,802,200	6,802,200
TOTAL	\$ 11,207,200	\$ 9,657,200	\$ 9,657,200	\$ 8,657,200

Agency Request

The agency requests \$11,207,200, including \$2,655,000 from the State General Fund, for capital improvements. Funding of \$1,000,000 is requested from the State Water Plan Fund for a multiyear lease of water rights and \$350,000 from lottery funds for maintenance projects at State Parks.

Governor's Recommendation

The Governor recommends \$9,657,200, including \$1,855,000 from the State General Fund for capital improvements and \$1,000,000 from the State Water Plan Fund for a multiyear lease of water rights.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommended funding of \$9,657,200, including \$1,855,000 from the State General Fund for capital improvements and \$1,000,000 from the State Water Plan Fund for a multiyear lease of water rights.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with all items except for the following adjustment and comment:

1. Delete \$1.0 million from the State Water Plan Fund in FY 2008 as a capital improvement item. Earlier this session the Senate Ways and Means Committee adopted a recommendation by the Subcommittee on the Department of Wildlife and Parks budget to delete the \$1.0 million from the capital improvement budget and to add \$200,000 from the State Water Plan Fund to the operating budget in FY 2008, pending a report by Omnibus about negotiations for a multiyear contract. The Subcommittee recommended to reconsider additional funding after March 1, 2007, if the Secretary negotiates a multiyear contract to replace the one-year agreement.
2. The Subcommittee notes a continuing problem in maintaining infrastructure funding for the state parks and consider at Omnibus adding \$950,000 from the State General Fund for repair and maintenance costs of state parks. The agency request for \$2,450,000, including \$2,300,000 from the State General Fund, was reduced by the Governor to \$1,500,000 from the State General Fund in FY 2008. The additional funding to be considered at Omnibus would restore expenditures to \$2,450,000 in FY 2008 as requested by the agency.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Social and Rehabilitation Services

Bill No. SB 359

Bill Sec. 3

Analyst: Kannarr

Analysis Pg. No. 348, 246, 264

Capital Budget Page No. 214

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Social and Rehabilitation Services				
Debt service principle payment for State Security Hospital bonds	\$ 1,695,000	\$ 1,695,000	\$ 1,695,000	\$ 1,695,000
Debt service principle payment for Rehabilitation and Repair bonds	1,200,000	1,200,000	1,200,000	1,200,000
Rehabilitation and Repair projects at state institutions	2,145,156	2,145,156	2,145,156	2,145,156
Chanute Service Center repairs	300,000	300,000	300,000	300,000
TOTAL – SRS	<u>\$ 5,340,156</u>	<u>\$ 5,340,156</u>	<u>\$ 5,340,156</u>	<u>\$ 5,340,156</u>
Parsons State Hospital and Training Center				
Energy conservation improvement bonds	\$ 109,021	\$ 109,021	\$ 109,021	\$ 109,021
Kansas Neurological Institute				
Energy conservation improvement bonds	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
TOTAL – SRS and Hospitals	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>
Financing:				
State General Fund	\$ 111,290	\$ 111,290	\$ 111,290	\$ 111,290
State Institutions Building Fund	5,157,887	5,157,887	5,157,887	5,157,887
Other Funds	300,000	300,000	300,000	300,000
TOTAL	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>	<u>\$ 5,569,177</u>

Agency Estimate

The Department of Social and Rehabilitation Services requests \$5,340,156 in FY 2007 for capital improvements and debt service principle payments. Of this amount, \$2,895,000 is to service the bonds issued for new construction and rehabilitation and repair. The amount needed to service the bonds issued to construct the new State Security Program complex is \$1,695,000. Another \$1,200,000 is needed for debt service for bonds issued for rehabilitation and repair. Work that continues related to these bonds include remodeling and rehabilitation of treatment units at Osawatomie State Hospital and the Dillon and Jung buildings at Larned State Hospital. Also included in the request is \$2,145,156 for rehabilitation and repair at the state hospitals. This amount includes reappropriated balances carried over from projects not completed and paid for in FY 2006. FY 2007 projects which are part of this request include: re-roofing several buildings, replacing worn out air conditioning compressors, improving drainage systems to avoid flooding, replacing worn, deteriorated water lines, and a variety of other key equipment repair and replacement. The agency also requests \$300,000 for on-going maintenance and repair at the Chanute Service Center.

Parsons State Hospital and Training Center requests expenditures of \$109,021, including \$56,121 from the State General Fund for bond principle payments to the Department of Administration for the agency's participation in the State's energy conservation improvement project.

Kansas Neurological Institute requests expenditures of \$120,000, including \$55,169 from the State General Fund for bond principle payments to the Department of Administration for the agency's participation in the State's energy conservation improvement project.

Governor's Recommendation

The Governor concurs with the agency estimates.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Social and Rehabilitation Services

Bill No. SB 359

Bill Sec. 3

Analyst: Kannarr

Analysis Pg. No. 348, 246, 264

Capital Budget Page No. 214

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Social and Rehabilitation Services				
Debt service principle payment for State Security Hospital bonds	\$ 1,765,000	\$ 1,765,000	\$ 1,765,000	\$ 1,765,000
Debt service principle payment for Rehabilitation and Repair bonds	1,230,000	1,230,000	1,230,000	1,230,000
Rehabilitation and Repair projects at state institutions	1,413,100	1,413,100	1,413,100	1,413,100
Chanute Service Center repairs	300,000	200,000	200,000	200,000
TOTAL – SRS	<u>\$ 4,708,100</u>	<u>\$ 4,608,100</u>	<u>\$ 4,608,100</u>	<u>\$ 4,608,100</u>
Parsons State Hospital and Training Center				
Energy conservation improvement bonds	\$ 113,614	\$ 113,614	\$ 113,614	\$ 113,614
Kansas Neurological Institute				
Energy conservation improvement bonds	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
TOTAL – SRS and Hospitals	<u>\$ 4,941,714</u>	<u>\$ 4,841,714</u>	<u>\$ 4,841,714</u>	<u>\$ 4,841,714</u>
Financing:				
State General Fund	\$ 116,248	\$ 116,248	\$ 116,248	\$ 116,248
State Institutions Building Fund	4,525,466	4,525,466	4,525,466	4,525,466
Other Funds	300,000	200,000	200,000	200,000
TOTAL	<u>\$ 4,941,714</u>	<u>\$ 4,841,714</u>	<u>\$ 4,841,714</u>	<u>\$ 4,841,714</u>

Agency Request

The Department of Social and Rehabilitation Services requests \$4,708,100 in FY 2008 for capital improvements and debt service. Of this amount \$2,995,000 is being requested to service the bonds issued for construction and rehabilitation and repair. The amount needed to service the bonds issued for the new State Security Program building is \$1,765,000. Another \$1,230,000 is for debt service for bonds issued for rehabilitation and repair. The work using the rehabilitation and repair bonds is scheduled to be completed in FY 2007.

Also included in this request is \$1,413,100 for rehabilitation and repair at the state hospitals for the highest priority critical projects such as: replacing deteriorating water mains at Osawatomet State Hospital; adding observation and seclusion rooms, motion detectors, and or modifying a medications room at Rainbow Mental Health Facility; replacing fan coil units and risers and re-roof Cedar Cottage at Parsons State Hospital and Training Center; and upgrade and replace sewer lines at Kansas Neurological Institute.

Finally, the agency requests \$300,000 to complete the window replacement project and to start the program to upgrade lighting, power, and replace ceilings at the Chanute Service Center.

Parsons State Hospital and Training Center requests expenditures of \$113,614, including \$60,714 from the State General Fund for bond principle payments to the Department of Administration for the agency's participation in the State's energy conservation improvement project.

Kansas Neurological Institute requests expenditures of \$120,000, including \$55,534 from the State General Fund for bond principle payments to the Department of Administration for the agency's participation in the State's energy conservation improvement project.

Governor's Recommendation

The Governor recommends \$4,608,100 for capital improvements and debt services for the Department of Social and Rehabilitation Services. The Governor concurs with the agency request for bond principle payments but recommends \$200,000 for the repairs at the Chanute Service Center, a decrease of \$100,000 below the agency request.

The Governor concurs with the requested capital improvements expenditures for Parsons State Hospital and Training Center and the Kansas Neurological Institute.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation with the following addition:

1. Review funding needed to open an additional 30 bed unit at Osawatomie State Hospital at Omnibus. Opening this additional unit was recommended by the 2006 Legislative Budget Committee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas State Historical Society

Bill No. SB 358

Bill Sec. - -

Analyst: Klaassen

Analysis Pg. No. Vol. I - 503 **Capital Budget Page No.** 202

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Agency Capital Improvements				
Emergency Repairs	\$ 171,134	\$ 171,134	\$ 171,134	\$ 171,134
Museum Rehabilitation and Repair	632,248	632,248	632,248	632,248
Replace Skylights	183,343	183,343	173,343	173,343
*Fort Hays Guardhouse Rehab.	293,764	293,764	293,764	293,764
*Fort Hays Officers Quarters Rehab.	175,000	175,000	175,000	175,000
*Grinter Place Ext. and Int. Restoration	282,000	282,000	282,000	282,000
*Goodnow House Roof Repairs	11,316	11,316	11,316	11,316
*Grinter Place exhibits	0	0	0	0
*Cottonwood Ranch Outbuildings	0	0	0	0
*Shawnee Indian Mission	137,999	137,999	137,999	137,999
Capital Improvements Included in Base	\$ 1,886,804	\$ 1,886,804	\$ 1,886,804	\$ 1,886,804
Financing				
State General Fund	\$ 986,725	\$ 986,725	\$ 986,725	\$ 986,725
Other Funds	900,079	900,079	900,079	900,079
TOTAL	\$ 1,886,804	\$ 1,886,804	\$ 1,886,804	\$ 1,886,804

* Special Revenue Funded Projects

Agency Estimate

The agency estimates FY 2007 capital improvements expenditures of \$1,886,804, of which \$986,725 is from the State General Fund. The agency was appropriated \$125,000 for emergency repairs and maintenance from the State General Fund for FY 2007. Also included in the emergency repairs and maintenance is a reappropriation of \$46,134 from the State General Fund. The 2006 Legislature also approved \$184,420 from the State General Fund to replace skylights at the State Historical Society Museum in Topeka. The agency states that the replacement of the skylights cost less than originally projected, coming in at \$183,343, a difference of \$1,077. Additionally the 2006 Legislature approved \$632,248 from the State General Fund for rehabilitation and repair to the State Historical Society Museum in Topeka in FY 2007. The agency's request includes \$900,079 from special revenue funds for capital improvements projects.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas State Historical Society

Bill No. SB 359

Bill Sec. 6

Analyst: Klaassen

Analysis Pg. No. Vol. I - 503 **Capital Budget Page No.** 202

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Agency Capital Improvements				
Emergency Repairs	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
*Grinter Place exhibits	35,000	35,000	35,000	35,000
*Cottonwood Ranch Outbuildings	25,000	25,000	25,000	25,000
*Shawnee Indian Mission	115,000	115,000	115,000	115,000
Capital Improvements Included in Base	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Project Enhancement Requests				
Replace Steam Humidification	\$ 464,750	\$ 0	\$ 0	\$ 0
Goodnow House Exterior Restoration	111,000	111,000	111,000	111,000
Fort Hays Guardhouse Exhibits	67,000	0	0	0
John Brown Museum ADA access	35,000	0	0	0
Mine Creek Visitor Center Repairs	35,000	0	0	0
Grinter Place exhibits	75,000	0	0	0
Sites Engineered Systems Survey and Plan	34,000	0	0	0
Native American Museum repainting	15,000	0	0	0
Hollenberg Station parking lot replacement	150,000	0	0	0
Marais des Cygnes house exterior	65,000	0	0	0
Grinter Place site features reconstruction	55,000	0	0	0
Constitution Hall signs	10,000	0	0	0
Constitution Hall exhibits & furnishings	15,000	0	0	0
Pawnee Rock monument repairs	20,000	0	0	0
Enhancement Requests	\$ 1,151,750	\$ 111,000	\$ 111,000	\$ 111,000
Total Capital Improvements	\$ 1,451,750	\$ 411,000	\$ 411,000	\$ 411,000
Financing				
State General Fund	\$ 1,276,750	\$ 236,000	\$ 236,000	\$ 236,000
Other Funds	175,000	175,000	175,000	175,000
TOTAL	\$ 1,451,750	\$ 411,000	\$ 411,000	\$ 411,000

* Special Revenue Funded Projects

Agency Request

The agency requests FY 2008 capital improvements expenditures of \$1,451,750, of which \$1,276,750 is from the State General Fund. The agency requests \$125,000 for emergency repairs and maintenance from the State General Fund for FY 2008. The remainder of the agency's request for projects from the State General Fund include: \$464,750 for Museum maintenance and repair, and \$687,000 for historic sites preservation and development. The agency's request includes \$175,000 from special revenue funds for capital improvements projects.

Governor's Recommendation

The Governor recommends \$236,000 from the State General Fund for capital improvements. The recommendation includes \$125,000 for emergency repairs and maintenance, and \$111,000 for the Goodnow House exterior restoration. The Governor concurs with the agency's request for FY 2008 special revenue funded projects.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas State Fair

Bill No. SB 359

Bill Sec. 2

Analyst: Krahl

Analysis Pg. No. Vol. I - 63 Capital Budget Page No. 228

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Rehabilitation and Repairs	\$ 107,713	\$ 107,713	\$ 107,713	\$ 107,713
Sheep and Swine Barn	2,375,727	2,375,727	2,375,727	2,375,727
Debt Service Principal	1,080,000	1,080,000	1,080,000	1,080,000
TOTAL	\$ 3,563,440	\$ 3,563,440	\$ 3,563,440	\$ 3,563,440
Financing:				
State General Fund	\$ 3,555,727	\$ 3,455,727	\$ 3,455,727	\$ 3,455,727
State Fair Capital Improvements Fund	7,713	107,713	107,713	107,713
TOTAL	\$ 3,563,440	\$ 3,563,440	\$ 3,563,440	\$ 3,563,440

Agency Estimate

The agency estimates FY 2007 expenditures of \$3,563,440, an increase of \$2,267,897 or 175.1 percent, above the FY 2006 actual expenditures. The FY 2007 estimate includes \$107,713 for rehabilitation and repairs, including \$100,000 from the State General Fund. The estimate includes \$1,080,000 from the State General Fund for debt service principal and \$2,375,727 from the State General Fund for the construction on a new sheep and swine barn.

Governor's Recommendation

The Governor concurs with the State Fair's total estimate, but the recommendation decreases State General Fund expenditures by \$100,000 and increases the State Fair Capital Improvements Fund by the same amount for FY 2007.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas State Fair

Bill No. 359

Bill Sec. 2

Analyst: Krahl

Analysis Pg. No. Vol. I - 63 **Capital Budget Page No.** 228

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Rehabilitation and Repair	\$ 109,867	\$ 109,867	\$ 109,867	\$ 109,867
Alternative Energy Systems	579,190	86,689	86,689	86,689
Debt Service Principal	1,120,000	1,120,000	1,120,000	1,120,000
TOTAL	\$ 1,809,057	\$ 1,316,556	\$ 1,316,556	\$ 1,316,556
Financing:				
State General Fund	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000
State Fair Capital Improvement Fund	109,867	109,867	109,867	109,867
Economic Development Initiatives Fund	579,190	86,689	86,689	86,689
TOTAL	\$ 1,809,057	\$ 1,316,556	\$ 1,316,556	\$ 1,316,556

Agency Request

The Kansas State Fair requests FY 2008 capital improvements of \$1,809,057, a decrease of \$1,754,383, or 49.2 percent below the FY 2007 estimate. The FY 2008 request includes \$109,867 for building rehabilitation and repairs from the State Fair Capital Improvements Fund and \$1,120,000 from the State General Fund for debt service principal. The request includes an enhancement of \$579,190 from the Economic Development Initiatives Fund for alternative energy projects. Of this enhancement request, \$443,970 is for two 50 kilowatt (kW) wind turbines that should produce over 300,000 kW hours per year, which is approximately 10 percent of the fairgrounds' energy use; \$110,220 for the installation of a Solar Thermal Heat System for the Administration Building; and \$25,000 for the addition of electrical sub-metering equipment that will enable more efficient use of electricity in each building. Currently there is one master meter that comes to the grounds and there is no way of reading energy use or monitoring consumption on a per-building basis.

Governor's Recommendation

The Governor recommends FY 2008 capital improvements expenditures of \$1,316,556, a decrease of \$2,246,884, or 96.1 percent, below the FY 2007 recommendation, due mostly to the one-time expenditures for the construction of the new sheep and swine barn in FY 2007. The Governor concurs with the agency's request for rehabilitation and repair expenditures of \$109,867 from the State Fair Capital Improvements Fund and \$1,120,000 from the State General Fund for debt service principal for the master plan to upgrade facilities at the Kansas State Fair. For the \$579,190 enhancement, the Governor recommends the total amount to be financed through the Department of Administration's Master Lease Program. For FY 2008, the Governor recommends \$111,525 from the Economic Development Initiatives Fund for the first payment of a six-year plan for the debt service. Of this amount, \$24,836 would be for interest and \$86,689 for principal.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Insurance Department **Bill No. --** **Bill Sec. --**

Analyst: O'Hara **Analysis Pg. No.** Vol. II - 854 **Capital Budget Page No.** 213

<u>Project</u>	<u>Agency Est. FY 2007</u>	<u>Gov. Rec. FY 2007</u>	<u>JCSBC Rec. FY 2007</u>	<u>Subcomm. Rec. FY 2007</u>
Projects:				
HVAC Replacement - Debt Service Principal	\$ 58,745	\$ 58,745	\$ 58,745	\$ 58,745
Rehabilitation and Repair:				
Carpet Replacement/Flooring	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Basement Entryway Steps Replacement	30,000	30,000	30,000	30,000
TOTAL	\$ 118,745	\$ 118,745	\$ 118,745	\$ 118,745

Financing:

Insurance Dept. Rehabilitation and Repair Fund	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Insurance Dept. Service Regulation Fund	58,745	58,745	58,745	58,745
TOTAL	\$ 118,745	\$ 118,745	\$ 118,745	\$ 118,745

Agency Estimate

The agency estimates current year capital improvement expenditures of \$118,745. The agency estimates \$58,745 of debt service principal payments for replacement of the Insurance Department building HVAC system during FY 2006. The agency accepted 10-year debt service financing for the project and the first debt service payment occurs in FY 2007. The agency estimates expenditures during FY 2007 of \$30,000 for replacement of carpet and flooring in the Insurance Department building, and \$30,000 for replacement of the basement entryway steps on the southeast corner of the Insurance Department building.

Governor's Recommendation

The Governor concurs with the agency's estimate of FY 2007 capital improvement expenditures.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

45549-(3/27(4:26PM))

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Insurance Department

Bill No. --

Bill Sec. --

Analyst: O'Hara

Analysis Pg. No. Vol. II - 854

Capital Budget Page No. 213

<u>Project</u>	<u>Agency Req. FY 2008</u>	<u>Gov. Rec. FY 2008</u>	<u>JCSBC Rec. FY 2008</u>	<u>Subcomm. Rec. FY 2008</u>
Projects:				
HVAC Replacement - Debt Service Principal	\$ 60,861	\$ 60,861	\$ 60,861	\$ 60,861
Rehabilitation and Repair:				
Carpet Replacement/Flooring	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Other Rehabilitation and Repair Projects	30,000	30,000	30,000	30,000
TOTAL	<u>\$ 120,861</u>	<u>\$ 120,861</u>	<u>\$ 120,861</u>	<u>\$ 120,861</u>
Financing:				
Insurance Dept. Rehabilitation and Repair Fund	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Insurance Dept. Service Regulation Fund	60,861	60,861	60,861	60,861
TOTAL	<u>\$ 120,861</u>	<u>\$ 120,861</u>	<u>\$ 120,861</u>	<u>\$ 120,861</u>

Agency Request

The agency requests FY 2008 capital improvement expenditures of \$120,861. The request includes \$60,861 for the debt service principal payment, \$30,000 for the ongoing replacement of carpet and flooring in the Insurance Department building, and \$30,000 to allow the agency to address unexpected rehabilitation and repair projects without delay.

Governor's Recommendation

The Governor concurs with the agency's request of FY 2008 capital improvement expenditures.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Labor **Bill No. --** **Bill Sec. --**

Analyst: O'Hara **Analysis Pg. No.** Vol. I - 226 **Capital Budget Page No.** 214

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Eastman Building Remodel	\$ 437,814	\$ 437,814	\$ 437,814	\$ 437,814
1309 SW Topeka Blvd. HVAC	125,000	125,000	125,000	125,000
Subtotal - Projects	<u>\$ 562,814</u>	<u>\$ 562,814</u>	<u>\$ 562,814</u>	<u>\$ 562,814</u>
Rehabilitation and Repair:				
General Rehabilitation and Repair of Buildings	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
1301 SW Topeka Blvd. Rehabilitation of Interior	90,000	90,000	90,000	90,000
Subtotal - Rehabilitation and Repair	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ 130,000</u>
Debt Service Principal:				
401 SW Topeka Blvd. Remodel	<u>\$ 212,000</u>	<u>\$ 212,000</u>	<u>\$ 212,000</u>	<u>\$ 212,000</u>
TOTAL	<u>\$ 904,814</u>	<u>\$ 904,814</u>	<u>\$ 904,814</u>	<u>\$ 904,814</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Special Projects Fund	437,814	437,814	437,814	437,814
Special Employment Security Fund	212,000	212,000	212,000	212,000
Workers' Compensation Fee Fund	20,000	20,000	20,000	20,000
Employment Security Administration Fund	<u>235,000</u>	<u>235,000</u>	<u>235,000</u>	<u>235,000</u>
TOTAL	<u>\$ 904,814</u>	<u>\$ 904,814</u>	<u>\$ 904,814</u>	<u>\$ 904,814</u>

Agency Estimate

The agency estimates \$904,814 for FY 2007 capital improvement expenditures. The estimate is an increase of \$437,814, or 48.4 percent, above the amount approved by the 2006 Legislature. The increase is attributable to expenditures from the Special Projects Fund to remodel the Eastman Building. This expenditure will be used in addition to savings from bond proceeds originally requested to renovate the agency's headquarters building.

Governor's Recommendation

The Governor concurs with the agency's estimate of FY 2007 capital improvement expenditures.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

45545-(3/27(4:20PM))

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Labor

Bill No. SB 359

Bill Sec. 20

Analyst: O'Hara

Analysis Pg. No. Vol. I - 226

Capital Budget Page No. 214

<u>Project</u>	<u>Agency Req. FY 2008</u>	<u>Gov. Rec. FY 2008</u>	<u>JCSBC Rec. FY 2008</u>	<u>Subcomm. Rec. FY 2008</u>
Rehabilitation and Repair:				
General Rehabilitation and Repair	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Debt Service Principal:				
401 SW Topeka Blvd. Remodel	240,330	240,330	240,330	240,330
TOTAL	\$ 280,330	\$ 280,330	\$ 280,330	\$ 280,330
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	0
Special Employment Security Fund	240,330	240,330	240,330	240,330
Workers' Compensation Fee Fund	20,000	20,000	20,000	20,000
Employment Security Administration Fund	20,000	20,000	20,000	20,000
TOTAL	\$ 280,330	\$ 280,330	\$ 280,330	\$ 280,330

Agency Request

The agency requests \$280,330 for FY 2008 capital improvement expenditures. The request is a decrease of \$624,484, or 69.0 percent, below the FY 2007 request. The decrease is attributable to one-time capital improvement expenditures in FY 2007 in the amount of \$624,484 that do not occur in FY 2008.

Governor's Recommendation

The Governor concurs with the agency's request for FY 2008 capital improvement expenditures.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Commission on Veterans' Affairs

Bill No. SB 358

Bill Sec. 29

Analyst: O'Hara

Analysis Pg. No. Vol. I - 408

Capital Budget Page No. 215

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Veterans Cemetery Program				
Fort Riley Cemetery	\$ 445,000	\$ 476,320	\$ 476,320	\$ 476,320
Rehabilitation and Repair				
Fort Dodge Cemetery	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Kansas Soldiers' Home	329,615	401,615	401,615	401,615
Kansas Veterans' Home	379,446	161,602	161,602	161,602
Kansas Soldiers' Home				
Conservation Improvement	\$ 0	\$ 442,932	\$ 442,932	\$ 442,932
Health and Safety Grant	1,246,390	810,153	810,153	810,153
Generator	617,500	617,500	617,500	617,500
Architect Consultation	0	100,000	100,000	100,000
Kansas Veterans' Home				
Bleckley Hall Entrance	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500
Sprinkler System	252,264	0	0	0
Generator	913,880	1,503,078	1,503,078	1,503,078
Miscellaneous Capital Improvement Projects	\$ 107,105	\$ 0	\$ 0	\$ 0
TOTAL	<u>\$ 4,422,700</u>	<u>\$ 4,644,700</u>	<u>\$ 4,644,700</u>	<u>\$ 4,644,700</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	1,745,218	1,967,218	1,967,218	1,967,218
Federal Funds	2,677,482	2,677,482	2,677,482	2,677,482
TOTAL	<u>\$ 4,422,700</u>	<u>\$ 4,644,700</u>	<u>\$ 4,644,700</u>	<u>\$ 4,644,700</u>

Agency Estimate

The agency estimates \$4,422,700 for FY 2007 capital improvement projects. Of this amount, \$445,000 is for the Veterans Cemetery Program, \$809,061 is for is for rehabilitation and repair at all locations, \$1,863,890 is for the Kansas Soldiers' Home, \$1,197,644 is for the Kansas Veterans' Home, and \$107,105 remains for miscellaneous capital improvement projects. Funding for the agency's estimate includes \$1,745,218 from the State Institutions Building Fund (SIBF) and \$2,677,482 from federal funds. The agency's estimate is a decrease of \$3,955,298, or 47.2 percent, below the 2006 Legislature approved amount of \$8,377,998. The decrease is a result of the shift in funding for the Fort Riley Cemetery from FY 2007 to FY 2008.

Governor's Recommendation

The Governor recommends \$4,644,610 for FY 2007 capital improvement projects. As compared to the agency's estimate, the Governor recommends increasing funding by \$31,230 from federal funds for the Veterans Cemetery Program, \$106,695 from the SIBF for the Kansas Soldiers' Home, and \$336,934 from the SIBF for the Kansas Veterans' Home. The Governor recommends decreases of \$145,844 for rehabilitation and repair and \$107,105 for miscellaneous capital improvement projects.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

45547~(3/2/7{4:38PM})

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Commission on Veterans' Affairs **Bill No.** SB 359

Bill Sec. 21

Analyst: O'Hara

Analysis Pg. No. Vol. I - 408

Capital Budget Page No. 215

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Veterans Cemetery Program				
Fort Riley Cemetery	\$ 5,773,974	\$ 5,773,974	\$ 5,773,974	\$ 5,773,974
Rehabilitation and Repair				
Kansas Soldiers' Home	\$ 329,780	\$ 329,780	\$ 329,780	\$ 329,780
Kansas Veterans' Home	271,875	271,875	271,875	271,875
Kansas Soldiers' Home				
Nurses Station Upgrade	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500
Kansas Veterans' Home				
Tornado Shelter/Donalon Hall Windows	\$ 1,247,485	\$ 1,247,485	\$ 1,247,485	\$ 1,247,485
Emergency Exit Sidewalks	12,000	12,000	12,000	12,000
TOTAL	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	1,082,775	1,082,775	1,082,775	1,082,775
Federal Funds	6,584,839	6,584,839	6,584,839	6,584,839
TOTAL	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>	<u>\$ 7,667,614</u>

Agency Request

The agency requests \$7,667,614 for FY 2008 capital improvement projects. Of this amount, \$5,773,974 is for the Veterans Cemetery Program, \$601,655 is for rehabilitation and repair, \$32,500 is for the Kansas Soldiers' Home, and \$1,259,485 is for the Kansas Veterans' Home. Funding for the agency's request includes \$1,082,775 from the State Institutions Building Fund (SIBF) and \$6,584,839 from federal funds.

Governor's Recommendation

The Governor concurs with the agency's request for FY 2008 capital improvement expenditures.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Judicial Branch

Bill No. --

Bill Sec. --

Analyst: Spurgin

Analysis Pg. No. Vol. II-907 **Capital Budget Page No.** 223

<u>Project</u>	<u>Agency Est. FY 2007</u>	<u>Gov. Rec. FY 2007</u>	<u>JCSBC Rec. FY 2007</u>	<u>Subcomm. Rec. FY 2007</u>
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Projects:

No FY 2007 projects are planned

Agency Estimate

The agency estimates no capital improvements in FY 2007.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 request.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Judicial Branch

Bill No. SB 357

Bill Sec. 36

Analyst: Spurgin

Analysis Pg. No. Vol. II-907

Capital Budget Page No. 223

<u>Project</u>	<u>Agency Req. FY 2008</u>	<u>Gov. Rec. FY 2008</u>	<u>JCSBC Rec. FY 2008</u>	<u>Subcomm. Rec. FY 2008</u>
Projects:				
Remodel office space	\$ 167,919	\$ 167,919	\$ 167,919	\$ 167,919
Financing:				
State General Fund	\$ 167,919	\$ 167,919	\$ 167,919	\$ 167,919

Agency Request

The agency requests \$167,919 from the State General Fund in FY 2008 to create a judicial suite for the 13th judge on the Court of Appeals and 2.0 FTE associated staff who are scheduled to be added in January 2008. The Judicial Branch reported that due to how expenditures were coded, of this amount, \$139,744 would go toward actual capital improvements and \$27,935 would be spent on furnishings and items that would be classified as capital outlay expenditures. The entire amount of \$167,919 is included above to reflect what is represented in the agency's budget submission.

Governor's Recommendation

The Governor concurs with the agency's FY 2008 request.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Juvenile Justice Authority

Bill No. --

Bill Sec. - -

Analyst: Steiner

Analysis Pg. No. Vol. II - 1317 Capital Budget Page No. 226

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Rehabilitation and Repair Projects	\$ 0	\$ 0	\$ 0	\$ 0
Juvenile Justice Authority	852,131	862,271	862,271	862,271
Atchison Juvenile Correctional Facility	0	0	0	0
Beloit Juvenile Correctional Facility	0	0	0	0
Kansas Juvenile Correctional Complex	0	0	0	0
Larned Juvenile Correctional Facility	0	0	0	0
Subtotal	<u>\$ 852,131</u>	<u>\$ 862,271</u>	<u>\$ 862,271</u>	<u>\$ 862,271</u>
Debt Service Principal	1,890,020	1,890,020	1,890,020	1,890,020
TOTAL	<u>\$ 2,742,151</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>
Financing:				
State Institutions Building Fund	<u>\$ 2,742,151</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>
TOTAL	<u>\$ 2,742,151</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>	<u>\$ 2,752,291</u>

Agency Estimate

The agency estimates capital improvement expenditures of \$2,742,151, all from the State Institutions Building Fund. The request includes \$852,131 in rehabilitation and repair projects and \$1,890,020 in debt service principal payments.

Governor's Recommendation

The Governor recommends capital improvements for FY 2007 of \$2,752,291, all from the State Institutions Building Fund. The recommendation includes \$1,890,020 in debt service principal. The recommendation also includes rehabilitation and repair expenditures of \$862,271, an increase of \$10,140, or 1.2 percent, above the agency's FY 2007 rehabilitation and repair estimate. The increase is attributable to a transfer from Atchison and Beloit Correctional Facilities to the Juvenile Justice Authority Central Office.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Juvenile Justice Authority

Bill No. 359

Bill Sec. 23

Analyst: Steiner

Analysis Pg. No. Vol. II - 1317

Capital Budget Page No. 226

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Rehabilitation and Repair Projects				
Juvenile Justice Authority	\$ 57,800	\$ 500,000	\$ 500,000	\$ 500,000
Atchison Juvenile Correctional Facility	898,192	537,792	537,792	537,792
Beloit Juvenile Correctional Facility	281,100	0	0	0
Kansas Juvenile Correctional Complex	446,797	0	0	0
Larned Juvenile Correctional Facility	42,500	0	0	0
Subtotal	\$ 1,726,389	\$ 1,037,792	\$ 1,037,792	\$ 1,037,792
Debt Service Principal	\$ 1,975,000	\$ 1,975,000	\$ 1,975,000	\$ 1,975,000
TOTAL	\$ 3,701,389	\$ 3,012,792	\$ 3,012,792	\$ 3,012,792
Financing:				
State Institutions Building Fund	\$ 3,701,389	\$ 3,012,792	\$ 3,012,792	\$ 3,012,792
TOTAL	\$ 3,701,381	\$ 3,012,792	\$ 3,012,792	\$ 3,012,792

Agency Request

The agency requests capital improvements of \$3,701,389, an increase of \$959,238, or 35.0 percent, above the Governor's FY 2007 recommendation. The request is all from the State Institutions Building Fund. The request includes \$1,188,597 in rehabilitation and repair projects and \$1,975,000 in debt service principal. The request also includes \$537,792 in new construction.

The request includes:

- **Atchison Juvenile Correctional Facility.** The agency requests \$537,792 from the State Institutions Building Fund to construct a new maintenance and storage building at the Atchison Juvenile Correctional Facility. The current building being used for maintenance was built in 1900 and is in a state of disrepair.
- **Kansas Juvenile Correctional Complex.** The agency requests \$406,797 from the State Institutions Building Fund to raze living units at the Kansas Juvenile Correctional Complex. The living units are old and are no longer in use and their continued existence poses a potential security and safety threat to staff and youth.

Governor's Recommendation

The Governor recommends capital improvements for FY 2008 of \$3,012,792, an increase of \$260,501, or 9.5 percent, above the FY 2007 recommendation, all from the State Institutions Building Fund. The recommendation includes rehabilitation and repair expenditures of \$500,000.

The recommendation includes \$537,792 to construct a new maintenance building at the Atchison Juvenile Correctional Facility. The recommendation does not include the Kansas Juvenile Correctional Complex request to raze living units that are no longer in use.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Adjutant General's Department **Bill No. --**

Bill Sec. --

Analyst: VanHouse

Analysis Pg. No. Vol. II - 1389

Capital Budget Page No. 226

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Debt Service Principal	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000
Federal Match - Armories	500,000	500,000	500,000	500,000
TOTAL	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000
Financing:				
State General Fund	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000
Military Fee Fund - Federal	500,000	500,000	500,000	500,000
TOTAL	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000

Agency Estimate

The agency estimates FY 2007 expenditures of \$1,560,000 for capital improvements. The estimate includes expenditures of \$1,060,000 from the State General Fund for debt service principal payments on bonds issued for the renovation of the state's armories. The estimate also includes expenditures of \$500,000 from the federal Military Fee Fund to match funds in the armory renovation program. Renovation activities include heating and cooling system replacement, windows, doors, structural defect repair, interior updates, and Americans with Disabilities Act (ADA) requirements.

Governor's Recommendation

The Governor concurs with the agency estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Adjutant General's Department **Bill No.** SB 359

Bill Sec. 26

Analyst: VanHouse **Analysis Pg. No.** Vol. II - 1389

Capital Budget Page No. 226

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Debt Service Principal	\$ 1,141,641	\$ 1,141,641	\$ 1,141,641	\$ 1,141,641
Federal Match - Armories	500,000	500,000	500,000	500,000
Liberal Motor Vehicle Storage	336,753	0	0	0
TOTAL	<u>\$ 1,978,394</u>	<u>\$ 1,641,641</u>	<u>\$ 1,641,641</u>	<u>\$ 1,641,641</u>
Financing:				
State General Fund	\$ 1,478,394	\$ 1,141,641	\$ 1,141,641	\$ 1,141,641
Military Fee Fund - Federal	500,000	500,000	500,000	500,000
TOTAL	<u>\$ 1,978,394</u>	<u>\$ 1,641,641</u>	<u>\$ 1,641,641</u>	<u>\$ 1,641,641</u>

Agency Request

The agency requests FY 2008 expenditures of \$1,978,394 for capital improvements. The request includes expenditures of \$1,090,000 from the State General Fund for debt service principal payments on bonds issued for the renovation of the state's armories. The request also includes \$500,000 from the federal Military Fee Fund to match funds in the armory renovation program. The agency requests enhancements totaling \$388,394 from the State General Fund, including \$336,753 for expansion of the Liberal Motor Vehicle Storage Compound and \$51,641 for debt service principal payments on the agency's portion of the Pittsburg State University/Kansas National Guard Readiness Center (Armory).

Liberal Motor Vehicle Storage Compound Expansion. The agency requests \$336,753 from the State General Fund to expand the Motor Vehicle Storage Compound at the Liberal Army National Guard Armory. The project would include excavation and grading of 7,200 square yards, surfacing with crushed rock, and replacement of 1,075 linear feet of fencing. The agency reports that this facility supports two units and due to transformation has increased the need for parking of military semi tractors and trailers. The existing fencing is rusted and damaged beyond repair.

Debt Service Principal - Pittsburg Armory. The agency requests \$51,641 from the State General Fund for debt service principal payments on the agency's portion of the Pittsburg State University/Kansas National Guard Readiness Center (Armory). The 2005 Legislature authorized issuance of bonds for this project. The agency reports that this amount was not included in the base budget allocation since the amount needed was not known at the time the allocations were made. The operating enhancements section of this report contains an enhancement of \$67,651 for the interest portion of the debt service payment.

Governor's Recommendation

The Governor recommends FY 2008 expenditures of \$1,641,641 for capital improvements. The recommendation includes expenditures of \$1,090,000 from the State General Fund for debt service principal payments on bonds issued for the renovation of the state's armories and \$500,000 from the federal Military Fee Fund to match funds in the armory renovation program. The Governor

also recommends the agency's enhancement of \$51,641 from the State General fund for debt service principal payments on the agency's portion of the Pittsburg State University/Kansas National Guard Readiness Center (Armory). The Governor does not recommend the agency's enhancement for expansion of the Liberal Motor Vehicle Storage Compound.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas Bureau of Investigation **Bill No. --**

Bill Sec. --

Analyst: VanHouse

Analysis Pg. No. Vol. II - 1423

Capital Budget Page No. 227

<u>Project</u>	<u>Agency Est. FY 2007</u>	<u>Gov. Rec. FY 2007</u>	<u>JCSBC Rec. FY 2007</u>	<u>Subcomm. Rec. FY 2007</u>
Projects:				
Debt Service Principal - Headquarters	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
IMA Building/Great Bend Laboratory	2,354,475	2,354,475	2,354,475	2,354,475
Topeka Parking Garage	100,000	100,000	100,000	100,000
Headquarters Laboratory Renovation	166,600	166,600	166,600	166,600
TOTAL	\$ 2,871,075	\$ 2,871,075	\$ 2,871,075	\$ 2,871,075
Financing:				
State General Fund	\$ 2,704,475	\$ 2,704,475	\$ 2,704,475	\$ 2,704,475
Federal Grants Fund	166,600	166,600	166,600	166,600
TOTAL	\$ 2,871,075	\$ 2,871,075	\$ 2,871,075	\$ 2,871,075

Agency Estimate

The agency estimates FY 2007 capital improvements expenditures of \$2,871,075, including \$2,704,475 from the State General Fund and \$166,600 from the Federal Grants Fund. The estimate includes \$250,000 for the debt service principal payment on the Headquarters building in Topeka. The building was acquired in 1989 with a 20-year bond issue. The final payment will be made in FY 2010. The estimate includes \$2,354,475 appropriated by the 2006 Legislature for the acquisition of the IMA Building, renovations at the Headquarters and IMA buildings, and completion of the second floor of the Great Bend Laboratory. Also included in the estimate is \$100,000 to repair structural damage to the KBI parking garage. The agency reports that the garage has developed leakage and concrete deterioration problems. The agency also estimates expenditures of \$166,600 from the Federal Grants Fund for renovation of the laboratory in the Topeka Headquarters building.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas Bureau of Investigation **Bill No.** SB 359 **Bill Sec.** 24

Analyst: VanHouse **Analysis Pg. No.** Vol. II - 1423 **Capital Budget Page No.** 227

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Debt Service Principal - Headquarters	\$ 265,000	\$ 265,000	\$ 265,000	\$ 265,000
Headquarters heating/cooling	100,000	100,000	100,000	100,000
Enhancements				
KBI Complex Acquisition and Security	184,590	0	0	0
Underground Parking Garage	60,000	0	0	0
Topeka Building Rehabilitation and Repair	123,350	0	0	0
Great Bend Building Rehabilitation and Repair	29,517	0	0	0
TOTAL	\$ 762,457	\$ 365,000	\$ 365,000	\$ 365,000

Financing:				
State General Fund	\$ 762,457	\$ 365,000	\$ 365,000	\$ 365,000

Agency Request

The agency requests FY 2008 capital improvements expenditures of \$762,457, all from the State General Fund. The request includes \$265,000 for the debt service principal payment on the Headquarters building in Topeka and \$100,000 for an engineering study regarding problems with the heating and cooling system at the Headquarters building and to fund cooling system recommendations in the computer room. The agency also requests \$397,457 from the State General Fund for enhancements as follows.

KBI Complex Acquisition and Security. The agency requests \$184,590 from the State General Fund for land acquisition and house demolition. The agency reports that its long term plan includes the construction of a new laboratory facility and for provision to secure the sensitive operations of the agency. The 2006 Legislature approved the purchase of the IMA building adjacent to the KBI Headquarters. There are nine other parcels of land on this block, including five houses and four vacant lots, with a total assessed valuation of \$124,590. Two of the parcels were for sale in September 2006. This enhancement includes funding to purchase the remaining land on the block and to demolish the houses. The agency proposes the purchase of the properties as they become available to minimize the use of eminent domain and to begin securing the property for the future needs of the agency.

Underground Parking Garage Study. The agency requests \$60,000 from the State General Fund to conduct an architectural study for an underground parking garage. The agency currently leases space in Topeka to store agency speciality vehicles, seized vehicles, equipment, and supplies. The agency requests funding for an architectural study to construct an underground parking garage adjacent to the KBI Headquarters building to replace the leased space. Using estimates from the Division of Facilities Management, the agency estimates the cost of the garage at \$1,300,000.

Topeka Headquarters Rehabilitation and Repair. The agency requests \$123,350 from the State General Fund for rehabilitation and repair on the Headquarters Building in Topeka. Requested items include: ventilate the sub-basement; carpet, tile, exterior door, window caulking, window, and laboratory fume hood replacement; electrical upgrades; additional outside lighting; roof repairs; upgrade HALON fire suppression protection system; enhance security systems; and upgrade heating and cooling systems.

Great Bend Regional Office Rehabilitation and Repair. The agency requests \$29,517 from the State General Fund for rehabilitation and repair at the Great Bend Regional Office. Requested items include: parking lot paving; replacement of humidifiers, carpet, wallpaper or paint, linoleum, exterior doors, and lawn sprinkler system water valves; purchase of a backup emergency generator system; roof repairs; and addition of exterior security lighting.

Governor's Recommendation

The Governor recommends FY 2008 capital improvements expenditures of \$365,000, all from the State General Fund. The recommendation includes \$265,000 for the debt service principal payment on the Headquarters building in Topeka. The Governor recommends the funding of \$100,000 requested by the agency to address heating and cooling system issues at the Headquarters building. The Governor does not recommend the enhancements requested by the agency.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas Department of Transportation **Bill No.** SB 357

Bill Sec. 89

Analyst: VanHouse

Analysis Pg. No. Vol. II - 745 **Capital Budget Page No.** 230

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Tuckpoint/Waterproof Offices				
El Dorado Area Office	\$ 64,480	\$ 64,480	\$ 64,480	\$ 64,480
Pittsburg Area Office	120,940	120,940	120,940	120,940
Topeka District One Office	105,000	105,000	105,000	105,000
Update District Four Paint Booth - Chanute	168,000	168,000	168,000	168,000
Renovate Emporia Construction Office	5,512	5,512	5,512	5,512
Multiple Window Replacement - District Two	22,618	22,618	22,618	22,618
Renovate District Five Crew Building	405,000	405,000	405,000	405,000
Construct District Two Materials Lab - Salina	863,000	863,000	863,000	863,000
Pave KHP - Chanute CDL Parking Lot	112,650	112,650	112,650	112,650
Reroof Buildings - Various Locations	355,429	355,429	355,429	355,429
Equipment Storage Sheds	559,486	559,486	559,486	559,486
Purchase Land - Various Locations	75,000	75,000	75,000	75,000
Subtotal - Projects	\$ 2,857,115	\$ 2,857,115	\$ 2,857,115	\$ 2,857,115
Rehabilitation and Repair	\$ 3,050,172	\$ 3,050,173	\$ 3,050,173	\$ 3,050,173
TOTAL	\$ 5,907,288	\$ 5,907,288	\$ 5,907,288	\$ 5,907,288
Financing:				
State Highway Fund	\$ 5,907,288	\$ 5,907,288	\$ 5,907,288	\$ 5,907,288

Agency Estimate

The agency estimates expenditures of \$5,907,288 from the State Highway Fund for building projects in FY 2007. This amount includes a reappropriation of \$655,508. Delays typically occur with the state architect's staff due to priority being given to State General Fund projects that need to be let to avoid the lapse of funds or with difficulties with zoning regulations. For FY 2007, expenditures include \$2,857,115 for projects and \$3,050,173 for rehabilitation and repair.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Kansas Department of Transportation **Bill No.** SB 357 **Bill Sec.** 89

Analyst: VanHouse **Analysis Pg. No.** Vol II - 745 **Capital Budget Page No.** 230

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Tuckpoint/Waterproof Offices				
Dodge City Area Office	\$ 137,000	\$ 0	\$ 0	\$ 0
Winfield Area Office	149,000	0	0	0
Update District Two Paint Booth - Salina	235,000	0	0	0
Reroof Buildings - Various Locations	602,401	602,401	602,401	602,401
Equipment Storage Sheds	534,075	534,072	534,072	534,072
Purchase Land - Various Locations	95,000	0	0	0
Subarea Bay Extension/Addition - Var. Locations	708,754	0	0	0
Relocate Subarea - Topeka Westgate	2,335,000	0	0	0
Chemical Storage Facilities	126,000	0	0	0
Remove Chemical Storage Bunker	75,000	0	0	0
Vehicle Wash Bay	374,000	0	0	0
Update Area Electrical Service - Atwood, Oakley, Phillipsburg	200,000	0	0	0
Replace District Stockroom Elevator - Dist. Two	165,000	0	0	0
Construct Dist. Three Meeting Facility - Norton	202,000	0	0	0
Construct KHP Troop Office - Hutchinson	558,000	0	0	0
Funding for Various Projects	0	3,000,000	3,000,000	3,000,000
Subtotal - Projects	<u>\$ 6,496,227</u>	<u>\$ 4,136,473</u>	<u>\$ 4,136,473</u>	<u>\$ 4,136,473</u>
Rehabilitation and Repair	<u>\$ 3,163,711</u>	<u>\$ 3,163,711</u>	<u>\$ 3,163,711</u>	<u>\$ 3,163,711</u>
TOTAL	<u><u>\$ 9,659,938</u></u>	<u><u>\$ 7,300,184</u></u>	<u><u>\$ 7,300,184</u></u>	<u><u>\$ 7,300,184</u></u>
Financing:				
State Highway Fund	\$ 9,659,938	\$ 7,300,184	\$ 7,300,184	\$ 7,300,184

Agency Request

The agency requests expenditures of \$9,659,938 from the State Highway Fund for building projects in FY 2008. Expenditures include \$6,496,227 for projects and \$3,163,711 for rehabilitation and repair.

Governor's Recommendation

The Governor recommends FY 2008 expenditures of \$7,300,184 from the State Highway Fund for building projects. The Governor recommends funding of \$4,136,473 for projects, including \$602,401 to reroof buildings, \$534,072 for equipment storage sheds, and \$3,000,000 to be used at

the discretion of the Secretary. Expenditures of \$3,163,711 for rehabilitation and repair are included in the recommendation.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE ON

CAPITAL IMPROVEMENTS

Agency: Kansas Highway Patrol **Bill No. --**

Bill Sec. --

Analyst: VanHouse

Analysis Pg. No. Vol. II - 1443

Capital Budget Page No. 227

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Subcomm. Rec. FY 2007
Projects:				
Aircraft Hanger Facility	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Rehabilitation/Repair/Scale Replacement	251,233	251,233	251,233	251,233
West Wabaunsee Weigh Station Remodel	0	168,248	168,248	168,248
Debt Service Principal				
Highway Patrol Training Center	470,000	470,000	470,000	470,000
Fleet Center	210,000	210,000	210,000	210,000
VIN Inspection Facility	45,000	45,000	45,000	45,000
TOTAL	\$ 2,476,233	\$ 2,644,481	\$ 2,644,481	\$ 2,644,481
Financing:				
KHP Operations Fund	\$ 411,233	\$ 579,481	\$ 579,481	\$ 579,481
VIN Fee Fund	45,000	45,000	45,000	45,000
Highway Patrol Training Center Fund	520,000	520,000	520,000	520,000
Federal Forfeiture Fund	1,500,000	1,500,000	1,500,000	1,500,000
TOTAL	\$ 2,476,233	\$ 2,644,481	\$ 2,644,481	\$ 2,644,481

Agency Estimate

The agency estimates FY 2007 capital improvement expenditures of \$2,476,233. The estimate includes debt service principal payments of \$725,000 for the Highway Patrol Training Center, the Fleet Center, and the VIN Inspection Facility in Olathe. Also included is \$1,500,000 from the Federal Forfeiture Fund for construction of a hanger on existing state-owned property at Billard Airport in Topeka. The capital improvements estimate includes expenditures of \$251,233 for rehabilitation, repair, and scale replacement.

Governor's Recommendation

The Governor recommends FY 2007 capital improvement expenditures of \$2,644,481. The Governor concurs with the agency's estimate and recommends an additional \$168,248 from the KHP Operations Fund to remodel the Westbound Weigh Station in Wabaunsee County.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

**SENATE SUBCOMMITTEE ON
CAPITAL IMPROVEMENTS**

Agency: Kansas Highway Patrol **Bill No.** SB 359

Bill Sec. 25

Analyst: VanHouse

Analysis Pg. No. Vol. II - 1443

Capital Budget Page No. 227

Project	Agency Req. FY 2008	Gov. Rec. FY 2008	JCSBC Rec. FY 2008	Subcomm. Rec. FY 2008
Projects:				
Rehabilitation/Repair/Scale Replacement	\$ 256,083	\$ 256,083	\$ 256,083	\$ 256,083
Debt Service Principal				
Highway Patrol Training Center	470,000	470,000	470,000	470,000
Fleet Center	220,000	220,000	220,000	220,000
VIN Inspection Facility	45,000	45,000	45,000	45,000
TOTAL	\$ 991,083	\$ 991,083	\$ 991,083	\$ 991,083
Financing:				
KHP Operations Fund	\$ 426,083	\$ 426,083	\$ 426,083	\$ 426,083
VIN Fee Fund	45,000	45,000	45,000	45,000
Highway Patrol Training Center Fund	520,000	520,000	520,000	520,000
TOTAL	\$ 991,083	\$ 991,083	\$ 991,083	\$ 991,083

Agency Request

The agency requests FY 2008 capital improvement expenditures of \$991,083. The estimate includes debt service principal payments of \$735,000 for the Highway Patrol Training Center, the Fleet Center, and the VIN Inspection Facility in Olathe. The final debt service payments for the Highway Patrol Training Center are scheduled to occur in FY 2008. The request also includes expenditures of \$256,083 for rehabilitation, repair, and scale replacement.

Governor's Recommendation

The Governor concurs with the agency's request.

Joint Committee on State Building Construction

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

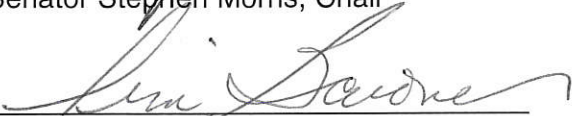
FY 2007 and FY 2008

SENATE WAYS AND MEANS SUBCOMMITTEE

University of Kansas
Kansas State University
KSU - Veterinary Medical Center
KSU - Extension
Wichita State University
Board of Regents
University of Kansas Medical Center
Emporia State University
Fort Hays State University
Pittsburg State University
Regents Systemwide



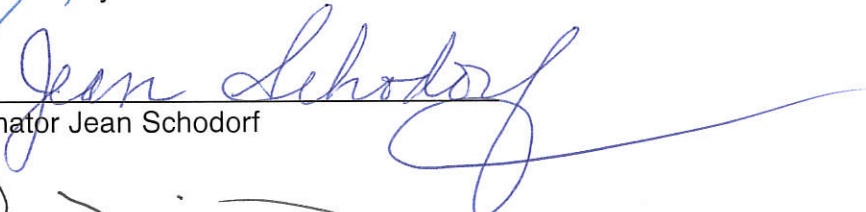
Senator Stephen Morris, Chair



Senator Jim Barone



Senator Jay Emler



Senator Jean Schodorf



Senator Ruth Teichman

Senate Ways and Means
3-6-07
Attachment 5

House Budget Committee Report

Agency: University of Kansas **Bill No.** HB 2540

Bill Sec. 41

Analyst: Dunkel

Analysis Pg. No. Vol. I - 587

Budget Page No. Vol. II - 422

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 144,206,062	\$ 144,206,062	\$ 0
Other Funds	377,384,487	377,384,487	0
Subtotal - Operating	\$ 521,590,549	\$ 521,590,549	\$ 0
Capital Improvements:			
State General Fund	\$ 1,247,741	\$ 797,741	\$ 0
Other Funds	21,114,738	26,537,282	0
Subtotal - Capital Improvements	\$ 22,362,479	\$ 27,335,023	\$ 0
TOTAL	\$ 543,953,028	\$ 548,925,572	\$ 0
FTE Positions	5,350.0	5,350.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	5,350.0	5,350.0	0.0

Agency Estimate

The agency's current year estimate is \$521.6 million which is an increase of \$49.0 million, or 10.4 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$144.2 million which is an increase of \$4.7 million, or 3.4 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$4.8 million which was transferred from the Board of Regents to the University of Kansas for items approved by the 2005 Legislature:
 - \$3.8 million for the operating grant increase; and
 - \$1.0 million for the faculty salary enhancement.

- Offset by a reduction of \$88,558 for a transfer to capital improvements expenditures.

General Fees Fund

- An increase of \$17.4 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$700,176;
 - Unanticipated FY 2006 tuition revenue of \$18.7 million; and
 - Partially offset by a revised estimated carryforward into FY 2008 of \$2.6 million.

All Other Funds

- \$26.9 million increase in anticipated receipts to special revenue funds.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 revised estimate.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: University of Kansas **Bill No.** SB 358

Bill Sec. 41

Analyst: Dunkel

Analysis Pg. No. Vol. I - 587

Budget Page No. Vol. II - 422

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 144,206,062	\$ 144,206,062	\$ 0
Other Funds	377,384,487	377,384,487	0
Subtotal - Operating	<u>\$ 521,590,549</u>	<u>\$ 521,590,549</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 1,247,741	\$ 797,741	\$ 0
Other Funds	21,114,738	26,537,282	0
Subtotal - Capital Improvements	<u>\$ 22,362,479</u>	<u>\$ 27,335,023</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 543,953,028</u>	 <u>\$ 548,925,572</u>	 <u>\$ 0</u>
FTE Positions	5,350.0	5,350.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>5,350.0</u>	<u>5,350.0</u>	<u>0.0</u>

Agency Estimate

The agency's current year estimate is \$521.6 million which is an increase of \$49.0 million, or 10.4 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$144.2 million which is an increase of \$4.7 million, or 3.4 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$4.8 million which was transferred from the Board of Regents to the University of Kansas for items approved by the 2005 Legislature:
 - \$3.8 million for the operating grant increase; and
 - \$1.0 million for the faculty salary enhancement.
- Offset by a reduction of \$88,558 for a transfer to capital improvements expenditures.

General Fees Fund

- An increase of \$17.4 million due to:

- A higher than anticipated carryforward of FY 2006 balances of \$700,176;
- Unanticipated FY 2006 tuition revenue of \$18.7 million; and
- Partially offset by a revised estimated carryforward into FY 2008 of \$2.6 million.

All Other Funds

- \$26.9 million increase in anticipated receipts to special revenue funds.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 revised estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: University of Kansas **Bill No.** HB 2542

Bill Sec. 69

Analyst: Dunkel

Analysis Pg. No. Vol. I - 587

Budget Page No. Vol. II - 422

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 144,240,035	\$ 144,240,035	\$ 0
Other Funds	377,521,693	385,981,016	(8,459,323)
Subtotal - Operating	\$ 521,761,728	\$ 530,221,051	\$ (8,459,323)
Capital Improvements:			
State General Fund	\$ 5,863,768	\$ 763,768	\$ 0
Other Funds	6,583,347	8,583,347	(2,000,000)
Subtotal - Capital Improvements	\$ 12,447,115	\$ 9,347,115	\$ (2,000,000)
 TOTAL	 \$ 534,208,843	 \$ 539,568,166	 \$ (10,459,323)
 FTE Positions	 5,350.0	 5,350.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	5,350.0	5,350.0	0.0

Agency Request

The **agency** requests an FY 2008 operating budget of \$521.8 million which is an increase of \$171,179, or less than 0.1 percent, above the current year estimate. The agency requests State General Fund expenditures of \$144.2 million which is an increase of \$33,973, or less than 0.1 percent, above the current year.

Governor's Recommendation

The **Governor** concurs with the agency's request and adds \$8.5 million from special revenue funds for the non-State General Fund portion of the pay plan. Systemwide adjustments such as funding for an operating grant increase are contained in the budget of the Board of Regents.

House Budget Committee Recommendation

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

1. Delete \$8,459,323, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$2.0 million, all from special revenue funds for an addition to the Hilltop Child Development Center at the University of Kansas for review during Omnibus. Hilltop is a non-profit corporation which is housed in a University owned building. It provides space for 212 children, with 80 to 85 staff. At least 95% of the children enrolled in the Center are from families of the KU community with a minimum of 50% from KU student families. The center's income comes primarily from fees, charged on a sliding scale based on family size and monthly income.

According to the university, there are currently 350 children waiting to access Hilltop Child Development Center. The new addition will provide space for 100 more pre-school through kindergarten age children. The university plans to fund the project through student fees, user fees and funds which have been saved as a portion of the fees derived to cover program costs. The university has indicated that the additions on each wing of the existing building could be built in sequenced phases to help minimize disruption of existing programs and allow occupancy of one of the groups of expanded daycare spaces by January, 2008.

The Budget Committee notes that this item was not included in the agency budget submission, because the Board of Regents had not yet approved the project at the time of agency's budget submission. The item was requested during the presentation of the university budget to the Governor.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation with the following adjustment:

1. Restore \$2.0 million from special revenue funds for the addition to the Hilltop Child Care Center at the University of Kansas.



Senate Subcommittee Report

Agency: University of Kansas **Bill No.** SB 357

Bill Sec. 69

Analyst: Dunkel

Analysis Pg. No. Vol. I-587

Budget Page No. Vol. II, P. 422

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 144,240,035	\$ 144,240,035	\$ 0
Other Funds	<u>377,521,693</u>	<u>385,981,016</u>	<u>(8,459,323)</u>
Subtotal - Operating	<u>\$ 521,761,728</u>	<u>\$ 530,221,051</u>	<u>\$ (8,459,323)</u>
Capital Improvements:			
State General Fund	\$ 5,863,768	\$ 763,768	\$ 0
Other Funds	<u>6,583,347</u>	<u>8,583,347</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 12,447,115</u>	<u>\$ 9,347,115</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 534,208,843</u></u>	 <u><u>\$ 539,568,166</u></u>	 <u><u>\$ (8,459,323)</u></u>
 FTE Positions	 5,350.0	 5,350.0	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>5,350.0</u></u>	<u><u>5,350.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$521.8 million which is an increase of \$171,179, or less than 0.1 percent, above the current year estimate. The agency requests State General Fund expenditures of \$144.2 million which is an increase of \$33,973, or less than 0.1 percent, above the current year.

Governor's Recommendation

The **Governor** concurs with the agency's request and adds \$8.5 million from special revenue funds for the non-State General Fund portion of the pay plan. Systemwide adjustments such as funding for an operating grant increase are contained in the budget of the Board of Regents.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$8,459,323, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Kansas State University **Bill No.** HB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I - 623

Budget Page No. Vol. II - 264

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 110,766,650	\$ 110,766,650	\$ 0
Other Funds	<u>354,234,318</u>	<u>354,234,318</u>	<u>0</u>
Subtotal - Operating	<u>\$ 465,000,968</u>	<u>\$ 465,000,968</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 189,446	\$ 189,446	\$ 0
Other Funds	<u>12,148,512</u>	<u>12,148,512</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 12,337,958</u>	<u>\$ 12,337,958</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 477,338,926</u></u>	<u><u>\$ 477,338,926</u></u>	<u><u>\$ 0</u></u>
FTE Positions	3,269.3	3,269.3	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>3,269.3</u></u>	<u><u>3,269.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$465.0 million which is a increase of \$12.7 million, or 2.8 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$110.8 million which is an increase of \$3.6 million, or 3.4 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$3.6 million which was transferred from the Board of Regents to Kansas State University for items approved by the 2006 Legislature:
 - \$2.9 million for the operating grant increase;
 - \$685,566 for the faculty salary enhancement.

General Fees Fund

- An increase of \$15.4 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$3.5 million for the Integrated Information Initiative. The agency intends to expend the

- balance for computer servers, software, training, and consulting services for the student information system;
- Higher than anticipated FY 2007 tuition revenue of \$13.4 million;
 - Higher than anticipated transfers and non-reportable expenditures of \$159,621; and
- A revised estimate of carryforward from FY 2007 of \$91,343.

All Other Funds

- A decrease of \$6.3 million in all other funds due to lower than anticipated receipts in special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University **Bill No.** SB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. 1-623

Budget Page No. Vol. II, P. 264

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 110,766,650	\$ 110,766,650	\$ 0
Other Funds	<u>354,234,318</u>	<u>354,234,318</u>	<u>0</u>
Subtotal - Operating	<u>\$ 465,000,968</u>	<u>\$ 465,000,968</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 189,446	\$ 189,446	\$ 0
Other Funds	<u>12,148,512</u>	<u>12,148,512</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 12,337,958</u>	<u>\$ 12,337,958</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 477,338,926</u></u>	<u><u>\$ 477,338,926</u></u>	<u><u>\$ 0</u></u>
FTE Positions	3,269.3	3,269.3	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>3,269.3</u></u>	<u><u>3,269.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$465.0 million which is a increase of \$12.7 million, or 2.8 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$110.8 million which is an increase of \$3.6 million, or 3.4 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$3.6 million which was transferred from the Board of Regents to Kansas State University for items approved by the 2006 Legislature:
 - \$2.9 million for the operating grant increase;
 - \$685,566 for the faculty salary enhancement.

General Fees Fund

- An increase of \$15.4 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$3.5 million for the Integrated Information Initiative. The agency intends to expend the balance for computer servers, software, training, and consulting services for the student information system;
 - Higher than anticipated FY 2007 tuition revenue of \$13.4 million;
 - higher than anticipated transfers and non-reportable expenditures of \$159,621; and
 - A revised estimate of carryforward from FY 2007 of \$91,343.

All Other Funds

- A decrease of \$6.3 million in all other funds due to lower than anticipated receipts in special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Kansas State University **Bill No.** HB 2542

Bill Sec. 64

Analyst: Dunkel

Analysis Pg. No. Vol. I - 623

Budget Page No. Vol. II - 264

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 110,766,650	\$ 110,766,650	\$ 0
Other Funds	<u>350,660,037</u>	<u>355,209,425</u>	<u>(4,549,388)</u>
Subtotal - Operating	<u>\$ 461,426,687</u>	<u>\$ 465,976,075</u>	<u>\$ (4,549,388)</u>
Capital Improvements:			
State General Fund	\$ 704,446	\$ 189,446	\$ 0
Other Funds	<u>13,970,663</u>	<u>13,970,663</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 14,675,109</u>	<u>\$ 14,100,109</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 476,101,796</u></u>	 <u><u>\$ 480,136,184</u></u>	 <u><u>\$ (4,549,388)</u></u>
 FTE Positions	 3,269.3	 3,269.3	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>3,269.3</u></u>	<u><u>3,269.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$461.4 million which is a net decrease of \$3.6 million, or 0.8 percent, below the current year estimate. The agency requests State General Fund expenditures of \$110.8 million which is no change from the current year estimate. The decreased reflects a reduction in the estimated carry forward for the general fees fund from FY 2007 to \$122,904. The carry forward from FY 2006 was \$3.6 million. The agency requests no operating enhancements.

Governor's Recommendation

The **Governor** concurs with the agency estimate and adds \$4.5 million from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments.

House Budget Committee Recommendation

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

1. Delete \$4,549,388, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University **Bill No.** SB 357

Bill Sec. 64

Analyst: Dunkel

Analysis Pg. No. Vol. I-623

Budget Page No. Vol. II, P. 264

<u>Expenditure Summary</u>	<u>Agency Request FY 2008</u>	<u>Governor's Recommendation FY 2008</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 110,766,650	\$ 110,766,650	\$ 0
Other Funds	<u>350,660,037</u>	<u>355,209,425</u>	<u>(4,549,388)</u>
Subtotal - Operating	<u>\$ 461,426,687</u>	<u>\$ 465,976,075</u>	<u>\$ (4,549,388)</u>
Capital Improvements:			
State General Fund	\$ 704,446	\$ 189,446	\$ 0
Other Funds	<u>13,970,663</u>	<u>13,970,663</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 14,675,109</u>	<u>\$ 14,100,109</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 476,101,796</u>	 <u>\$ 480,136,184</u>	 <u>\$ (4,549,388)</u>
 FTE Positions	 3,269.3	 3,269.3	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3,269.3</u>	<u>3,269.3</u>	<u>0.0</u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$461.4 million which is a net decrease of \$3.6 million, or 0.8 percent, below the current year estimate. The agency requests State General Fund expenditures of \$110.8 million which is no change from the current year estimate. The decreased reflects a reduction in the estimated carry forward for the general fees fund from FY 2007 to \$122,904. The carry forward from FY 2006 was \$3.6 million. The agency requests no operating enhancements.

Governor's Recommendation

The **Governor** concurs with the agency estimate and adds \$4.5 million from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$4,549,388, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Kansas State University - Veterinary Medical Center **Bill No.** HB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. I - 642 **Budget Page No.** Vol. II - 267

<u>Expenditure Summary</u>	<u>Agency Estimate FY 07</u>	<u>Governor's Recommendation FY 07</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 10,722,664	\$ 10,722,664	\$ 0
Other Funds	<u>25,159,777</u>	<u>25,159,777</u>	<u>0</u>
Subtotal - Operating	<u>\$ 35,882,441</u>	<u>\$ 35,882,441</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 35,882,441</u></u>	<u><u>\$ 35,882,441</u></u>	<u><u>\$ 0</u></u>
FTE Positions	315.6	315.6	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>315.6</u></u>	<u><u>315.6</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$35.9 million which is an increase of \$5.6 million, or 18.4 percent above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$10.7 million which is an increase of \$364,788, or 3.5 percent, from the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$364,788 which was transferred from the Board of Regents to the KSU Veterinary Medical Center for items approved by the 2005 Legislature:
 - \$278,168 for the operating grant increase;
 - \$86,620 for the faculty salary enhancement; and

General Fees Fund

- Increased carryforward from FY 2006 of \$378,660;
- Higher than anticipated revenues of \$296,965; and
- Increased carryforward from FY 2006 of \$50,000.

All Other Funds

- an increase of \$4.6 million due unanticipated revenues in special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University - Veterinary Medical Center **Bill No.** SB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. I-642 **Budget Page No.** Vol. II, P. 267

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 10,722,664	\$ 10,722,664	\$ 0
Other Funds	<u>25,159,777</u>	<u>25,159,777</u>	<u>0</u>
Subtotal - Operating	<u>\$ 35,882,441</u>	<u>\$ 35,882,441</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 35,882,441</u></u>	<u><u>\$ 35,882,441</u></u>	<u><u>\$ 0</u></u>
FTE Positions	315.6	315.6	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>315.6</u></u>	<u><u>315.6</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$35.9 million which is an increase of \$5.6 million, or 18.4 percent above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$10.7 million which is an increase of \$364,788, or 3.5 percent, from the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$364,788 which was transferred from the Board of Regents to the KSU Veterinary Medical Center for items approved by the 2005 Legislature:
 - \$278,168 for the operating grant increase;
 - \$86,620 for the faculty salary enhancement; and

General Fees Fund

- Increased carryforward from FY 2006 of \$378,660;
- Higher than anticipated revenues of \$296,965; and
- Increased carryforward from FY 2006 of \$50,000.

All Other Funds

- An increase of \$4.6 million due unanticipated revenues in special revenue funds.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Kansas State University - Veterinary Medical Center **Bill No.** HB 2542 **Bill Sec.** 66

Analyst: Dunkel **Analysis Pg. No.** Vol. I - 642 **Budget Page No.** Vol. II - 268

<u>Expenditure Summary</u>	<u>Agency Request FY 08</u>	<u>Governor's Recommendation FY 08</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 10,822,664	\$ 10,822,664	\$ 0
Other Funds	<u>21,096,605</u>	<u>21,544,420</u>	<u>(447,815)</u>
Subtotal - Operating	<u>\$ 31,919,269</u>	<u>\$ 32,367,084</u>	<u>\$ (447,815)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>538,179</u>	<u>538,719</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 538,179</u>	<u>\$ 538,719</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 32,457,988</u>	 <u>\$ 32,905,803</u>	 <u>\$ (447,815)</u>
 FTE Positions	 315.6	 315.6	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>315.6</u>	<u>315.6</u>	<u>0.0</u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$31.9 million which is a decrease of \$4.0 million, or 11.0 percent, below the current year estimate. The agency requests State General Fund expenditures of \$10.8 million which is an increase of \$100,000, or 0.9 percent, below the current year estimate. The overall decrease is mainly due to balances in special revenue funds being expended during FY 2007 and not available for expenditure in FY 2008. The agency requests one operating enhancement totaling \$100,000 from the State General Fund for the Veterinary Training Program, which provides \$20,000 service loans to five first-year veterinary students.

Governor's Recommendation

The **Governor** concurs with the agency estimate and adds \$447,815 from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments.

House Budget Committee Recommendation

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

1. Delete \$447,815, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University - Veterinary Medical Center **Bill No.** SB 357 **Bill Sec.** 66

Analyst: Dunkel **Analysis Pg. No.** Vol. 1-642 **Budget Page No.** Vol. II, P. 267

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,822,664	\$ 10,822,664	\$ 0
Other Funds	<u>21,096,605</u>	<u>21,544,420</u>	<u>(447,815)</u>
Subtotal - Operating	<u>\$ 31,919,269</u>	<u>\$ 32,367,084</u>	<u>\$ (447,815)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>538,179</u>	<u>538,719</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 538,179</u>	<u>\$ 538,719</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 32,457,988</u></u>	<u><u>\$ 32,905,803</u></u>	<u><u>\$ (447,815)</u></u>
FTE Positions	315.6	315.6	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>315.6</u></u>	<u><u>315.6</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$31.9 million which is a decrease of \$4.0 million, or 11.0 percent, below the current year estimate. The agency requests State General Fund expenditures of \$10.8 million which is an increase of \$100,000, or 0.9 percent, below the current year estimate. The overall decrease is mainly due to balances in special revenue funds being expended during FY 2007 and not available for expenditure in FY 2008. The agency requests one operating enhancement totaling \$100,000 from the State General Fund for the Veterinary Training Program, which provides \$20,000 service loans to five first-year veterinary students.

Governor's Recommendation

The **Governor** concurs with the agency estimate and adds \$447,815 from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$447,815, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Kansas State University - Extension Systems and Agriculture Research Program **Bill No.** HB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. I - 657 **Budget Page No.** Vol. II - 265

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 51,957,479	\$ 51,957,479	\$ 0
Other Funds	78,534,378	78,534,378	0
Subtotal - Operating	<u>\$ 130,491,857</u>	<u>\$ 130,491,857</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	1,350,000	1,350,000	0
Subtotal - Capital Improvements	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 131,841,857</u></u>	<u><u>\$ 131,841,857</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	1,390.3	1,390.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,390.3</u></u>	<u><u>1,390.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$130.5 million which is an increase of \$9.8 million, or 8.1 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$52.0 million which is an increase of \$1.9 million, or 3.8 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$1.9 million which was transferred from the Board of Regents to this agency for items approved by the 2005 Legislature:
 - \$1.7 million for the operating grant increase; and
 - \$232,950 for the faculty salary enhancement.

All Other Funds

- \$7.9 million due to higher than estimated receipts to special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University - Extension Systems and Agriculture Research Program **Bill No.** SB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. 1-657 **Budget Page No.** Vol. II - 265

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 51,957,479	\$ 51,957,479	\$ 0
Other Funds	<u>78,534,378</u>	<u>78,534,378</u>	<u>0</u>
Subtotal - Operating	<u>\$ 130,491,857</u>	<u>\$ 130,491,857</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>1,350,000</u>	<u>1,350,000</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>	<u>\$ 0</u>
TOTAL	<u>\$ 131,841,857</u>	<u>\$ 131,841,857</u>	<u>\$ 0</u>
FTE Positions	1,390.3	1,390.3	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>1,390.3</u>	<u>1,390.3</u>	<u>0.0</u>

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$130.5 million which is an increase of \$9.8 million, or 8.1 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$52.0 million which is an increase of \$1.9 million, or 3.8 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- \$1.9 million which was transferred from the Board of Regents to this agency for items approved by the 2005 Legislature:
 - \$1.7 million for the operating grant increase; and
 - \$232,950 for the faculty salary enhancement.

All Other Funds

- \$7.9 million due to higher than estimated receipts to special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Kansas State University Extension Systems
and Agriculture Research Programs

Bill No. HB 2542

Bill Sec. 65

Analyst: Dunkel

Analysis Pg. No. Vol. I - 657

Budget Page No. Vol. II - 265

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 51,957,479	\$ 52,257,479	\$ (300,000)
Other Funds	<u>78,489,364</u>	<u>79,844,848</u>	<u>(1,355,484)</u>
Subtotal - Operating	<u>\$ 130,446,843</u>	<u>\$ 132,102,327</u>	<u>\$ (1,655,484)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>1,951,345</u>	<u>1,951,345</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 1,951,345</u>	<u>\$ 1,951,345</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 132,398,188</u></u>	<u><u>\$ 134,053,672</u></u>	<u><u>\$ (1,655,484)</u></u>
FTE Positions			
FTE Positions	1,390.3	1,390.3	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>1,390.3</u></u>	<u><u>1,390.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$130.4 million which is a decrease of \$45,014, or less than 0.1 percent, below the current year estimate. The agency requests State General Fund expenditures of \$52.0 million which is no change from the current year estimate.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$1.7 million from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments, and shifts expenditures of \$300,000 to the State General Fund from Economic Development Initiatives Fund (EDIF) in the research program.

House Budget Committee Recommendation

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

1. Delete \$1,655,484, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Shift expenditures of \$300,000 from the State General Fund to the Economic Development Initiatives Fund for the research program.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas State University Extension Systems and Agriculture Research Programs **Bill No.** SB 357 **Bill Sec.** 65

Analyst: Dunkel **Analysis Pg. No.** Vol. I-657 **Budget Page No.** Vol. II - 265

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 51,957,479	\$ 52,257,479	\$ (300,000)
Other Funds	78,489,364	79,844,848	(1,355,484)
Subtotal - Operating	<u>\$ 130,446,843</u>	<u>\$ 132,102,327</u>	<u>\$ (1,655,484)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,951,345	1,951,345	0
Subtotal - Capital Improvements	<u>\$ 1,951,345</u>	<u>\$ 1,951,345</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 132,398,188</u></u>	<u><u>\$ 134,053,672</u></u>	<u><u>\$ (1,655,484)</u></u>
FTE Positions	1,390.3	1,390.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,390.3</u></u>	<u><u>1,390.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$130.4 million which is a decrease of \$45,014, or less than 0.1 percent, below the current year estimate. The agency requests State General Fund expenditures of \$52.0 million which is no change from the current year estimate.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$1.7 million from other funds for the non-State General Fund portion of the pay plan and longevity bonus payments, and shifts expenditures of \$300,000 to the State General Fund from Economic Development Initiatives Fund (EDIF) in the research program.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$1,655,484, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$300,000 from the State General Fund and add \$300,000 from the Economic Development Initiatives Fund for the research program.

House Budget Committee Report

Agency: Wichita State University **Bill No.** HB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I - 671

Budget Page No. Vol. II - 438

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 72,468,411	\$ 72,468,411	\$ 0
Other Funds	<u>116,850,147</u>	<u>116,850,147</u>	<u>0</u>
Subtotal - Operating	<u>\$ 189,318,558</u>	<u>\$ 189,318,558</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 1,160,000	\$ 1,160,000	\$ 0
Other Funds	<u>5,257,742</u>	<u>5,257,742</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 6,417,742</u>	<u>\$ 6,417,742</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 195,736,300</u></u>	<u><u>\$ 195,736,300</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
	1,861.1	1,861.1	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>1,861.1</u></u>	<u><u>1,861.1</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate for operating expenditures is \$189.3 million which is an increase of \$10.1 million, or 5.6 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$72.5 million which is an increase of \$2.7 million, or 3.9 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate are:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$347,703 which is available for expenditure without any further legislative action; and
- \$2.4 million which was transferred from the Board of Regents to the University of Kansas for items approved by the 2006 Legislature:
 - \$2.0 million for the operating grant increase; and
 - \$371,915 for the faculty salary enhancement.

General Fees Fund

- An increase of \$1.1 million due to:
 - A higher than anticipated carryforward of FY 2007 balances of \$2.8 million;
 - Unanticipated FY 2007 tuition revenue of \$1.7 million; and
 - A revised estimate of carryforward into FY 2008 of \$2.9 million.

All Other Funds

- \$6.2 million in unanticipated receipts to special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Wichita State University **Bill No.** SB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I-671

Budget Page No. Vol. II, P. 438

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 72,468,411	\$ 72,468,411	\$ 0
Other Funds	116,850,147	116,850,147	0
Subtotal - Operating	<u>\$ 189,318,558</u>	<u>\$ 189,318,558</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 1,160,000	\$ 1,160,000	\$ 0
Other Funds	5,257,742	5,257,742	0
Subtotal - Capital Improvements	<u>\$ 6,417,742</u>	<u>\$ 6,417,742</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 195,736,300</u></u>	<u><u>\$ 195,736,300</u></u>	<u><u>\$ 0</u></u>
FTE Positions	1,861.1	1,861.1	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,861.1</u></u>	<u><u>1,861.1</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate for operating expenditures is \$189.3 million which is an increase of \$10.1 million, or 5.6 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$72.5 million which is an increase of \$2.7 million, or 3.9 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate are:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$347,703 which is available for expenditure without any further legislative action; and
- \$2.4 million which was transferred from the Board of Regents to the University of Kansas for items approved by the 2006 Legislature:
 - \$2.0 million for the operating grant increase; and
 - \$371,915 for the faculty salary enhancement.

General Fees Fund

- An increase of \$1.1 million due to:
 - A higher than anticipated carryforward of FY 2007 balances of \$2.8 million;
 - Unanticipated FY 2007 tuition revenue of \$1.7 million; and
 - A revised estimate of carryforward into FY 2008 of \$2.9 million.

All Other Funds

- \$6.2 million in unanticipated receipts to special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Wichita State University **Bill No.** HB 2542

Bill Sec. 71

Analyst: Dunkel

Analysis Pg. No. Vol. I - 671

Budget Page No. Vol 1 - 438

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 70,062,946	\$ 70,062,946	\$ 0
Other Funds	116,343,677	120,533,745	(4,190,068)
Subtotal - Operating	\$ 186,406,623	\$ 190,596,691	\$ (4,190,068)
Capital Improvements:			
State General Fund	\$ 1,215,000	\$ 1,215,000	\$ 0
Other Funds	2,684,637	2,684,637	0
Subtotal - Capital Improvements	\$ 3,899,637	\$ 3,899,637	\$ 0
 TOTAL	 \$ 190,306,260	 \$ 194,496,328	 \$ (4,190,068)
 FTE Positions	 1,861.1	 1,861.1	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,861.1	1,861.1	0.0

Agency Request

The **agency** requests an FY 2008 operating budget of \$186.4 million which is a decrease of \$2.9 million, or 1.5 percent, below the current year estimate. The agency requests State General Fund expenditures of \$70.1 million which is a decrease of \$2.4 million, or 3.3 percent, below the current year estimate. The decrease reflects the final year of funding for the Aviation Research Initiative in FY 2007.

Governor's Recommendation

The **Governor** concurs with the agency's request and adds \$2.5 million from the EDIF for the NIAR and \$1.7 million from special revenue funds for the non-State General Fund portion of the pay plan. Systemwide adjustments such as an operating grant increase are contained in the budget of the Board of Regents.

House Budget Committee Recommendation

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

1. Delete \$1,690,068 all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) for review during Omnibus.

The Budget Committee notes that the state has benefitted from a number of initial investments in aviation research at the National Institute for Aviation Research at Wichita State University beginning during the 2002 Legislative Session.

The leverage the state has achieved on this investment has been significant. For every dollar invested in research the state has received approximately eleven dollars from federal and industry sources. In addition, for every dollar invested in infrastructure the state has leveraged approximately four dollars from federal and industry.

Research and development investment by the State of Kansas into the National Institute for Aviation Research allows further development of new products and services, which will retain and grow jobs in Kansas.

The aviation industry has requested \$5 million a year for five years to continue to support the research needs of the industry to be appropriated for the National Institute for Aviation Research at Wichita State University. The Budget Committee recognizes the importance of supporting this important investment; however, recommends this be addressed during Omnibus. This investment would enable the industry to compete in a ever-changing global marketplace and should be recognized as a multi-year need.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation with the following adjustment:

1. Restore \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) at Wichita State University and review the adding another \$2.5 million from the EDIF for the NIAR during Omnibus.

Senate Subcommittee Report

Agency: Wichita State University **Bill No.** SB 357

Bill Sec. 71

Analyst: Dunkel

Analysis Pg. No. Vol. I-671

Budget Page No. Vol. II, P. 438

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 70,062,946	\$ 70,062,946	\$ 0
Other Funds	116,343,677	120,533,745	(1,690,068)
Subtotal - Operating	<u>\$ 186,406,623</u>	<u>\$ 190,596,691</u>	<u>\$ (1,690,068)</u>
Capital Improvements:			
State General Fund	\$ 1,215,000	\$ 1,215,000	\$ 0
Other Funds	2,684,637	2,684,637	0
Subtotal - Capital Improvements	<u>\$ 3,899,637</u>	<u>\$ 3,899,637</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 190,306,260</u>	 <u>\$ 194,496,328</u>	 <u>\$ (1,690,068)</u>
 FTE Positions	 1,861.1	 1,861.1	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>1,861.1</u>	<u>1,861.1</u>	<u>0.0</u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$186.4 million which is a decrease of \$2.9 million, or 1.5 percent, below the current year estimate. The agency requests State General Fund expenditures of \$70.1 million which is a decrease of \$2.4 million, or 3.3 percent, below the current year estimate. The decrease reflects the final year of funding for the Aviation Research Initiative in FY 2007.

Governor's Recommendation

The **Governor** concurs with the agency's request and adds \$2.5 million from the EDIF for the NIAR and \$1.7 million from special revenue funds for the non-State General Fund portion of the pay plan. Systemwide adjustments such as an operating grant increase are contained in the budget of the Board of Regents.

Senate Subcommittee Recommendation

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

1. Delete \$1,690,068, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. The Subcommittee recommends the Committee review during Omnibus the addition of \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) to the \$2.5 million the Governor recommended in FY 2008 during Omnibus.

The Subcommittee notes that the state has benefitted from a number of initial investments in aviation research at the National Institute for Aviation Research at Wichita State University beginning during the 2002 Legislative Session.

The leverage the state has achieved on this investment has been significant. For every dollar invested in research the state has received approximately eleven dollars from federal and industry sources. In addition, for every dollar invested in infrastructure the state has leveraged approximately four dollars from federal and industry.

Research and development investment by the State of Kansas into the National Institute for Aviation Research allows further development of new products and services, which will retain and grow jobs in Kansas.

The aviation industry has requested \$5.0 million a year for five years to continue to support the research needs of the industry to be appropriated for the National Institute for Aviation Research at Wichita State University. The Subcommittee recognizes the importance of supporting this important investment however, recommends the additional funding be reviewed during Omnibus. This investment would enable the industry to compete in an ever-changing global marketplace and should be recognized as a multi-year need.

House Budget Committee Report

Agency: Board of Regents

Bill No. HB 2541

Bill Sec. 42

Analyst: Dunkel

Analysis Pg. No. Vol.I - 558

Budget Page No. Vol. II - 325

<u>Expenditure Summary</u>	<u>Agency Estimate FY 07</u>	<u>Governor's Recommendation FY 07</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 173,332,537	\$ 173,332,536	\$ 0
Other Funds	<u>39,311,535</u>	<u>39,311,535</u>	<u>0</u>
Subtotal - Operating	<u>\$ 212,644,072</u>	<u>\$ 212,644,071</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>17,450,000</u>	<u>17,450,000</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 230,094,072</u></u>	<u><u>\$ 230,094,071</u></u>	<u><u>\$ 0</u></u>
FTE Positions	58.5	58.5	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>58.5</u></u>	<u><u>58.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** estimate for FY 2007 operating expenditures of \$212.6 million is a net decrease of \$19.3 million, or 8.3 percent, below the approved budget. The estimate includes State General Fund expenditures of \$173.3 million, which is a decrease of \$18.5 million, or 9.6 percent, below the approved budget. Differences between the approved amount and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$1.4 million which is available for expenditure without any further legislative action;
- \$4,426 of the increase in State General Fund expenditures to fully fund the pay plan approved by the 2006 Legislature at the Board office;
- \$896,072 of the increase in State General Fund expenditures to fully fund the pay plan approved by the 2006 Legislature at the universities; offset by
- transfers from this agency to the individual institutions of:

- \$17.4 million for the state university operating grant; and
- \$3.3 million for the faculty salary enhancement.

All Other Funds

- Lower than estimated revenues for special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Board of Regents **Bill No.** SB 358 **Bill Sec.** 42
Analyst: Dunkel **Analysis Pg. No.** Vol. I - 558 **Budget Page No.** Vol. II - 325

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 173,332,537	\$ 173,332,536	\$ 0
Other Funds	<u>39,311,535</u>	<u>39,311,535</u>	<u>0</u>
Subtotal - Operating	<u>\$ 212,644,072</u>	<u>\$ 212,644,071</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>17,450,000</u>	<u>17,450,000</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 17,450,000</u>	<u>\$ 17,450,000</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 230,094,072</u></u>	 <u><u>\$ 230,094,071</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 58.5	 58.5	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>58.5</u></u>	<u><u>58.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** estimate for FY 2007 operating expenditures of \$212.6 million is a net decrease of \$19.3 million, or 8.3 percent, below the approved budget. The estimate includes State General Fund expenditures of \$173.3 million, which is a decrease of \$18.5 million, or 9.6 percent, below the approved budget. Differences between the approved amount and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$1.4 million which is available for expenditure without any further legislative action;
- \$4,426 of the increase in State General Fund expenditures to fully fund the pay plan approved by the 2006 Legislature at the Board office;
- \$896,072 of the increase in State General Fund expenditures to fully fund the pay plan approved by the 2006 Legislature at the universities; offset by

- Transfers from this agency to the individual institutions of:
 - \$17.4 million for the state university operating grant; and
 - \$3.3 million for the faculty salary enhancement.

All Other Funds

- Lower than estimated revenues for special revenue funds

Governor's Recommendation

The Governor concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Board of Regents **Bill No.** HB 2542 **Bill Sec.** 72
Analyst: Dunkel **Analysis Pg. No.** Vol. II - 558 **Budget Page No.** Vol. II - 325

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 219,129,602	\$ 220,669,945	\$ (75,759,987)
Other Funds	<u>37,635,007</u>	<u>30,018,504</u>	<u>(10,445,012)</u>
Subtotal - Operating	<u>\$ 256,764,609</u>	<u>\$ 250,688,449</u>	<u>\$ (86,204,999)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>33,045,000</u>	<u>33,045,000</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 33,045,000</u>	<u>\$ 33,045,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 289,809,609</u></u>	<u><u>\$ 283,733,449</u></u>	<u><u>\$ (86,204,999)</u></u>
FTE Positions	64.5	59.5	(1.0)
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>64.5</u></u>	<u><u>59.5</u></u>	<u><u>(1.0)</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$256.8 million which is an increase of \$44.1 million, or 20.7 percent, above the FY 2007 revised estimate. The request includes \$219.1 million from the State General Fund which is an increase of \$45.8 million, or 26.4 percent, above the FY 2007 revised estimate.

- The request includes enhancements totaling \$51.1 million and 6.0 FTE positions. Absent those enhancements, the agency's FY 2008 request would be a decrease of \$7.0 million below the current year. The State General Fund decrease would be \$4.2 million below the current year.
- The agency submitted a reduced resources packages totaling \$8.9 million, including \$8.4 million from the State General Fund. These adjustments are detailed in the table below.

Governor's Recommendation

The **Governor** recommends an FY 2008 operating budget of \$250.7 million which is an increase of \$38.0 million, or 17.9 percent, above the current year recommendation. The

recommendation includes \$220.7 million from the State General Fund which is an increase of \$47.3 million, or 27.3 percent, from the current year recommendation. The recommendation includes:

- An increase in the state university operating grants totaling \$30.0 million from the State General Fund:
 - The Governor's FY 2008 recommendation includes the addition of \$19.9 million from the State General Fund, 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.
 - Assuming that the state universities expend the funds in the above manner, the balance of the operating grant increase would be \$10.1 million

Staff Note: Under the operating grant concept, the universities are not obligated to expend these funds in this manner. Increases in other funding sources for these items are included in the budgets of the individual institutions.

- An increase of \$4.0 million from the State General Fund for student financial aid including: \$3.0 million for the Comprehensive Grant program and \$1.0 million for teacher's scholarships;
- An increase in Postsecondary Aid for Vocational Education of \$1.3 million from the State General Fund;
- An increase in Postsecondary Aid for Community Colleges of \$3.8 million from the State General Fund;
- An increase in funding for Washburn University of \$458,700 from the State General Fund for the Kansas Academy of Math and Science;
- \$100,000 from the State General Fund for the Kansas Academy of Math and Science;
- An increase in Adult Basic Education of \$200,000 from the State General Fund;
- \$159,348, including \$101,859 from the State General Fund, for a 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;
- An increase of \$600,000 from the State General Fund for nursing faculty and supplies;
- The addition of \$1.0 million for the competitive teacher's grant;
- The addition of \$30,875 from the State General Fund and 1.0 FTE position for infrastructure support at the Board office;
- The addition of \$47,000 from the State General Fund for inflationary increases to the Boards other operating expenditures; and

- A shift of \$9.7 million in EDIF expenditures to State General Fund.

House Budget Committee Recommendation

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

1. Delete \$159,348, including \$101,859 from the State General Fund 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 at the Board Office. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$30.0 million from the State General Fund for the university operating grant for review during Omnibus. The operating grant includes \$19.9 million for the State General Fund portion of the Governor's pay plan and longevity enhancement, and \$10.1 million for university operations, assuming the universities implement the Governor's pay plan and longevity bonus payments.

The Budget Committee notes the importance of the operating grants, and recommends the additional funding, after review, at Omnibus.

3. Delete \$2.0 million from the State General Fund for the Comprehensive Grant Program for review during Omnibus. The Governor recommended an increase of \$3.0 million for the program, an increase of \$2.0 million from the agency's enhanced request. The Comprehensive Grant Program provides grants to financially needy students. The program provides need-based grants to full-time (12 hours) undergraduate students who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. The House Budget Committee recommends expenditures of \$15.2 million from the State General Fund to fund scholarships for approximately 14,500 students.
4. Delete \$3.8 million from the State General Fund for the Governor's recommended increase to the community college operating grant for review during Omnibus. Absent the increase, the total operating grant for all 19 community colleges is \$96.2 million from the State General Fund.
5. Delete \$458,700 from the State General Fund for the Governor's recommended increase to the Washburn University operating grant for review during Omnibus. Absent the increase, the total operating grant for Washburn University is \$11.5 million from the State General Fund.
6. Delete \$6.0 million, including \$2.0 million from the State General Fund and \$4.0 million from the Kan-Ed fund for the Kan-Ed program for review during Omnibus. The total budget for Kan-Ed after the reduction is \$6.0 million from the Kan-Ed fund. K.S.A. 60-2010 (f)(4) limits funding from the Kansas Universal Service Fund to \$6.0 million in FY 2008 and \$5.5 million in FY 2009. After FY 2009, the provisions of the statute which provide funding for Kan-Ed expire.

The Budget Committee notes that the Kan-Ed Oversight Committee recommended in its 2006 Interim report that the Board of Regents, KanREN, and DISC conduct a feasibility study of the three consolidation models presented to

the Oversight Committee and present a specific recommendation no later than March 1, 2007 to the standing committees on Utilities, Education, Health, Commerce, Ways and Means, and Appropriations; and to the Joint Committee on Information Technology. The Budget Committee recommends review of this report at Omnibus to assist in determining the funding necessary for Kan-Ed.

7. Delete \$30,875 from the State General Fund and 1.0 FTE position for additional staff support at the Board of Regents office for review during Omnibus.
8. Delete \$47,000 from the State General Fund for increased operating costs (\$27,000) and professional development (\$20,000) for review during Omnibus. The agency requested a 3.0 percent increase for inflationary increases to operating costs of \$27,000 from the State General Fund. The Governor added an additional \$20,000 from the State General Fund for professional development primarily to allow Regents to attend additional conferences.
9. Shift \$9.7 million in expenditures from the State General Fund to the Economic Development Initiatives Fund (EDIF) for vocational education capital outlay (\$2.6 million); postsecondary aid for vocational education (\$7.0 million); and technology innovation and internship (\$180,500) for review during Omnibus.
10. Delete \$180,500 from the EDIF for technology innovation and internship for review during Omnibus pending the presentation of the final recommendations of the Kansas technical College and Vocational School Commission.
11. Delete \$40.0 million, including \$26.7 million from the State General Fund and \$7.0 million from the EDIF, for postsecondary aid to technical education for review during Omnibus, pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission.
12. Delete \$2.7 million, including \$2.6 million from the EDIF and \$102,600 from the State General Fund for technical education capital outlay for review during Omnibus pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission.
13. Delete \$764,400 from the State General Fund for the technical college hold harmless funding for review during Omnibus pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission. The 2006 Legislature added \$735,000 for FY 2007 to hold technical colleges harmless for losses in funding due to the implementation of a new funding formula.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Board of Regents **Bill No.** SB 357 **Bill Sec.** 72
Analyst: Dunkel **Analysis Pg. No.** Vol. I-558 **Budget Page No.** Vol. II - 325

<u>Expenditure Summary</u>	<u>Agency Request FY 2008</u>	<u>Governor's Recommendation FY 2008</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 219,129,602	\$ 220,669,945	\$ (32,215,957)
Other Funds	<u>37,635,007</u>	<u>30,018,504</u>	<u>9,645,173</u>
Subtotal - Operating	<u>\$ 256,764,609</u>	<u>\$ 250,688,449</u>	<u>\$ (22,570,784)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>33,045,000</u>	<u>33,045,000</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 33,045,000</u>	<u>\$ 33,045,000</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 289,809,609</u></u>	 <u><u>\$ 283,733,449</u></u>	 <u><u>\$ (22,570,784)</u></u>
 FTE Positions	 64.5	 59.5	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>64.5</u></u>	<u><u>59.5</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$256.8 million which is an increase of \$44.1 million, or 20.7 percent, above the FY 2007 revised estimate. The request includes \$219.1 million from the State General Fund which is an increase of \$45.8 million, or 26.4 percent, above the FY 2007 revised estimate.

- The request includes enhancements totaling \$51.1 million and 6.0 FTE positions. Absent those enhancements, the agency's FY 2008 request would be a decrease of \$7.0 million below the current year. The State General Fund decrease would be \$4.2 million below the current year.
- The agency submitted a reduced resources packages totaling \$8.9 million, including \$8.4 million from the State General Fund. These adjustments are detailed in the table below.

Governor's Recommendation

The **Governor** recommends an FY 2008 operating budget of \$250.7 million which is an increase of \$38.0 million, or 17.9 percent, above the current year recommendation. The recommendation includes \$220.7 million from the State General Fund which is an increase of \$47.3 million, or 27.3 percent, from the current year recommendation. The recommendation includes:

- An increase in the state university operating grants totaling \$30.0 million from the State General Fund:
 - The Governor's FY 2008 recommendation includes the addition of \$19.9 million from the State General Fund, 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.
 - Assuming that the state universities expend the funds in the above manner, the balance of the operating grant increase would be \$10.1 million

Staff Note: Under the operating grant concept, the universities are not obligated to expend these funds in this manner. Increases in other funding sources for these items are included in the budgets of the individual institutions.

- An increase of \$4.0 million from the State General Fund for student financial aid including: \$3.0 million for the Comprehensive Grant program and \$1.0 million for teacher's scholarships;
- An increase in Postsecondary Aid for Vocational Education of \$1.3 million from the State General Fund;
- An increase in Postsecondary Aid for Community Colleges of \$3.8 million from the State General Fund;
- An increase in funding for Washburn University of \$458,700 from the State General Fund for the Kansas Academy of Math and Science;
- \$100,000 from the State General Fund for the Kansas Academy of Math and Science;
- An increase in Adult Basic Education of \$200,000 from the State General Fund;
- \$159,348, including \$101,859 from the State General Fund, for a 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;
- An increase of \$600,000 from the State General Fund for nursing faculty and supplies;
- The addition of \$1.0 million for the competitive teacher's grant;
- The addition of \$30,875 from the State General Fund and 1.0 FTE position for infrastructure support at the Board office;

- The addition of \$47,000 from the State General Fund for inflationary increases to the Boards other operating expenditures; and
- A shift of \$9.7 million in EDIF expenditures to State General Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$159,348, including \$101,859 from the State General Fund 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 at the Board Office. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$19.9 million from the State General Fund 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 portion of the university operating grant increase. The operating grant includes \$19.9 million for the State General Fund portion of the Governor's pay plan and longevity enhancement, and \$10.1 million for university operations, assuming the universities implement the Governor's pay plan and longevity bonus payments.
3. Delete \$2.5 million from the State General Fund for the following programs for review during Omnibus:
 - a. Delete \$1.5 million from the State General Fund for the Comprehensive Grant Program for review during Omnibus. The Governor recommended an increase of \$3.0 million for the program, \$2.0 million above the agency's enhanced request. The Comprehensive Grant Program provides need-based grants to full-time (12 hours) undergraduate students who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. The Senate Subcommittee recommends expenditures of \$15.7 million from the State General Fund to fund scholarships for approximately 15,500 students.
 - b. Delete \$500,000 from the State General Fund for the Teacher Scholarship Program. The Kansas Teacher Scholarship Program, established in 1990, provides financial assistance to students who plan to teach in a discipline or an under served geographic area in which there is a critical shortage of teachers, as determined by the State Board of Education. Up to 80 percent of the scholarships are typically awarded to students majoring in special education. Recipients of the awards must teach in the hard-to-fill discipline or under served geographic area for one year for each year they receive a scholarship, or repay the scholarship with interest. Students must be Kansas residents and priority goes to upperclass students, followed by high school students who demonstrate high achievement on the ACT, with high GPA and class rank.

The Governor recommended an increase of \$1.0 million from the State General Fund for the program, funding the program at \$1.3 million from the

State General Fund to serve an estimated 274 students. The Senate Subcommittee recommends \$826,744 for the program, which will serve approximately 174 students.

- c. Delete \$500,000 from the State General Fund for the Teacher Education Competitive Grant Program. This is a new program recommended by the Legislative Educational Planning Committee during the 2006 Interim. The program would allow public postsecondary institutions to develop proposals to targeted at increasing the supply of teachers, especially in both geographical and subject areas with shortages. The program would require a dollar for dollar match with institutional funds. The Governor recommended \$1.0 million for the program. The Senate Subcommittee recommends \$500,000 for the program.

2007 SB 22, which would implement the program, has been passed by the Senate and is currently in the House Education Committee.

4. Delete \$9.7 million in expenditures from the State General Fund for vocational education capital outlay (\$2.6 million); postsecondary aid for vocational education (\$7.0 million); and technology innovation and internship (\$180,500) and add \$9.7 million from the Economic Development Initiatives Fund (EDIF) for these expenditures.
5. The Subcommittee notes that the Kan-Ed Oversight Committee recommended in its 2006 Interim report that the Board of Regents, KanREN, and DISC conduct a feasibility study of the three consolidation models presented to the Oversight Committee and present a specific recommendation no later than March 1, 2007 to the standing committees on Utilities, Education, Health, Commerce, Ways and Means, and Appropriations; and to the Joint Committee on Information Technology. The Subcommittee recommends review of this report at Omnibus to assist in determining the funding necessary for Kan-Ed.
6. The Subcommittee notes that the Technical College and Vocational School Commission final recommendations will be available on March 9, 2007 and recommends the Committee review the report during Omnibus to determine what additional funding may be necessary to address postsecondary technical education in Kansas.

House Budget Committee Report

Agency: University of Kansas Medical Center **Bill No.** HB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I - 605

Budget Page No. Vol. II - 424

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 115,741,804	\$ 115,741,804	\$ 0
Other Funds	<u>129,730,160</u>	<u>129,730,160</u>	<u>0</u>
Subtotal - Operating	<u>\$ 245,471,964</u>	<u>\$ 245,471,964</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 350,000	\$ 350,000	\$ 0
Other Funds	<u>1,987,794</u>	<u>1,987,794</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 2,337,794</u>	<u>\$ 2,337,794</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 247,809,758</u></u>	<u><u>\$ 247,809,758</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	2,423.1	2,423.1	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>2,423.1</u></u>	<u><u>2,423.1</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$245.5 million which is a decrease of \$8.3 million, or 3.3 percent, below the approved budget, as well as reduction of 55.6 FTE positions. The agency estimates FY 2007 State General Fund expenditures of \$115.7 million which is an increase of \$3.5 million, or 3.1 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$904 which is available for expenditure without any further legislative action; and
- \$3.9 million which was transferred from the Board of Regents to the Medical Center for items approved by the 2006 Legislature:
 - \$3.5 million for the operating grant increase; and
 - \$411,396 for the faculty salary enhancement;
 - A reduction due to a shift of \$350,000 to capital improvements expenditures.

General Fees Fund

- An increase of \$2.8 million due to:
 - a higher than anticipated carryforward of FY 2006 balances of \$253,811;
 - higher than anticipated FY 2006 tuition revenue of \$2.3 million; and
- The increase is partially offset by an increase in nonreportable expenditures of \$144,998 and a revised estimate of carryforward from FY 2006 of \$750,007.

All Other Funds

- An unlimited reappropriation of FY 2005 Children's Initiatives Fund savings of \$18,509 which is available for expenditures without further legislative action; and
- A reduction in reported special revenue funds for the shift grants and related funds to the Research Institute. This shift is also responsible for the reduction in FTE positions.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: University of Kansas Medical Center **Bill No.** SB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. 1-605 **Budget Page No.** Vol. II, P. 424

Expenditure Summary	Agency Estimate FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 115,741,804	\$ 115,741,804	\$ 0
Other Funds	<u>129,730,160</u>	<u>129,730,160</u>	<u>0</u>
Subtotal - Operating	<u>\$ 245,471,964</u>	<u>\$ 245,471,964</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 350,000	\$ 350,000	\$ 0
Other Funds	<u>1,987,794</u>	<u>1,987,794</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 2,337,794</u>	<u>\$ 2,337,794</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 247,809,758</u></u>	<u><u>\$ 247,809,758</u></u>	<u><u>\$ 0</u></u>
FTE Positions	2,423.1	2,423.1	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>2,423.1</u></u>	<u><u>2,423.1</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$245.5 million which is a decrease of \$8.3 million, or 3.3 percent, below the approved budget, as well as reduction of 55.6 FTE positions. The agency estimates FY 2007 State General Fund expenditures of \$115.7 million which is an increase of \$3.5 million, or 3.1 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$904 which is available for expenditure without any further legislative action; and
- \$3.9 million which was transferred from the Board of Regents to the Medical Center for items approved by the 2006 Legislature:
 - \$3.5 million for the operating grant increase; and
 - \$411,396 for the faculty salary enhancement;

- A reduction due to a shift of \$350,000 to capital improvements expenditures.

General Fees Fund

- An increase of \$2.8 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$253,811;
 - Higher than anticipated FY 2006 tuition revenue of \$2.3 million; and
- The increase is partially offset by an increase in nonreportable expenditures of \$144,998 and a revised estimate of carryforward from FY 2006 of \$750,007.

All Other Funds

- An unlimited reappropriation of FY 2005 Children's Initiatives Fund savings of \$18,509 which is available for expenditures without further legislative action; and
- A reduction in reported special revenue funds for the shift grants and related funds to the Research Institute. This shift is also responsible for the reduction in FTE positions.

Governor's Recommendation

The Governor concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: University of Kansas Medical Center **Bill No.** HB 2542

Bill Sec. 70

Analyst: Dunkel

Analysis Pg. No. Vol. I - 605

Budget Page No. Vol. II - 424

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 115,720,900	\$ 115,720,900	\$ 0
Other Funds	117,939,264	121,342,686	(3,403,422)
Subtotal - Operating	<u>\$ 233,660,164</u>	<u>\$ 237,063,586</u>	<u>\$ (3,403,422)</u>
Capital Improvements:			
State General Fund	\$ 7,603,000	\$ 370,000	\$ 0
Other Funds	1,939,721	1,939,721	0
Subtotal - Capital Improvements	<u>\$ 9,542,721</u>	<u>\$ 2,309,721</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 243,202,885</u>	 <u>\$ 239,373,307</u>	 <u>\$ (3,403,422)</u>
 FTE Positions	 2,423.1	 2,423.1	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>2,423.1</u>	<u>2,423.1</u>	<u>0.0</u>

Agency Request

The agency requests an FY 2008 operating budget of \$233.7 million which is a decrease of \$11.8 million, or 4.8 percent, below the current year estimate. The agency requests State General Fund expenditures of \$115.7 million which is a decrease of \$20,904, or less than 0.1 percent, below the current year estimate. The majority of the reduction falls in the research program, due to reduced special revenue funds.

Governor's Recommendation

The Governor concurs with the agency's request and adds \$3.4 million from all other 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.

House Budget Committee Recommendation

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

1. Delete \$3,403,422, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

2. The Budget Committee notes the valuable contribution of the University of Kansas Medical School to the health of Kansans, through both its educational and research program and urges the School of Medicine to place as high a priority on training clinical physicians, and especially family physicians, to care for Kansans as it does in becoming a world-class research institution. Without enough family physicians, Kansans' access to high quality, primary care will be severely limited.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: University of Kansas Medical Center **Bill No.** SB 357 **Bill Sec.** 70

Analyst: Dunkel **Analysis Pg. No.** Vol. 1-605 **Budget Page No.** Vol. II, P. 424

<u>Expenditure Summary</u>	<u>Agency Request FY 2008</u>	<u>Governor's Recommendation FY 2008</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 115,720,900	\$ 115,720,900	\$ 0
Other Funds	<u>117,939,264</u>	<u>121,342,686</u>	<u>(3,403,422)</u>
Subtotal - Operating	<u>\$ 233,660,164</u>	<u>\$ 237,063,586</u>	<u>\$ (3,403,422)</u>
Capital Improvements:			
State General Fund	\$ 7,603,000	\$ 370,000	\$ 0
Other Funds	<u>1,939,721</u>	<u>1,939,721</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 9,542,721</u>	<u>\$ 2,309,721</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 243,202,885</u>	 <u>\$ 239,373,307</u>	 <u>\$ (3,403,422)</u>
 FTE Positions	 2,423.1	 2,423.1	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>2,423.1</u>	<u>2,423.1</u>	<u>0.0</u>

Agency Request

The agency requests an FY 2008 operating budget of \$233.7 million which is a decrease of \$11.8 million, or 4.8 percent, below the current year estimate. The agency requests State General Fund expenditures of \$115.7 million which is a decrease of \$20,904, or less than 0.1 percent, below the current year estimate. The majority of the reduction falls in the research program, due to reduced special revenue funds.

Governor's Recommendation

The Governor concurs with the agency's request and adds \$3.4 million from all other 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.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$3,403,422, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Emporia State University **Bill No.** HB - -

Bill Sec. - -

Analyst: Dunkel

Analysis Pg. No. Vol. 688

Budget Page No. Vol. II - 163

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,368,654	\$ 33,368,654	\$ 0
Other Funds	38,672,401	38,672,401	0
Subtotal - Operating	\$ 72,041,055	\$ 72,041,055	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,239,912	2,239,912	0
Subtotal - Capital Improvements	\$ 2,239,912	\$ 2,239,912	\$ 0
TOTAL	\$ 74,280,967	\$ 74,280,967	\$ 0
FTE Positions	802.4	802.4	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	802.4	802.4	0.0

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$72.0 million which is an increase of \$5.7 million, or 8.5 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$33.4 million which is an increase of \$1.5 million, or 4.6 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$244,865 which is available for expenditure without any further legislative action; and
- Transfers of \$1.2 million from the Board of Regents to Emporia State University for items approved by the 2006 Legislature:
 - \$1.1 million for the operating grant increase; and
 - \$160,970 for the faculty salary enhancement.

General Fees Fund

- Increases of \$1.8 million due to:
 - A larger than anticipated carryforward of FY 2006 \$1.0 million;
 - Unanticipated FY 2007 tuition revenue of \$1.1 million; and
 - increased carryforward from FY 2007

All Other Funds

- Increases of \$2.4 million in special revenue funds, due to unanticipated revenues in FY 2007.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Emporia State University Bill No. SB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I-688

Budget Page No. Vol. II - 163

Expenditure Summary	Agency Estimate FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,368,654	\$ 33,368,654	\$ 0
Other Funds	<u>38,672,401</u>	<u>38,672,401</u>	<u>0</u>
Subtotal - Operating	<u>\$ 72,041,055</u>	<u>\$ 72,041,055</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>2,239,912</u>	<u>2,239,912</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 2,239,912</u>	<u>\$ 2,239,912</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 74,280,967</u></u>	 <u><u>\$ 74,280,967</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 802.4	 802.4	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>802.4</u></u>	<u><u>802.4</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate of operating expenditures is \$72.0 million which is an increase of \$5.7 million, or 8.5 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$33.4 million which is an increase of \$1.5 million, or 4.6 percent, above the approved budget. The differences between the approved budget and the agency's revised estimate include:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$244,865 which is available for expenditure without any further legislative action; and
- Transfers of \$1.2 million from the Board of Regents to Emporia State University for items approved by the 2006 Legislature:
 - \$1.1 million for the operating grant increase; and
 - \$160,970 for the faculty salary enhancement.

General Fees Fund

- Increases of \$1.8 million due to:
 - A larger than anticipated carryforward of FY 2006 \$1.0 million;
 - Unanticipated FY 2007 tuition revenue of \$1.1 million; and
 - increased carryforward from FY 2007

All Other Funds

- Increases of \$2.4 million in special revenue funds, due to unanticipated revenues in FY 2007.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

General Fees Fund

- Increases of \$1.8 million due to:
 - A larger than anticipated carryforward of FY 2006 \$1.0 million;
 - Unanticipated FY 2007 tuition revenue of \$1.1 million; and
 - increased carryforward from FY 2007

All Other Funds

- Increases of \$2.4 million in special revenue funds, due to unanticipated revenues in FY 2007.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Emporia State University **Bill No.** HB 2542

Bill Sec. 67

Analyst: Dunkel

Analysis Pg. No. Vol.I - 688

Budget Page No. Vol. II - 163

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,123,789	\$ 33,123,789	\$ 0
Other Funds	37,756,549	38,365,461	(608,912)
Subtotal - Operating	\$ 70,880,338	\$ 71,489,250	\$ (608,912)
Capital Improvements:			
State General Fund	\$ 425,036	\$ 0	\$ 0
Other Funds	1,402,327	1,402,327	0
Subtotal - Capital Improvements	\$ 1,827,363	\$ 1,402,327	\$ 0
TOTAL	\$ 72,707,701	\$ 72,891,577	\$ (608,912)
FTE Positions	802.4	802.4	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	802.4	802.4	0.0

Agency Request

The **agency** requests an FY 2008 operating budget of \$70.9 million which is a decrease of \$1.2 million, or 1.6 percent, below the current year estimate. The agency requests State General Fund expenditures of \$33.1 million which is a decrease of \$244,865, or 0.7 percent, below the current year.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$608,912 from special revenue funds for the non-State General Fund portion of the Governor's pay plan and longevity bonus payments.

House Budget Committee Recommendation

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

1. Delete \$608,912, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Emporia State University **Bill No.** SB 357

Bill Sec. 67

Analyst: Dunkel

Analysis Pg. No. Vol. I - 688

Budget Page No. Vol. II - 163

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,123,789	\$ 33,123,789	\$ 0
Other Funds	37,756,549	38,365,461	(608,912)
Subtotal - Operating	<u>\$ 70,880,338</u>	<u>\$ 71,489,250</u>	<u>\$ (608,912)</u>
Capital Improvements:			
State General Fund	\$ 425,036	\$ 0	\$ 0
Other Funds	1,402,327	1,402,327	0
Subtotal - Capital Improvements	<u>\$ 1,827,363</u>	<u>\$ 1,402,327</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 72,707,701</u></u>	<u><u>\$ 72,891,577</u></u>	<u><u>\$ (608,912)</u></u>
FTE Positions	802.4	802.4	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>802.4</u></u>	<u><u>802.4</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$70.9 million which is a decrease of \$1.2 million, or 1.6 percent, below the current year estimate. The agency requests State General Fund expenditures of \$33.1 million which is a decrease of \$244,865, or 0.7 percent, below the current year.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$608,912 from special revenue funds for the non-State General Fund portion of the Governor's pay plan and longevity bonus payments.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$608,912, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Fort Hays State University **Bill No.** HB - -

Bill Sec. - -

Analyst: Dunkel

Analysis Pg. No. Vol. I - 706

Budget Page No. Vol. II - 169

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,223,134	\$ 34,223,134	\$ 0
Other Funds	41,751,740	41,751,740	0
Subtotal - Operating	<u>\$ 75,974,874</u>	<u>\$ 75,974,874</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	2,003,688	2,003,688	0
Subtotal - Capital Improvements	<u>\$ 2,003,688</u>	<u>\$ 2,003,688</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 77,978,562</u></u>	<u><u>\$ 77,978,562</u></u>	<u><u>\$ 0</u></u>
FTE Positions	733.6	733.6	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>733.6</u></u>	<u><u>733.6</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$76.0 million, including \$34.2 million from the State General Fund, is an increase of \$910,375, or 1.2 percent, all funds and \$1.3 million, or 3.9 percent, State General Fund above the amount approved by the 2006 Legislature. The differences between the approved budget and the agency's revised current year estimate are:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$16,466 which is available for expenditure without any further legislative action; and
- \$1.3 million which was transferred from the Board of Regents to Fort Hays State University for items approved by the 2006 Legislature:
 - \$1.1 million for the operating grant increase; and
 - \$166,675 for the faculty salary enhancement.

General Fees Fund

- A decrease of \$1.0 million due to increased carryforward estimates from FY 2007.

All Other Funds

- Increases of \$683,519, reflecting higher than anticipated receipts to special revenue funds.

Governor's Recommendation

The Governor concurs with the agency estimate for FY 2007.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Fort Hays State University **Bill No.** SB --

Bill Sec. --

Analyst: Dunkel

Analysis Pg. No. Vol. I - 706

Budget Page No. Vol. II - 169

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2007</u>	<u>Governor's Recommendation FY 2007</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 34,223,134	\$ 34,223,134	\$ 0
Other Funds	<u>41,751,740</u>	<u>41,751,740</u>	<u>0</u>
Subtotal - Operating	<u>\$ 75,974,874</u>	<u>\$ 75,974,874</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>2,003,688</u>	<u>2,003,688</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 2,003,688</u>	<u>\$ 2,003,688</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 77,978,562</u></u>	<u><u>\$ 77,978,562</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	733.6	733.6	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>733.6</u></u>	<u><u>733.6</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$76.0 million, including \$34.2 million from the State General Fund, is an increase of \$910,375, or 1.2 percent, all funds and \$1.3 million, or 3.9 percent, State General Fund above the amount approved by the 2006 Legislature. The differences between the approved budget and the agency's revised current year estimate are:

State General Fund

- An unlimited reappropriation of FY 2006 State General Fund savings of \$16,466 which is available for expenditure without any further legislative action; and
- \$1.3 million which was transferred from the Board of Regents to Fort Hays State University for items approved by the 2006 Legislature:
 - \$1.1 million for the operating grant increase; and
 - \$166,675 for the faculty salary enhancement.

General Fees Fund

- A decrease of \$1.0 million due to increased carryforward estimates from FY 2007.

All Other Funds

- Increases of \$683,519, reflecting higher than anticipated receipts to special revenue funds.

Governor's Recommendation

The Governor concurs with the agency estimate for FY 2007.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Fort Hays State University **Bill No.** HB 2542

Bill Sec. 63

Analyst: Dunkel

Analysis Pg. No. Vol. I - 706

Budget Page No. Vol. II - 169

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,514,668	\$ 34,206,668	\$ 0
Other Funds	42,111,598	42,489,346	(377,748)
Subtotal - Operating	\$ 76,626,266	\$ 76,696,014	\$ (377,748)
Capital Improvements:			
State General Fund	\$ 400,000	\$ 0	\$ 0
Other Funds	2,773,931	2,773,931	0
Subtotal - Capital Improvements	\$ 3,173,931	\$ 2,773,931	\$ 0
TOTAL	\$ 79,800,197	\$ 79,469,945	\$ (377,748)
FTE Positions	737.6	733.6	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	737.6	733.6	0.0

Agency Request

The **agency** requests an FY 2008 operating budget of \$76.6 million, an increase of \$651,392, or 0.9 percent, above the FY 2007 estimate. The State General Fund request of \$34.5 million is an increase of \$291,53, or 0.9 percent. The increase includes the enhancement request for \$308,000 from the State General Fund and 4.0 FTE positions for the Kansas Wetlands Educational Center at Cheyenne Bottoms.

Governor's Recommendation

The **Governor** recommends FY 2008 operating expenditures of \$76.7 million, including \$34.2 million from the State General Fund. The Governor's recommendation is an increase of \$69,748, or 0.1 percent all funds and a decrease of \$308,000, or 0.9 percent, State General Fund from the agency request. The Governor adds \$377,748 for the non-State General Fund portion of the pay plan and longevity bonus payments. The Governor does not recommend funding for the Wetlands Center at Cheyenne Bottoms enhancement request for \$308,000 from the State General Fund.

House Budget Committee Recommendation

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

1. Delete \$377,748, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Review at Omnibus the addition of \$500,000 from the State General Fund for the Information Assistance Program. The program will offer upper division undergraduate students and graduate students the opportunity to earn a certificate, undergraduate degree emphasis or graduate concentration in Information Assurance as a degree in Information Networking and Telecommunications. The academic program will focus on the technologies, policies, human factors, and legal issues involved with information protection. Currently, no complete bachelors or masters degrees are available in this subject area and no graduate level certificates are available.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Fort Hays State University **Bill No.** SB 357

Bill Sec. 63

Analyst: Dunkel

Analysis Pg. No. Vol. I - 706

Budget Page No. Vol. II - 169

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,514,668	\$ 34,206,668	\$ 0
Other Funds	42,111,598	42,489,346	(377,748)
Subtotal - Operating	<u>\$ 76,626,266</u>	<u>\$ 76,696,014</u>	<u>\$ (377,748)</u>
Capital Improvements:			
State General Fund	\$ 400,000	\$ 0	\$ 0
Other Funds	2,773,931	2,773,931	0
Subtotal - Capital Improvements	<u>\$ 3,173,931</u>	<u>\$ 2,773,931</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 79,800,197</u></u>	 <u><u>\$ 79,469,945</u></u>	 <u><u>\$ (377,748)</u></u>
 FTE Positions	 737.6	 733.6	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>737.6</u></u>	<u><u>733.6</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$76.6 million, an increase of \$651,392, or 0.9 percent, above the FY 2007 estimate. The State General Fund request of \$34.5 million is an increase of \$291,53, or 0.9 percent. The increase includes the enhancement request for \$308,000 from the State General Fund and 4.0 FTE positions for the Kansas Wetlands Educational Center at Cheyenne Bottoms.

Governor's Recommendation

The **Governor** recommends FY 2008 operating expenditures of \$76.7 million, including \$34.2 million from the State General Fund. The Governor's recommendation is an increase of \$69,748, or 0.1 percent all funds and a decrease of \$308,000, or 0.9 percent, State General Fund from the agency request. The Governor adds \$377,748 for the non-State General Fund portion of the pay plan and longevity bonus payments. The Governor does not recommend funding for the Wetlands Center at Cheyenne Bottoms enhancement request for \$308,000 from the State General Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$377,748, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.
2. Review during Omnibus funding for the Kansas Wetlands Educational Center at Cheyenne Bottoms. The agency budget request includes an enhancement for \$308,000 from the State General Fund and 4.0 FTE positions to operate the Center. The agency indicates its intent is to affiliate the Wetlands Center with the Sternberg Museum of Natural History. The agency believes the mission of the Center is consistent with the Museum's goals: promoting scientific preservation and service to Kansas and society at large. The agency indicates that the funding would allow the University to hire the following staff: Director (\$70,160); Educator (\$43,950); Administrative Assistant (\$30,774); Custodial Crew Leader (\$26,004); and four graduate assistants at \$7,500 each plus benefits (\$48,051). The remainder of the funding, \$89,060, would fund operating expenses for the Wetlands Center.
3. Review during Omnibus the addition of \$500,000 from the State General Fund for the Information Assistance Program. The program will offer upper division undergraduate students and graduate students the opportunity to earn a certificate, undergraduate degree emphasis or graduate concentration in Information Assurance as a degree in Information Networking and Telecommunications. The academic program will focus on the technologies, policies, human factors, and legal issues involved with information protection. Currently, no complete bachelors or masters degrees are available in this subject area and no graduate level certificates are available.

House Budget Committee Report

Agency: Pittsburg State University

Bill No. HB - -

Bill Sec. - -

Analyst: Dunkel

Analysis Pg. No. Vol. 723

Budget Page No. Vol. II - 319

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 35,808,812	\$ 35,808,812	\$ 0
Other Funds	42,711,236	42,711,236	0
Subtotal - Operating	<u>\$ 78,520,048</u>	<u>\$ 78,520,048</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 135,212	\$ 135,212	0
Other Funds	4,392,229	4,392,229	0
Subtotal - Capital Improvements	<u>\$ 4,527,441</u>	<u>\$ 4,527,441</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 83,047,489</u></u>	 <u><u>\$ 83,047,489</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 855.3	 855.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>855.3</u></u>	<u><u>855.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$78.5 million which is an increase of \$5.3 million, or 7.3 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$35.8 million which is an increase of \$1.4 million, or 3.9 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- An unlimited reappropriation of \$3,191 which is available for expenditures without further legislative action; and
- \$1.4 million which was transferred from the Board of Regents to Pittsburg State University for items approved by the 2006 Legislature:
 - \$1.15 million for the operating grant increase; and
 - \$212,479 for the faculty salary enhancement.

General Fees Fund

- Increases of \$2.5 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$1.3 million; and
 - Higher than anticipated FY 2007 tuition revenue of \$2.3 million.
- The increase is partially offset by a revised estimate of carryforward into FY 2007 of \$1.2 million.

All Other Funds

- \$1.5 million increase in all other funds for higher than anticipated receipts in special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2007.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Pittsburg State University **Bill No.** SB -- **Bill Sec.** --

Analyst: Dunkel **Analysis Pg. No.** Vol. I-723 **Budget Page No.** Vol. II - 319

Expenditure Summary	Agency Estimate FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 35,808,812	\$ 35,808,812	\$ 0
Other Funds	42,711,236	42,711,236	0
Subtotal - Operating	<u>\$ 78,520,048</u>	<u>\$ 78,520,048</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 135,212	\$ 135,212	0
Other Funds	4,392,229	4,392,229	0
Subtotal - Capital Improvements	<u>\$ 4,527,441</u>	<u>\$ 4,527,441</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 83,047,489</u></u>	<u><u>\$ 83,047,489</u></u>	<u><u>\$ 0</u></u>
FTE Positions	855.3	855.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>855.3</u></u>	<u><u>855.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** current year estimate is \$78.5 million which is an increase of \$5.3 million, or 7.3 percent, above the approved budget. The agency estimates FY 2007 State General Fund expenditures of \$35.8 million which is an increase of \$1.4 million, or 3.9 percent, above the approved budget. The differences between the approved amount and the agency's revised estimate are:

State General Fund

- An unlimited reappropriation of \$3,191 which is available for expenditures without further legislative action; and
- \$1.4 million which was transferred from the Board of Regents to Pittsburg State University for items approved by the 2006 Legislature:
 - \$1.15 million for the operating grant increase; and
 - \$212,479 for the faculty salary enhancement.

General Fees Fund

- Increases of \$2.5 million due to:
 - A higher than anticipated carryforward of FY 2006 balances of \$1.3 million; and
 - Higher than anticipated FY 2007 tuition revenue of \$2.3 million.

- The increase is partially offset by a revised estimate of carryforward into FY 2007 of \$1.2 million.

All Other Funds

- \$1.5 million increase in all other funds for higher than anticipated receipts in special revenue funds.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 2007.

House Budget Committee Report

Agency: Pittsburg State University

Bill No. HB 2542

Bill Sec. 68

Analyst: Dunkel

Analysis Pg. No. Vol. I - 723

Budget Page No. Vol. II - 267

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 35,986,975	\$ 35,986,975	\$ 0
Other Funds	41,778,878	42,388,476	(609,698)
Subtotal - Operating	<u>\$ 77,765,853</u>	<u>\$ 78,375,451</u>	<u>\$ (609,698)</u>
Capital Improvements:			
State General Fund	\$ 4,015,018	\$ 285,018	\$ 0
Other Funds	6,649,341	6,649,341	0
Subtotal - Capital Improvements	<u>\$ 10,664,359</u>	<u>\$ 6,934,359</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 88,430,212</u></u>	 <u><u>\$ 85,309,810</u></u>	 <u><u>\$ (609,698)</u></u>
 FTE Positions	 855.3	 855.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>855.3</u></u>	<u><u>855.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$77.8 million which is a decrease of \$754,195 below the current year estimate. The agency requests State General Fund expenditures of \$36.0 million which is an increase of \$178,163, or 0.5 percent, above the current year estimate. The difference reflects higher than anticipated carry forward in the General Fees Fund in FY 2007, partially offset by increased fringe benefit costs, annualization of salaries and increased operating support for the Kansas Polymer Research Center in FY 2008.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$609,598 other funds for the non-State General Fund portion of 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.

House Budget Committee Recommendation

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

1. Delete \$609,698, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Pittsburg State University **Bill No.** SB 357 **Bill Sec.** 68

Analyst: Dunkel **Analysis Pg. No.** Vol. I - 723 **Budget Page No.** Vol. II - 319

Expenditure Summary	Agency Request FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 35,986,975	\$ 35,986,975	\$ 0
Other Funds	41,778,878	42,388,476	(609,698)
Subtotal - Operating	<u>\$ 77,765,853</u>	<u>\$ 78,375,451</u>	<u>\$ (609,698)</u>
Capital Improvements:			
State General Fund	\$ 4,015,018	\$ 285,018	\$ 0
Other Funds	6,649,341	6,649,341	0
Subtotal - Capital Improvements	<u>\$ 10,664,359</u>	<u>\$ 6,934,359</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 88,430,212</u></u>	<u><u>\$ 85,309,810</u></u>	<u><u>\$ (609,698)</u></u>
FTE Positions	855.3	855.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>855.3</u></u>	<u><u>855.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2008 operating budget of \$77.8 million which is a decrease of \$754,195 below the current year estimate. The agency requests State General Fund expenditures of \$36.0 million which is an increase of \$178,163, or 0.5 percent, above the current year estimate. The difference reflects higher than anticipated carry forward in the General Fees Fund in FY 2007, partially offset by increased fringe benefit costs, annualization of salaries and increased operating support for the Kansas Polymer Research Center in FY 2008.

Governor's Recommendation

The **Governor** concurs with the agency request and adds \$609,598 other funds for the non-State General Fund portion of 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.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$609,698, all from special revenue funds, for the non-State General Fund portion of 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 State General Fund portion of the Governor's pay plan and longevity enhancement for the universities is found in the Board of Regents budget as part of the university operating grant. Funding for pay plan adjustments and longevity payments will be considered later.

House Budget Committee Report

Agency: Postsecondary Education Systemwide **Bill No.** HB 2541

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Various

Budget Page No. Various

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 782,596,207	\$ 782,596,206	\$ 0
Other Funds	<u>1,244,340,179</u>	<u>1,244,340,179</u>	<u>0</u>
Subtotal - Operating	<u>\$ 2,026,936,386</u>	<u>\$ 2,026,936,385</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 3,082,399	\$ 2,632,399	\$ 0
Other Funds	<u>66,784,615</u>	<u>72,207,159</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 69,867,014</u>	<u>\$ 74,839,558</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 2,096,803,400</u>	 <u>\$ 2,101,775,943</u>	 <u>\$ 0</u>
 FTE Positions	 17,059.3	 17,059.3	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>17,059.3</u>	<u>17,059.3</u>	<u>0.0</u>

Agency Estimate

The **current year estimate** for operating expenditures for the postsecondary education system is \$2.0 billion which is an increase of \$71.5 million, or 3.7 percent, above the approved budget. The FY 2007 State General Fund expenditures are estimated to be \$782.6 million which is an increase of \$2.5 million, or 0.3 percent, from the approved budget. Funds were transferred from the Board of Regents to the individual institutions of \$17.4 million for the university operating grant increase; and \$3.3 million for the faculty salary enhancement. The differences between the approved budget and the revised estimate are:

State General Fund

- Unlimited reappropriations totaling \$2.0 million which are available for expenditure without further legislative action;
- \$900,498 to fully fund the pay plan approved by the 2006 Legislature; and
- Partially offset by a shift of \$477,291 from operating expenditures to capital improvements.

General Fees Fund

The current year estimate for expenditures from the General Fees Funds of the state universities (tuition) is \$435.4 million which is an increase of \$39.8 million, or 10.1 percent, above the approved level due in part to:

- Higher than anticipated carryforward balances from FY 2006 of \$9.9 million; and
- Higher than anticipated revenue of \$39.8 million; and
- Increases in carryforward balances from FY 2007 of \$9.9 million.

All Other Funds

- \$69.0 million in revised estimates for expenditures from special revenue funds.

Governor's Recommendation

The Governor concurs with the revised estimate for operating expenditures.

House Budget Committee Recommendation

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

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: Postsecondary Education Systemwide **Bill No.** SB 358

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Vol. I-534

Budget Page No. Various

Expenditure Summary	Agency Estimate FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 782,596,207	\$ 782,596,206	\$ 0
Other Funds	1,244,340,179	1,244,340,179	0
Subtotal - Operating	<u>\$ 2,026,936,386</u>	<u>\$ 2,026,936,385</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 3,082,399	\$ 2,632,399	\$ 0
Other Funds	66,784,615	72,207,159	0
Subtotal - Capital Improvements	<u>\$ 69,867,014</u>	<u>\$ 74,839,558</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 2,096,803,400</u></u>	<u><u>\$ 2,101,775,943</u></u>	<u><u>\$ 0</u></u>
FTE Positions	17,059.3	17,059.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>17,059.3</u></u>	<u><u>17,059.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **current year estimate** for operating expenditures for the postsecondary education system is \$2.0 billion which is an increase of \$71.5 million, or 3.7 percent, above the approved budget. The FY 2007 State General Fund expenditures are estimated to be \$782.6 million which is an increase of \$2.5 million, or 0.3 percent, from the approved budget. Funds were transferred from the Board of Regents to the individual institutions of \$17.4 million for the university operating grant increase; and \$3.3 million for the faculty salary enhancement. The differences between the approved budget and the revised estimate are:

State General Fund

- Unlimited reappropriations totaling \$2.0 million which are available for expenditure without further legislative action;
- \$900,498 to fully fund the pay plan approved by the 2006 Legislature; and
- Partially offset by a shift of \$477,291 from operating expenditures to capital improvements.

General Fees Fund

The current year estimate for expenditures from the General Fees Funds of the state universities (tuition) is \$435.4 million which is an increase of \$39.8 million, or 10.1 percent, above the approved level due in part to:

- Higher than anticipated carryforward balances from FY 2006 of \$9.9 million; and
- Higher than anticipated revenue of \$39.8 million; and
- Increases in carryforward balances from FY 2007 of \$9.9 million.

All Other Funds

- \$69.0 million in revised estimates for expenditures from special revenue funds.

Governor's Recommendation

The Governor concurs with the revised estimate for operating expenditures.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Postsecondary Education Systemwide **Bill No.** HB 2542

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Various

Budget Page No. Various

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 826,325,708	\$ 827,858,051	\$ (76,059,987)
Other Funds	<u>1,221,332,672</u>	<u>1,237,717,927</u>	<u>(34,446,870)</u>
Subtotal - Operating	<u>\$ 2,047,658,380</u>	<u>\$ 2,065,575,978</u>	<u>\$ (110,506,857)</u>
Capital Improvements:			
State General Fund	\$ 20,226,268	\$ 2,823,232	\$ 0
Other Funds	<u>71,673,477</u>	<u>72,324,031</u>	<u>(2,000,000)</u>
Subtotal - Capital Improvements	<u>\$ 90,550,299</u>	<u>\$ 75,147,263</u>	<u>\$ (2,000,000)</u>
TOTAL	<u><u>\$ 2,138,208,679</u></u>	<u><u>\$ 2,140,723,241</u></u>	<u><u>\$ (112,506,857)</u></u>
FTE Positions	17,069.3	17,060.3	(1.0)
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>17,069.3</u></u>	<u><u>17,060.3</u></u>	<u><u>(1.0)</u></u>

Agency Request

The **FY 2008 operating request** for the postsecondary education system is \$2.0 billion which is an increase of \$20.7 million, or 1.0 percent, above the current year estimate. State General Fund expenditures for FY 2008 are requested at \$826.3 million which is an increase of \$43.7 million, or 5.6 percent, above the current year estimate. The request includes enhancement packages totaling \$51.5 million.

Governor's Recommendation

The **Governor** recommends an FY 2008 operating budget of \$2.1 billion which is an increase of \$38.6 million, or 1.9 percent, above the current year recommendation. The Governor recommends State General Fund expenditures of \$827.9 million which is an increase of \$45.3 million, or 5.8 percent, above the current year. The recommendation includes:

- An increase in the state university operating grants totaling \$30.0 million from the State General Fund:
 - The State General Fund portion of a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and a 4.0 percent merit pool for unclassified employees at the state universities would equate to \$19.9 million; and

- Assuming that the state universities expend the funds in the above manner, the balance of the operating grant increase would be \$10.1 million. The State General Fund portion of the KPERS employer contribution rate increase and the death and disability rate for university employees are not specifically addressed in the Governor's recommendation.
- An increase of \$4.0 million from the State General Fund for student financial aid including: \$3.0 million for the Comprehensive Grant program and \$1.0 million for teacher's scholarships;
- An increase in Postsecondary Aid for Vocational Education of \$1.3 million from the State General Fund;
- an increase in Postsecondary Aid for Community Colleges of \$3.8 million from the State General Fund;
- an increase in funding for Washburn University of \$458,700 from the State General Fund for the Kansas Academy of Math and Science;
- \$100,000 from the State General Fund for the Kansas Academy of Math and Science;
- An increase in Adult Basic Education of \$200,000 from the State General Fund;
- \$159,348, including \$101,859 from the State General Fund, for a 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;
- An increase of \$600,000 from the State General Fund for nursing faculty and supplies;
- The addition of \$1.0 million for the competitive teacher's grant;
- The addition of \$30,875 from the State General Fund and 1.0 FTE position for infrastructure support at the Board office;
- The addition of \$47,000 from the State General Fund for inflationary increases to the Boards other operating expenditures;
- a shift of \$9.7 million in EDIF expenditures to State General Fund;
- Addition of \$2.5 million from the Economic Development Initiatives Fund in the budget of Wichita State University for the Aviation Research Initiative;
- A shift from the Economic Development Initiatives Fund to the State General Fund of \$300,000 in the budget of KSU ESARP; and
- Addition of \$100,000 from the State General Fund for the Veterinary Training Program in the budget of KSU Vet Med.

House Budget Committee Recommendation

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

1. Delete \$21,961,206, including \$101,859 from the State General Fund 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 for the Board office and the non-State General Fund portion of the pay plan funded at the individual universities. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$30.0 million from the State General Fund for the university operating grant for review during Omnibus. The operating grant includes \$19.9 million for the State General Fund portion of the Governor's pay plan and longevity enhancement, and \$10.1 million for university operations, assuming the universities implement the Governor's pay plan and longevity bonus payments.

The Budget Committee notes the importance of the operating grants, and recommends the additional funding, after review, at Omnibus.

3. Delete \$2.0 million from the State General Fund for the Comprehensive Grant Program for review during Omnibus. The Governor recommended an increase of \$3.0 million for the program, an increase of \$2.0 million from the agency's enhanced request. The Comprehensive Grant Program provides grants to financially needy students. The program provides need-based grants to full-time (12 hours) undergraduate students who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. The House Budget Committee recommends expenditures of \$15.2 million from the State General Fund to fund scholarships for approximately 14,500 students.
4. Delete \$3.8 million from the State General Fund for the Governor's recommended increase to the community college operating grant for review during Omnibus. Absent the increase, the total operating grant for all 19 community colleges is \$96.2 million from the State General Fund.
5. Delete \$458,700 from the State General Fund for the Governor's recommended increase to the Washburn University operating grant for review during Omnibus. Absent the increase, the total operating grant for Washburn University is \$11.5 million from the State General Fund.
6. Delete \$6.0 million, including \$2.0 million from the State General Fund and \$4.0 million from the Kan-Ed fund for the Kan-Ed program for review during Omnibus. The total budget for Kan-Ed after the reduction is \$6.0 million from the Kan-Ed fund. K.S.A. 60-2010 (f)(4) limits funding from the Kansas Universal Service Fund to \$6.0 million in FY 2008 and \$5.5 million in FY 2009. After FY 2009, the provisions of the statute which provide funding for Kan-Ed expire.

The Budget Committee notes that the Kan-Ed Oversight Committee recommended in its 2006 Interim report that the Board of Regents, KanREN, and DISC conduct a feasibility study of the three consolidation models presented to the Oversight Committee and present a specific recommendation no later than March 1, 2007 to the standing committees on Utilities, Education, Health,

Commerce, Ways and Means, and Appropriations; and to the Joint Committee on Information Technology. The Budget Committee recommends review of this report at Omnibus to assist in determining the funding necessary for Kan-Ed.

7. Delete \$30,875 from the State General Fund and 1.0 FTE position for additional staff support at the Board of Regents office for review during Omnibus.
8. Delete \$47,000 from the State General Fund for increased operating costs (\$27,000) and professional development (\$20,000) for review during Omnibus. The agency requested a 3.0 percent increase for inflationary increases to operating costs of \$27,000 from the State General Fund. The Governor added an additional \$20,000 from the State General Fund for professional development primarily to allow Regents to attend additional conferences.
9. Shift \$9.7 million in expenditures from the State General Fund to the Economic Development Initiatives Fund (EDIF) for vocational education capital outlay (\$2.6 million); postsecondary aid for vocational education (\$7.0 million); and technology innovation and internship (\$180,500) for review during Omnibus.
10. Delete \$180,500 from the EDIF for technology innovation and internship for review during Omnibus pending the presentation of the final recommendations of the Kansas technical College and Vocational School Commission.
11. Delete \$40.0 million, including \$26.7 million from the State General Fund and \$7.0 million from the EDIF, for postsecondary aid to technical education for review during Omnibus, pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission.
12. Delete \$2.7 million, including \$2.6 million from the EDIF and \$102,600 from the State General Fund for technical education capital outlay for review during Omnibus pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission.
13. Delete \$764,400 from the State General Fund for the technical college hold harmless funding for review during Omnibus pending the presentation of the final recommendations of the Kansas Technical College and Vocational School Commission. The 2006 Legislature added \$735,000 for FY 2007 to hold technical colleges harmless for losses in funding due to the implementation of a new funding formula.
14. Shift expenditures of \$300,000 from the State General Fund to the Economic Development Initiatives Fund for the research program for Kansas State University - Extension Services and Agriculture Research Programs (KSU-ESARP).
15. Delete \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) at Wichita State University for review during Omnibus.

The Budget Committee notes that the state has benefitted from a number of initial investments in aviation research at the National Institute for Aviation Research at Wichita State University beginning during the 2002 Legislative Session.

The leverage the state has achieved on this investment has been significant. For every dollar invested in research the state has received approximately eleven dollars from federal and industry sources. In addition, for every dollar invested in infrastructure the state has leveraged approximately four dollars from federal and industry.

Research and development investment by the State of Kansas into the National Institute for Aviation Research allows further development of new products and services, which will retain and grow jobs in Kansas.

The aviation industry has requested \$5.0 million dollars a year for five years to continue to support the research needs of the industry to be appropriated for the National Institute for Aviation Research at Wichita State University. The Budget Committee recognizes the importance of supporting this important investment; however, recommends this be addressed during Omnibus. This investment would enable the industry to compete in a ever-changing global marketplace and should be recognized as a multi-year need.

16. Delete \$2.0 million, all from special revenue funds for an addition to the Hilltop Child Development Center at the University of Kansas for review during Omnibus. Hilltop is a non-profit corporation which is housed in a University owned building. It provides space for 212 children, with 80 to 85 staff. At least 95.0% of the children enrolled in the Center are from families of the KU community with a minimum of 50.0% from KU student families. The center's income comes primarily from fees, charged on a sliding scale based on family size and monthly income.

According to the university, there are currently 350 children waiting to access Hilltop Child Development Center. The new addition will provide space for 100 more pre-school through kindergarten age children. The university plans to fund the project through student fees, user fees and funds which have been saved as a portion of the fees derived to cover program costs. The university has indicated that the additions on each wing of the existing building could be built in sequenced phases to help minimize disruption of existing programs and allow occupancy of one of the groups of expanded daycare spaces by January, 2008.

The Budget Committee notes that this item was not included in the agency budget submission, because the Board of Regents had not yet approved the project at the time of agency's budget submission. The item was requested during the presentation of the university budget to the Governor.

17. Review at Omnibus the addition of \$500,000 from the State General Fund for the Information Assistance Program at Fort Hays State University. The program will offer upper division undergraduate students and graduate students the opportunity to earn a certificate, undergraduate degree emphasis or graduate concentration in Information Assurance as a degree in Information Networking and Telecommunications. The academic program will focus on the technologies, policies, human factors, and legal issues involved with information protection. Currently, no complete bachelors or masters degrees are available in this subject area and no graduate level certificates are available.

18. The Budget Committee notes the valuable contribution of the University of Kansas Medical School to the health of Kansans, through both its educational and research program and urges the School of Medicine to place as high a priority on training clinical physicians, and especially family physicians, to care for Kansans as it does in becoming a world-class research institution. Without enough family physicians, Kansans' access to high quality, primary care will be severely limited.

House Committee Recommendation

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

1. Restore \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) at Wichita State University and review the adding another \$2.5 million from the EDIF for the NIAR during Omnibus.
 2. Restore \$2.0 million from special revenue funds for the addition to the Hilltop Child Care Center at the University of Kansas.
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Senate Subcommittee Report

Agency: Postsecondary Education Systemwide **Bill No.** SB 357 **Bill Sec.** Various

Analyst: Dunkel **Analysis Pg. No.** Vol. I-534 **Budget Page No.** Various

<u>Expenditure Summary</u>	<u>Agency Request FY 2008</u>	<u>Governor's Recommendation FY 2008</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 826,325,708	\$ 827,858,051	\$ (32,515,957)
Other Funds	<u>1,221,332,672</u>	<u>1,237,717,927</u>	<u>(11,856,685)</u>
Subtotal - Operating	<u>\$ 2,047,658,380</u>	<u>\$ 2,065,575,978</u>	<u>\$ (44,372,642)</u>
Capital Improvements:			
State General Fund	\$ 20,226,268	\$ 2,823,232	\$ 0
Other Funds	<u>71,673,477</u>	<u>72,324,031</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 90,550,299</u>	<u>\$ 75,147,263</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 2,138,208,679</u></u>	<u><u>\$ 2,140,723,241</u></u>	<u><u>\$ (44,372,642)</u></u>
FTE Positions	17,069.3	17,060.3	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>17,069.3</u></u>	<u><u>17,060.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **FY 2008 operating request** for the postsecondary education system is \$2.0 billion which is an increase of \$20.7 million, or 1.0 percent, above the current year estimate. State General Fund expenditures for FY 2008 are requested at \$826.3 million which is an increase of \$43.7 million, or 5.6 percent, above the current year estimate. The request includes enhancement packages totaling \$51.5 million.

Governor's Recommendation

The **Governor** recommends an FY 2008 operating budget of \$2.1 billion which is an increase of \$38.6 million, or 1.9 percent, above the current year recommendation. The Governor recommends State General Fund expenditures of \$827.9 million which is an increase of \$45.3 million, or 5.8 percent, above the current year. The recommendation includes:

- An increase in the state university operating grants totaling \$30.0 million from the State General Fund:

- The State General Fund portion of a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and a 4.0 percent merit pool for unclassified employees at the state universities would equate to \$19.9 million; and
 - Assuming that the state universities expend the funds in the above manner, the balance of the operating grant increase would be \$10.1 million. The State General Fund portion of the KPERs employer contribution rate increase and the death and disability rate for university employees are not specifically addressed in the Governor's recommendation.
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- an increase of \$4.0 million from the State General Fund for student financial aid including: \$3.0 million for the Comprehensive Grant program and \$1.0 million for teacher's scholarships;
 - an increase in Postsecondary Aid for Vocational Education of \$1.3 million from the State General Fund;
 - an increase in Postsecondary Aid for Community Colleges of \$3.8 million from the State General Fund;
 - an increase in funding for Washburn University of \$458,700 from the State General Fund for the Kansas Academy of Math and Science;
 - \$100,000 from the State General Fund for the Kansas Academy of Math and Science;
 - an increase in Adult Basic Education of \$200,000 from the State General Fund;
 - \$159,348, including \$101,859 from the State General Fund, for a 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;
 - an increase of \$600,000 from the State General Fund for nursing faculty and supplies;
 - the addition of \$1.0 million for the competitive teacher's grant;
 - the addition of \$30,875 from the State General Fund and 1.0 FTE position for infrastructure support at the Board office;
 - the addition of \$47,000 from the State General Fund for inflationary increases to the Boards other operating expenditures; and
 - a shift of \$9.7 million in EDIF expenditures to State General Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$41,263,730, including \$20,013,295 from the State General Fund 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 for the Board office and the universities. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$2.5 million from the State General Fund for the following programs for review during Omnibus:
 - a. Delete \$1.5 million from the State General Fund from the Board of Regents for the Comprehensive Grant Program for review during Omnibus. The Governor recommended an increase of \$3.0 million for the program, an \$2.0 million above the agency's enhanced request. The Comprehensive Grant Program provides need-based grants to full-time (12 hours) undergraduate students who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. The Senate Subcommittee recommends expenditures of \$15.7 million from the State General Fund to fund scholarships for approximately 15,500 students.
 - b. Delete \$500,000 from the State General Fund from the Board of Regents for the Teacher Scholarship Program. The Kansas Teacher Scholarship Program, established in 1990, provides financial assistance to students who plan to teach in a discipline or an under served geographic area in which there is a critical shortage of teachers, as determined by the State Board of Education. Up to 80 percent of the scholarships are typically awarded to students majoring in special education. Recipients of the awards must teach in the hard-to-fill discipline or under served geographic area for one year for each year they receive a scholarship, or repay the scholarship with interest. Students must be Kansas residents and priority goes to upperclass students, followed by high school students who demonstrate high achievement on the ACT, with high GPA and class rank.

The Governor recommended an increase of \$1.0 million from the State General Fund for the program, funding the program at \$1.3 million from the State General Fund to serve an estimated 274 students. The Senate Subcommittee recommends \$826,744 for the program, which will serve approximately 174 students.

- c. Delete \$500,000 from the State General Fund from the Board of Regents for the Teacher Education Competitive Grant Program. This is a new program recommended by the Legislative Educational Planning Committee during the 2006 Interim. The program would allow public postsecondary institutions to develop proposals targeted at increasing the supply of teachers, especially in both geographical and subject areas with shortages. The program would require a dollar for dollar match with institutional funds. The Governor recommended \$1.0 million for the program. The Senate Subcommittee recommends \$500,000 for the program.

2007 SB 22, which would implement the program, has been passed by the Senate and is currently in the House Education Committee.

3. Delete \$9.7 million in expenditures from the State General Fund from the Board of Regents for vocational education capital outlay (\$2.6 million); postsecondary aid for vocational education (\$7.0 million); and technology innovation and internship (\$180,500) and add \$9.7 million from the Economic Development Initiatives Fund (EDIF) for these expenditures.
4. Delete \$300,000 from the State General Fund for the research program for Kansas State University - Extension Services and Agriculture Research Programs (KSU-ESARP), and add \$300,000 from the Economic Development Initiatives Funds for the program.
5. The Subcommittee notes that the Kan-Ed Oversight Committee recommended in its 2006 Interim report that the Board of Regents, KanREN, and DISC conduct a feasibility study of the three consolidation models presented to the Oversight Committee and present a specific recommendation no later than March 1, 2007 to the standing committees on Utilities, Education, Health, Commerce, Ways and Means, and Appropriations; and to the Joint Committee on Information Technology. The Subcommittee recommends review of this report during Omnibus to assist in determining the funding necessary for Kan-Ed.
6. The Subcommittee notes that the Technical College and Vocational School Commission final recommendations will be available on March 9, 2007 and recommends the Committee review the report during Omnibus to determine what additional funding may be necessary to address postsecondary technical education in Kansas.
7. Review during Omnibus funding at Fort Hays State University for the Kansas Wetlands Educational Center at Cheyenne Bottoms. The agency budget request included an enhancement for \$308,000 from the State General Fund and 4.0 FTE positions to operate the Center. The agency indicates its intent is to affiliate the Wetlands Center with the Sternberg Museum of Natural History. The agency believes the mission of the Center is consistent with the Museum's goals: promoting scientific preservation and service to Kansas and society at large. The agency indicates that the funding would allow the University to hire the following staff: Director (\$70,160); Educator (\$43,950); Administrative Assistant (\$30,774); Custodial Crew Leader (\$26,004); and graduate assistants at \$7,500 plus benefits (\$48,051). The remainder of the funding, \$89,060, would fund operating expenses for the Wetlands Center.
8. Review at Omnibus the addition of \$500,000 from the State General Fund for the Information Assistance Program at Fort Hays State University. The program will offer upper division undergraduate students and graduate students the opportunity to earn a certificate, undergraduate degree emphasis or graduate concentration in Information Assurance as a degree in Information Networking and Telecommunications. The academic program will focus on the technologies, policies, human factors, and legal issues involved with information protection. Currently, no complete bachelors or masters degrees are available in this subject area and no graduate level certificates are available.
9. The Subcommittee recommends the Committee review during Omnibus the addition of \$2.5 million from the Economic Development Initiatives Fund (EDIF) for the National Institute for Aviation Research (NIAR) at Wichita State University to the \$2.5 million the Governor recommended in FY 2008 during Omnibus.

The Subcommittee notes that the state has benefitted from a number of initial investments in aviation research at the National Institute for Aviation Research at Wichita State University beginning during the 2002 Legislative Session.

The leverage the state has achieved on this investment has been significant. For every dollar invested in research the state has received approximately eleven dollars from federal and industry sources. In addition, for every dollar invested in infrastructure the state has leveraged approximately four dollars from federal and industry.

Research and development investment by the State of Kansas into the National Institute for Aviation Research allows further development of new products and services, which will retain and grow jobs in Kansas.

The aviation industry has requested \$5.0 million dollars a year for five years to continue to support the research needs of the industry to be appropriated for the National Institute for Aviation Research at Wichita State University. The Subcommittee recognizes the importance of supporting this important investment however, recommends the additional funding be addressed during Omnibus. This investment would enable the industry to compete in a ever-changing global marketplace and should be recognized as a multi-year need.