

House Budget Committee Report

Agency: Kansas State University

Bill No. HB 2370

Bill Sec. 100

Analyst: Morrow

Analysis Pg. No. 2125

Budget Page No. 280

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 108,137,463	\$ 105,216,062	\$ 0
Other Funds	458,566,440	456,848,748	0
Subtotal	\$ 566,703,903	\$ 562,064,810	\$ 0
Capital Improvements:			
State General Fund	\$ 2,820,287	\$ 0	\$ 0
Other Funds	15,013,143	15,013,143	0
Subtotal	\$ 17,833,430	\$ 15,013,143	\$ 0
TOTAL	\$ 584,537,333	\$ 577,077,953	\$ 0
FTE positions	3,861.7	3,861.7	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3,861.7	3,861.7	0.0

Agency Request

The **agency** requests FY 2016 operating expenditures of \$566.7 million, including \$108.1 million from the State General Fund. This is an increase of \$6.4 million, or 1.1 percent, all funds and \$1.9 million, or 1.8 percent, State General Fund above the FY 2015 revised estimate. The increase is mainly attributable to operational increases in debt service (\$4.6 million), contractual services (\$870,958), and salaries and wages (\$464,805). The agency is also asking for an enhancement of \$5.0 million, all from special revenue funds, for the National Bio and Agro-Defense Facility (NBAF). In the past three years, this funding has been a transfer before the revenues deposit into the Bioscience Authority.

The agency requests \$17.8 million, including \$2.8 million from the State General Fund for capital improvement projects for FY 2016. This is a decrease of 16.4 million, or 47.9 percent, all funds and an increase of \$1.3 million, or 88.0 percent, from the State General Fund, from the FY 2015 revised estimate. The decrease is due to the Educational Building Fund moneys not being transferred from the Board of Regents until the beginning of FY 2016. The increase in State General Fund expenditures is due to an enhancement for bond payments.

Governor's Recommendation

The **Governor** recommends \$562.1 million, including \$105.2 million from the State General Fund. This is an increase of \$2.3 million, or 0.4 percent, all funds and a decrease of \$793,701, or 0.7 percent, State General Fund from the FY 2015 recommendation.

The Governor recommends a reduction of \$2.5 million, including \$741,688 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor recommends a \$5.0 million transfer to the agency as special revenue funds for the National Bio and Agro-Defense Facility (NBAF). The recommendation does not include the debt service payments for the College of Architecture.

The Governor recommends \$15.0 million, all from special revenue funds for capital improvements. The Governor did not recommend the bonding authority for the College of Architecture-Seatons Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

House Budget Committee Recommendation

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

1. Add language allowing \$25.0 million in bonding authority for the student union expansion for FY 2016. This action restores the agency to the Governor's recommendation prior to House Sub. for SB 4.
2. The Budget Committee notes the trend of increasing instructional costs at this University.

House Committee Recommendation

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

1. Add language allowing \$60.0 million in bonding authority for the College of Architecture Planning and Design, Seatons Hall for FY 2016. This action came after the Committee reviewed the agency's request.
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Senate Subcommittee Report

Agency: Kansas State University

Bill No. SB 237

Bill Sec. 100

Analyst: Morrow

Analysis Pg. No. 2125

Budget Page No. 280

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 108,137,463	\$ 105,216,062	\$ (2,120,195)
Other Funds	458,566,440	456,848,748	0
Subtotal	<u>\$ 566,703,903</u>	<u>\$ 562,064,810</u>	<u>\$ (2,120,195)</u>
Capital Improvements:			
State General Fund	\$ 2,820,287	\$ 0	\$ 0
Other Funds	15,013,143	15,013,143	0
Subtotal	<u>\$ 17,833,430</u>	<u>\$ 15,013,143</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 584,537,333</u></u>	 <u><u>\$ 577,077,953</u></u>	 <u><u>\$ (2,120,195)</u></u>
 FTE positions	 3,861.7	 3,861.7	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>3,861.7</u></u>	<u><u>3,861.7</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests FY 2016 operating expenditures of \$566.7 million, including \$108.1 million from the State General Fund. This is an increase of \$6.4 million, or 1.1 percent, all funds and \$1.9 million, or 1.8 percent, State General Fund above the FY 2015 revised estimate. The increase is mainly attributable to operational increases in debt service (\$4.6 million), contractual services (\$870,958), and salaries and wages (\$464,805). The agency is also asking for an enhancement of \$5.0 million, all from special revenue funds, for the National Bio and Agro-Defense Facility (NBAF). In the past three years, this funding has been a transfer before the revenues deposit into the Bioscience Authority.

The agency requests \$17.8 million, including \$2.8 million from the State General Fund for capital improvement projects for FY 2016. This is a decrease of 16.4 million, or 47.9 percent, all funds and an increase of \$1.3 million, or 88.0 percent, from the State General Fund, from the FY 2015 revised estimate. The decrease is due to the Educational Building Fund moneys not being transferred from the Board of Regents until the beginning of FY 2016. The increase in State General Fund expenditures is due to an enhancement for bond payments.

Governor's Recommendation

The **Governor** recommends \$562.1 million, including \$105.2 million from the State General Fund. This is an increase of \$2.3 million, or 0.4 percent, all funds and a decrease of \$793,701, or 0.7 percent, State General Fund from the FY 2015 recommendation.

The Governor recommends a reduction of \$2.5 million, including \$741,688 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor recommends a \$5.0 million transfer to the agency as special revenue funds for the National Bio and Agro-Defense Facility (NBAF). The recommendation does not include the debt service payments for the College of Architecture.

The Governor recommends \$15.0 million, all from special revenue funds for capital improvements. The Governor did not recommend the bonding authority for the College of Architecture-Seaton Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

Senate Subcommittee Recommendation

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

1. Delete \$2.1 million, all from the State General Fund, for operating expenditures for FY 2016.
2. Delete \$2,597, all from the State General Fund, for the Midwest institute for comparative stem cell biology for FY 2016.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation.

Senate Committee of the Whole Recommendation (Senate Sub. for HB 2135)

The **Committee of the Whole** concurs with the Committee's recommendation.

Conference Committee Recommendation (House Sub. for SB 112)

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

1. Add language allowing \$25.0 million of bonding authority for the student union expansion for FY 2016. This action was originally in the Governor's recommendation in FY 2015.
2. Add language allowing \$60.0 million in bonding authority for the College of Architecture Planning and Design - Seaton Hall, for FY 2016.

3. Delete \$600,937, including \$234,824 from the State General Fund, to reduce the Kansas Public Employees Retirement System employer contribution rate from 12.37 percent to 10.91 percent for FY 2016. This implements the provisions of SB 228.
4. Delete \$666,774, including \$177,172 from the State General Fund, to suspend employer contributions to the Kansas Public Employees Retirement System Group Insurance Fund, or Death and Disability Fund, for the final seven pay periods for FY 2016.

	Governor's Recommendation FY 2016	Legislative Action	Legislative Approved FY 2016	Governor's Veto FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	\$ 481,943,135	\$ (1,267,711)	\$ 480,675,424	\$ 0	\$ 480,675,424
Aid to Local Units	145,161	0	145,161	0	145,161
Other Assistance	79,976,514	0	79,976,514	0	79,976,514
Subtotal- Operations	\$ 562,064,810	\$ (1,267,711)	\$ 560,797,099	\$ 0	\$ 560,797,099
Capital Improvements	15,013,143	0	15,013,143	0	15,013,143
TOTAL	<u>\$ 577,077,953</u>	<u>\$ (1,267,711)</u>	<u>\$ 575,810,242</u>	<u>\$ 0</u>	<u>\$ 575,810,242</u>
State General Fund					
State Operations	\$ 105,216,062	\$ (411,996)	\$ 104,804,066	\$ 0	\$ 104,804,066
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Subtotal-Operating	\$ 105,216,062	\$ (411,996)	\$ 104,804,066	\$ 0	\$ 104,804,066
Capital Improvements	0	0	0	0	0
TOTAL	<u>\$ 105,216,062</u>	<u>\$ (411,996)</u>	<u>\$ 104,804,066</u>	<u>\$ 0</u>	<u>\$ 104,804,066</u>
FTE Positions	3,861.7	0.0	3,861.7	0.0	3,861.7
Non-FTE Unclass. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>3,861.7</u>	<u>0.0</u>	<u>3,861.7</u>	<u>0.0</u>	<u>3,861.7</u>