

EMPORIA STATE UNIVERSITY

	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:							
State General Fund	\$ 30,300,629	\$ 31,693,517	\$ 31,623,452	\$ 31,592,958	\$ 31,289,444	\$ 32,309,591	\$ 32,000,018
Other Funds	49,760,858	55,585,373	55,542,454	54,333,482	54,069,833	55,195,704	54,926,793
TOTAL	\$ 80,061,487	\$ 87,278,890	\$ 87,165,906	\$ 85,926,440	\$ 85,359,277	\$ 87,505,295	\$ 86,926,811
Capital Improvements:							
State General Fund	\$ 13,938	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	6,683,368	6,952,511	6,952,511	2,283,000	2,283,000	2,338,000	2,338,000
TOTAL	\$ 6,697,306	\$ 6,952,511	\$ 6,952,511	\$ 2,283,000	\$ 2,283,000	\$ 2,338,000	\$ 2,338,000
GRAND TOTAL	\$ 86,758,793	\$ 94,231,401	\$ 94,118,417	\$ 88,209,440	\$ 87,642,277	\$ 89,843,295	\$ 89,264,811
Percentage Change:							
Operating Expenditures							
State General Fund	(2.7) %	4.6 %	4.4 %	(0.3) %	(1.1) %	2.3 %	2.3 %
All Funds	(1.1)	9.0	8.9	(1.5)	(2.1)	1.8	1.8
FTE Positions	794.2	796.7	796.7	796.7	796.7	796.7	796.7
Non-FTE							
Perm.Uncl.Pos.	55.0	55.0	55.0	55.0	55.0	55.0	55.0
TOTAL	849.2	851.7	851.7	851.7	851.7	851.7	851.7

AGENCY OVERVIEW

Emporia State University was originally established in 1863 as the Kansas State Normal School to provide teachers for the State of Kansas. In 1970, the University became a Regents institution under the direction of the Board of Regents. The institution received its present name in 1977. Emporia State University instructional programs include both baccalaureate and advanced degree work, as well as specialized continuing education for professional practitioners. The University offers arts and sciences disciplines, teacher education programs, business programs, and library and information management. In the Fall of 1993, the University enrolled its first class of nine

students pursuing the Ph.D. degree in library and information management. The William Allen White Library is a major source of academic support for the University. The University fosters research and other forms of creative and scholarly activity, and also makes the expertise of its faculty available for public service to provide information, advice, and other services to the public. **A total of 6,114 students attended Emporia State University during the Fall 2014 semester. This is an increase of 81 students or 1.3 percent, above the Fall 2013 semester.**

MAJOR ISSUES FROM PRIOR YEARS

The **2001 Legislature** adopted a proposal that provided for the state universities to be funded through an operating block grant rather than the multiple line-item appropriations that had been used previously. The change was made to allow the institutions greater flexibility in managing their budgets and to base future funding on performance rather than an enrollment formula.

The **2002 Legislature** passed the University Research and Development Act (HB 2690) that authorized the issuance of not more than \$120.0 million in bonds to fund a portion of the financing for research facilities at the state universities.

The **2006 Legislature** passed legislation allowing interest earnings on certain state university funds to be spent on deferred maintenance. Under prior law, the interest earned by the General Fees Fund (tuition revenue) and the Restricted Fees Fund (student fees and other revenue) was retained in the

State General Fund. The legislation transfers the amount of interest earned into the deferred maintenance fund.

The **2011 Legislature** passed legislation that created the Postsecondary Tiered Technical Education State Aid Act. Beginning with FY 2012, and in each fiscal year thereafter, each community college and technical college and the Washburn Institute of Technology is eligible for postsecondary tiered technical education state aid from the State General Fund for credit hours approved by the State Board of Regents, using a credit hour cost calculation model.

The **2011 Legislature** also passed legislation designating 50 counties as Rural Opportunity Zones (ROZ), effectively providing an income tax exemption for certain out-of-state taxpayers who relocate to those counties; and authorizing the counties to participate in a state-matching program to repay student loans of up to \$15,000 for certain students who establish domicile in ROZ counties.

The **2012 Legislature** passed legislation requiring the State Board of Regents to establish a career technical education incentive program that will award \$1,000, subject to appropriation, to a school district for each high school graduate who graduates from that district with an industry-recognized credential in a high-need occupation, as identified by the Secretary of Labor, in consultation with the State Board of Regents and the State Board of Education.

The legislation requires the State Board of Regents to initiate the development of a statewide articulation agreement on career technical education programs among high schools, community colleges, technical colleges, and the Institute of Technology at Washburn University. This provision went into effect on July 1, 2013.

The **2012 Legislature** passed legislation amending statutes governing the low-income family postsecondary savings accounts incentive program. The bill allows a third-party contributor, other than the account owner, to contribute money to a family postsecondary savings account.

The **2012 Legislature** passed legislation removing the expiration date on the State Educational Institution Project

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency's** revised estimate is \$94.2 million, including \$31.7 from the State General Fund. This is an all funds increase of \$9.2 million, or 10.9 percent, above the approved amount. The change in the State General Fund amount is due to the Governor's allotment. The increase in all other funds is due mainly due to additional expenditures in capital improvements (\$5.7 million), commodities (\$1.1 million), capital outlay

Delivery Construction Procurement Act, that applies only to university construction projects and services funded totally with non-state money. The act exempts certain construction projects and construction project services at state universities from many of the requirements imposed on other state agencies.

The **2012 Legislature** passed legislation amending the Vocational Education Scholarship statutes concerning state universities and negotiated contracts, extending a sunset on private and out-of-state postsecondary fees, changing requirements related to remedial education and the qualified admissions standards at state education institutions, and authorizing individual plans for success for students admitted under the minimum admissions standards.

The **2013 Legislature** imposed a 1.5 percent reduction to the University's State General Fund operating expenditures for both FY 2014 and FY 2015. In addition, the Legislature reduced the amount the University could expend on salaries and wages from all funds by approximately 1.4 percent.

The **2014 Legislature** allowed the University to sell or exchange property with the Emporia State Foundation for FY 2015.

(\$948,647), and salaries and wages (\$836,337). The increase in capital improvements includes approximately \$2.1 million from the Educational Building Fund transferred from the Board of Regents budget and additional carry-forward of the Educational Building Fund. There is also additional expenditures from the Housing Fund (\$1.1 million) for on going work to Singular and Tresler Halls

FY 2015 Governor Recommendation

The **Governor** recommends \$94.1 million, including \$31.6 million from the State General Fund. This is an increase of \$9.1 million, or 10.7 percent, all from special revenue funds above the approved amount. There is no change in the State General

Fund from the approved amount, which includes the Governor's allotment. The Governor concurs with the agency's capital improvement budget.

FY 2016 Agency Request

The **agency** requests an operating budget of \$86.0 million, including \$31.6 million from the State General Fund. This is a decrease of \$1.4 million, or 1.5 percent, all funds and \$100,559, or 0.3 percent, State General Fund, below the FY 2015 revised estimate. The reduced State General Fund expenditure is due to the one time \$250 employee bonus in FY 2015 that will not be expended for FY 2016. The reductions in other funds include commodities (\$596,501), capital outlay (\$399,118) and contractual services (\$391,408).

The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2016. This is a decrease of \$4.7 million, or 67.2 percent, due to the Educational Building Fund expenditures being in the Board of Regents budget until approval and transfer to the university. The agency is requesting an enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility for FY 2016. Relocation of the physical plant and facilities maintenance services is part of the campus master plan.

FY 2016 Governor Recommendation

The **Governor** recommends an operating budget of \$85.4 million, including \$31.3 million from the State General Fund. This is a decrease of \$1.8 million, or 2.1 percent, all funds and \$334,008, or 1.1 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$567,163, including \$303,514 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 also recommends the agency's enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility. The Governor concurs with the agency's capital improvement budget.

FY 2017 Agency Request

The **agency** requests an operating budget of \$87.5 million, including \$32.3 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$716,633, or 2.3 percent, from the State General Fund above the FY 2016

request. The increase is mainly in salaries and wages for increased fringe benefit expenditures.

The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2017. This is an

increase of \$55,000, or 2.4 percent, above the FY 2016 request due to an increase in debt service principal payments.

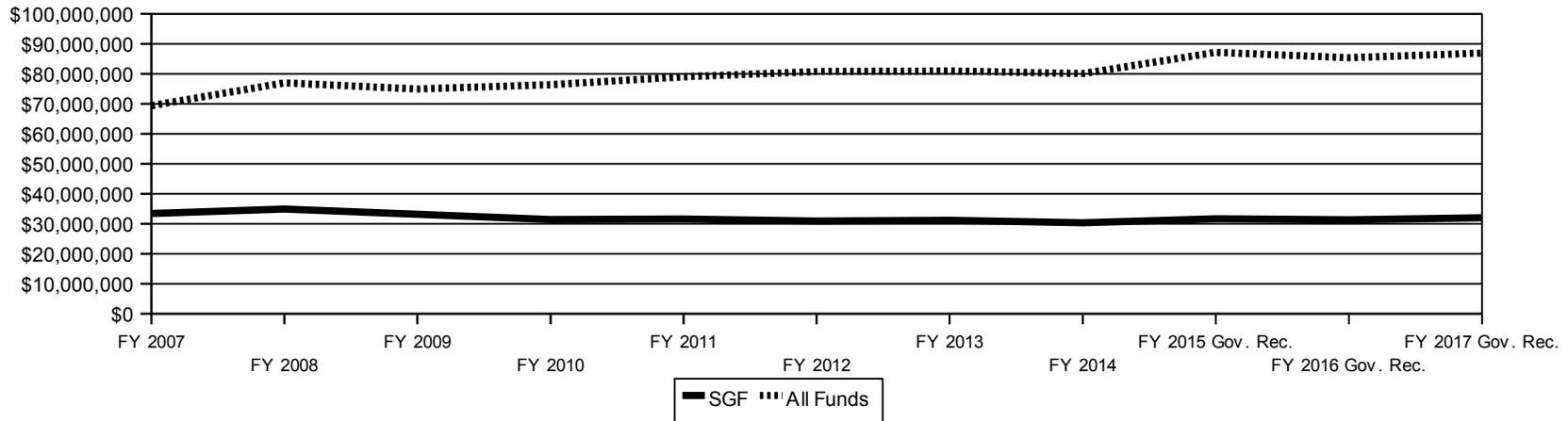
FY 2017 Governor Recommendation

The **Governor** recommends an operating budget of \$86.9 million, including \$32.0 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$710,574, or 2.3 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction

of \$578,484, including \$309,573 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change to the agency's request. The Governor concurs with the agency's capital improvement budget.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 33,368,553	2.3 %	\$ 69,381,719	4.2 %	806.9
2008	34,895,240	4.6	76,970,555	10.9	822.0
2009	33,138,765	(5.0)	74,949,594	(2.6)	832.6
2010	31,352,716	(5.4)	76,372,672	1.9	835.6
2011	31,535,322	0.6	79,000,229	3.4	839.1
2012	30,911,399	(2.0)	80,723,751	2.2	843.5
2013	31,129,493	0.7	80,954,961	0.3	849.5
2014	30,300,629	(2.7)	80,061,487	(1.1)	794.2
2015 Gov. Rec.	31,623,452	4.4	87,165,906	8.9	796.7
2016 Gov. Rec.	31,289,444	(1.1)	85,359,277	(2.1)	796.7
2017 Gov. Rec.	32,000,018	2.3	86,926,811	1.8	796.7
Eleven-Year Change	\$ (1,368,535)	(4.1)%	\$ 17,545,092	25.3 %	(10.2)

Summary of Operating Budget FY 2014 - FY 2016

	Actual 2014	Agency Estimate				Governor's Recommendation			
		Estimate FY 2015	Request FY 2016	Dollar Change from FY 15	Percent Change from FY 15	Rec. FY 2015	Rec. FY 2016	Dollar Change from FY 15	Percent Change from FY 15
By Program:									
Institutional Support	\$ 7,415,451	\$ 7,850,510	\$ 7,831,143	\$ (19,367)	(0.2) %	\$ 7,836,438	\$ 7,771,106	\$ (65,332)	(0.8)%
Instructional Services	28,418,835	33,492,391	32,336,735	(1,155,656)	(3.5)	33,482,511	32,110,885	(1,371,626)	(4.1)
Academic Support	10,953,762	11,675,181	11,313,549	(361,632)	(3.1)	11,658,009	11,239,214	(418,795)	(3.6)
Student Services	8,088,228	9,127,313	9,155,573	28,260	0.3	9,117,747	9,087,365	(30,382)	(0.3)
Research	394,687	285,278	285,533	255	0.1	285,278	285,533	255	0.1
Public Service	1,709,786	1,987,899	2,104,369	116,470	5.9	1,986,696	2,087,791	101,095	5.1
Student Aid Auxiliary	9,476,594	8,457,141	8,457,141	0	0.0	8,457,141	8,457,141	0	0.0
Auxiliary	4,165,109	4,910,284	4,926,640	16,356	0.3	4,894,597	4,886,199	(8,398)	(0.2)
Physical Plant/Central Services	8,590,365	8,676,733	8,739,697	62,964	0.7	8,631,329	8,657,983	26,654	0.3
Debt Service	848,670	816,160	776,060	(40,100)	(4.9)	816,160	776,060	(40,100)	(4.9)
TOTAL	\$ 80,061,487	\$ 87,278,890	\$ 85,926,440	\$ (1,352,450)	(1.5) %	\$ 87,165,906	\$ 85,359,277	\$ (1,806,629)	(2.1)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 55,009,424	\$ 59,267,666	\$ 59,342,343	\$ 74,677	0.1 %	\$ 59,154,682	\$ 58,775,180	\$ (379,502)	(0.6)%
Contractual Services	10,466,237	12,531,629	12,140,221	(391,408)	(3.1)	12,531,629	12,140,221	(391,408)	(3.1)
Commodities	2,295,974	3,218,841	2,622,340	(596,501)	(18.5)	3,218,841	2,622,340	(596,501)	(18.5)
Capital Outlay	1,565,677	2,683,647	2,284,529	(399,118)	(14.9)	2,683,647	2,284,529	(399,118)	(14.9)
Debt Service	848,670	816,160	776,060	(40,100)	(4.9)	816,160	776,060	(40,100)	(4.9)
Subtotal - Operations	\$ 70,185,982	\$ 78,517,943	\$ 77,165,493	\$ (1,352,450)	(1.7) %	\$ 78,404,959	\$ 76,598,330	\$ (1,806,629)	(2.3)%
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	9,875,505	8,760,947	8,760,947	0	0.0	8,760,947	8,760,947	0	0.0
TOTAL	\$ 80,061,487	\$ 87,278,890	\$ 85,926,440	\$ (1,352,450)	(1.5) %	\$ 87,165,906	\$ 85,359,277	\$ (1,806,629)	(2.1)%
Financing:									
State General Fund	\$ 30,300,629	\$ 31,693,517	\$ 31,592,958	\$ (100,559)	(0.3) %	\$ 31,623,452	\$ 31,289,444	\$ (334,008)	(1.1)%
General Fees Fund	23,810,602	27,378,584	26,514,428	(864,156)	(3.2)	27,363,208	26,367,950	(995,258)	(3.6)
All Other Funds	25,950,256	28,206,789	27,819,054	(387,735)	(1.4)	28,179,246	27,701,883	(477,363)	(1.7)
TOTAL	\$ 80,061,487	\$ 87,278,890	\$ 85,926,440	\$ (1,352,450)	(1.5) %	\$ 87,165,906	\$ 85,359,277	\$ (1,806,629)	(2.1)%

Summary of Operating Budget FY 2016 - FY 2017

	Agency Estimate				Governor's Recommendation			
	Request FY 2016	Request FY 2017	Dollar Change from FY 16	Percent Change from FY 16	Rec. FY 2016	Rec. FY 2017	Dollar Change from FY 16	Percent Change from FY 16
By Program:								
Institutional Support	\$ 7,831,143	\$ 8,087,710	\$ 256,567	3.3 %	\$ 7,771,106	\$ 8,026,474	\$ 255,368	3.3 %
Instructional Services	32,336,735	32,258,104	(78,631)	(0.2)	32,110,885	32,027,747	(83,138)	(0.3)
Academic Support	11,313,549	12,108,925	795,376	7.0	11,239,214	12,033,107	793,893	7.1
Student Services	9,155,573	9,421,090	265,517	2.9	9,087,365	9,351,520	264,155	2.9
Research	285,533	285,575	42	0.0	285,533	285,575	42	0.0
Public Service	2,104,369	2,102,273	(2,096)	(0.1)	2,087,791	2,085,363	(2,428)	(0.1)
Student Aid Auxiliary	8,457,141	8,457,141	0	0.0	8,457,141	8,457,141	0	0.0
Auxiliary	4,926,640	5,066,895	140,255	2.8	4,886,199	5,025,646	139,447	2.9
Physical Plant/Central Services	8,739,697	8,986,072	246,375	2.8	8,657,983	8,902,728	244,745	2.8
Debt Service	776,060	731,510	(44,550)	(5.7)	776,060	731,510	(44,550)	(5.7)
TOTAL	\$ 85,926,440	\$ 87,505,295	\$ 1,578,855	1.8 %	\$ 85,359,277	\$ 86,926,811	\$ 1,567,534	1.8 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 59,342,343	\$ 60,881,647	\$ 1,539,304	2.6 %	\$ 58,775,180	\$ 60,303,163	\$ 1,527,983	2.6 %
Contractual Services	12,140,221	11,931,570	(208,651)	(1.7)	12,140,221	11,931,570	(208,651)	(1.7)
Commodities	2,622,340	2,415,092	(207,248)	(7.9)	2,622,340	2,415,092	(207,248)	(7.9)
Capital Outlay	2,284,529	2,784,529	500,000	21.9	2,284,529	2,784,529	500,000	21.9
Debt Service	776,060	731,510	(44,550)	(5.7)	776,060	731,510	(44,550)	(5.7)
Subtotal - Operations	\$ 77,165,493	\$ 78,744,348	\$ 1,578,855	2.0 %	\$ 76,598,330	\$ 78,165,864	\$ 1,567,534	2.0 %
Aid to Local Units	0	0	0	--	0	0	0	--
Other Assistance	8,760,947	8,760,947	0	0.0	8,760,947	8,760,947	0	0.0
TOTAL	\$ 85,926,440	\$ 87,505,295	\$ 1,578,855	1.8 %	\$ 85,359,277	\$ 86,926,811	\$ 1,567,534	1.8 %
Financing:								
State General Fund	\$ 31,592,958	\$ 32,309,591	\$ 716,633	2.3 %	\$ 31,289,444	\$ 32,000,018	\$ 710,574	2.3 %
General Fees Fund	26,514,428	26,514,428	0	0.0	26,367,950	26,365,027	(2,923)	(0.0)
All Other Funds	27,819,054	28,681,276	862,222	3.1	27,701,883	28,561,766	859,883	3.1
TOTAL	\$ 85,926,440	\$ 87,505,295	\$ 1,578,855	1.8 %	\$ 85,359,277	\$ 86,926,811	\$ 1,567,534	1.8 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$31,693,517 for Emporia State University in FY 2015. One adjustment subsequently has been made to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made.

This adjustment changes the FY 2015 approved State General Fund to \$31,623,452. That amount is reflected in the table below as the currently approved FY 2015 State General Fund amount. The agency's budget was submitted prior to the December allotment, so the agency's revised budget estimates do not incorporate the allotment.

- A reduction of \$70,065, as the result of the Governor's December 9th State General Fund allotment.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2015	Agency Estimate FY 2015	Agency Change from Approved	Governor Rec. FY 2015	Governor Change from Approved
State General Fund	\$ 31,623,452	\$ 31,693,517	\$ 70,065	\$ 31,623,452	\$ 0
All Other Funds	53,376,192	62,537,884	9,161,692	62,494,965	9,118,773
TOTAL	<u>\$ 84,999,644</u>	<u>\$ 94,231,401</u>	<u>\$ 9,231,757</u>	<u>\$ 94,118,417</u>	<u>\$ 9,118,773</u>
FTE Positions	794.2	796.7	2.5	796.7	2.5

The **agency's** revised estimate is \$94.2 million, including \$31.7 from the State General Fund. This is an all funds increase of \$9.2 million, or 10.9 percent, above the approved amount.

The change in the State General Fund amount is due to the Governor's allotment. The increase in all other funds is mainly due to additional expenditures in capital improvements (\$5.7

million), commodities (\$1.1 million), capital outlay (\$948,647), and salaries and wages (\$836,337). The increase in capital improvements includes approximately \$2.1 million from the Educational Building Fund transferred from the Board of Regents budget.

The **Governor** recommends \$94.1 million, including \$31.6 million from the State General Fund. This is an increase of \$9.1 million, or 10.7 percent, all from special revenue funds above the approved amount. There is no change in the State General Fund from the approved amount, which includes the Governor's allotment.

Governor's Allotments

The consensus revenue estimating process was completed on November 10, 2014 subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus revenue estimates identified a \$278.7 million State General Fund shortfall for FY 2015. This prompted the Governor to address the shortfall with an allotment plan totaling \$280.0 million, which reduced

expenditures by \$60.1 million. The allotment plan included recommendations to transfer funds and adjust Non-State General Fund expenditures an additional \$219.9 million. The adjustments included in the \$219.9 million will require legislative approval to implement. The allotments shown in the table below reflect only those allotments that have already taken place.

GOVERNOR'S ALLOTMENTS			
Allotment	SGF	All Funds	FTE
December Allotment	\$	\$	
Reduce KPERS Employer Contribution Rate	(70,065)	(70,065)	0.0
TOTAL	<u>\$ (70,065)</u>	<u>\$ (70,065)</u>	<u>0.0</u>

Kansas Public Employees Retirement System (KPERS) Reduction:

A reduction of \$70,065 from the State General Fund, as a result of the Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Members

employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency operations, but is reflective of a reduction of expenditures. An additional \$42,919 from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of \$112,984.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 85,926,440	\$ 85,359,277	\$ (567,163)
FTE Positions	796.7	796.7	0.0
Change from FY 2015:			
<i>Dollar Change:</i>			
State General Fund	\$ (100,559)	\$ (334,008)	
All Other Funds	(1,251,891)	(1,472,621)	
TOTAL	<u>\$ (1,352,450)</u>	<u>\$ (1,806,629)</u>	
<i>Percent Change:</i>			
State General Fund	(0.3) %	(1.1) %	
All Other Funds	(2.3)	(2.7)	
TOTAL	<u>(1.5) %</u>	<u>(2.1) %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$86.0 million, including \$31.6 million from the State General Fund. This is a decrease of \$1.4 million, or 1.5 percent, all funds and \$100,559, or 0.3 percent, State General Fund, below the FY 2015 revised estimate. The reduced State General Fund is due to the one time \$250 bonus expenditure in FY 2015 that will not be expended for FY 2016. The reductions of other funds include

commodities (\$596,501), capital outlay (\$399,118) and contractual services (\$391,408).

The **Governor** recommends \$85.4 million, including \$31.3 million from the State General Fund. This is a decrease of \$1.8 million, or 2.1 percent, all funds and \$334,008, or 1.1 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$567,163, including

\$303,514 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change to the agency's request. The Governor also

recommends the agency's \$500,000 enhancement request, all from special revenue funds, to raze the maintenance facility.

Enhancements Detail

FY 2016 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Raze Maintenance Facility	0	500,000	0.0	0	500,000	0.0
TOTAL	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>0.0</u>	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>0.0</u>

The **agency** is requesting an enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility for FY 2016. Relocation of the physical plant and facilities maintenance services is part of the campus master plan.

The **Governor** concurs with the agency's enhancement request.

C. FY 2017 – Budget Year

FY 2017 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 87,505,295	\$ 86,926,811	\$ (578,484)
FTE Positions	796.7	796.7	0.0
Change from FY 2016:			
<i>Dollar Change:</i>			
State General Fund	\$ 716,633	\$ 710,574	
All Other Funds	862,222	856,960	
TOTAL	<u>\$ 1,578,855</u>	<u>\$ 1,567,534</u>	
<i>Percent Change:</i>			
State General Fund	2.3 %	2.3 %	
All Other Funds	1.6	1.6	
TOTAL	<u>1.8 %</u>	<u>1.8 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$87.5 million, including \$32.3 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$716,633, or 2.3 percent, from the State General Fund above the FY 2016 request. The increase is mainly in salaries and wages for increased fringe benefit expenditures.

The **Governor** recommends \$86.9 million, including \$32.0 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$710,574, or 2.3 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$578,484, including \$309,573 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change to the agency's request.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The 2014 Legislature approved funding of \$11.3 million, including \$4.5 million from the State General Fund, in FY 2015 for a \$250 bonus for all full-time employees except elected officials who were employed on December 6, 2013, and which was paid December 6, 2014. **For this agency, the FY 2015 bonus totals \$201,764, including \$100,559 from the State General Fund, and affects 678 employees.**

Longevity Bonus Payments. For FY 2016 and FY 2017, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008 are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2016 payments is \$7.2 million, including \$2.8 million from the State General Fund. For FY 2017, the estimated cost for the payments is \$7.7 million, including \$3.0 million from the State General Fund. **For this agency, there are no longevity bonus payments.**

Group Health Insurance. The Governor recommends Group Health and Hospitalization employer contributions of \$282.8 million, including \$108.2 million from the State General Fund, for FY 2016 and \$289.2 million, including \$110.7 million from the State General Fund, for FY 2017. For FY 2016 and FY 2017, the Governor recommends reducing the employer contributions for group health insurance by 8.5 percent. **For this agency this is a reduction of \$567,163, including \$303,514 from the State General Fund for FY 2016. This is a reduction of \$578,484, including \$309,573 from the State General Fund, for FY 2017.**

Kansas Public Employees Retirement System (KPERs) Rate Adjustments. The FY 2015 employer retirement contribution for KPERs regular and school members was scheduled to be 11.27 percent, an increase of 1.0 percent from 10.27 in FY 2014. The Governor reduced the employer contribution rate from 11.27 percent to 8.65 percent for the second half of FY 2015, for an effective contribution rate of 9.96 percent as part of the Governor's allotment plan. For FY 2016, the Governor recommends the retirement rate increase by 2.41 percent from 9.96 percent to 12.37 percent. For FY 2017, the Governor recommends the retirement rate increase by 1.2 percent from 12.37 percent to 13.57 percent. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

In addition, the employer contribution for the KPERs death and disability insurance rate will be increased to 1.0 percent, from 0.85 percent, for FY 2016 and for FY 2017.

The Governor further proposes offering \$1.5 billion in Pension Obligation Bonds, backed by the State General Fund, to be paid back over 30 years and extending the amortization on the current bonds by ten years to 2043. The proceeds of the bonds would be used to help reduce the future employer contribution rates of the State/School Group. The Kansas Public Employee Retirement System estimates this plan could reduce employer contributions by \$68.43 million in FY 2016 and \$132.85 in FY 2017. The Kansas Development Finance Authority estimates that the bond service would be \$90.3 million in FY 2016 through FY 2017, assuming the Kansas credit ratings is not downgraded.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2016	Gov. Rec. Percent of Total FY 2016	Agency Req. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	36.8 %	36.6 %	36.9 %	36.8 %
General Fees Fund	30.9	30.9	30.3	30.3
All Other Funds	32.3	32.5	32.8	32.9
TOTAL	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Note: Percentages may not add due to rounding.

General Fees Fund

Under KSA 76-719, the Board of Regents has the authority to set tuition rates at each university and the funds collected from tuition are deposited in the General Fees Fund. Tuition is

set by the Board of Regents after the Legislative Session has concluded each year.

Resource Estimate	Actual FY 2014	Agency Estimate FY 2015	Governor Rec. FY 2015	Agency Request FY 2016	Gov. Rec. FY 2016	Agency Request FY 2017	Gov. Rec. FY 2017
Beginning Balance	\$ 3,234,154	\$ 4,416,532	\$ 4,416,532	\$ 3,473,989	\$ 3,489,365	\$ 3,473,989	\$ 3,635,843
Revenue	25,099,573	26,514,428	26,514,428	26,514,428	26,514,428	26,514,428	26,514,428
Transfers in	0	0	0	0	0	0	0
Total Funds Available	\$ 28,333,727	\$ 30,930,960	\$ 30,930,960	\$ 29,988,417	\$ 30,003,793	\$ 29,988,417	\$ 30,150,271
Less: Expenditures	23,843,243	27,456,971	27,441,595	26,514,428	26,367,950	26,514,428	26,365,027
Transfers Out	73,952	0	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0	0	0
Ending Balance	<u>\$ 4,416,532</u>	<u>\$ 3,473,989</u>	<u>\$ 3,489,365</u>	<u>\$ 3,473,989</u>	<u>\$ 3,635,843</u>	<u>\$ 3,473,989</u>	<u>\$ 3,785,244</u>
Ending Balance as Percent of Expenditures	18.5%	12.7%	12.7%	13.1%	13.8%	13.1%	14.4%
Month Highest Ending Balance	January <u>\$ 10,617,300</u>	January <u>\$ 10,900,000</u>	January <u>\$ 10,900,000</u>	January <u>\$ 11,200,000</u>	January <u>\$ 11,200,000</u>	January <u>\$ 11,500,000</u>	January <u>\$ 11,500,000</u>
Month Lowest Ending Balance	July <u>\$ 1,776,654</u>	July <u>\$ 2,000,000</u>	July <u>\$ 2,000,000</u>	July <u>\$ 2,200,000</u>	July <u>\$ 2,200,000</u>	July <u>\$ 2,400,000</u>	July <u>\$ 2,400,000</u>

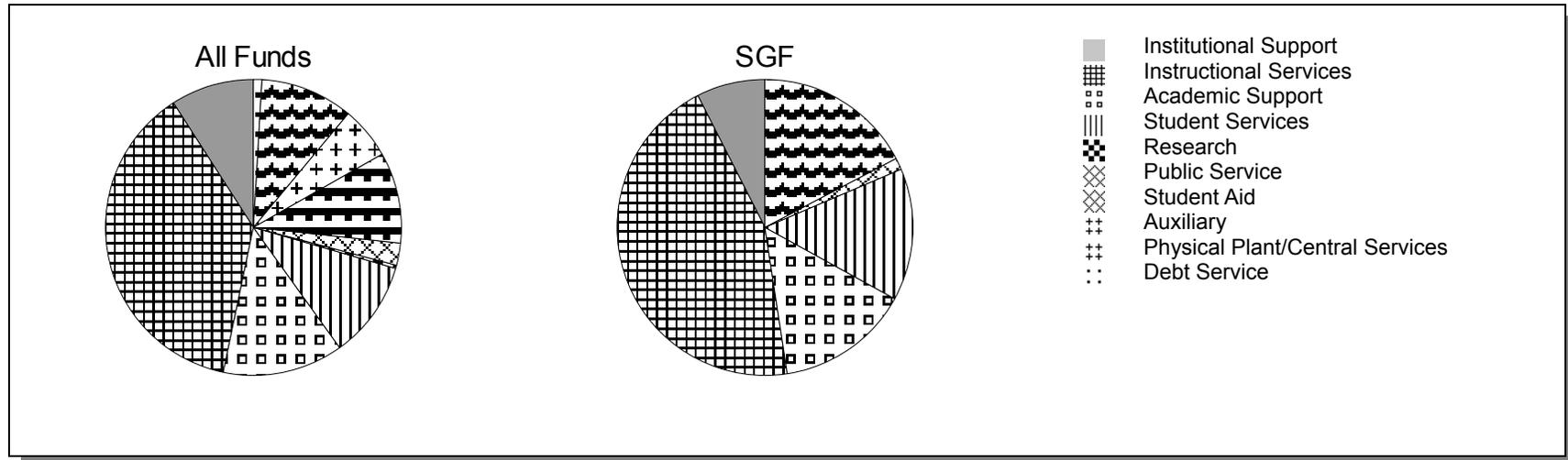
Enrollment Trends

The following table summarizes recent enrollment trends at Emporia State University. Headcount enrollment reflects the actual number of students enrolled. Full-time equivalent converts those students to full-time, based on the number of credit hours the students are enrolled.

	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2009 to Fall 2014
Headcount	6,314	6,262	5,976	5,867	6,033	6,114	
Change	(90)	(52)	(286)	(109)	166	81	(200)
%Change	(1.4)%	(0.8)%	(4.6)%	(1.8)%	2.8 %	1.3%	(3.2)%
FTE Students	5,226	5,189	4,908	4,744	4,917	4,963	
Change	(59)	(37)	(281)	(164)	173	46	(263)
%Change	(1.1)%	(0.7)%	(5.4)%	(3.3)%	3.6 %	0.9 %	(5.0)%
Student Credit Hours	71,665	70,444	69,425	63,471	65,570	66,296	
Change	(74)	(1,221)	(1,019)	(5,954)	2,099	726	(5,369)
%Change	(0.1)%	(1.7)%	(1.4)%	(8.6)%	3.3 %	1.1 %	(7)%

PROGRAM DETAIL

EXPENDITURES BY PROGRAM — GOVERNOR’S FY 2016 RECOMMENDATION



Program	Gov. Rec. All Funds FY 2016	Percent of Total	Gov. Rec. SGF FY 2016	Percent of Total
Institutional Support	\$ 7,771,106	9.1 %	\$ 2,349,358	7.5 %
Instructional Services	32,110,885	37.6	14,045,184	44.9
Academic Support	11,239,214	13.2	4,562,896	14.6
Student Services	9,087,365	10.6	4,520,195	14.4
Research	285,533	0.3	0	0.0
Public Service	2,087,791	2.4	396,444	1.3
Student Aid	8,457,141	9.9	0	0.0
Auxiliary	4,886,199	5.7	0	0.0
Physical Plant/Central Services	8,657,983	10.1	5,415,367	17.3
Debt Service	776,060	0.9	0	0.0
TOTAL	\$ 85,359,277	100.0 %	\$ 31,289,444	100.0 %

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

Program	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Institutional Support	73.5	79.0	79.0	79.0	79.0	79.0	79.0
Instructional Services	333.8	334.9	334.9	334.9	334.9	334.9	334.9
Academic Support	96.4	94.4	94.4	94.4	94.4	94.4	94.4
Student Services	92.3	92.2	92.2	92.2	92.2	92.2	92.2
Research	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Service	22.3	21.3	21.3	21.3	21.3	21.3	21.3
Student Aid	4.5	0.0	0.0	0.0	0.0	0.0	0.0
Auxiliary	61.0	66.5	66.5	66.5	66.5	66.5	66.5
Physical Plant/Central Services	110.4	108.4	108.4	108.4	108.4	108.4	108.4
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	794.2	796.7	796.7	796.7	796.7	796.7	796.7

A. Institutional Support

The Institutional Support program includes central management and long-range planning activities; fiscal operations; general administration and logistical services; personnel management; and community and alumni relations activities.

The **agency** requests FY 2016 operating expenditures of \$7.8 million, including \$2.4 million from the State General Fund. The request is an overall decrease of \$19,367, or 0.2 percent, from all funds and \$33,981, or 1.4 percent, from the State General Fund below the FY 2015 revised request. The overall

decrease is mainly in contractual services (\$49,190) with an offsetting increase in salaries and wages (\$29,926).

The **Governor** recommends FY 2016 operating expenditures of \$7.8 million, including \$2.3 million from the State General Fund. The recommendation is a decrease of \$60,037, or 0.8 percent, all funds and \$24,831, or 1.0 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$8.1 million, including \$2.5 million from the State General Fund. The request is an overall increase of \$256,567, or 3.3 percent, from all funds and \$108,454, or 4.6 percent, from the State General Fund above the FY 2016 request. The increase is in salaries and wages primarily for increased expenditures for fringe benefits.

B. Instructional Services

The Instructional Services program includes all general and remedial instruction of students.

The **agency** requests FY 2016 operating expenditures of \$32.3 million, including \$14.2 million from the State General Fund. The request is a decrease of \$1.2 million, or 3.5 percent, from all funds and \$173,405, or 1.2 percent, from the State General Fund below the FY 2015 revised request. The decrease is primarily due to decreases in contractual services (\$454,326) and commodities (\$596,501) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$32.1 million, including \$14.0 million from the State General Fund. The recommendation is a decrease of \$225,850, or 0.7 percent, all funds and \$108,927, or 0.8 percent, State General Fund below the agency request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

C. Academic Support

The Academic Support program includes all support services for the institution's primary missions of instruction, research, and public service. These support services cover libraries, museums and galleries, educational media services, academic computing support, academic administration, and course and curriculum.

The **Governor** recommends FY 2017 operating expenditures of \$8.0 million, including \$2.5 million from the State General Fund. The recommendation is a decrease of \$61,236, or 0.8 percent, all funds and \$25,327, or 1.0 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$32.3 million, including \$14.1 million from the State General Fund. The request is an overall decrease of \$78,631, or 0.2 percent, from all funds and \$9,253, or 0.1 percent, from the State General Fund below the FY 2016 request. The request includes an increase in salaries and wages (\$293,495) with offsetting decreases in contractual services (\$164,878) and commodities (\$207,248).

The **Governor** recommends FY 2017 operating expenditures of \$32.0 million, including \$14.0 million from the State General Fund. The recommendation is a decrease of \$230,357, or 0.7 percent, all funds and \$111,101, or 0.8 percent, State General Fund below the agency request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2016 operating expenditures of \$11.3 million, including \$4.6 million from the State General Fund. The request is an overall decrease of \$361,632, or 3.1

percent, below the revised estimate in FY 2015. The request is an increase of \$27,129, or 0.6 percent, from the State General Fund above the approved FY 2015 amount. The change reflects a reduction in capital outlay (\$399,118) for FY 2015.

The **Governor** recommends FY 2016 operating expenditures of \$11.2 million, including \$4.6 million from the State General Fund. The recommendation is a decrease of \$74,335, or 0.7 percent, all funds and \$44,356, or 1.0 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

D. Student Services

The Student Services program is responsible for the non-academic activities surrounding the student's experience at the institution. These activities include social and cultural development, counseling and career guidance, financial aid administration, admissions, student health services, and intercollegiate athletics.

The **agency** requests FY 2016 operating expenditures of \$9.2 million, including \$4.6 million from the State General Fund. The request is an all funds increase of \$28,260, or 0.3 percent, and a State General Fund increase of \$19,764, or 0.4 percent, above the FY 2015 approved amount. The increase is attributable to an increase in salaries and wages (\$28,260).

The **Governor** recommends FY 2016 operating expenditures of \$9.1 million, including \$4.5 million from the State General Fund. The recommendation is a decrease of \$68,208, or 0.7 percent, all funds and \$46,395, or 1.0 percent,

The **agency** requests FY 2017 operating expenditures of \$12.1 million, including \$4.8 million from the State General Fund. The request is an overall increase of \$795,376, or 7.0 percent, from all funds and \$194,522, or 4.2 percent, from the State General Fund above the FY 2016 request. The request includes an increase in salaries and wages (\$295,376) and capital outlay (\$500,000) for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$12.0 million, including \$4.8 million from the State General Fund. The recommendation is a decrease of \$75,818, or 0.6 percent, all funds and \$45,241, or 0.9 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$9.4 million, including \$4.7 million from the State General Fund. The request is an overall increase of \$265,517, or 2.9 percent, from all funds and \$177,813, or 3.9 percent, from the State General Fund above the FY 2016 request. The request includes an increase in salaries and wages (\$265,517) for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$9.4 million, including \$4.7 million from the State General Fund. The recommendation is a decrease of \$69,570, or 0.7 percent, all funds and \$47,322, or 1.0 percent, State General Fund below the agency request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

E. Research

The Research program includes most research projects conducted by university personnel, whether individually or through an institute or research center.

The **agency** requests FY 2016 operating expenditures of \$285,533, all from special revenue funds. This is an increase of \$255, or 0.1 percent, above the FY 2015 revised estimate. The increase is in salaries and wages.

F. Public Service

The Public Service program is responsible for all non-credit instruction (except remedial instruction) and other activities that are primarily of benefit to external groups or individuals. These activities include outreach education and community service.

The **agency** requests FY 2016 operating expenditures of \$2.1 million, including \$398,826 from the State General Fund. This is an all funds increase of \$116,470, or 5.9 percent, and a State General Fund decrease of \$87, or less than 0.1 percent, from the FY 2015 revised estimate. The crease is mainly in contractual services (\$112,108).

The **Governor** recommends FY 2016 operating expenditures of \$2.1 million, including \$396,444 from the State General Fund. The recommendation is a decrease of \$16,578, or 0.8 percent, all funds and \$2,382, or 0.6 percent, State General Fund below the agency's request. The decrease is due

The **Governor** concurs with the agency's request for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$285,575, all from special revenue funds. This is an increase of \$42, or less than 0.1 percent, for salaries and wages for FY 2017.

The **Governor** concurs with the agency's request for FY 2017.

to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$2.1 million, including \$404,874 from the State General Fund. This is an all funds decrease of \$2,096, or 0.1 percent, and an increase in the State General Fund of \$6,048, or 1.5 percent, from the FY 2016 request. There is an increase of salaries and wages (\$40,820) with an offsetting decrease in contractual services (\$42,916).

The **Governor** recommends FY 2017 operating expenditures of \$2.1 million, including \$402,444 from the State General Fund. The recommendation is a decrease of \$16,910, or 0.8 percent, all funds and \$2,430, or 0.6 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

G. Student Aid

The Student Aid program includes activities covering all forms of financial aid assistance such as scholarships, fellowships, and loans.

The **agency** requests FY 2016 operating expenditures of \$8.5 million, all from special revenue funds. This is the same amount as the FY 2015 revised estimate.

H. Auxiliary

The Auxiliary program is responsible for activities that furnish goods or services to students, faculty, and employees of the institution such as housing services, food services, and parking services.

The **agency** requests FY 2016 operating expenditures of \$4.9 million, all from special revenue funds. This is an increase of \$16,356, or 0.3 percent, above the FY 2015 revised estimate. The increase is in salaries and wages (\$16,356).

The **Governor** recommends FY 2016 operating expenditures of \$4.9 million, all from special revenue funds. The recommendation is a decrease of \$40,441, or 0.8 percent, below the agency's request. The decrease is due to the

I. Physical Plant/Central Services

The Physical Plant/Central Services program is responsible for the operation and maintenance of the facilities and grounds of the institution. This includes planning, building maintenance, custodial services, and utilities.

The **Governor** concurs with the agency's request for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$8.5 million, all from special revenue funds. This is the same amount as the FY 2016 request.

The **Governor** concurs with the agency's request for FY 2017.

Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$5.1 million, all from special revenue funds. This is an all funds increase of \$140,255, or 2.8 percent. The increase is in salaries and wages (\$141,112).

The **Governor** recommends FY 2017 operating expenditures of \$5.0 million, all from special revenue funds. The recommendation is a decrease of \$41,249, or 0.8 percent, below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2016 operating expenditures of \$8.7 million, including \$5.5 million from the State General Fund. This is an all funds increase of \$62,964, or 0.7 percent, and a

State General Fund increase of \$60,021, or 1.1 percent from the FY 2015 revised amount. The increase is attributable to increases in salaries and wages (\$62,964) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$8.7 million, including \$5.4 million from the State General Fund. The recommendation is a decrease of \$81,714, or 0.9 percent, all funds and \$76,623, or 1.4 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$9.0 million, including \$5.7 million from the State General Fund. This is an all funds increase of \$246,375, or 2.8 percent, and an increase in the State General Fund of \$239,049, or 4.4 percent, from the FY 2016 request. There is an increase of salaries and wages (\$246,375).

The **Governor** recommends FY 2017 operating expenditures of \$8.9 million, including \$5.7 million from the State General Fund. The recommendation is a decrease of \$83,344, or 0.9 percent, all funds and \$78,152, or 1.4 percent, State General Fund below the agency's request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

CAPITAL IMPROVEMENTS

	CAPITAL IMPROVEMENTS					
	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Rehabilitation and Repair	\$ 4,478,485	\$ 4,478,485	\$ 0	\$ 0	\$ 0	\$ 0
Other Capital Improvements	1,214,026	1,214,026	1,008,000	1,008,000	1,008,000	1,008,000
Parking	50,000	50,000	50,000	50,000	50,000	50,000
Debt Service - Principal	1,210,000	1,210,000	1,225,000	1,225,000	1,280,000	1,280,000
TOTAL	\$ 6,952,511	\$ 6,952,511	\$ 2,283,000	\$ 2,283,000	\$ 2,338,000	\$ 2,338,000
Financing:						
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	6,952,511	6,952,511	2,283,000	2,283,000	2,338,000	2,338,000
TOTAL	\$ 6,952,511	\$ 6,952,511	\$ 2,283,000	\$ 2,283,000	\$ 2,338,000	\$ 2,338,000

Current Year Agency Estimate

FY 2015 – Current Year. The agency estimates \$7.0 million, all from special revenue funds, for capital improvements in FY 2015. This is an increase of \$5.7 million, all from special revenue funds, above the approved amount. The estimate

includes \$4.5 million in expenditures from the Educational Building Fund. There is also an additional \$1.1 million in expenditures from the Housing Fund for on going work on Singular and Tresler Halls.

Current Year Governor Recommendation

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

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2016. This is a decrease of \$4.7 million, or 67.2 percent, due to the Educational Building Fund expenditures being in the Board of Regents budget until approval and transfer to the

university. The agency is requesting an enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility for FY 2016. Relocation of the physical plant and facilities maintenance services is part of the campus master plan.

Budget Year Governor Recommendation

The **Governor** concurs with the agency’s request.

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2017. This is an increase of \$55,000, or 2.4 percent,

above the FY 2016 request due to an increase in debt service principal payments.

Budget Year Governor Recommendation

The **Governor** concurs with the agency’s request.

Measure	PERFORMANCE MEASURES				
	Gov. Rec. for FY 2014	Actual FY 2014	Gov. Rec. FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
New grant funding (in millions)	\$2.0	\$1.3	\$1.3	\$1.3	\$1.3
Student to faculty ratio	17:1	15:1	16:1	17:1	17:1
Student credit hours generated through on-line courses	32,000	31,803	33,500	35,000	35,000