

PITTSBURG 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	\$ 33,788,292	\$ 35,814,451	\$ 35,734,655	\$ 35,447,467	\$ 35,177,727	\$ 36,410,934	\$ 36,135,897
Other Funds	65,546,443	69,842,277	69,778,795	70,494,581	70,219,791	70,731,018	70,450,094
TOTAL	\$ 99,334,735	\$ 105,656,728	\$ 105,513,450	\$ 105,942,048	\$ 105,397,518	\$ 107,141,952	\$ 106,585,991
Capital Improvements:							
State General Fund	\$ 639,003	\$ 696,244	\$ 696,244	\$ 710,616	\$ 710,616	\$ 730,272	\$ 730,272
Other Funds	6,118,479	5,567,831	5,567,831	3,127,477	3,127,477	3,538,332	3,538,332
TOTAL	\$ 6,757,482	\$ 6,264,075	\$ 6,264,075	\$ 3,838,093	\$ 3,838,093	\$ 4,268,604	\$ 4,268,604
GRAND TOTAL	\$ 106,092,217	\$ 111,920,803	\$ 111,777,525	\$ 109,780,141	\$ 109,235,611	\$ 111,410,556	\$ 110,854,595
Percentage Change:							
Operating Expenditures							
State General Fund	(1.9) %	6.0 %	5.8 %	(1.0) %	(1.6) %	2.7 %	2.7 %
All Funds	1.5	6.4	6.2	0.3	(0.1)	1.1	1.1
FTE Positions	934.5	958.5	958.5	958.5	958.5	959.5	959.5
Non-FTE							
Perm.Uncl.Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	934.5	958.5	958.5	958.5	958.5	959.5	959.5

AGENCY OVERVIEW

Pittsburg State University (PSU) was established in 1903 by the Kansas Legislature to serve the higher education needs of Southeast Kansas. In 1970, the University became a Regents institution operating under the direction of the State Board of Regents. PSU functions as a comprehensive regional university, providing undergraduate and graduate programs and services primarily to the citizens of Southeast Kansas. This is accomplished through academic programs in Arts and Sciences,

Business and Economics, Education, and Technology and Applied Science. The University is also committed to fulfilling its statewide mission in technology and economic development. The University seeks to fulfill the traditional academic missions of teaching, scholarship, and service. **A total of 7,479 students attended Pittsburg State University during the Fall 2014 semester. This was an increase of 79 students or 1.1 percent above the Fall 2013 semester.**

MAJOR ISSUES FROM PRIOR YEARS

The **1999 Legislature** passed the Higher Education Coordination Act (SB 345), which transferred supervision of community colleges, area vocational schools, technical colleges, adult education programs, and proprietary schools from the Department of Education to the Board of Regents.

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 its 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.

The **2011 Legislature** 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's postsecondary savings account.

The **2012 Legislature** passed legislation removing the expiration date on the State Educational Institution Project 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** reduced the State General Fund operating expenditures of the University by 1.5 percent. There were also reductions to the University's salaries and wages all funds expenditures by approximately 0.7 percent in FY 2014 and 0.2 percent for FY 2015.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency's** revised estimate in FY 2015 is \$111.9 million, including \$36.5 million from the State General Fund. This is an increase of \$6.3 million, or 5.9 percent, all funds and \$79,796, or 0.2 percent, State General Fund above the approved amount. The increase includes \$3.3 million for capital improvements, \$1.7 million in salaries and wages, and \$1.3 million in capital

outlay. The capital improvement increase includes a transfer by the Board of Regents from the Educational Building Fund of \$2.8 million in FY 2015. The State General Fund increase is due to the agency submitting its budget prior to the Governor's December 9th allotment.

FY 2015 Governor Recommendation

The **Governor** recommends \$111.8 million, including \$36.4 million from the State General Fund. This is an increase of \$6.2 million, or 5.8 percent, all from special revenue funds, above the approved amount. The overall reduction to operating

expenditures is due to the Governor's allotment for KPERs employer contribution rate and the refinancing of Armory Classroom bond payments. The Governor concurs with the agency's capital improvement budget.

FY 2016 Agency Request

The **agency** requests operating expenditures of \$105.9 million, including \$35.4 million from the State General Fund. This is an all funds increase of \$285,320, or 0.3 percent, and a decrease of \$366,984, or 1.0 percent, from the State General Fund from the FY 2015 revised estimate. There is an increase of salaries and wages (\$824,634), capital outlay (\$349,912), and other assistance (\$624,933) partially offset by a decrease of contractual services (\$709,618), commodities (\$534,716) and debt service (\$269,825).

The agency requests \$3.8 million, including \$710,616 from the State General Fund for capital improvements. This is a decrease of \$2.4 million, or 38.7 percent all funds and an increase of \$14,372, or 2.1 percent, from the State General Fund from the revised FY 2015 estimate. The increase in State General Fund expenditures is for debt service while the decrease in all funds is due to Educational Building Fund expenditures remaining within the Board of Regents budget until they are transferred.

FY 2016 Governor Recommendation

The **Governor** recommends \$105.4 million, including \$35.2 million from the State General Fund. This is a decrease of \$115,932, or 0.1 percent, all funds and \$556,928, or 1.6 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$552,131, including \$277,341 from the State General Fund, to

reduce employer contributions for state employee health insurance. Due to the bond refinancing in FY 2015, expenditures increase in the amount of \$7,601, all from the State General Fund for FY 2016. The Governor concurs with the agency's capital improvement budget.

FY 2017 Agency Request

The **agency** requests an operating budget of \$107.1 million, including \$36.4 million from the State General Fund. This is an increase of \$1.2 million, or 1.1 percent, all funds and \$963,467, or 2.7 percent, from the State General Fund above the FY 2016

request. The increase is mainly in salaries and wages (\$1.6 million) with partially offsetting decreases in the other operating expenditures.

The agency requests \$4.3 million, including \$730,272 from the State General Fund for capital improvements. This is an all funds increase of \$430,511, or 11.2 percent, and \$19,656, or 2.8

percent, from the State General Fund above the FY 2016 request. The increase is attributable to increased debt service principal and interest payments.

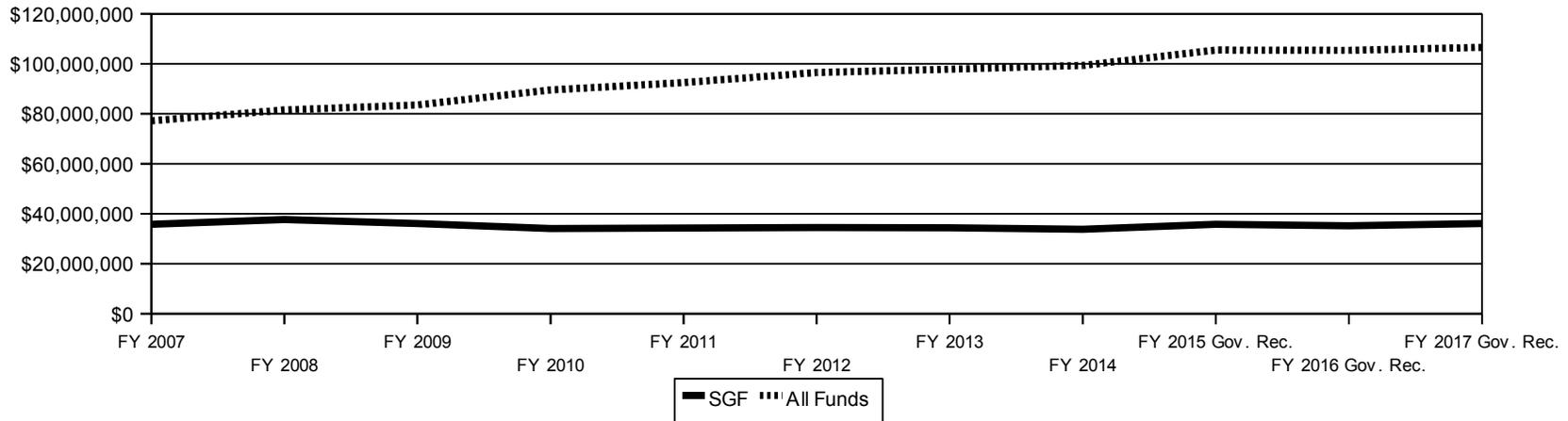
FY 2017 Governor Recommendation

The **Governor** recommends \$106.6 million, including \$36.1 million from the State General Fund. This is an increase of \$1.2 million, or 1.1 percent, all funds and \$958,170, or 2.7 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$563,562, including \$282,638 from the State General Fund, to reduce employer

contributions for state employee health insurance. Due to the bond refinancing in FY 2015, the expenditures for bond payments increase in the amount of \$7,601, all from the State General Fund for FY 2017. These reductions are the only adjustments the Governor made to the agency's request for FY 2017.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 35,800,716	1.6 %	\$ 77,189,314	4.2 %	855.3
2008	37,622,250	5.1	81,529,272	5.6	877.3
2009	36,134,567	(4.0)	83,538,190	2.5	896.8
2010	34,039,608	(5.8)	89,545,836	7.2	887.5
2011	34,234,978	0.6	92,474,717	3.3	898.7
2012	34,458,828	0.7	96,517,914	4.4	874.9
2013	34,433,234	(0.1)	97,857,691	1.4	934.5
2014	33,788,292	(1.9)	99,334,735	1.5	934.5
2015 Gov. Rec.	35,734,655	5.8	105,513,450	6.2	958.5
2016 Gov. Rec.	35,177,727	(1.6)	105,397,518	(0.1)	958.5
2017 Gov. Rec.	36,135,897	2.7	106,585,991	1.1	959.5
Eleven-Year Change	\$ 335,181	0.9 %	\$ 29,396,677	38.1 %	104.2

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	\$ 7,266,763	\$ 8,046,879	\$ 7,978,457	\$ (68,422)	(0.9) %	\$ 8,033,805	\$ 7,931,511	\$ (102,294)	(1.3)%
Instructional Services	35,117,372	37,471,801	37,364,802	(106,999)	(0.3)	37,457,546	37,133,374	(324,172)	(0.9)
Academic Support	10,227,937	10,173,765	9,206,313	(967,452)	(9.5)	10,158,379	9,147,551	(1,010,828)	(10.0)
Student Services	9,660,028	11,120,686	11,484,669	363,983	3.3	11,107,789	11,414,628	306,839	2.8
Research	2,225,745	3,546,987	3,035,841	(511,146)	(14.4)	3,546,560	3,026,565	(519,995)	(14.7)
Public Service	1,848,045	2,510,107	2,904,475	394,368	15.7	2,508,595	2,891,011	382,416	15.2
Student Aid	14,580,549	12,869,650	13,494,647	624,997	4.9	12,869,650	13,494,647	624,997	4.9
Auxiliary	6,371,170	6,687,998	6,983,289	295,291	4.4	6,672,888	6,948,898	276,010	4.1
Physical Plant/Central Services	10,127,928	10,014,836	10,545,361	530,525	5.3	9,968,618	10,457,538	488,920	4.9
Debt Service	1,909,198	3,214,019	2,944,194	(269,825)	(8.4)	3,189,620	2,951,795	(237,825)	(7.5)
TOTAL	\$ 99,334,735	\$ 105,656,728	\$ 105,942,048	\$ 285,320	0.3 %	\$ 105,513,450	\$ 105,397,518	\$ (115,932)	(0.1)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 65,049,398	\$ 66,878,930	\$ 67,703,564	\$ 824,634	1.2 %	\$ 66,760,051	\$ 67,151,433	\$ 391,382	0.6 %
Contractual Services	10,720,495	13,557,037	12,847,419	(709,618)	(5.2)	13,557,037	12,847,419	(709,618)	(5.2)
Commodities	4,311,571	6,098,847	5,564,131	(534,716)	(8.8)	6,098,847	5,564,131	(534,716)	(8.8)
Capital Outlay	2,469,161	3,055,624	3,405,536	349,912	11.5	3,055,624	3,405,536	349,912	11.5
Debt Service	1,909,198	3,214,019	2,944,194	(269,825)	(8.4)	3,189,620	2,951,795	(237,825)	(7.5)
Subtotal - Operations	\$ 84,459,823	\$ 92,804,457	\$ 92,464,844	\$ (339,613)	(0.4) %	\$ 92,661,179	\$ 91,920,314	\$ (740,865)	(0.8)%
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	14,874,912	12,852,271	13,477,204	624,933	4.9	12,852,271	13,477,204	624,933	4.9
TOTAL	\$ 99,334,735	\$ 105,656,728	\$ 105,942,048	\$ 285,320	0.3 %	\$ 105,513,450	\$ 105,397,518	\$ (115,932)	(0.1)%
Financing:									
State General Fund	\$ 33,788,292	\$ 35,814,451	\$ 35,447,467	\$ (366,984)	(1.0) %	\$ 35,734,655	\$ 35,177,727	\$ (556,928)	(1.6)%
General Fees Fund	33,566,566	36,044,602	36,044,602	0	0.0	36,003,578	35,854,841	(148,737)	(0.4)
All Other Funds	31,979,877	33,797,675	34,449,979	652,304	1.9	33,775,217	34,364,950	589,733	1.7
TOTAL	\$ 99,334,735	\$ 105,656,728	\$ 105,942,048	\$ 285,320	0.3 %	\$ 105,513,450	\$ 105,397,518	\$ (115,932)	(0.1)%

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	\$ 7,978,457	\$ 8,040,261	\$ 61,804	0.8 %	\$ 7,931,511	\$ 7,991,759	\$ 60,248	0.8 %
Instructional Services	37,364,802	37,570,400	205,598	0.6	37,133,374	37,335,752	202,378	0.5
Academic Support	9,206,313	9,461,155	254,842	2.8	9,147,551	9,401,213	253,662	2.8
Student Services	11,484,669	11,723,806	239,137	2.1	11,414,628	11,652,359	237,731	2.1
Research	3,035,841	3,346,752	310,911	10.2	3,026,565	3,335,810	309,245	10.2
Public Service	2,904,475	2,749,195	(155,280)	(5.3)	2,891,011	2,736,130	(154,881)	(5.4)
Student Aid	13,494,647	13,494,651	4	0.0	13,494,647	13,494,651	4	0.0
Auxiliary	6,983,289	7,108,168	124,879	1.8	6,948,898	7,072,739	123,841	1.8
Physical Plant/Central Services	10,545,361	10,824,260	278,899	2.6	10,457,538	10,734,673	277,135	2.7
Debt Service	2,944,194	2,823,304	(120,890)	(4.1)	2,951,795	2,830,905	(120,890)	(4.1)
TOTAL	\$ 105,942,048	\$ 107,141,952	\$ 1,199,904	1.1 %	\$ 105,397,518	\$ 106,585,991	\$ 1,188,473	1.1 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 67,703,564	\$ 69,254,186	\$ 1,550,622	2.3 %	\$ 67,151,433	\$ 68,690,624	\$ 1,539,191	2.3 %
Contractual Services	12,847,419	12,646,789	(200,630)	(1.6)	12,847,419	12,646,789	(200,630)	(1.6)
Commodities	5,564,131	5,553,497	(10,634)	(0.2)	5,564,131	5,553,497	(10,634)	(0.2)
Capital Outlay	3,405,536	3,386,972	(18,564)	(0.5)	3,405,536	3,386,972	(18,564)	(0.5)
Debt Service	2,944,194	2,823,304	(120,890)	(4.1)	2,951,795	2,830,905	(120,890)	(4.1)
Subtotal - Operations	\$ 92,464,844	\$ 93,664,748	\$ 1,199,904	1.3 %	\$ 91,920,314	\$ 93,108,787	\$ 1,188,473	1.3 %
Aid to Local Units	0	0	0	--	0	0	0	--
Other Assistance	13,477,204	13,477,204	0	0.0	13,477,204	13,477,204	0	0.0
TOTAL	\$ 105,942,048	\$ 107,141,952	\$ 1,199,904	1.1 %	\$ 105,397,518	\$ 106,585,991	\$ 1,188,473	1.1 %
Financing:								
State General Fund	\$ 35,447,467	\$ 36,410,934	\$ 963,467	2.7 %	\$ 35,177,727	\$ 36,135,897	\$ 958,170	2.7 %
General Fees Fund	36,044,602	36,044,602	0	0.0	35,854,841	35,851,376	(3,465)	(0.0)
All Other Funds	34,449,979	34,686,416	236,437	0.7	34,364,950	34,598,718	233,768	0.7
TOTAL	\$ 105,942,048	\$ 107,141,952	\$ 1,199,904	1.1 %	\$ 105,397,518	\$ 106,585,991	\$ 1,188,473	1.1 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The 2014 Legislature approved a State General Fund budget of \$36,264,360 for Pittsburg State University in FY 2015. Two adjustments have subsequently been made to that amount. These adjustments change the current year approved amount without any legislative action required. For this agency, the following adjustments have been made:

- An increase of \$246,335, based on the reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015; and

- A reduction of \$79,796, as the result of the Governor’s December 9th State General Fund allotment.

These adjustments change the FY 2015 approved State General Fund to \$36,430,899. 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.

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	\$ 36,430,899	\$ 36,510,695	\$ 79,796	\$ 36,430,899	\$ 0
All Other Funds	69,221,127	75,410,108	6,188,981	75,346,626	6,125,499
TOTAL	\$ 105,652,026	\$ 111,920,803	\$ 6,268,777	\$ 111,777,525	\$ 6,125,499
FTE Positions	934.5	958.5	24.0	958.5	24.0

The **agency’s** revised estimate in FY 2015 is \$111.9 million, including \$36.5 million from the State General Fund. This is an increase of \$6.3 million, or 5.9 percent, all funds and \$79,796,

or 0.2 percent, State General Fund above the approved amount. The increase includes \$3.3 million for capital improvements, \$1.7 million in salaries and wages, and \$1.3 million in capital

outlay. The capital improvement increase includes a transfer by the Board of Regents from the Educational Building Fund of \$2.8 million in FY 2015. The State General Fund increase is due to the agency submitting their budget prior to the Governor's allotment.

The **Governor** recommends \$111.8 million, including \$36.4 million from the State General Fund. This is an increase of \$6.1 million, or 5.8 percent, all from special revenue funds, above the approved amount.

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			
<u>Allotment</u>	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>
November Allotment			
Reduce KPERS Employer Contribution Rate	\$ (55,397)	\$ (55,397)	0.0
Refinance Bonds	\$ (24,399)	\$ (24,399)	0.0
TOTAL	<u>\$ (79,796)</u>	<u>\$ (79,796)</u>	<u>0.0</u>

Kansas Public Employees Retirement System (KPERS) Reduction:

A reduction \$55,397 from the State General Fund, as a result of the Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member 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 \$63,482

from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of \$118,879.

Refinancing of Bonds:

A reduction of \$24,399, all from the State General Fund, due to reduce interest payments on bonds issued to fund the Armory Classroom/Recreation Center project.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 105,942,048	\$ 105,397,518	\$ (544,530)
FTE Positions	958.5	958.5	0.0
<i>Change from FY 2015:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ (366,984)	\$ (556,928)	
All Other Funds	652,304	440,996	
TOTAL	<u>\$ 285,320</u>	<u>\$ (115,932)</u>	
<i>Percent Change:</i>			
State General Fund	(1.0) %	(1.6) %	
All Other Funds	0.9	0.6	
TOTAL	<u>0.3 %</u>	<u>(0.1) %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests operating expenditures of \$105.9 million, including \$35.4 million from the State General Fund. This is an all funds increase of \$285,320, or 0.3 percent, and a decrease of \$366,984, or 1.0 percent, from the State General Fund from the FY 2015 revised estimate. There is an increase in salaries and wages (\$824,634), capital outlay (\$349,912), and other assistance (\$624,933) partially offset by a decrease in contractual services (\$709,618), commodities (\$534,716) and debt service (\$269,825).

The **Governor** recommends \$105.4 million, including \$35.2 million from the State General Fund. This is a decrease of \$115,932, or 0.1 percent, all funds and \$556,928, or 1.6 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$552,131, including \$277,341 from the State General Fund, to reduce employer contributions for state employee health insurance. Due to the bond refinancing in FY 2015, the expenditures in bond payments increase in the amount of \$7,601, all from the State General Fund for FY 2016.

C. FY 2017 – Budget Year

FY 2017 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 107,141,952	\$ 106,585,991	\$ (555,961)
FTE Positions	959.5	959.5	0.0
Change from FY 2016:			
<i>Dollar Change:</i>			
State General Fund	\$ 963,467	\$ 958,170	
All Other Funds	236,437	230,303	
TOTAL	<u>\$ 1,199,904</u>	<u>\$ 1,188,473</u>	
<i>Percent Change:</i>			
State General Fund	2.7 %	2.7 %	
All Other Funds	0.3	0.3	
TOTAL	<u>1.1 %</u>	<u>1.1 %</u>	
Change in FTE Positions	1.0	1.0	

The **agency** requests an operating budget of \$107.1 million, including \$36.4 million from the State General Fund. This is an all funds increase of \$1.2 million, or 1.1 percent, and \$963,467, or 2.7 percent, from the State General Fund above the FY 2016 request. The increase is mainly in salaries and wages (\$1.6 million) with partially offsetting decreases in the other operating expenditures.

The **Governor** recommends \$106.6 million, including \$36.1 million from the State General Fund. This is an increase of \$1.2

million, or 1.1 percent, all funds and \$958,170, or 2.7 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$563,562, including \$282,638 from the State General Fund, to reduce employer contributions for state employee health insurance. Due to the bond refinancing in FY 2015, the expenditures for bond payments increase in the amount of \$7,601, all from the State General Fund for FY 2017. These reductions are the only adjustments the Governor made to the agency's request for FY 2017.

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 \$202,823, including \$103,278 from the State General Fund, and affects 652 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 \$552,131, including \$277,341 from the State General Fund for FY 2016. This is a reduction of \$563,562, including \$282,638 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 are 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	33.5 %	33.4 %	34.0 %	33.9 %
General Fees Fund	34.2	34.0	33.6	33.6
All Other Funds	32.3	32.6	32.4	32.5
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

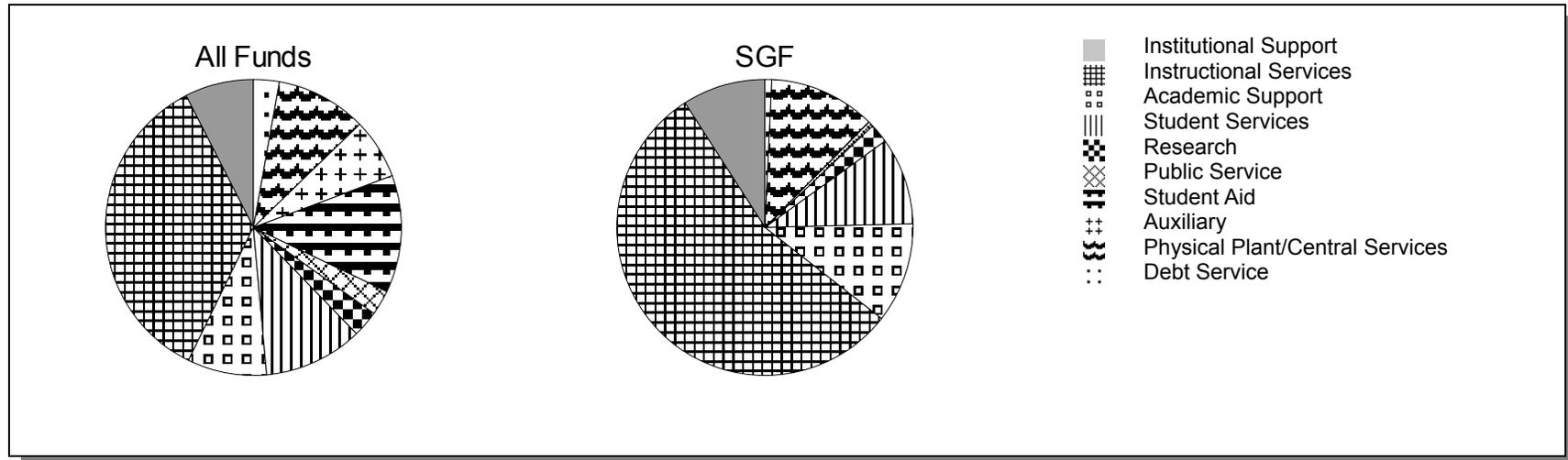
Under KSA 76-719, the Board of Regents has the authority to set tuition at each university and the funds collected from tuition are deposited in the general fees fund, excluding the

student activity fees that are deposited in the restricted 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	\$ 5,331,949	\$ 5,796,740	\$ 5,796,740	\$ 5,914,746	\$ 5,955,770	\$ 6,032,752	\$ 6,263,537
Revenue	34,324,603	36,259,602	36,244,602	36,259,602	36,244,602	36,259,602	36,244,602
Transfers in	15,000	0	0	0	0	0	0
Total Funds Available	\$ 39,671,552	\$ 42,056,342	\$ 42,041,342	\$ 42,174,348	\$ 42,200,372	\$ 42,292,354	\$ 42,508,139
Less: Expenditures	33,780,118	36,044,602	36,003,578	36,044,602	35,854,841	36,044,602	35,851,376
Transfers Out	94,694	96,994	81,994	96,994	81,994	96,994	81,994
Off Budget Expenditures	0	0	0	0	0	0	0
Ending Balance	<u>\$ 5,796,740</u>	<u>\$ 5,914,746</u>	<u>\$ 5,955,770</u>	<u>\$ 6,032,752</u>	<u>\$ 6,263,537</u>	<u>\$ 6,150,758</u>	<u>\$ 6,574,769</u>
Ending Balance as Percent of Expenditures	17.2%	16.4%	16.5%	16.7%	17.5%	17.1%	18.3%
Month Highest Ending Balance	January <u>\$ 25,664,250</u>	January <u>\$ 26,500,000</u>					
Month Lowest Ending Balance	July <u>\$ 4,015,900</u>	July <u>\$ 4,000,000</u>	July <u>\$ 4,000,000</u>	July <u>\$ 2,000,000</u>	July <u>\$ 2,000,000</u>	July <u>\$ 2,000,000</u>	July <u>\$ 2,000,000</u>

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	\$ 7,931,511	7.5 %	\$ 3,198,411	9.1 %
Instructional Services	37,133,374	35.2	19,474,591	55.4
Academic Support	9,147,551	8.7	3,845,499	10.9
Student Services	11,414,628	10.8	3,355,026	9.5
Research	3,026,565	2.9	734,958	2.1
Public Service	2,891,011	2.7	204,072	0.6
Student Aid	13,494,647	12.8	10,254	0.0
Auxiliary	6,948,898	6.6	0	0.0
Physical Plant/Central Services	10,457,538	9.9	4,101,732	11.7
Debt Service	2,951,795	2.8	253,184	0.7
TOTAL	\$ 105,397,518	100.0 %	\$ 35,177,727	100.0 %

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

<u>Program</u>	<u>Actual FY 2014</u>	<u>Agency Est. FY 2015</u>	<u>Gov. Rec. FY 2015</u>	<u>Agency Req. FY 2016</u>	<u>Gov. Rec. FY 2016</u>	<u>Agency Req. FY 2017</u>	<u>Gov. Rec. FY 2017</u>
Institutional Support	89.8	90.3	90.3	90.3	90.3	90.3	90.3
Instructional Services	379.7	392.2	392.2	392.2	392.2	392.2	392.2
Academic Support	87.3	88.8	88.8	88.8	88.8	88.8	88.8
Student Services	100.1	101.6	101.6	101.6	101.6	101.6	101.6
Research	61.2	61.4	61.4	61.4	61.4	61.4	61.4
Public Service	28.8	29.6	29.6	29.6	29.6	29.6	29.6
Student Aid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Auxiliary	57.2	59.2	59.2	59.2	59.2	59.2	59.2
Physical Plant/Central Services	130.4	135.4	135.4	135.4	135.4	136.4	136.4
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>934.5</u>	<u>958.5</u>	<u>958.5</u>	<u>958.5</u>	<u>958.5</u>	<u>959.5</u>	<u>959.5</u>

Enrollment Trends

The following table summarizes recent enrollment trends at the Pittsburg 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	7,277	7,130	7,275	7,289	7,400	7,479	
Change	150	(147)	145	14	111	79	202
%Change	2.1 %	(2.0)%	2.0 %	0.2 %	1.5 %	1.1 %	2.8 %
FTE Students	6,851	6,858	6,984	6,876	6,991	6,981	
Change	178	7	126	(108)	115	(10)	130
%Change	2.7 %	0.1 %	1.8 %	(1.5)%	1.7 %	(0.1)%	1.9 %
Student Credit Hours	96,531	96,789	98,774	97,871	99,312	99,056	
Change	2,326	258	1,985	(903)	1,441	(256)	2,525
%Change	2.5 %	0.3 %	2.1 %	(0.9)%	1.5 %	(0.3)%	2.6 %

A. Institutional Support

The Institutional Support program includes central management and long-range planning activities; fiscal operations; general admission and logistical services; personnel management; and community and alumni relations activities. The **agency** requests FY 2016 operating expenditures of \$8.0 million, including \$3.2 million from the State General Fund. The request is a decrease of \$68,422, or 0.9 percent, and an increase of \$192,476, or 6.3 percent, from the State General Fund from the approved FY 2015 budget. The difference reflects increases in salaries and wages (\$24,482) and capital outlay (\$49,285) offset with a decrease primarily in contractual services (\$151,807).

The **Governor** recommends FY 2016 operating expenditures of \$7.9 million, including \$3.2 million from the State General Fund. The recommendation is a decrease of \$46,946, or 0.6 percent, all funds and \$25,792, or 0.8 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 \$8.0 million including \$3.5 million from the State General Fund. The request is an all funds increase of \$61,804, or 0.8 percent, and \$239,503, or 7.4 percent, from the State General Fund

above the FY 2016 request. The increase is in salaries and wages (\$288,815) with a partially offsetting decrease mainly in contractual services (\$199,860).

The **Governor** recommends FY 2017 operating expenditures of \$8.0 million, including \$3.4 million from the

B. Instructional Services

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

The **agency** requests FY 2016 operating expenditures of \$37.4 million, including \$19.6 million from the State General Fund. The request is an all funds decrease of \$106,999, or 0.3 percent, and an increase of \$46,857, or 0.2 percent, from the State General Fund from the FY 2015 revised estimate. The difference reflects increases in contractual services (\$77,832) and capital outlay (\$98,403) with offsetting decreases in salaries and wages (\$34,720) and commodities (\$248,514).

The **Governor** recommends FY 2016 operating expenditures of \$37.1 million, including \$19.5 million from the State General Fund. The recommendation is a decrease of \$231,428, or 0.6 percent, all funds and \$133,533, or 0.7 percent, State General Fund below the agency's request. The

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.

State General Fund. The recommendation is a decrease of \$48,502, or 0.6 percent, all funds and \$26,647, or 0.8 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.

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 \$37.6 million, including \$19.6 million from the State General Fund. The request is an all funds increase of \$205,598, or 0.6 percent, and a decrease of \$42,905, or 0.2 percent, from the State General Fund from the FY 2016 request. The increase is in salaries and wages (\$207,397) with partially offsetting decreases in all other operating expenditure categories.

The **Governor** recommends FY 2017 operating expenditures of \$37.3 million, including \$19.4 million from the State General Fund. The recommendation is a decrease of \$234,648, or 0.6 percent, all funds and \$135,391, or 0.7 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 2016 operating expenditures of \$9.2 million, including \$3.9 million from the State General Fund. The overall request is an all funds decrease of \$967,452, or 9.5 percent, and \$921,029, or 19.2 percent, from the State General Fund below the revised estimate in FY 2015. The decrease is primarily in contractual services (\$1.1 million) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$9.1 million, including \$3.8 million from the State General Fund. The recommendation is a decrease of \$58,762, or 0.6 percent, all funds and \$32,748, or 0.8 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 \$9.5 million, including \$4.2 million from the State General Fund. The request is an all funds increase of \$254,842, or 2.8 percent,

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 \$11.5 million, including \$3.4 million from the State General Fund. The request is an all funds increase of \$363,983, or 3.3 percent, and \$160,021, or 5.0 percent, from the State General Fund above the revised estimate. The increase is primarily in salaries and wages (\$221,908) and contractual services (\$140,127) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$11.4 million, including \$3.4 million from the State General Fund. The recommendation is a decrease of \$70,041, or 0.6 percent, all funds and \$30,552, or 0.9 percent,

and \$275,133, or 7.1 percent, from the State General Fund above the FY 2016 request. The increase is in salaries and wages.

The **Governor** recommends FY 2017 operating expenditures of \$9.4 million, including \$4.1 million from the State General Fund. The recommendation is a decrease of \$59,942, or 0.6 percent, all funds and \$33,406, or 0.8 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 \$11.7 million, including \$3.6 million from the State General Fund. The request is an all funds increase of \$239,137, or 2.1 percent, and \$221,504, or 6.5 percent, from the State General Fund above the FY 2016 request. The increase is in salaries and wages.

The **Governor** recommends FY 2017 operating expenditures of \$11.7 million, including \$3.6 million from the State General Fund. The recommendation is a decrease of \$71,447, or 0.6 percent, all funds and \$31,165, 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.

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 \$3.0 million, including \$736,763 from the State General Fund. The request is a decrease of \$511,146, or 14.4 percent, all funds and \$172,720, or 19.0 percent, State General Fund below the revised estimate. The decrease is attributable to reductions in all operating categories for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$3.0 million, including \$734,958 from the State General Fund. The recommendation is a decrease of \$9,276, or 0.3 percent, all funds and \$1,805, or 0.2 percent, State General Fund below the agency's request. The decrease is due to the

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 \$2.9 million, including \$205,554 from the State General Fund. The request is an all funds increase of \$394,368, or 15.7 percent, and \$68,375, or 49.8 percent, from the State General Fund above the revised FY 2015 estimate. The increase is mainly attributable to increases in salaries and wages (\$281,497) and contractual services (\$59,059).

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

The **agency** requests FY 2017 operating expenditures of \$3.3 million, including \$737,587 from the State General Fund. The request is an all funds increase of \$310,911, or 10.2 percent, and \$824, or 0.1 percent, from the State General Fund above the FY 2016 request. The increase is mainly in salaries and wages (\$311,929).

The **Governor** recommends FY 2017 operating expenditures of \$3.3 million, including \$735,458 from the State General Fund. The recommendation is a decrease of \$10,942, or 0.3 percent, all funds and \$2,129, or 0.3 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 **Governor** recommends FY 2016 operating expenditures of \$2.9 million, including \$204,072 from the State General Fund. The recommendation is a decrease of \$13,464, or 0.5 percent, all funds and \$1,482, or 0.7 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 \$2.7 million, including \$200,631 from the State General Fund. The request is an all funds decrease of \$155,280, or 5.3 percent, and \$4,923, or 2.4 percent, from the State General Fund below the FY 2016 request. The decrease is in salaries and wages.

The **Governor** recommends FY 2017 operating expenditures of \$2.7 million, including \$199,193 from the State General Fund. The recommendation is a decrease of \$13,065, or 0.5 percent, all funds and \$1,438, or 0.7 percent, State

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 \$13.5 million, including \$10,254 from the State General Fund. The request is an all funds increase of \$624,997, or 4.9 percent, and a decrease of \$2, or less than 0.1 percent, from the State General Fund from the revised FY 2015 estimate. The increase is in other assistance.

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 \$7.0 million, all from special revenue funds. This is an increase of \$295,291, or 4.4 percent, above the revised FY 2015 estimate. The increase in salaries and wages (\$211,044), commodities (\$52,261), and capital outlay (\$37,814) is partially offset with a decrease in contractual services (\$5,828) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$7.0 million, all from special revenue funds. The recommendation is a decrease of \$34,391, or 0.5 percent,

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

The **agency** requests FY 2017 operating expenditures of \$13.5 million, including \$10,045 from the State General Fund. The request is an all funds increase of \$4, or less than 0.1 percent, and a decrease of \$209, or 2.0 percent, from the State General Fund from the FY 2016 request.

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

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 2017 operating expenditures of \$7.1 million, all from special revenue funds. The request is an increase of \$124,879, or 1.8 percent, above the FY 2016 request. The increase is in expenditures for salaries and wages.

The **Governor** recommends FY 2017 operating expenditures of \$7.1 million, all from special revenue funds. The recommendation is a decrease of \$35,429, or 0.5 percent, below the agency request. The decrease is due to the Governor's recommendation to reduce employer contributions for state employee health insurance.

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 facilities planning, building maintenance, custodial services, and utilities. The **agency** requests FY 2016 operating expenditures of \$10.5 million, including \$4.2 million from the State General Fund. The request is an all funds increase of \$530,525, or 5.3 percent, and \$276,410, or 7.1 percent, from the State General Fund above the revised FY 2015 estimate. The increases are mainly in salaries and wages (\$268,176) and contractual services (\$257,383) with a partially offsetting decrease in commodities (\$32,283).

The **Governor** recommends FY 2016 operating expenditures of \$10.5 million, including \$4.1 million from the State General Fund. The recommendation is a decrease of \$87,823, or 0.8 percent, all funds and \$51,429, or 1.2 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 \$10.8 million, including \$4.4 million from the State General Fund. The request is an all funds increase of \$278,899, or 2.6 percent, and \$292,396, or 7.0 percent, from the State General Fund above the FY 2016 request. The increase is in salaries and wages.

The **Governor** recommends FY 2017 operating expenditures of \$10.7 million, including \$4.4 million from the State General Fund. The recommendation is a decrease of \$89,587, or 0.8 percent, all funds and \$52,462, or 1.2 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	\$ 2,792,197	\$ 2,792,197	\$ 0	\$ 0	\$ 0	\$ 0
Overman Student Center	250,000	250,000	250,000	250,000	250,000	250,000
Additional Repairs	528,620	528,620	275,000	275,000	275,000	275,000
Parking	200,000	200,000	200,000	200,000	200,000	200,000
Debt Service - Principal	2,493,258	2,493,258	3,113,093	3,113,093	3,543,604	3,543,604
TOTAL	\$ 6,264,075	\$ 6,264,075	\$ 3,838,093	\$ 3,838,093	\$ 4,268,604	\$ 4,268,604
Financing:						
State General Fund	\$ 696,244	\$ 696,244	\$ 710,616	\$ 710,616	\$ 730,272	\$ 730,272
All Other Funds	5,567,831	5,567,831	3,127,477	3,127,477	3,538,332	3,538,332
TOTAL	\$ 6,264,075	\$ 6,264,075	\$ 3,838,093	\$ 3,838,093	\$ 4,268,604	\$ 4,268,604

Current Year Agency Estimate

FY 2015 – Current Year. The agency’s revised estimate in FY 2015 is \$6.3 million, including \$696,244 from the State General Fund. This is a \$3.3 million, or 113.6 percent increase above the FY 2015 approved amount. The increase is mainly

due to the additional expenditures from the Educational Building Fund carry forward and transfer from the Board of Regents of \$2.8 million. The State General Fund expenditures are for debt service.

Current Year Governor Recommendation

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

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests \$3.8 million, including \$710,616 from the State General Fund. This is an all funds decrease of \$2.4 million, or 38.7 percent, and an increase of \$14,372, or 2.1 percent, from the State General Fund from

the revised FY 2015 estimate. The increase in State General Fund expenditures is for debt service, while the decrease in all funds is because the Educational Building Fund expenditures are within the Board of Regents budget until transferred.

Budget Year Governor Recommendation

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

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests \$4.3 million, including \$730,272 from the State General Fund. This is an all funds increase of \$430,511, or 11.2 percent, and \$19,656, or 2.8

percent, from the State General Fund above the FY 2016 request. The increase is mainly in increased debt service principal and interest payments.

Budget Year Governor Recommendation

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

PERFORMANCE MEASURES					
Measure	Gov. Rec. for FY 2014	Actual FY 2014	Gov. Rec. FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Five-year graduation rate	43.0%	42.8%	43.0%	43.0%	43.0%
Percent of undergraduate credit hours taught by full-time faculty	78.0%	79.4%	78.0%	78.0%	78.0%