

WICHITA 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	\$ 63,335,814	\$ 72,622,953	\$ 72,481,613	\$ 74,428,373	\$ 73,897,534	\$ 75,843,728	\$ 75,302,274
Other Funds	199,703,203	215,477,575	215,377,782	213,452,044	212,700,643	218,124,505	217,358,076
TOTAL	\$ 263,039,017	\$ 288,100,528	\$ 287,859,395	\$ 287,880,417	\$ 286,598,177	\$ 293,968,233	\$ 292,660,350
Capital Improvements:							
State General Fund	\$ 1,610,000	\$ 2,000,000	\$ 2,000,000	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	14,735,096	16,655,072	16,655,072	5,103,802	5,103,802	6,342,816	6,342,816
TOTAL	\$ 16,345,096	\$ 18,655,072	\$ 18,655,072	\$ 5,103,802	\$ 5,103,802	\$ 6,342,816	\$ 6,342,816
GRAND TOTAL	\$ 279,384,113	\$ 306,755,600	\$ 306,514,467	\$ 292,984,219	\$ 291,701,979	\$ 300,311,049	\$ 299,003,166
Percentage Change:							
Operating Expenditures							
State General Fund	(2.8) %	14.7 %	14.4 %	2.5 %	2.0 %	1.9 %	1.9 %
All Funds	2.7	9.5	9.4	(0.1)	(0.4)	2.1	2.1
FTE Positions	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1
Non-FTE							
Perm.Uncl.Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1	2,017.1

AGENCY OVERVIEW

Wichita State University was established as Fairmount College and operated by the Congregational Church from 1895 to 1926. In 1926, it became a municipal university under the jurisdiction of the City of Wichita. Since July 1, 1964, the institution has been a part of the state Regents system of higher education under the auspices of the Kansas Board of Regents. As a metropolitan university located in the state's largest urban area, the University serves a large number of nontraditional

students. The University has two distinct student bodies, one comprised of traditional students ages 18 to 23 who devote themselves full-time to school and campus activities, and the other comprised of older students who are working on a part-time or full-time basis while in school. **A total of 15,003 students attended WSU during the Fall 2014 semester. This is an increase of 453 students, or 3.1 percent, above the Fall 2013 semester.**

MAJOR ISSUES FROM PRIOR YEARS

The **1999 Legislature** passed the Higher Education Coordination Act (SB 345) that 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 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 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 that deal with 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 University's State General Fund operating expenditures by 1.5 percent in both FY 2014 and FY 2015. There was also a reduction of the all funds expenditures to salaries and wages of approximately 1.1 percent in FY 2014 and less than 0.1 percent for FY 2015.

The **2014 Legislature** deleted \$2.0 million from the Technology Transfer Facility capital improvement project and added it to the operating budget for the Technology Transfer Facility.

The **2014 Legislature** added \$3.5 million, all from the State General Fund for the National Center for Aviation Training training and equipment and deleted \$3.0 million from the Economic Development Initiatives Fund for the same project.

The **2014 Legislature** added \$5.0 million, all from the State General Fund for aviation research and deleted the \$5.0 million transfer from the Department of Commerce for the same aviation research.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency's** revised estimate in FY 2015 is \$306.8 million, including \$74.6 million from the State General Fund. This is an increase of \$28.7 million, or 10.3 percent, all funds and \$141,340, or 0.2 percent, State General Fund above the approved amount. The State General Fund increase is due to

the agency submitting their budget prior to the Governor's allotment. The all other funds increase is mainly attributable to an increase of \$10.7 million in salaries and wages and \$14.5 million to the capital improvement budget, including \$8.6 million from the Educational Building Fund.

FY 2015 Governor Recommendation

The **Governor** recommends \$306.5 million, including \$74.5 million from the State General Fund. This is an increase of \$28.5 million, or 10.3 percent, all from special revenue funds

There is no change in the State General Fund from the approved amount after adjustments for the December 9th Governor's allotment. The Governor concurs with the agency's capital improvement budget.

FY 2016 Agency Request

The **agency** requests an FY 2016 operating budget of \$287.9 million, including \$74.4 million from the State General Fund. This is an all funds decrease of \$220,111, or 0.1 percent and a State General Fund increase of \$1.8 million, or 2.5 percent from the FY 2015 revised estimate. There are increases in salaries and wages (\$377,177) and debt service (\$845,470) with offsetting decreases in contractual services (\$563,490) and commodities (\$1.1 million). The request includes an enhancement of \$1.0 million, all from special revenue funds, as a transfer from the Bioscience Authority for the Center of Innovation for Biomaterials in Orthopaedic Research and \$12.0 million in bonding authority for the College of Business and Innovation Center. The agency is asking that the debt service be paid with State General Fund. The debt service request is an enhancement in the Board of Regents budget. Enhancements in

the Board of Regents budget include \$12.5 million, all from the State General Fund, for Innovation equipment and operation and \$4.7 million, all from the State General Fund, to support the Economic, Innovation, Diversification Technical Transfer project.

The agency requests a capital improvement budget of \$5.1 million, all from special revenue funds. This is an all funds decrease of \$13.6 million, or 72.6 percent, and \$2.0 million, or 100 percent, State General Fund, below the FY 2015 revised estimate. The reduction is mainly due to the Educational Building Fund transfer not occurring until later in the year, which will show up in next year's revised budget. There are also reduced expenditures in other special revenue funds for FY 2016.

FY 2016 Governor Recommendation

The **Governor** recommends \$286.6 million, including \$73.9 million from the State General Fund. This is a decrease of \$1.3 million, or 0.4 percent, all funds and an increase of \$1.4 million, or 2.0 percent, State General Fund from the FY 2015 recommendation.

FY 2017 Agency Request

The **agency** requests a FY 2017 operating budget of \$294.0 million, including \$75.8 million from the State General Fund. This is an all funds increase of \$6.1 million, or 2.1 percent and a State General Fund increase of \$1.4 million, or 1.9 percent above the FY 2016 request. The increase is mainly attributable to an increase in salaries and wages (\$4.4 million), but also includes increase in contractual services (\$628,805), commodities (\$630,817) and capital outlay (\$666,124). The request also includes enhancements of \$1.0 million, all from special revenue funds, as a transfer from the Bioscience Authority, for the Center of Innovation for Biomaterials in

FY 2017 Governor Recommendation

The **Governor** recommends \$292.7 million, including \$75.3 million from the State General Fund. This is an increase of \$6.1 million, or 2.1 percent, all funds and \$1.4 million, or 1.9 percent, State General Fund above the FY 2016 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$530,839 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's capital improvement request.

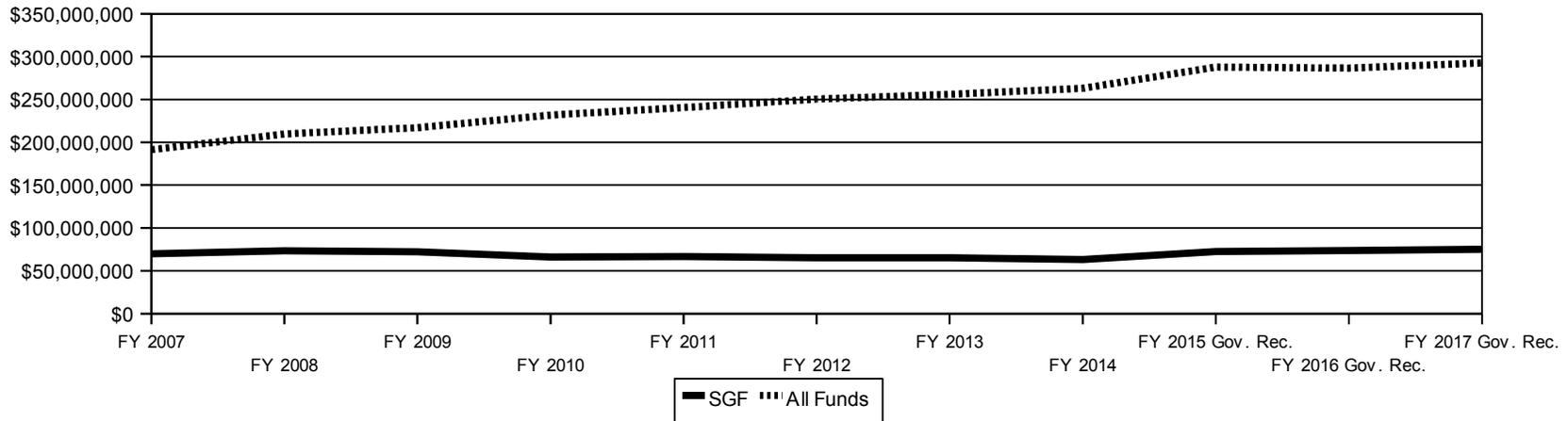
Orthopaedic Research. In the Board of Regents budget, there are enhancements of \$6.2 million, all from the State General Fund, to support the Economic, Innovation, Diversification Technical Transfer project and \$7.5 million, all from the State General Fund for Innovation equipment and operation.

The agency requests a capital improvement budget of \$6.3 million, all from special revenue funds. This is an all funds increase of \$1.2 million, or 24.3 percent, above the FY 2016 request. The increase is due to increased expenditures (\$1.0 million) in parking lot improvements and repair for FY 2017.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$541,454 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's capital improvement request.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 70,082,912	(0.2)%	\$ 191,365,766	3.4 %	1,840.1
2008	73,284,543	4.6	209,710,756	9.6	1,880.3
2009	72,243,875	(1.4)	217,063,653	3.5	1,841.2
2010	66,137,368	(8.5)	231,800,767	6.8	1,866.4
2011	66,596,991	0.7	240,572,714	3.8	1,916.6
2012	65,285,189	(2.0)	250,525,657	4.1	1,904.3
2013	65,176,386	(0.2)	256,070,913	2.2	1,950.4
2014	63,335,814	(2.8)	263,039,017	2.7	2,017.1
2015 Gov. Rec.	72,481,613	14.4	287,859,395	9.4	2,017.1
2016 Gov. Rec.	73,897,534	2.0	286,598,177	(0.4)	2,017.1
2017 Gov. Rec.	75,302,274	1.9	292,660,350	2.1	2,017.1
Eleven-Year Change	\$ 5,219,362	7.4 %	\$ 101,294,584	52.9 %	177.0

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	\$ 21,058,575	\$ 20,902,636	\$ 20,636,101	\$ (266,535)	(1.3) %	\$ 20,869,175	\$ 20,488,638	\$ (380,537)	(1.8)%
Instructional Services	69,047,845	74,959,486	74,605,141	(354,345)	(0.5)	74,931,395	74,172,330	(759,065)	(1.0)
Academic Support	25,683,495	24,754,093	24,434,791	(319,302)	(1.3)	24,725,500	24,290,989	(434,511)	(1.8)
Student Services	18,337,301	20,571,535	20,643,198	71,663	0.3	20,530,214	20,515,528	(14,686)	(0.1)
Research	46,565,581	57,774,824	57,391,601	(383,223)	(0.7)	57,771,912	57,232,026	(539,886)	(0.9)
Public Service	21,244,978	20,550,465	20,588,114	37,649	0.2	20,545,729	20,512,515	(33,214)	(0.2)
Student Aid	32,470,616	35,886,999	35,886,999	0	0.0	35,886,999	35,886,999	0	0.0
Auxiliary	4,991,447	6,042,418	6,056,552	14,134	0.2	6,033,269	6,036,142	2,873	0.0
Physical Plant/Central Services	21,816,668	23,160,206	23,294,584	134,378	0.6	23,067,336	23,119,674	52,338	0.2
Debt Service	1,822,511	3,497,866	4,343,336	845,470	24.2	3,497,866	4,343,336	845,470	24.2
TOTAL	\$ 263,039,017	\$ 288,100,528	\$ 287,880,417	\$ (220,111)	(0.1) %	\$ 287,859,395	\$ 286,598,177	\$ (1,261,218)	(0.4)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 159,904,808	\$ 171,650,921	\$ 172,028,098	\$ 377,177	0.2 %	\$ 171,409,788	\$ 170,745,858	\$ (663,930)	(0.4)%
Contractual Services	42,888,090	43,612,644	43,049,154	(563,490)	(1.3)	43,612,644	43,649,154	36,510	0.1
Commodities	11,444,859	16,800,574	15,716,511	(1,084,063)	(6.5)	16,800,574	15,116,511	(1,684,063)	(10.0)
Capital Outlay	11,277,652	15,920,329	16,125,124	204,795	1.3	15,920,329	16,125,124	204,795	1.3
Debt Service	1,822,511	3,497,866	4,343,336	845,470	24.2	3,497,866	4,343,336	845,470	24.2
Subtotal - Operations	\$ 227,337,920	\$ 251,482,334	\$ 251,262,223	\$ (220,111)	(0.1) %	\$ 251,241,201	\$ 249,979,983	\$ (1,261,218)	(0.5)%
Aid to Local Units	207,732	0	0	0	--	0	0	0	--
Other Assistance	35,493,365	36,618,194	36,618,194	0	0.0	36,618,194	36,618,194	0	0.0
TOTAL	\$ 263,039,017	\$ 288,100,528	\$ 287,880,417	\$ (220,111)	(0.1) %	\$ 287,859,395	\$ 286,598,177	\$ (1,261,218)	(0.4)%
Financing:									
State General Fund	\$ 63,335,814	\$ 72,622,953	\$ 74,428,373	\$ 1,805,420	2.5 %	\$ 72,481,613	\$ 73,897,534	\$ 1,415,921	2.0 %
General Fees Fund	75,724,794	81,042,815	81,010,103	(32,712)	(0.0)	80,979,411	80,609,342	(370,069)	(0.5)
All Other Funds	123,978,409	134,434,760	132,441,941	(1,992,819)	(1.5)	134,398,371	132,091,301	(2,307,070)	(1.7)
TOTAL	\$ 263,039,017	\$ 288,100,528	\$ 287,880,417	\$ (220,111)	(0.1) %	\$ 287,859,395	\$ 286,598,177	\$ (1,261,218)	(0.4)%

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	\$ 20,636,101	\$ 21,204,497	\$ 568,396	2.8 %	\$ 20,488,638	\$ 21,054,085	\$ 565,447	2.8 %
Instructional Services	74,605,141	76,851,438	2,246,297	3.0	74,172,330	76,409,971	2,237,641	3.0
Academic Support	24,434,791	25,393,707	958,916	3.9	24,290,989	25,247,029	956,040	3.9
Student Services	20,643,198	21,218,859	575,661	2.8	20,515,528	21,088,636	573,108	2.8
Research	57,391,601	58,194,836	803,235	1.4	57,232,026	58,032,070	800,044	1.4
Public Service	20,588,114	20,905,870	317,756	1.5	20,512,515	20,828,759	316,244	1.5
Student Aid	35,886,999	35,886,999	0	0.0	35,886,999	35,886,999	0	0.0
Auxiliary	6,056,552	6,139,750	83,198	1.4	6,036,142	6,118,932	82,790	1.4
Physical Plant/Central Services	23,294,584	24,033,200	738,616	3.2	23,119,674	23,854,792	735,118	3.2
Debt Service	4,343,336	4,139,077	(204,259)	(4.7)	4,343,336	4,139,077	(204,259)	(4.7)
TOTAL	\$ 287,880,417	\$ 293,968,233	\$ 6,087,816	2.1 %	\$ 286,598,177	\$ 292,660,350	\$ 6,062,173	2.1 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 172,028,098	\$ 176,394,427	\$ 4,366,329	2.5 %	\$ 170,745,858	\$ 175,086,544	\$ 4,340,686	2.5 %
Contractual Services	43,049,154	43,677,959	628,805	1.5	43,649,154	44,277,959	628,805	1.4
Commodities	15,716,511	16,347,328	630,817	4.0	15,116,511	15,747,328	630,817	4.2
Capital Outlay	16,125,124	16,791,248	666,124	4.1	16,125,124	16,791,248	666,124	4.1
Debt Service	4,343,336	4,139,077	(204,259)	(4.7)	4,343,336	4,139,077	(204,259)	(4.7)
Subtotal - Operations	\$ 251,262,223	\$ 257,350,039	\$ 6,087,816	2.4 %	\$ 249,979,983	\$ 256,042,156	\$ 6,062,173	2.4 %
Aid to Local Units	0	0	0	--	0	0	0	--
Other Assistance	36,618,194	36,618,194	0	0.0	36,618,194	36,618,194	0	0.0
TOTAL	\$ 287,880,417	\$ 293,968,233	\$ 6,087,816	2.1 %	\$ 286,598,177	\$ 292,660,350	\$ 6,062,173	2.1 %
Financing:								
State General Fund	\$ 74,428,373	\$ 75,843,728	\$ 1,415,355	1.9 %	\$ 73,897,534	\$ 75,302,274	\$ 1,404,740	1.9 %
General Fees Fund	81,010,103	82,758,379	1,748,276	2.2	80,609,342	82,349,603	1,740,261	2.2
All Other Funds	132,441,941	135,366,126	2,924,185	2.2	132,091,301	135,008,473	2,917,172	2.2
TOTAL	\$ 287,880,417	\$ 293,968,233	\$ 6,087,816	2.1 %	\$ 286,598,177	\$ 292,660,350	\$ 6,062,173	2.1 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$74,622,953 for Wichita State University in FY 2015. One adjustment has subsequently 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:

- A reduction of \$141,340, as the result of the Governor's December 9th, State General Fund allotment.

This adjustment changes the FY 2015 approved State General Fund to \$74,481,613. 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	\$ 74,481,613	\$ 74,622,953	\$ 141,340	\$ 74,481,613	\$ 0
All Other Funds	203,525,429	232,132,647	28,607,218	232,032,854	28,507,425
TOTAL	<u>\$ 278,007,042</u>	<u>\$ 306,755,600</u>	<u>\$ 28,748,558</u>	<u>\$ 306,514,467</u>	<u>\$ 28,507,425</u>
FTE Positions	2017.1	2,017.1	0.0	2,017.1	0.0

The **agency's** revised estimate in FY 2015 is \$306.8 million, including \$74.6 million from the State General Fund. This is an increase of \$28.7 million, or 10.3 percent, all funds and

\$141,340, or 0.2 percent, State General Fund above the approved amount. The State General Fund increase is due to the agency submitting its budget prior to the Governor's

allotment. The all other funds increase is mainly attributable to an increase of \$10.7 million in salaries and wages and \$14.5 million to the capital improvement budget, including \$8.6 million from the Educational Building Fund.

The **Governor** recommends \$306.5 million, including \$74.5 million from the State General Fund. This is an increase of \$28.5 million, or 10.3 percent, all from special revenue funds. There is no change in the State General Fund from the approved amount after adjustments for the December 9th Governor’s allotment. The Governor concurs with the agency’s capital improvement budget.

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>
December Allotment			
Reduce KPERS Employer Contribution Rate	\$ (141,340)	\$ (141,340)	0.0
TOTAL	<u>\$ (141,340)</u>	<u>\$ (141,340)</u>	<u>0.0</u>

Kansas Public Employees Retirement System (KPERS) Reduction:

A reduction of \$141,340 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 \$99,793 from special revenue funds is reduced in the Governor’s budget recommendation resulting in a total reduction of \$241,133.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 287,880,417	\$ 286,598,177	\$ (1,282,240)
FTE Positions	2,017.1	2,017.1	0.0
Change from FY 2015:			
<i>Dollar Change:</i>			
State General Fund	\$ 1,805,420	\$ 1,415,921	
All Other Funds	(2,025,531)	(2,677,139)	
TOTAL	<u>\$ (220,111)</u>	<u>\$ (1,261,218)</u>	
<i>Percent Change:</i>			
State General Fund	2.5 %	2.0 %	
All Other Funds	(0.9)	(1.2)	
TOTAL	<u>(0.1) %</u>	<u>(0.4) %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests a FY 2016 operating budget of \$287.9 million, including \$74.4 million from the State General Fund. This is an all funds decrease of \$220,111, or 0.1 percent, and a State General Fund increase of \$1.8 million, or 2.5 percent, from the FY 2015 revised estimate. There are increases in salaries and wages (\$377,177) and debt service (\$845,470) with offsetting decreases in contractual services (\$563,490) and commodities (\$1.1 million). The request includes an

enhancement of \$1.0 million, all from special revenue funds, for the Center of Innovation for Biomaterials in Orthopaedic Research and \$12.0 million in bonding authority for the College of Business and Innovation Center. The agency is asking that the debt service be paid with State General Fund. The debt service request is an enhancement in the Board of Regents budget. Enhancements in the Board of Regents budget include \$12.5 million for Innovation equipment and operation and \$4.7

million to support the Economic, Innovation, Diversification Technical Transfer project.

The **Governor** recommends \$286.6 million, including \$73.9 million from the State General Fund. This is a decrease of \$1.3 million, or 0.4 percent, all funds and an increase of \$1.4 million,

or 2.0 percent, State General Fund from the FY 2015 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$530,839 from the State General Fund, to reduce employer contributions for state employee health insurance.

Enhancements Detail

FY 2016 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Center of Innovation for Biomaterials in Orthopaedic	0	1,000,000	0.0	0	1,000,000	0.0
TOTAL	\$ 0	\$ 1,000,000	0.0	\$ 0	\$ 1,000,000	0.0

The **agency** is requesting \$1.0 million, all from special revenue funds, as a State General Fund transfer, for the Center of Innovation for Biomaterials in Orthopaedic Research (CIBOR). According to the agency, CIBOR delivers global leadership in the design and fabrication of composites-based medical technology and is currently testing its bone growth capabilities in large animals and will start human testing soon. CIBOR is in a good position to research, design, test and bring

to market the full spectrum of composite medical devices, ranging from hip and knee implants to bacteria-resistant surgical instruments to technologically advances surgical tables and stretchers.

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	\$ 293,968,233	\$ 292,660,350	\$ (1,307,883)
FTE Positions	2,017.1	2,017.1	0.0
Change from FY 2016:			
<i>Dollar Change:</i>			
State General Fund	\$ 1,415,355	\$ 1,404,740	
All Other Funds	4,672,461	4,657,433	
TOTAL	<u>\$ 6,087,816</u>	<u>\$ 6,062,173</u>	
<i>Percent Change:</i>			
State General Fund	1.9 %	1.9 %	
All Other Funds	2.2	2.2	
TOTAL	<u>2.1 %</u>	<u>2.1 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests a FY 2017 operating budget of \$294.0 million, including \$75.8 million from the State General Fund. This is an all funds increase of \$6.1 million, or 2.1 percent, and a State General Fund increase of \$1.4 million, or 1.9 percent, above the FY 2016 request. The increase is mainly attributable to an increase in salaries and wages (\$4.4 million) but also includes increase in contractual services (\$628,805), commodities (\$630,817), and capital outlay (\$666,124). The

request also includes enhancements of \$1.0 million, all from special revenue funds, for the Center of Innovation for Biomaterials in Orthopaedic Research. In the Board of Regents budget, there are enhancements of \$6.2 million, all from the State General Fund, to support the Economic, Innovation, Diversification Technical Transfer project and \$7.5 million, all from the State General Fund for Innovation equipment and operation.

The **Governor** recommends \$292.7 million, including \$75.3 million from the State General Fund. This is an increase of \$6.1 million, or 2.1 percent, all funds and \$1.4 million, or 1.9 percent, State General Fund above the FY 2016 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$541,454 from the State General Fund, to reduce employer contributions for state employee health insurance.

Enhancements Detail

Enhancements	FY 2017 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Center of Innovation for Biomaterials in Orthopaedic	0	1,000,000	0.0	0	1,000,000	0.0
TOTAL	\$ 0	\$ 1,000,000	0.0	\$ 0	\$ 1,000,000	0.0

The **agency** is requesting \$1.0 million, all from special revenue funds, as a State General Fund transfer, for the Center of Innovation for Biomaterials in Orthopaedic Research (CIBOR). According to the agency, CIBOR delivers global leadership in the design and fabrication of composites-based medical technology and is currently testing its bone growth capabilities in large animals and will start human testing soon. CIBOR is in a good position to research, design, test and bring

to market the full spectrum of composite medical devices, ranging from hip and knee implants to bacteria-resistant surgical instruments to technologically advanced surgical tables and stretchers.

The **Governor** concurs with the agency's enhancement 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 \$502,401, including \$194,580 from the State General Fund, and affects 1,615 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 \$1.3 million, including \$530,839 from the State General Fund for FY 2016. This is a reduction of \$1.3 million, including \$541,454 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	25.9 %	25.8 %	25.8 %	25.7 %
General Fees Fund	28.1	28.1	28.2	28.1
All Other Funds	46.0	46.1	46.0	46.2
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, 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	\$ 15,171,360	\$ 14,894,437	\$ 14,894,437	\$ 14,894,437	\$ 14,957,841	\$ 14,894,437	\$ 15,358,602
Revenue	78,449,941	82,063,905	82,063,905	82,063,905	82,063,905	83,846,195	83,846,195
Transfers in	0	0	0	0	0	0	0
Total Funds Available	\$ 93,621,301	\$ 96,958,342	\$ 96,958,342	\$ 96,958,342	\$ 97,021,746	\$ 98,740,632	\$ 99,204,797
Less: Expenditures	78,589,023	81,708,686	81,645,282	81,708,686	81,307,925	83,490,976	83,082,200
Transfers Out	137,090	155,219	155,219	155,219	155,219	155,219	155,219
Off Budget Expenditures	751	200,000	200,000	200,000	200,000	200,000	200,000
Ending Balance	<u>\$ 14,894,437</u>	<u>\$ 14,894,437</u>	<u>\$ 14,957,841</u>	<u>\$ 14,894,437</u>	<u>\$ 15,358,602</u>	<u>\$ 14,894,437</u>	<u>\$ 15,767,378</u>
Ending Balance as Percent of Expenditures	19.0%	18.2%	18.3%	18.2%	18.9%	17.8%	19.0%
Month Highest Ending Balance	January <u>\$ 26,981,554</u>	January <u>\$ 26,000,000</u>	January <u>\$ 26,000,000</u>	January <u>\$ 23,000,000</u>	January <u>\$ 23,000,000</u>	January <u>\$ 23,000,000</u>	January <u>\$ 23,000,000</u>
Month Lowest Ending Balance	July <u>\$ 13,666,802</u>	July <u>\$ 11,500,000</u>	July <u>\$ 11,500,000</u>	July <u>\$ 10,500,000</u>	July <u>\$ 10,500,000</u>	July <u>\$ 10,500,000</u>	July <u>\$ 10,500,000</u>

Enrollment Trends

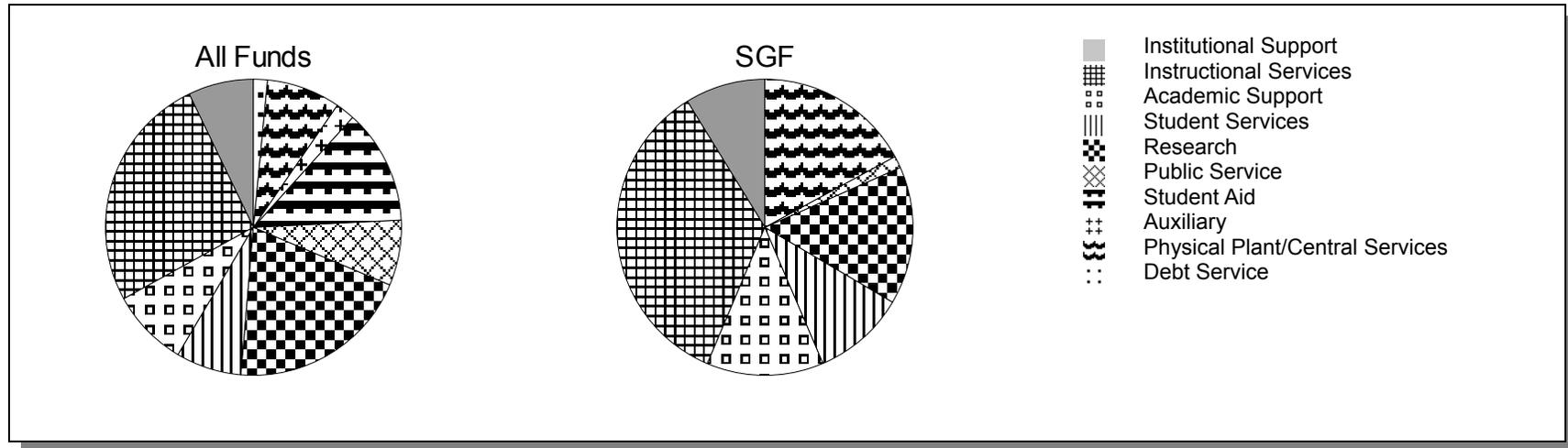
The following table summarizes recent enrollment trends at the Wichita State University. Headcount enrollment reflects the actual number of students enrolled. Full-time equivalent

converts those students to full-time, based on the number of credit hours that students are enrolled.

	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2009 to Fall 2014
Headcount	14,823	14,806	15,100	14,898	14,550	15,003	
<i>Change</i>	211	(17)	294	(202)	(348)	453	180
<i>%Change</i>	1.4%	(0.1)%	2.0%	(1.3)%	(2.3)%	3.1%	1.2%
FTE Students	11,392	11,366	11,686	11,684	11,696	11,962	
<i>Change</i>	220	(26)	320	(2)	12	266	570
<i>%Change</i>	2.0%	(0.2)%	2.8%	(0.0)%	0.1%	2.3%	5.0%
Student Credit Hours	156,535	156,807	161,810	161,843	161,922	165,132	
<i>Change</i>	3,471	272	5,003	33	79	3,210	8,597
<i>%Change</i>	2.3%	0.2%	3.2%	0.0%	0.0%	2.0%	5.5%

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	\$ 20,488,638	7.1 %	\$ 6,498,072	8.8 %
Instructional Services	74,172,330	25.9	25,753,424	34.9
Academic Support	24,290,989	8.5	9,439,905	12.8
Student Services	20,515,528	7.2	7,481,973	10.1
Research	57,232,026	20.0	11,150,078	15.1
Public Service	20,512,515	7.2	952,297	1.3
Student Aid	35,886,999	12.5	0	0.0
Auxiliary	6,036,142	2.1	0	0.0
Physical Plant/Central Services	23,119,674	8.1	12,621,785	17.1
Debt Service	4,343,336	1.5	0	0.0
TOTAL	\$ 286,598,177	100.0 %	\$ 73,897,534	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	150.7	150.7	150.7	150.7	150.7	150.7	150.7
Instructional Services	713.8	713.8	713.8	713.8	713.8	713.8	713.8
Academic Support	224.4	224.4	224.4	224.4	224.4	224.4	224.4
Student Services	215.0	215.0	215.0	215.0	215.0	215.0	215.0
Research	243.3	243.3	243.3	243.3	243.3	243.3	243.3
Public Service	122.3	122.3	122.3	122.3	122.3	122.3	122.3
Student Aid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Auxiliary	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Physical Plant/Central Services	311.6	311.6	311.6	311.6	311.6	311.6	311.6
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>2,017.1</u>	<u>2,017.1</u>	<u>2,017.1</u>	<u>2,017.1</u>	<u>2,017.1</u>	<u>2,017.1</u>	<u>2,017.1</u>

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 \$20.6 million, including \$6.6 million from the State General Fund. The request is a decrease of \$266,535, or 1.3 percent, all funds and \$123,786, or 1.9 percent, State General Fund, below the FY 2015 revised estimate. The decrease is attributable to a decrease in salaries and wages for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$20.5 million, including \$6.5 million from the State General Fund. The recommendation is a decrease of \$147,463, or 0.7 percent, all funds and \$68,954, or 1.1 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 \$21.2 million, including \$6.9 million from the State General Fund. The request is an increase of \$568,396 or 2.8 percent, all funds and \$299,744, or 4.6 percent, State General Fund, above the FY 2016 request. The increase is attributable to an increase in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$21.1 million, including \$6.8 million from the State General Fund. The recommendation is a decrease of \$150,412, or 0.7 percent, all funds and \$70,333, or 1.0 percent,

B. Instructional Services

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

The **agency** requests FY 2016 operating expenditures of \$74.6 million, including \$25.9 million from the State General Fund. The request is a decrease of \$354,345, or 0.5 percent, all funds and an increase of \$101,179, or 0.4 percent, State General Fund, from the revised estimate. There is an increase in salaries and wages (\$231,253) with offsetting decrease in contractual services (\$300,000) and commodities (\$400,000) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$74.2 million, including \$25.8 million from the State General Fund. The recommendation is a decrease of \$432,811, or 0.6 percent, all funds and \$164,988, or 0.6 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 and 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 **agency** requests FY 2016 operating expenditures of \$24.4 million, including \$9.5 million from the State General Fund. The request is a decrease of \$319,302, or 1.3 percent, all

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 \$76.9 million, including \$26.3 million from the State General Fund. The request is an increase of \$2.2 million, or 3.0 percent, all funds and \$338,623, or 1.3 percent, State General Fund above the FY 2016 request. The increase is attributable to salaries and wages (\$580,173) and over \$1.7 million in the other operating expenditures.

The **Governor** recommends FY 2017 operating expenditures of \$76.4 million, including \$26.1 million from the State General Fund. The recommendation is a decrease of \$441,467, or 0.6 percent, all funds and \$168,287, 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.

funds and \$348,731, or 3.5 percent, from the State General Fund, below the revised estimate. There is an increase in salaries and wages (\$75,005) with offsetting decreases in contractual services (\$263,490) and commodities (\$130,817) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$24.3 million, including \$9.4 million from the State General Fund. The recommendation is a decrease of \$143,802, or 0.6 percent, all funds and \$73,152, 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 \$25.4 million, including \$9.2 million from the State General Fund. The request is an increase of \$958,916, or 3.9 percent, all funds and a decrease of \$267,788, or 2.8 percent, State General Fund, from the FY 2016 request. There are increases

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 \$20.6 million, including \$7.5 million from the State General Fund. The request is an increase of \$71,663, or 0.3 percent, all funds and \$42,477, or 0.6 percent, State General Fund, above the revised estimate. The increase is attributable to increases in salaries and wages for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$20.5 million, including \$7.5 million from the State General Fund. The recommendation is a decrease of \$127,670, or 0.6 percent, all funds and \$64,269, or 0.9 percent,

E. Research

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

in salaries and wages (\$699,294), contractual services (\$128,805), and commodities (\$130,817) for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$25.2 million, including \$9.2 million from the State General Fund. The recommendation is a decrease of \$146,678, or 0.6 percent, all funds and \$74,615, 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 \$21.2 million, including \$7.9 million from the State General Fund. The request is an increase of \$575,661, or 2.8 percent, all funds and \$326,828, or 4.3 percent, State General Fund, above the FY 2016 request. The increase is in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$21.1 million, including \$7.8 million from the State General Fund. The recommendation is a decrease of \$130,223, or 0.6 percent, all funds and \$65,554, 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 2016 operating expenditures of \$57.4 million, including \$11.2 from the State General Fund. The request is a decrease of \$383,223, or 0.7 percent, all funds and an increase of \$2.0 million, or 21.9 percent, State General Fund

from the revised estimate. There is an increase in salaries and wages (\$79,630) with an offsetting decrease in commodities (\$553,246) for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$57.2 million, including \$11.2 million from the State General Fund. The recommendation is a decrease of \$159,575, or 0.3 percent, all funds and \$3,878, or less than 0.1 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 \$58.2 million, including \$11.2 million from the State General

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 \$20.6 million, including \$958,557 from the State General Fund. The request is an increase of \$37,649, or 0.2 percent, all funds, and \$3,474, or 0.4 percent, State General Fund above the revised estimate. The increase is in salaries and wages for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$20.5 million, including \$952,297 from the State General Fund. The recommendation is a decrease of \$75,599, or 0.4 percent, all funds and \$6,260, or 0.7 percent, State General Fund below the agency's request. The decrease is due

G. Student Aid

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

Fund. The request is an increase of \$803,235, or 1.4 percent, all funds and \$29,957, or 0.3 percent, State General Fund, above the FY 2016 request. The increase is attributable to an increase in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$58.0 million, including \$11.2 million from the State General Fund. The recommendation is a decrease of \$162,766, or 0.3 percent, all funds and \$3,955, or less than 0.1 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.

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

The **agency** requests FY 2017 operating expenditures of \$20.9 million, including \$988,863 from the State General Fund. The request is an increase of \$317,756, or 1.5 percent, all funds and \$30,306, or 3.2 percent, State General Fund above the FY 2016 request. The increase is attributable to an increase in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$20.8 million, including \$982,478 from the State General Fund. The recommendation is a decrease of \$77,111, or 0.4 percent, all funds and \$6,385, 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.

fellowships, and loans.

The **agency** requests FY 2016 operating expenditures of \$35.9 million, all from special revenue funds. This is the same amount as the FY 2015 revised estimate.

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

H. Auxiliary

The Auxiliary program is responsible for activities which 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 \$6.1 million, all from special revenue funds. The request is an increase of \$14,134, or 0.2 percent, above the revised estimate. The increase is in salaries and wages.

The **Governor** recommends FY 2016 operating expenditures of \$6.0 million, all from special revenue funds. The recommendation is a decrease of \$20,410, or 0.3 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 facilities planning, building maintenance, custodial services, and utilities.

The **agency** requests FY 2016 operating expenditures of \$23.3 million, including \$12.8 million from the State General Fund. The request is an increase of 134,378, or 0.6 percent, all funds and \$126,870, or 1.0 percent, State General Fund, above the revised estimate. The increase is in salaries and wages.

The **agency** requests FY 2017 operating expenditures of \$35.9 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 \$6.1 million, all from special revenue funds. The request is an increase of \$83,198, or 1.4 percent, above the FY 2016 request. The increase is in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$6.1 million, all from special revenue funds. The recommendation is a decrease of \$20,818, or 0.3 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 **Governor** recommends FY 2016 operating expenditures of \$23.1 million, including \$12.6 million from the State General Fund. The recommendation is a decrease of \$174,910, or 0.8 percent, all funds and \$149,338, 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 \$24.0 million, including \$13.4 million from the State General Fund. The request is an increase of \$738,616, or 3.2 percent, all funds and \$657,685, or 5.1 percent, State General Fund, above

the FY 2016 request. The increase is in salaries and wages for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$23.9 million, including \$13.3 million from the

State General Fund. The recommendation is a decrease of \$178,408, or 0.7 percent, all funds and \$152,325, or 1.1 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	\$ 8,614,027	\$ 8,614,027	\$ 0	\$ 0	\$ 0	\$ 0
Technology II Facility	2,000,000	2,000,000	0	0	0	0
Miscellaneous Projects	343,698	343,698	100,000	100,000	100,000	100,000
Grace Wilkie Hall	1,174,757	1,174,757	0	0	0	0
Rhatigan Student Center	600,000	600,000	0	0	0	0
Jardine 4 th Floor Remodel	1,375,000	1,375,000	0	0	0	0
Parking	876,500	876,500	120,000	120,000	1,150,000	1,150,000
Debt Service - Principal	3,671,090	3,671,090	4,883,802	4,883,802	5,092,816	5,092,816
TOTAL	\$ 18,655,072	\$ 18,655,072	\$ 5,103,802	\$ 5,103,802	\$ 6,342,816	\$ 6,342,816
Financing:						
State General Fund	\$ 2,000,000	\$ 2,000,000	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	16,655,072	16,655,072	5,103,802	5,103,802	6,342,816	6,342,816
TOTAL	\$ 18,655,072	\$ 18,655,072	\$ 5,103,802	\$ 5,103,802	\$ 6,342,816	\$ 6,342,816

Current Year Agency Estimate

FY 2015 – Current Year. The **agency's** revised estimate in FY 2015 is \$18.7 million, including \$2.0 million from the State General Fund. This is an all funds increase of \$14.5 million, or 349.8 percent, above the approved amount. The increase is mainly attributable to the transfer and carry forward of \$8.6 million, all from the Educational Building Fund, for rehabilitation and repair projects.

During the 2014 Session, the agency requested the Legislature delete the Governor's recommended enhancement of \$2.0 million from the State General Fund for the capital improvements budget and add \$2.0 million all from the State General Fund into the operating budget for the Technology II Facility. This year, the agency is submitting a revised request to add \$2.0 million from the State General Fund back into the capital improvement budget for the planning of the Technology II Facility.

Current Year Governor Recommendation

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

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests a capital improvement budget of \$5.1 million, all from special revenue funds. This is an all funds decrease of \$13.6 million, or 72.6 percent, and \$2.0 million, or 100 percent, State General Fund, below the FY 2015 revised estimate. The reduction is mainly

due to the Educational Building Fund transfer not occurring until later in the year, which will show up in next year's revised budget. There are also reduced expenditures in other special revenue funds for FY 2016.

Budget Year Governor Recommendation

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

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests a capital improvement budget of \$6.3 million, all from special revenue funds. This is an all funds increase of \$1.2 million, or 24.3

percent, above the FY 2016 request. The increase is due to increased expenditures (\$1.0 million) in parking lot improvements and repair for FY 2017.

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
Undergraduate graduation rate	47.0%	46.1%	47.0%	47.0%	47.0%
External funding for research, training, and service activities (in millions)	\$54.0	\$54.0	\$54.0	\$56.0	\$56.0
Number of students enrolled in nursing and physical therapy programs	552	552	552	552	552