

KANSAS STATE UNIVERSITY

Expenditure	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:					
State General Fund	\$ 102,568,685	\$ 104,804,066	\$ 102,376,569	\$ 106,928,191	\$ 102,928,191
Other Funds	434,481,015	462,072,405	463,499,902	468,958,544	468,958,544
TOTAL	\$ 537,049,700	\$ 566,876,471	\$ 565,876,471	\$ 575,886,735	\$ 571,886,735
Capital Improvements:					
State General Fund	\$ 2,790,883	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	44,233,655	34,109,911	34,109,911	18,101,421	18,101,421
TOTAL	\$ 47,024,538	\$ 34,109,911	\$ 34,109,911	\$ 18,101,421	\$ 18,101,421
GRAND TOTAL	\$ 584,074,238	\$ 600,986,382	\$ 599,986,382	\$ 593,988,156	\$ 589,988,156
Percentage Change:					
Operating Expenditures					
State General Fund	2.7 %	2.2 %	(0.2) %	2.0 %	0.5 %
All Funds	5.1	5.6	5.4	1.6	1.1
FTE Positions	3,861.7	3,840.9	3,840.9	3,840.9	3,840.9
Non-FTE Perm.Uncl.Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	3,861.7	3,840.9	3,840.9	3,840.9	3,840.9

AGENCY OVERVIEW

Kansas State University (KSU) was established in 1863, becoming the first land grant institution under the provisions of the Morrill Act of 1862. KSU is a comprehensive research institution. The University offers instruction in Agriculture, Architecture Planning and Design, Arts and Sciences, Business Administration, Education, Engineering, Human Ecology, Technology and Veterinary Medicine, and offers a full compliment of graduate studies. The University's Veterinary Medical School in Manhattan and its Agricultural Research Program are treated as separate agencies for budget preparation purposes. Separate budget analyses of these entities follow this analysis. KSU is fully accredited by the North Central Accrediting Association and by various professional accrediting agencies. **A total of 23,678 students attended the University during the Fall 2015 semester, a decrease of 612 students, or 2.5 percent from the Fall 2014 semester.**

MAJOR ISSUES FROM PRIOR YEARS

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 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 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 universities State General Fund operating expenditures by 1.5 percent and there was an additional reduction in the salaries and wages all funds expenditures of approximately 1.4 percent in FY 2014 and 0.9 percent for FY 2015.

The **2014 Legislature** added \$5.0 million from the State General Fund and deleted the same amount from special revenue funds for global food systems research for FY 2015.

The **2014 Legislature** also added language to the appropriations bill allowing \$56.0 million in bonding authority for construction of a new chiller plant for FY 2015.

The **2015 Legislature** added language allowing \$25.0 million in bonding authority for the student union expansion for FY 2016.

The **2015 Legislature** also added language allowing \$60.0 million in bonding authority for the College of Architecture Planning and Design - Seaton Hall for FY 2016.

The **2015 Legislature** also added \$3.7 million, all from the Educational Building Fund, for debt service payments on the College of Architecture Planning and Design - Seaton Hall bonds for FY 2017.

BUDGET SUMMARY AND KEY POINTS

FY 2016 – Current Year. The **agency** requests a revised estimate of \$601.0 million, including \$104.8 million from the State General Fund in FY 2016. This is an all funds increase of \$25.2 million, or 4.4 percent, above the approved amount. The increase includes \$6.1 million, or 1.1 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$9.0 million) and other assistance (\$5.9 million) with offsetting decreases in contractual services (\$7.5 million) and commodities (\$1.3 million). There is also an increase of \$19.1 million, or 127.2 percent, all from special revenue funds, for capital improvements. The increase is primarily in Education Building Fund expenditures (\$16.8 million) which were not budgeted for last year. There is no change in the State General Fund from the approved amount.

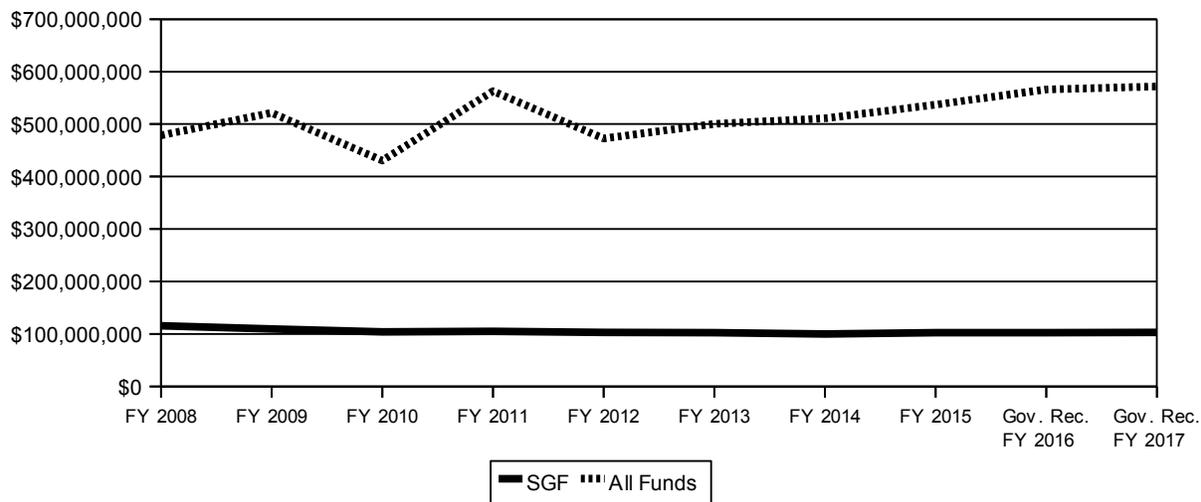
The **Governor** recommends a revised budget of \$600.0 million, including \$102.4 million from the State General Fund. This is a decrease of \$1.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised estimate. There is also an offset of the State General Fund expenditures with the Educational Building Fund in the amount of \$1.4 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

FY 2017 – Budget Year. The **agency** requests a revised estimate of \$594.0 million, including \$106.9 million from the State General Fund for FY 2017. This is an increase of \$8.8 million, or 1.5 percent, all from special revenue funds, above the approved amount. The increase includes \$11.2 million, or 2.0 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$8.5 million) and other assistance (\$6.6 million) with offsetting decreases in contractual services (\$5.3 million). There is also a decrease of \$2.4 million, or 11.8 percent, all from special revenue funds for capital improvements. The decrease is primarily due to reduced expenditures for the West Residence Hall mechanical project. There is no change in the State General Fund from the approved amount.

The **Governor** recommends a revised budget of \$590.0 million, including \$102.9 million from the State General Fund. This is a decrease of \$4.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised request.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2008 – FY 2017



OPERATING EXPENDITURES FY 2008 – FY 2017

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2008	\$ 115,373,256	4.0 %	\$ 478,693,202	7.0 %	2,678.8
2009	109,383,967	(5.2)	521,479,338	8.9	3,514.2
2010	104,021,282	(4.9)	430,586,478	(17.4)	3,510.0
2011	104,756,636	0.7	562,751,773	30.7	3,601.7
2012	102,716,970	(1.9)	472,522,449	(16.0)	3,681.3
2013	102,593,967	(0.1)	500,516,536	5.9	3,741.0
2014	99,857,422	(2.7)	510,908,147	2.1	3,785.3
2015	102,568,685	2.7	537,049,700	5.1	3,861.7
2016 Gov. Rec.	102,376,569	(0.2)	565,876,471	5.4	3,840.9
2017 Gov. Rec.	102,928,191	0.5	571,886,735	1.1	3,840.9
Ten-Year Change Dollars/Percent	\$ (12,445,065)	(10.8)%	\$ 93,193,533	19.5 %	1,162.1

Summary of Operating Budget FY 2015 - FY 2017

Kansas State University

	Actual 2015	Agency Estimate				Governor's Recommendation			
		Estimate FY 2016	Estimate 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	\$ 32,439,414	\$ 35,946,506	\$ 36,453,452	\$ 506,946	1.4 %	\$ 35,946,506	\$ 36,453,452	\$ 506,946	1.4 %
Instructional Services	188,022,300	199,559,214	202,536,917	2,977,703	1.5	199,559,214	202,536,917	2,977,703	1.5
Academic Support	48,134,129	46,157,217	46,749,488	592,271	1.3	46,157,217	46,749,488	592,271	1.3
Student Services	26,064,702	26,333,933	26,692,690	358,757	1.4	26,333,933	26,692,690	358,757	1.4
Research	74,644,096	78,835,483	79,595,445	759,962	1.0	77,835,483	75,595,445	(2,240,038)	(2.9)
Public Service	16,563,043	14,659,178	14,758,062	98,884	0.7	14,659,178	14,758,062	98,884	0.7
Student Aid	61,624,551	59,710,633	59,710,633	0	0.0	59,710,633	59,710,633	0	0.0
Auxiliary	43,795,699	51,642,405	52,195,032	552,627	1.1	51,642,405	52,195,032	552,627	1.1
Physical Plant/Central Services	35,945,886	41,223,779	41,540,674	316,895	0.8	41,223,779	41,540,674	316,895	0.8
Debt Service	9,815,880	12,808,123	15,654,342	2,846,219	22.2	12,808,123	15,654,342	2,846,219	22.2
TOTAL	\$ 537,049,700	\$ 566,876,471	\$ 575,886,735	\$ 9,010,264	1.6 %	\$ 565,876,471	\$ 571,886,735	\$ 6,010,264	1.1 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 323,995,927	\$ 344,117,537	\$ 350,375,647	\$ 6,258,110	1.8 %	\$ 344,117,537	\$ 350,375,647	\$ 6,258,110	1.8 %
Contractual Services	80,735,166	86,242,037	86,226,664	(15,373)	(0.0)	85,242,037	82,226,664	(3,015,373)	(3.5)
Commodities	23,768,826	22,800,420	23,414,551	614,131	2.7	22,800,420	23,414,551	614,131	2.7
Capital Outlay	19,101,778	14,974,289	14,280,716	(693,573)	(4.6)	14,974,289	14,280,716	(693,573)	(4.6)
Debt Service	9,815,880	12,808,123	15,654,342	2,846,219	22.2	12,808,123	15,654,342	2,846,219	22.2
Subtotal - Operations	\$ 457,417,577	\$ 480,942,406	\$ 489,951,920	\$ 9,009,514	1.9 %	\$ 479,942,406	\$ 485,951,920	\$ 6,009,514	1.3 %
Aid to Local Units	86,475	93,057	93,057	0	0.0	93,057	93,057	0	0.0
Other Assistance	79,545,648	85,841,008	85,841,758	750	0.0	85,841,008	85,841,758	750	0.0
TOTAL	\$ 537,049,700	\$ 566,876,471	\$ 575,886,735	\$ 9,010,264	1.6 %	\$ 565,876,471	\$ 571,886,735	\$ 6,010,264	1.1 %
Financing:									
State General Fund	\$ 102,568,685	\$ 104,804,066	\$ 106,928,191	\$ 2,124,125	2.0 %	\$ 102,376,569	\$ 102,928,191	\$ 551,622	0.5 %
General Fees Fund	201,670,465	208,260,987	210,145,998	1,885,011	0.9	208,260,987	210,145,998	1,885,011	0.9
Restricted Fees Fund	103,070,129	104,816,701	105,792,374	975,673	0.9	104,816,701	105,792,374	975,673	0.9
All Other Funds	129,740,421	148,994,717	153,020,172	4,025,455	2.7	150,422,214	153,020,172	2,597,958	1.7
TOTAL	\$ 537,049,700	\$ 566,876,471	\$ 575,886,735	\$ 9,010,264	1.6 %	\$ 565,876,471	\$ 571,886,735	\$ 6,010,264	1.1 %

BUDGET OVERVIEW

A. FY 2016 – Current Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$104,804,066 for Kansas State University in FY 2016. No adjustments have subsequently been made to that amount.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2016	Agency Estimate FY 2016	Agency Change from Approved	Governor Rec. FY 2016	Governor Change from Approved
State General Fund	\$ 104,804,066	\$ 104,804,066	\$ 0	\$ 102,376,569	\$ (2,427,497)
All Other Funds	471,006,176	496,182,316	25,176,140	497,609,813	26,603,637
TOTAL	\$ 575,810,242	\$ 600,986,382	\$ 25,176,140	\$ 599,986,382	\$ 24,176,140
FTE Positions	3,861.7	3,840.9	(20.8)	3,840.9	(20.8)

The **agency** requests a revised estimate of \$601.0 million, including \$104.8 million from the State General Fund. This is an all funds increase of \$25.2 million, or 4.4 percent, above the approved amount. The increase includes \$6.1 million, or 1.1 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$9.0 million) and other assistance (\$5.9 million) with offsetting decreases in contractual services (\$7.5 million) and commodities (\$1.3 million). There is also an increase of \$19.1 million, or 127.2 percent, all from special revenue funds, for capital improvements. The increase is primarily in Education Building Fund expenditures (\$16.8 million) which were not budgeted for last year. There is no change in the State General Fund from the approved amount.

The **Governor** recommends a revised budget of \$600.0 million, including \$102.4 million from the State General Fund. This is a decrease of \$1.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised estimate. There is also an offset of the State General Fund expenditures with the Educational Building Fund in the amount of \$1.4 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

B. FY 2017 – Budget Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$106,928,191 for Kansas State University in FY 2017. No adjustments have subsequently been made to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2017	Agency Estimate FY 2017	Agency Change from Approved	Governor Rec. FY 2017	Governor Change from Approved
State General Fund	\$ 106,928,191	\$ 106,928,191	\$ 0	\$ 102,928,191	\$ (4,000,000)
All Other Funds	478,308,182	487,059,965	8,751,783	487,059,965	8,751,783
TOTAL	\$ 585,236,373	\$ 593,988,156	\$ 8,751,783	\$ 589,988,156	\$ 4,751,783
FTE Positions	3,861.7	3,840.9	(20.8)	3,840.9	(20.8)

The **agency** requests a revised estimate of \$594.0 million, including \$106.9 million from the State General Fund. This is an increase of \$8.8 million, or 1.5 percent, all from special revenue funds, above the approved amount. The increase includes \$11.2 million, or 2.0 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$8.5 million) and other assistance (\$6.6 million) with offsetting decreases in contractual services (\$5.3 million). There is also a decrease of \$2.4 million, or 11.8 percent, all from special revenue funds for capital improvements. The decrease is primarily due to changes in rehabilitation and repair projects. There is no change in the State General Fund from the approved amount.

The **Governor** recommends a revised budget of \$590.0 million, including \$102.9 million from the State General Fund. This is a decrease of \$4.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised request.

Funding Sources

Funding Source	Agency Est. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	18.6 %	18.0 %
General Fees Fund	36.5	36.7
Restricted Fees Fund	18.4	18.5
All Other Funds	26.6	26.8
TOTAL	100.0 %	100.0 %

Note: Details may not add to totals due to rounding.

General Fees Fund Analysis

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 2015	Agency Estimate FY 2016	Gov. Rec. FY 2016	Agency Estimate FY 2017	Gov. Rec. FY 2017
Beginning Balance	\$ 21,697,423	\$ 8,976,922	\$ 8,976,922	\$ 9,495,659	\$ 9,495,659
Revenue	205,006,188	213,799,127	213,799,127	213,799,126	213,799,126
Transfers in	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Funds Available	\$ 226,703,611	\$ 222,776,049	\$ 222,776,049	\$ 223,294,785	\$ 223,294,785
Less: Expenditures	206,428,736	213,254,130	213,254,130	215,336,119	215,336,119
Transfers Out	11,175,926	26,260	26,260	26,259	26,259
Off Budget Expenditures	<u>122,027</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$ 8,976,922</u>	<u>\$ 9,495,659</u>	<u>\$ 9,495,659</u>	<u>\$ 7,932,407</u>	<u>\$ 7,932,407</u>
Ending Balance as Percent of Expenditures	4.3%	4.5%	4.5%	3.7%	3.7%
Month Highest Ending Balance	January <u>\$ 72,800,000</u>	January <u>\$ 62,072,000</u>	January <u>\$ 62,072,000</u>	January <u>\$ 61,351,000</u>	January <u>\$ 61,351,000</u>
Month Lowest Ending Balance	July <u>\$ 17,100,000</u>	July <u>\$ 8,900,000</u>	July <u>\$ 8,900,000</u>	July <u>\$ 6,700,000</u>	July <u>\$ 6,700,000</u>

PROGRAM DETAIL

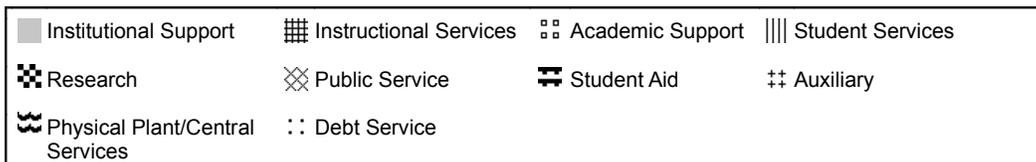
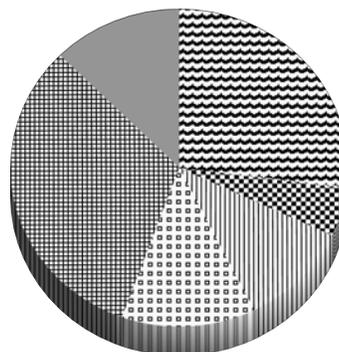
Expenditures by Program

Governor's FY 2017 Recommendation

All Funds



State General Fund



Program	Gov. Rec. All Funds FY 2017	Percent of Total	Gov. Rec. SGF FY 2017	Percent of Total
Institutional Support	\$ 36,453,452	6.4 %	\$ 12,843,218	12.5 %
Instructional Services	202,536,917	35.4	32,943,790	32.0
Academic Support	46,749,488	8.2	13,222,639	12.8
Student Services	26,692,690	4.7	10,995,166	10.7
Research	75,595,445	13.2	5,025,347	4.9
Public Service	14,758,062	2.6	197,453	0.2
Student Aid	59,710,633	10.4	0	0.0
Auxiliary	52,195,032	9.1	0	0.0
Physical Plant/Central Services	41,540,674	7.3	27,700,578	26.9
Debt Service	15,654,342	2.7	0	0.0
TOTAL	\$ 571,886,735	100.0 %	\$ 102,928,191	100.0 %

Enrollment Trends

The following table summarizes recent enrollment trends at the Kansas 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 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2010 to Fall 2015
Headcount	23,126	23,406	23,914	24,116	24,290	23,678	
Change	(18)	280	508	202	174	(612)	552
%Change	(0.1)%	1.2 %	2.2 %	0.8 %	0.7 %	(2.5)%	2.4 %
FTE Students	19,678	20,014	20,597	20,765	20,862	20,402	
Change	194	336	583	168	97	(460)	724
%Change	1.0 %	1.7 %	2.9 %	0.8 %	0.5 %	(2.2)%	3.7 %
Student Credit Hours	279,118	283,170	291,084	294,139	295,525	289,398	
Change	4,020	4,052	7,914	3,055	1,386	(6,127)	10,280
%Change	1.5 %	1.5 %	2.8 %	1.0 %	0.5 %	(2.1)%	3.7 %

FTE POSITIONS BY PROGRAM FY 2015 – FY 2017					
Program	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Institutional Support	291.6	297.4	297.4	297.4	297.4
Instructional Services	1,676.5	1,681.6	1,681.6	1,681.6	1,681.6
Academic Support	359.0	361.8	361.8	361.8	361.8
Student Services	275.3	272.9	272.9	272.9	272.9
Research	240.8	257.2	257.2	257.2	257.2
Public Service	53.9	52.9	52.9	52.9	52.9
Student Aid	0.0	0.0	0.0	0.0	0.0
Auxiliary	492.5	502.1	502.1	502.1	502.1
Physical Plant/Central Services	472.1	415.0	415.0	415.0	415.0
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	3,861.7	3,840.9	3,840.9	3,840.9	3,840.9

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 revised FY 2017 operating expenditures of \$36.5 million, including \$12.8 million from the State General Fund. The request is an all funds decrease of \$178,780, or 0.5 percent, and \$1.1 million, or 7.9 percent, State General Fund, below the FY 2017 approved amount. The decrease is primarily in contractual services (\$842,014) with an offsetting increase in salaries and wages (\$460,315).

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

B. Instructional Services

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

The **agency** requests revised FY 2017 operating expenditures of \$202.5 million, including \$32.9 million from the State General Fund. The request is an increase of \$5.8 million, or 2.9 percent, all funds and a decrease of \$5.2 million, or 13.7 percent, State General Fund from the FY 2017 approved amount. The increase is primarily in salaries and wages (\$4.8 million) and other assistance (\$7.1 million) with an offsetting decrease in contractual services (\$6.6 million).

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

C. Academic Support

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

The **agency** requests revised FY 2017 operating expenditures of \$46.7 million, including \$13.2 million from the State General Fund. The request is a decrease of \$4.3 million, or 8.4 percent, all funds and \$477,579, or 3.5 percent, State General Fund, below the FY 2017 approved amount. The decrease is primarily in contractual services (\$2.2 million) and commodities (\$4.7 million) with offsetting increases in capital outlay (\$1.9 million) and salaries and wages (\$652,467).

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

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 revised FY 2017 operating expenditures of \$26.7 million, including \$11.0 million from the State General Fund. The request is a decrease of \$1.4 million, or 4.9 percent, all funds and \$343,440, or 3.0 percent, State General Fund, below the FY 2017 approved amount. The decrease is in all expenditure categories.

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

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 revised FY 2017 operating expenditures of \$79.6 million, including \$9.0 million from the State General Fund. The request is a decrease of \$7.5 million, or 8.6 percent, all funds and an increase of \$3.1 million, or 51.1 percent, State General Fund, from the FY 2017 approved amount. The decrease is primarily in contractual services (\$2.7 million), capital outlay (\$1.6 million), and other assistance (\$7.5 million) with offsetting increases in salaries and wages (\$2.3 million) and commodities (\$2.0 million).

The **Governor** recommends FY 2017 operating expenditures of \$75.6 million, including \$5.0 million from the State General Fund. This recommendation is a decrease of \$4.0 million, or 5.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's request.

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 revised FY 2017 operating expenditures of \$14.8 million, including \$197,453 from the State General Fund. The request is an increase of \$5.6 million, or 60.5 percent, all funds and a decrease of \$5,246, or 2.6 percent, State General Fund, from the FY 2017 approved amount. The increase is in all expenditure categories.

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

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 revised FY 2017 operating expenditures of \$59.7 million, all from special revenue funds. The request is an increase of \$2.9 million, or 5.1 percent, in other assistance.

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

H. Auxiliary

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

The **agency** requests revised FY 2017 operating expenditures of \$52.2 million, all from special revenue funds. The request is an increase of \$6.6 million, or 14.5 percent, above the FY 2017 approved amount. The increase is primarily in contractual services (\$4.1 million) and commodities (\$1.8 million).

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

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 revised FY 2017 operating expenditures of \$41.5 million, including \$27.7 million from the State General Fund. The request is an increase of \$2.4 million, or 6.1 percent, all funds and \$4.1 million, or 17.3 percent, State General Fund, above the FY 2017 approved amount. The increase is primarily in contractual services (\$2.7 million).

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

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Rehabilitation and Repair	\$ 16,847,367	\$ 16,847,367	\$ 0	\$ 0
West Memorial Stadium	334,401	334,401	0	0
Moore Hall Lighting and Fire Alarm	50,000	50,000	735,500	735,500
Jardine	775,000	775,000	795,000	795,000
West Residence Hall Mechanical	4,150,000	4,150,000	1,108,800	1,108,800
Parking	800,000	800,000	800,000	800,000
Debt Service - Principal	11,153,143	11,153,143	14,662,121	14,662,121
TOTAL	\$ 34,109,911	\$ 34,109,911	\$ 18,101,421	\$ 18,101,421
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	34,109,911	34,109,911	18,101,421	18,101,421
TOTAL	\$ 34,109,911	\$ 34,109,911	\$ 18,101,421	\$ 18,101,421

FY 2016 – Current Year. The agency requests a revised capital improvements budget of \$34.1 million, all from special revenue funds. This is an increase of \$19.1 million, or 127.2 percent above the FY 2016 approved amount. The increase is primarily due to Educational Building Fund expenditures of \$16.8 million and increased expenditures for the West Residence Hall mechanical project.

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

FY 2017 – Budget Year. The agency requests a revised capital improvements budget of \$18.1 million, all from special revenue funds. This is a decrease of \$2.4 million, or 11.8 percent, below the FY 2017 approved amount. The decrease is primarily due to reduced expenditures for the West Residence Hall mechanical project.

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

PERFORMANCE MEASURES				
Measure	Gov. Rec. for FY 2015	Actual FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Six-year graduation rate	61.0%	58.8%	60.0%	60.0%
Extramural support (in millions)	\$145.0	\$135.6	\$145.0	\$145.0
Number of degrees conferred	5,100	5,342	5,300	5,300