

UNIVERSITY OF KANSAS MEDICAL CENTER

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	\$ 107,261,725	\$ 107,973,763	\$ 106,488,966	\$ 111,555,200	\$ 111,555,200
Other Funds	218,372,066	235,498,937	236,983,734	247,670,509	247,670,509
TOTAL	\$ 325,633,791	\$ 343,472,700	\$ 343,472,700	\$ 359,225,709	\$ 359,225,709
Capital Improvements:					
State General Fund	\$ 1,006,706	\$ 1,037,170	\$ 1,037,170	\$ 1,079,581	\$ 1,079,581
Other Funds	9,337,982	18,322,236	18,322,236	29,110,000	29,110,000
TOTAL	\$ 10,344,688	\$ 19,359,406	\$ 19,359,406	\$ 30,189,581	\$ 30,189,581
GRAND TOTAL	\$ 335,978,479	\$ 362,832,106	\$ 362,832,106	\$ 389,415,290	\$ 389,415,290
Percentage Change:					
Operating Expenditures					
State General Fund	3.8 %	0.7 %	(0.7) %	3.3 %	4.8 %
All Funds	2.2	5.5	5.5	4.6	4.6
FTE Positions	2,716.1	2,855.8	2,855.8	2,855.8	2,855.8
Non-FTE Perm.Uncl.Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	2,716.1	2,855.8	2,855.8	2,855.8	2,855.8

AGENCY OVERVIEW

The University of Kansas Medical Center (KUMC) is under the jurisdiction of the University of Kansas. The Executive Vice-Chancellor of KUMC reports directly to the Chancellor of the University of Kansas. KUMC is composed of the School of Medicine (located in Kansas City and Wichita), the School of Nursing, the School of Allied Health, and a Graduate School. The Medical Center was established in 1905 through the merger of a number of proprietary medical schools; the first building on the present site was opened in 1924. **A total of 3,383 students attended KUMC during the Fall of 2015 semester. The attendance reflects an increase of 12 students or 0.4 percent, above 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 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 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 budget by 1.5 percent with an additional reduction to the salaries and wages all funds expenditures of approximately 1.5 percent in FY 2014 and 1.3 percent for FY 2015.

The **2014 Legislature** added \$5.0 million, all from the State General Fund, and deleted the same amount from special revenue funds for cancer research. The legislature also added language for \$25.0 million in bonding authority for the health education building project.

The **2015 Legislature** deleted the expenditures for debt service payments for the Health Education Building from this agency and transferred the payments to the Department of Administration.

BUDGET SUMMARY AND KEY POINTS

FY 2016 – Current Year. The **agency** requests a revised estimate of \$362.8 million, including 109.0 million from the State General Fund in FY 2016. This is an increase of \$26.2 million, or 7.8 percent, all from special revenue funds, above the FY 2016 approved amount. The increase includes \$11.4 million in operating expenditures primarily for salaries and wages (\$9.9 million) and contractual services (\$2.7 million). There is also an increase of \$14.8 million

for capital improvement expenditures, including \$5.8 million from the Educational Building Fund for rehabilitation and repair projects and \$9.0 million for the Health Education Building project. There is no change in State General Fund expenditures from the approved amount.

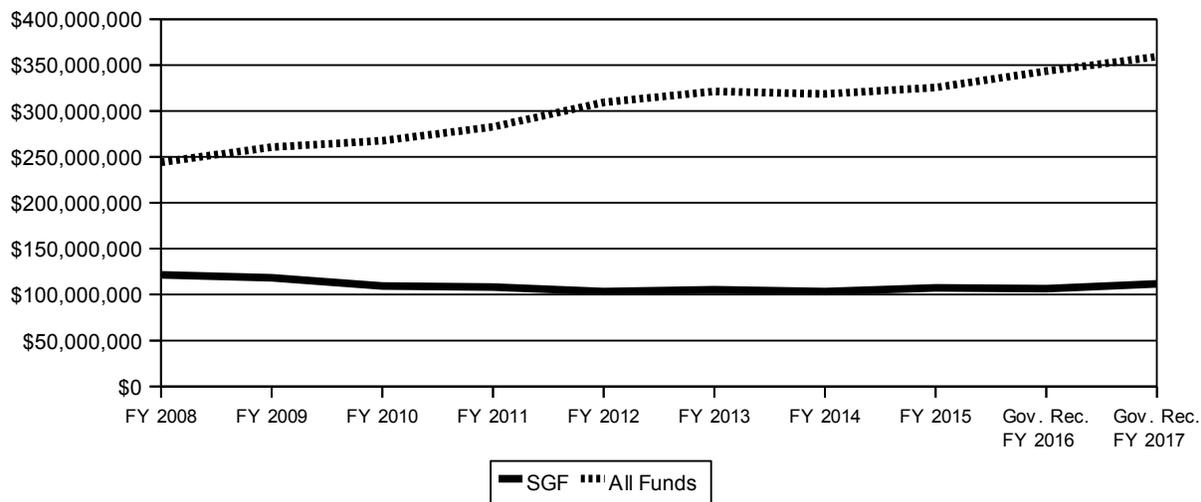
The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$1.5 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

FY 2017 – Budget Year. The **agency** requests a revised estimate of \$389.4 million, including \$112.6 million from the State General Fund for FY 2017. This is an increase of \$40.4 million, or 11.6 percent, all from special revenue funds, above the FY 2017 approved amount. The increase includes \$14.4 million, or 4.2 percent, from operating expenditures primarily from salaries and wages (\$16.8 million) with an offsetting decrease in contractual services (\$2.4 million). There is also an increase of \$26.0 million, or 620.6 percent, above the approved amount in capital improvements for the Health Education Building project. There is no change in State General Fund expenditures from the FY 2017 approved amount.

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

BUDGET TRENDS

OPERATING EXPENDITURES FY 2008 – FY 2017



OPERATING EXPENDITURES FY 2008 – FY 2017

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2008	\$ 121,416,004	4.7 %	\$ 244,195,092	4.7 %	2,678.8
2009	118,458,348	(2.4)	260,569,100	6.7	2,604.9
2010	109,293,224	(7.7)	267,673,172	2.7	2,916.4
2011	108,328,970	(0.9)	282,727,782	5.6	2,438.3
2012	103,274,696	(4.7)	309,369,226	9.4	2,721.0
2013	105,327,704	2.0	321,340,020	3.9	2,837.8
2014	103,377,756	(1.9)	318,598,774	(0.9)	2,837.8
2015	107,261,725	3.8	325,633,791	2.2	2,716.1
2016 Gov. Rec.	106,488,966	(0.7)	343,472,700	5.5	2,855.8
2017 Gov. Rec.	111,555,200	4.8	359,225,709	4.6	2,855.8
Ten-Year Change Dollars/Percent	\$ (9,860,804)	(8.1)%	\$ 115,030,617	47.1 %	177.0

Summary of Operating Budget FY 2015 - FY 2017

	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	\$ 32,036,674	\$ 32,998,326	\$ 34,403,363	\$ 1,405,037	4.3 %	\$ 32,998,326	\$ 34,403,363	\$ 1,405,037	4.3 %
Instructional Services	131,639,718	142,307,796	153,334,240	11,026,444	7.7	142,307,796	153,334,240	11,026,444	7.7
Academic Support	18,765,661	18,345,126	18,600,739	255,613	1.4	18,345,126	18,600,739	255,613	1.4
Student Services	4,944,932	5,446,758	5,497,432	50,674	0.9	5,446,758	5,497,432	50,674	0.9
Research	88,267,018	88,642,608	91,619,185	2,976,577	3.4	88,642,608	91,619,185	2,976,577	3.4
Public Service	9,597,944	9,689,956	9,681,706	(8,250)	(0.1)	9,689,956	9,681,706	(8,250)	(0.1)
Student Aid	7,306,698	9,078,015	9,029,671	(48,344)	(0.5)	9,078,015	9,029,671	(48,344)	(0.5)
Auxiliary	2,646,367	2,218,216	2,320,558	102,342	4.6	2,218,216	2,320,558	102,342	4.6
Physical Plant/Central Services	28,493,575	32,624,467	32,723,396	98,929	0.3	32,624,467	32,723,396	98,929	0.3
Debt Service	1,935,204	2,121,432	2,015,419	(106,013)	(5.0)	2,121,432	2,015,419	(106,013)	(5.0)
TOTAL	\$ 325,633,791	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 259,206,731	\$ 270,766,488	\$ 287,600,349	\$ 16,833,861	6.2 %	\$ 270,766,488	\$ 287,600,349	\$ 16,833,861	6.2 %
Contractual Services	37,593,016	44,264,553	41,822,294	(2,442,259)	(5.5)	44,264,553	41,822,294	(2,442,259)	(5.5)
Commodities	12,031,153	12,212,504	12,291,093	78,589	0.6	12,212,504	12,291,093	78,589	0.6
Capital Outlay	2,677,127	2,816,284	2,624,508	(191,776)	(6.8)	2,816,284	2,624,508	(191,776)	(6.8)
Debt Service	1,935,204	2,121,432	2,015,419	(106,013)	(5.0)	2,121,432	2,015,419	(106,013)	(5.0)
Subtotal - Operations	\$ 313,443,231	\$ 332,181,261	\$ 346,353,663	\$ 14,172,402	4.3 %	\$ 332,181,261	\$ 346,353,663	\$ 14,172,402	4.3 %
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	12,190,560	11,291,439	12,872,046	1,580,607	14.0	11,291,439	12,872,046	1,580,607	14.0
TOTAL	\$ 325,633,791	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %
Financing:									
State General Fund	\$ 107,261,725	\$ 107,973,763	\$ 111,555,200	\$ 3,581,437	3.3 %	\$ 106,488,966	\$ 111,555,200	\$ 5,066,234	4.8 %
General Fees Fund	38,643,321	43,824,000	44,711,253	887,253	2.0	43,824,000	44,711,253	887,253	2.0
Restricted Fees Fund	83,973,561	91,124,282	83,987,683	(7,136,599)	(7.8)	91,124,282	83,987,683	(7,136,599)	(7.8)
All Other Funds	95,755,184	100,550,655	118,971,573	18,420,918	18.3	102,035,452	118,971,573	16,936,121	16.6
TOTAL	\$ 325,633,791	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %	\$ 343,472,700	\$ 359,225,709	\$ 15,753,009	4.6 %

BUDGET OVERVIEW

A. FY 2016 – Current Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$109,010,933 for the University of Kansas Medical Center 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	\$ 109,010,933	\$ 109,010,933	\$ 0	\$ 107,526,136	\$ (1,484,797)
All Other Funds	227,579,819	253,821,173	26,241,354	255,305,970	27,726,151
TOTAL	\$ 336,590,752	\$ 362,832,106	\$ 26,241,354	\$ 362,832,106	\$ 26,241,354
FTE Positions	2,632.4	2,855.8	223.4	2,855.8	223.4

The **agency** requests a revised estimate of \$362.8 million, including 109.0 million from the State General Fund. This is an increase of \$26.2 million, or 7.8 percent, all from special revenue funds, above the FY 2016 approved amount. The increase includes \$11.4 million in operating expenditures primarily for salaries and wages (\$9.9 million) and contractual services (\$2.7 million). There is also an increase of \$14.8 million for capital improvement expenditures including \$5.8 million from the Educational Building Fund for rehabilitation and repair projects and \$9.0 million for the Health Education Building project. There is no change in State General Fund expenditures from the approved amount.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$1.5 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 \$112,634,781 for the University of Kansas Medical Center 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	\$ 112,634,781	\$ 112,634,781	\$ 0	\$ 112,634,781	\$ 0
All Other Funds	236,382,595	276,780,509	40,397,914	276,780,509	40,397,914
TOTAL	\$ 349,017,376	\$ 389,415,290	\$ 40,397,914	\$ 389,415,290	\$ 40,397,914
FTE Positions	2,632.4	2,855.8	223.4	2,855.8	223.4

The **agency** requests a revised estimate of \$389.4 million, including \$112.6 million from the State General Fund. This is an increase of \$40.4 million, or 11.6 percent, all from special revenue funds, above the FY 2017 approved amount. The increase includes \$14.4 million, or 4.2 percent, from operating expenditures primarily from salaries and wages (\$16.8 million) with an offsetting decrease in contractual services (\$2.4 million). There is also an increase of \$26.0 million, or 620.6 percent, above the approved amount in capital improvements for the Health Education Building project. There is no change in State General Fund expenditures from the FY 2017 approved amount.

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

Funding Sources

Funding Source	Agency Est. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	31.1 %	31.1 %
General Fees Fund	12.4	12.4
Restricted Fees Fund	23.4	23.4
All Other Funds	33.1	33.1
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	\$ 2,838,471	\$ 5,964,489	\$ 5,964,489	\$ 4,233,059	\$ 4,233,059
Revenue	41,913,303	42,137,162	42,137,162	42,134,488	42,134,488
Transfers in	0	0	0	0	0
Total Funds Available	\$ 44,751,774	\$ 48,101,651	\$ 48,101,651	\$ 46,367,547	\$ 46,367,547
Less: Expenditures	38,712,999	43,824,000	43,824,000	44,711,253	44,711,253
Transfers Out	4,286	44,592	44,592	41,918	41,918
Off Budget Expenditures	70,000	0	0	0	0
Ending Balance	<u>\$ 5,964,489</u>	<u>\$ 4,233,059</u>	<u>\$ 4,233,059</u>	<u>\$ 1,614,376</u>	<u>\$ 1,614,376</u>
Ending Balance as Percent of Expenditures	15.4%	9.7%	9.7%	3.6%	3.6%
Month Highest Ending Balance	December <u>\$ 6,616,367</u>	December <u>\$ 8,000,000</u>	December <u>\$ 8,000,000</u>	December <u>\$ 8,200,000</u>	December <u>\$ 8,200,000</u>
Month Lowest Ending Balance	November \$ 931,175	May \$ 1,000,000	May \$ 1,000,000	May \$ 1,000,000	May \$ 1,000,000

Medical Loan Repayment Fund

The Medical Student Repayment Fund reflects receipts for repayment of the Kansas Medical Scholarship and Loan Program by students who have decided to repay the loan instead of fulfilling their service obligation.

Resource Estimate	Actual FY 2015	Agency Estimate FY 2016	Gov. Rec. FY 2016	Agency Estimate FY 2017	Gov. Rec. FY 2017
Beginning Balance	\$ 3,708,980	\$ 5,195,088	\$ 5,195,088	\$ 4,367,259	\$ 4,367,259
Revenue	2,581,554	720,000	720,000	720,000	720,000
Transfers in	0	0	0	0	0
Total Funds Available	\$ 6,290,534	\$ 5,915,088	\$ 5,915,088	\$ 5,087,259	\$ 5,087,259
Less: Expenditures	1,095,446	1,547,829	1,547,829	1,758,669	1,758,669
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 5,195,088</u>	<u>\$ 4,367,259</u>	<u>\$ 4,367,259</u>	<u>\$ 3,328,590</u>	<u>\$ 3,328,590</u>
Ending Balance as Percent of Expenditures	474.2%	282.2%	282.2%	189.3%	189.3%
Month Highest Ending Balance	June <u>\$ 5,195,088</u>	June <u>\$ 4,500,000</u>	June <u>\$ 4,500,000</u>	June <u>\$ 4,000,000</u>	June <u>\$ 4,000,000</u>
Month Lowest Ending Balance	November \$ 3,346,772	November \$ 3,000,000	November \$ 3,000,000	November \$ 3,000,000	November \$ 3,000,000

Enrollment Trends

The following table summarizes recent enrollment trends at the University of Kansas Medical Center. 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	3,196	3,270	3,362	3,349	3,371	3,383	
Change	18	74	92	(13)	22	12	187
% Change	0.6 %	2.3 %	2.8 %	(0.4)%	0.7 %	0.4 %	5.9 %
FTE Students*	2,894	2,975	3,038	3,045	3,062	3,089	
Change	51	81	63	7	17	27	195
% Change	1.8 %	2.8 %	2.1 %	0.2 %	0.6 %	0.9 %	6.7 %
Student Credit Hours	28,241	28,649	29,509	29,765	31,186	31,213	
Change	(17)	408	860	256	1,421	27	2,972
% Change	(0.1)%	1.4 %	3.0 %	0.9 %	4.8 %	0.1 %	10.5 %

* Enrollment includes medical residents/fellows and visiting MD/PharmD students.

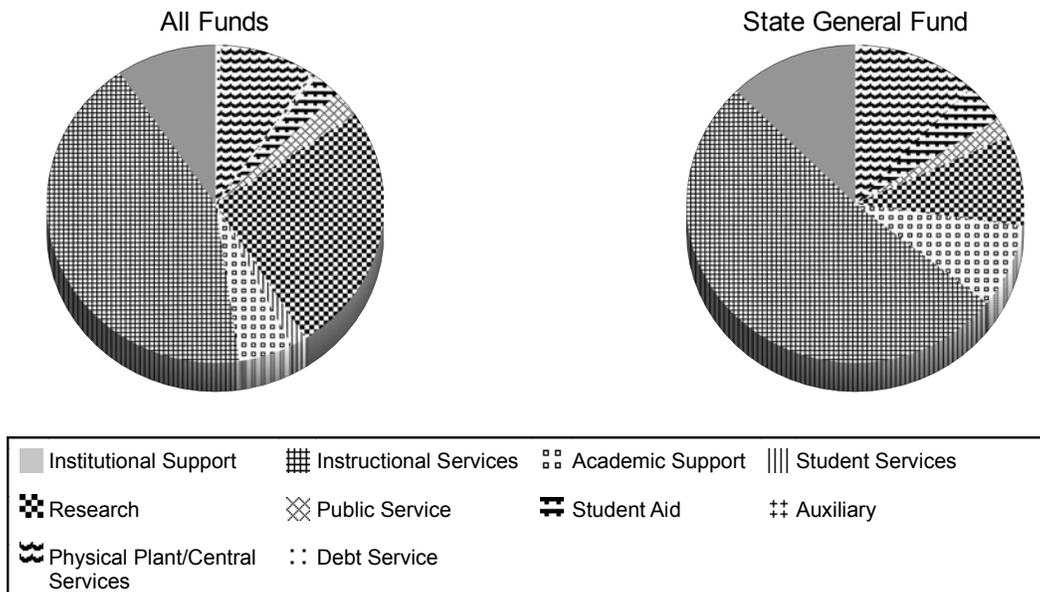
Medical students, MD/PhD students, medical residents/fellows, professional UG certificate program students, psychiatry interns/practicum students, visiting MD/PharmD students are all classified as full-time regardless of student credit hours and have an FTE assigned to 1.00.

All other FTE is based upon dividing credit hours by 15 for undergraduate students and by 9 for graduate or professional students.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2017 Recommendation



Program	Gov. Rec. All Funds FY 2017	Percent of Total	Gov. Rec. SGF FY 2017	Percent of Total
Institutional Support	\$ 34,403,363	9.6 %	\$ 13,865,274	12.4 %
Instructional Services	153,334,240	42.7	57,823,981	51.8
Academic Support	18,600,739	5.2	9,434,812	8.5
Student Services	5,497,432	1.5	117,259	0.1
Research	91,619,185	25.5	10,197,849	9.1
Public Service	9,681,706	2.7	2,273,578	2.0
Student Aid	9,029,671	2.5	4,488,171	4.0
Auxiliary	2,320,558	0.6	0	0.0
Physical Plant/Central Services	32,723,396	9.1	13,037,794	11.7
Debt Service	2,015,419	0.6	316,482	0.3
TOTAL	\$ 359,225,709	100.0 %	\$ 111,555,200	100.0 %

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	170.5	228.7	228.7	228.7	228.7
Instructional Services	1,052.4	1,138.5	1,138.5	1,138.5	1,138.5
Academic Support	137.7	150.1	150.1	150.1	150.1
Student Services	0.0	0.0	0.0	0.0	0.0
Research	1,060.7	999.4	999.4	999.4	999.4
Public Service	79.2	78.3	78.3	78.3	78.3
Student Aid	0.0	2.9	2.9	2.9	2.9
Auxiliary	38.8	42.8	42.8	42.8	42.8
Physical Plant/Central Services	176.8	215.1	215.1	215.1	215.1
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	2,716.1	2,855.8	2,855.8	2,855.8	2,855.8

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 \$34.4 million, including \$13.9 million from the State General Fund. The overall request is a decrease of \$768,277, or 2.2 percent, all funds and an increase of \$792,685, or 6.1 percent, State General Fund, from the FY 2017 approved amount. There is an increase in salaries and wages (\$645,950) with offsetting decreases in contractual services (\$607,229), commodities (\$583,079) and capital outlay (\$214,822).

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

B. Instructional Services

The Instructional Services program includes all instruction of students.

The **agency** requests revised FY 2017 operating expenditures of \$153.3 million, including \$57.8 million from the State General Fund. The overall request is an increase of \$13.1 million or 9.3 percent, all funds and \$1.9 million, or 3.3 percent, State General Fund, above the FY 2017 approved amount. There is an increase in salaries and wages (\$17.9 million) and an offsetting decrease in contractual services (\$5.3 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 \$18.6 million, including \$9.4 million from the State General Fund. The overall request is a decrease of \$2.8 million, or 12.9 percent, all funds and \$2.2 million, or 18.8 percent, State General Fund, below the FY 2017 approved amount. There is a decrease in salaries and wages (\$4.1 million) with an offsetting increase in contractual services (\$1.6 million).

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 \$5.5 million, including \$117,259 from the State General Fund. The overall request is an increase of \$2.3 million, or 72.6 percent, all funds and a decrease of \$378,241, or 76.3 percent, State General Fund, from the FY 2017 approved amount. There is an increase in salaries and wages (\$2.9 million) with an offsetting decrease in contractual services (\$641,641).

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 \$91.6 million, including \$10.2 million from the State General Fund. The overall request is a decrease of \$3.6 million, or 3.8 percent, all funds and a State General Fund increase of \$917,514, or 9.9 percent, from the FY 2017 approved amount. The decrease is in salaries and wages (\$4.5 million) with offsetting increases in contractual services (\$531,230) and capital outlay (\$308,277).

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

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, community service, and public broadcasting services.

The **agency** requests revised FY 2017 operating expenditures of \$9.7 million, including \$2.3 million from the State General Fund. The overall request is an increase of \$2.0 million, or 26.3 percent, all funds and \$128,114, or 6.0 percent, State General Fund, above the FY 2017 approved amount. There is an increase in salaries and wages (\$1.4 million) and contractual services (\$654,585).

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 \$9.0 million, including \$4.5 million from the State General Fund. This is an increase of \$2.1 million, or 29.9 percent, all funds and \$11,007, or 0.2 percent, State General Fund, above the FY 2017 approved amount. The increase is in salaries and wages (\$1.2 million) and other assistance (\$877,951).

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, food, and parking services.

The **agency** requests revised FY 2017 operating expenditures of \$2.3 million, all from special revenue funds. The overall request is a decrease of \$28,992, or 1.2 percent, below the FY 2017 approved amount. The decrease is mainly in contractual services (\$157,917) and commodities (\$199,779) with an offsetting increase in salaries and wages (\$378,101).

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 \$32.7 million, including \$13.0 million from the State General Fund. The overall request is an increase of \$2.1 million, or 6.8 percent, all funds and a decrease of \$1.6 million, or 11.2 percent, State General Fund, from the FY 2017 approved amount. There are increases in salaries and wages (\$975,274), contractual services (\$969,087), and commodities (\$178,832).

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	\$ 5,797,236	\$ 5,797,236	\$ 0	\$ 0
Health Education Building	9,000,000	9,000,000	26,000,000	26,000,000
Parking	500,000	500,000	500,000	500,000
Debt Service - Principal	4,062,170	4,062,170	3,689,581	3,689,581
TOTAL	\$ 19,359,406	\$ 19,359,406	\$ 30,189,581	\$ 30,189,581
Financing:				
State General Fund	\$ 1,037,170	\$ 1,037,170	\$ 1,079,581	\$ 1,079,581
All Other Funds	18,322,236	18,322,236	29,110,000	29,110,000
TOTAL	\$ 19,359,406	\$ 19,359,406	\$ 30,189,581	\$ 30,189,581

FY 2016 – Current Year. The agency requests a revised capital improvement budget of \$19.4 million, including \$1.0 million from the State General Fund. This is an increase of \$14.8 million, or 324.3 percent all funds and \$482,170, or 86.9 percent, State General Fund, above the FY 2016 approved amount. The increase includes \$5.8 million from the Educational Building Fund for rehabilitation and repair and \$9.0 million for the Health Education Building project. The increase in State General Fund is for debt service principal.

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

FY 2017 – Budget Year. The agency requests a revised capital improvement budget of \$30.2 million, including \$1.0 million from the State General Fund. This is an increase of \$26.0 million, or 620.6 percent all funds and \$484,581, or 81.4 percent, from the State General Fund, above the FY 2017 approved amount. The increase is for the Health Education Building project. The increase in State General Fund is for debt service principal.

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
External research support (in millions)	\$107.0	\$99.3	\$94.4	\$95.1
Percent of students passing professional exam on first try:				
School of Medicine - fourth year	97.0%	97.0%	97.0%	97.0%
School of Nursing	95.0%	93.8%	95.0%	95.0%