

FORT HAYS STATE UNIVERSITY

Expenditure	Actual FY 2017	Agency Est. FY 2018	Gov. Rec. FY 2018	Agency Est. FY 2019	Gov. Rec. FY 2019
Operating Expenditures:					
State General Fund	\$ 32,822,538	\$ 32,776,775	\$ 32,776,775	\$ 32,921,990	\$ 32,921,990
Other Funds	93,736,530	90,121,515	90,121,515	91,418,088	91,418,088
<i>Subtotal</i>	<i>\$ 126,559,068</i>	<i>\$ 122,898,290</i>	<i>\$ 122,898,290</i>	<i>\$ 124,340,078</i>	<i>\$ 124,340,078</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	23,743,061	14,740,970	14,740,970	8,075,043	8,075,043
<i>Subtotal</i>	<i>\$ 23,743,061</i>	<i>\$ 14,740,970</i>	<i>\$ 14,740,970</i>	<i>\$ 8,075,043</i>	<i>\$ 8,075,043</i>
TOTAL	<u>\$ 150,302,129</u>	<u>\$ 137,639,260</u>	<u>\$ 137,639,260</u>	<u>\$ 132,415,121</u>	<u>\$ 132,415,121</u>
Percentage Change:					
Operating Expenditures					
State General Fund	2.3 %	(0.1) %	(0.1) %	0.4 %	0.4 %
All Funds	6.8	(2.9)	(2.9)	1.2	1.2
FTE Positions	943.8	942.8	942.8	942.8	942.8

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Fort Hays State University (FHSU) is located on land that was once the Fort Hays Military Reservation. In March of 1900, the U.S. Congress passed legislation granting the abandoned Fort Hays Military Reservation to the State of Kansas for the purpose of establishing an experiment station of the Kansas State Agricultural College, a western branch of the State Normal School, and a public park. The land grant was accepted by the 1901 Kansas Legislature. Over the years, the school has been termed the Fort Hays Kansas Normal School (1914); Kansas State Teachers College of Hays (1922); Fort Hays Kansas State College (1931); and Fort Hays State University (1977). The activities of FHSU are those generally found in liberal and applied arts universities. Liberal arts degrees are offered in most basic disciplines on the bachelor's and master's levels. Applied arts degrees are offered in agriculture, business, elementary education, home economics, industrial arts, physical education, and nursing. Teacher training is offered in all disciplines where applicable, and professional curricula also are available. **A total of 15,100 students attended Fort Hays State University during the Fall 2017 semester, which is an increase of 442 students, or 3.0 percent, above the Fall 2016 semester.**

MAJOR ISSUES FROM PRIOR YEARS

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 **2006 Legislature** also passed legislation for the establishment and operation of the Kansas Academy of Mathematics and Science (KAMS), subject to appropriation of funds for that purpose. The Academy provides an accelerated residential program for Kansas high school juniors or seniors who are academically talented in science or math. The two-year curriculum includes course work designed to meet both high school graduation requirements and requirements for associate of arts or associate of science degrees. The Academy is conducted at a Kansas postsecondary educational institution (state university, municipal university, community college, technical college, or technical school) designated by the Board of Regents.

The **2008 Legislature** passed legislation amending the law concerning the Kansas Academy of Mathematics and Science (KAMS). The legislation requires KAMS pupils to pay tuition in addition to fees. For pupils enrolled in a Kansas school district, the tuition and fees are paid by the school district in which the pupil is enrolled but does not exceed the total of an amount equal to the current base state aid per pupil. The procedure for selecting pupils for admission to KAMS provides for admission of 20 pupils selected on a congressional district basis, with no more than five pupils from each of the four congressional districts and 20 other pupils on a statewide basis (KAMS will have a total of 80 students in its two classes). The Board of Regents has the authority to expand the number of pupils specified by law and could authorize admission of nonresident and international academically talented pupils, as well as additional Kansas residents. However, at least three-fourths of the total number of pupils enrolled in KAMS must be Kansas residents. In addition, a school district sending a pupil to KAMS will not receive school finance weightings or the amount of local option budget attributable to the pupil.

Additional language was passed appropriating State General Fund moneys to the Board of Regents for the Kansas Academy for Math and Science (KAMS) for FY 2009 through FY 2014, as follows:

- FY 2009, \$295,000;
- FY 2010, \$713,000;
- FY 2011, \$754,000;
- FY 2012, \$792,000;
- FY 2013, \$835,000; and
- FY 2014, \$938,000.

The **2011 Legislature** passed legislation designating 50 counties as Rural Opportunity Zones (ROZs), 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 a 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's postsecondary savings account.

The **2012 Legislature** also 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** also 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 also was a reduction to the University's salaries and wages all funds expenditures by approximately 0.9 percent in FY 2014 and less than 0.1 percent in FY 2015.

The **Governor's December 2014 State General Fund allotment** reduced approved expenditures by \$48,579 and the **February 2015 State General Fund allotment** reduced approved expenditures by \$679,762 in FY 2015.

The **Governor's March 2016 State General Fund allotment** reduced approved expenditures by \$992,367 in FY 2016.

The **Governor's May 2016 State General Fund allotment** reduced approved expenditures by \$1.1 million in FY 2017.

BUDGET SUMMARY AND KEY POINTS

FY 2018 – Current Year. The **agency** requests a revised estimate of \$137.6 million, including \$32.8 million from the State General Fund, in FY 2018. This is an increase of \$5.4 million, or 4.1 percent, from all funds above the approved amount. There is no change in the State General Fund revised estimate from the approved amount. The increase is mainly in capital improvements with the transfer of \$4.3 million from the Educational Building Fund for rehabilitation and repair from the Board of Regents. There is also an increase in General Fees Fund expenditures, primarily for salaries and wages.

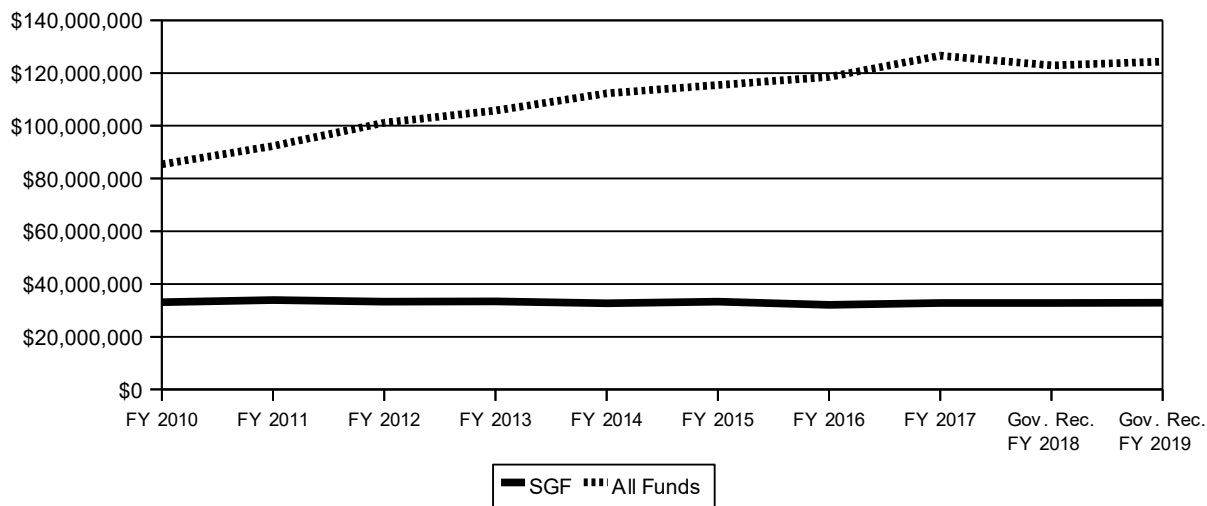
The **Governor** concurs with the agency's revised estimate in FY 2018.

FY 2019 – Budget Year. The **agency** requests a revised estimate of \$132.4 million, including \$32.9 million from the State General Fund, for FY 2019. This is an increase of \$1.0 million, or 1.1 percent, all from special revenue funds, above the approved amount. There was no change to the State General Fund approved amount. The increase is mainly due to increased General Fees Fund expenditures for salaries and wages.

The **Governor** concurs with the agency's revised estimate for FY 2019.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2010 – FY 2019



OPERATING EXPENDITURES FY 2010 – FY 2019

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2010	\$ 33,079,736	(5.4)%	\$ 85,374,920	4.5 %	787.8
2011	33,865,098	2.4	92,328,194	8.1	786.7
2012	33,263,483	(1.8)	101,183,634	9.6	807.0
2013	33,422,731	0.5	105,748,681	4.5	827.0
2014	32,656,997	(2.3)	112,295,259	6.2	827.0
2015	33,308,350	2.0	115,447,559	2.8	841.0
2016	32,086,541	(3.7)	118,508,958	2.7	932.3
2017	32,822,538	2.3	126,559,068	6.8	943.8
2018 Gov. Rec.	32,776,775	(0.1)	122,898,290	(2.9)	942.8
2019 Gov. Rec.	32,921,990	0.4	124,340,078	1.2	942.8
Ten-Year Change Dollars/Percent	\$ (157,746)	(0.5)%	\$ 38,965,158	45.6 %	155.0

Summary of Operating Budget FY 2017 - FY 2019

	Actual FY 2017	Agency Estimate				Governor's Recommendation			
		Estimate FY 2018	Estimate FY 2019	Dollar Change from FY 18	Percent Change from FY 18	Rec. FY 2018	Rec. FY 2019	Dollar Change from FY 18	Percent Change from FY 18
By Program:									
Institutional Support	\$ 8,564,871	\$ 8,474,154	\$ 8,727,219	\$ 253,065	3.0 %	\$ 8,474,154	\$ 8,727,219	\$ 253,065	3.0 %
Instructional Services	44,960,503	48,254,929	49,111,519	856,590	1.8	48,254,929	49,111,519	856,590	1.8
Academic Support	18,435,797	17,538,208	17,876,275	338,067	1.9	17,538,208	17,876,275	338,067	1.9
Student Services	9,774,560	8,402,675	8,458,763	56,088	0.7	8,402,675	8,458,763	56,088	0.7
Research	728,268	478,885	479,308	423	0.1	478,885	479,308	423	0.1
Public Service	4,255,068	2,093,730	2,131,164	37,434	1.8	2,093,730	2,131,164	37,434	1.8
Student Aid	21,346,663	19,900,000	19,900,000	0	--	19,900,000	19,900,000	0	--
Auxiliary	9,845,623	8,821,353	8,907,750	86,397	1.0	8,821,353	8,907,750	86,397	1.0
Physical Plant/Central Services	7,492,390	7,824,082	7,704,215	(119,867)	(1.5)	7,824,082	7,704,215	(119,867)	(1.5)
Debt Service	1,155,325	1,110,274	1,043,865	(66,409)	(6.0)	1,110,274	1,043,865	(66,409)	(6.0)
TOTAL	\$ 126,559,068	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 76,203,155	\$ 74,351,672	\$ 76,034,600	\$ 1,682,928	2.3 %	\$ 74,351,672	\$ 76,034,600	\$ 1,682,928	2.3 %
Contractual Services	14,598,798	15,288,217	15,113,486	(174,731)	(1.1)	15,288,217	15,113,486	(174,731)	(1.1)
Commodities	4,730,333	4,941,500	4,941,500	0	--	4,941,500	4,941,500	0	--
Capital Outlay	6,619,839	5,958,500	5,958,500	0	--	5,958,500	5,958,500	0	--
Debt Service	1,155,325	1,110,274	1,043,865	(66,409)	(6.0)	1,110,274	1,043,865	(66,409)	(6.0)
<i>Subtotal-Operations</i>	<i>\$ 103,307,450</i>	<i>\$ 101,650,163</i>	<i>\$ 103,091,951</i>	<i>\$ 1,441,788</i>	<i>1.4 %</i>	<i>\$ 101,650,163</i>	<i>\$ 103,091,951</i>	<i>\$ 1,441,788</i>	<i>1.4 %</i>
Aid to Local Units	670,658	0	0	0	--	0	0	0	--
Other Assistance	22,580,960	21,248,127	21,248,127	0	--	21,248,127	21,248,127	0	--
TOTAL	\$ 126,559,068	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %
Financing:									
State General Fund	\$ 32,822,538	\$ 32,776,775	\$ 32,921,990	\$ 145,215	0.4 %	\$ 32,776,775	\$ 32,921,990	\$ 145,215	0.4 %
General Fees Fund	36,816,531	37,326,742	38,346,147	1,019,405	2.7	37,326,742	38,346,147	1,019,405	2.7
Restricted Fees Fund	28,460,079	26,991,359	27,408,111	416,752	1.5	26,991,359	27,408,111	416,752	1.5
All Other Funds	28,459,920	25,803,414	25,663,830	(139,584)	(0.5)	25,803,414	25,663,830	(139,584)	(0.5)
TOTAL	\$ 126,559,068	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %	\$ 122,898,290	\$ 124,340,078	\$ 1,441,788	1.2 %

BUDGET OVERVIEW

A. FY 2018 – Current Year

Adjustments to Approved State General Fund Budget

The 2017 Legislature approved a State General Fund budget of \$32,776,775 in FY 2018. No adjustments have subsequently been made to that amount.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2018	Agency Estimate FY 2018	Agency Change from Approved	Governor Rec. FY 2018	Governor Change from Approved
State General Fund	\$ 32,776,775	\$ 32,776,775	\$ 0	\$ 32,776,775	\$ 0
All Other Funds	99,441,359	104,862,485	5,421,126	104,862,485	5,421,126
TOTAL	<u>\$ 132,218,134</u>	<u>\$ 137,639,260</u>	<u>\$ 5,421,126</u>	<u>\$ 137,639,260</u>	<u>\$ 5,421,126</u>
FTE Positions	932.3	942.8	10.5	942.8	10.5

The **agency** requests a revised estimate of \$137.6 million, including \$32.8 million from the State General Fund, in FY 2018. This is an increase of \$5.4 million, or 4.1 percent, all from special revenue funds, above the approved amount. There is no change in the State General Fund revised estimate from the approved amount. The increase is mainly in capital improvements with the transfer of \$4.3 million from the Educational Building Fund for rehabilitation and repair from the Board of Regents. There is also an increase in General Fees Fund expenditures, primarily for salaries and wages.

The **Governor** concurs with the agency's revised estimate in FY 2018.

B. FY 2019 – Budget Year

Adjustments to Approved State General Fund Budget

The 2017 Legislature approved a State General Fund budget of \$32,921,990 for FY 2019. No adjustments have subsequently been made to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2019	Agency Estimate FY 2019	Agency Change from Approved	Governor Rec. FY 2019	Governor Change from Approved
State General Fund	\$ 32,921,990	\$ 32,921,990	\$ 0	\$ 32,921,990	\$ 0
All Other Funds	98,451,602	99,493,131	1,041,529	99,493,131	1,041,529
TOTAL	<u>\$ 131,373,592</u>	<u>\$ 132,415,121</u>	<u>\$ 1,041,529</u>	<u>\$ 132,415,121</u>	<u>\$ 1,041,529</u>
FTE Positions	932.3	942.8	10.5	942.8	10.5

The **agency** requests a revised estimate of \$132.4 million, including \$32.9 million from the State General Fund. This is an increase of \$1.0 million, or 1.1 percent, all from special revenue fund, above the approved amount. The increase is mainly due to increased General Fees Fund expenditures for salaries and wages.

The **Governor** concurs with the agency's revised estimate for FY 2019.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Governor's recommendation for FY 2019 appropriates \$1.5 million, all from the State General Fund, to the Pay Plan Equalization Fund. The Director of the Budget could transfer funds from the Pay Plan Equalization Fund to the State General Fund accounts of any agency.

Longevity Bonus Payments. In FY 2018 and for FY 2019, 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 2018 payment is \$4.3 million, including \$1.7 million from the State General Fund. For FY 2019, the estimated cost is \$4.6 million, including \$1.7 million from the State General Fund. **For this agency, there are no longevity bonus payments.**

Kansas Public Employees Retirement System (KPERs) Adjustments. The employer retirement contribution rate for KPERs State and School is scheduled to be 11.78 percent in FY 2018 and 13.21 percent for FY 2019. The 2017 Legislature approved reducing KPER School employer contributions by \$194.0 million for FY 2019. Like FY 2017, the Legislature required the contribution reduction to be layered as a level dollar amount over 20 years, with the first payment of \$19.4 million beginning for FY 2020.

Death and Disability. The 2017 Legislature approved a moratorium on employer contributions to the Group Insurance Reserve Fund for the first quarter of FY 2018. This will provide savings of \$10.1 million from the State General Fund and \$12.6 million from all funds.

Funding Sources

Funding Source	Agency Est. Percent of Total FY 2019	Gov. Rec. Percent of Total FY 2019
State General Fund	26.5 %	26.5 %
General Fees Fund	30.8	30.8
Restricted Fees Fund	22.0	22.0
All Other Funds	20.6	20.6
TOTAL	100.0 %	100.0 %

Note: Details may not add to totals 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 the tuition are deposited in the General Fees Fund, excluding the student activity fees 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 2017	Agency Estimate FY 2018	Gov. Rec. FY 2018	Agency Estimate FY 2019	Gov. Rec. FY 2019
Beginning Balance	\$ 19,193,744	\$ 9,663,001	\$ 9,663,001	\$ 8,997,155	\$ 8,997,155
Revenue	42,354,519	44,635,680	44,635,680	46,899,102	46,899,102
Transfers in	0	0	0	0	0
Funds Available	\$ 61,548,263	\$ 54,298,681	\$ 54,298,681	\$ 55,896,257	\$ 55,896,257
Less:					
Expenditures	51,110,167	44,692,628	44,692,628	44,756,190	44,756,190
Transfers Out	742,462	608,898	608,898	608,898	608,898
Off Budget Expenditures	32,633	0	0	0	0
Ending Balance	\$ 9,663,001	\$ 8,997,155	\$ 8,997,155	\$ 10,531,169	\$ 10,531,169
Ending Balance as Percent of Expenditures	18.9%	20.1%	20.1%	23.5%	23.5%
Month Highest Ending Balance	January \$ 24,559,819	January \$ 19,276,614	January \$ 19,276,614	January \$ 12,571,614	January \$ 12,571,614
Month Lowest Ending Balance	June \$ 9,589,240	June \$ 8,046,428	June \$ 8,046,428	June \$ 5,985,240	June \$ 5,985,240

Enrollment Trends

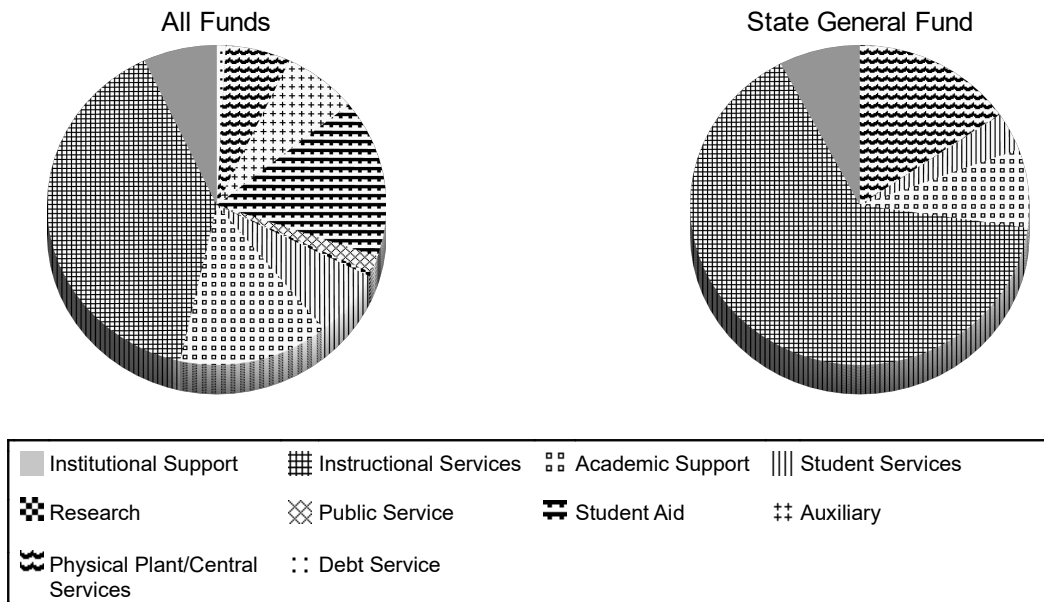
The following table summarizes recent enrollment trends at Fort Hays State University. Headcount enrollment reflects the actual number of students enrolled. Full-time equivalent converts those students to full-time based on the number of credit hours the students are enrolled.

	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2012 to Fall 2017
Headcount	13,310	13,441	13,825	14,210	14,658	15,100	
Change	508	131	384	385	448	442	1,790
%Change	4.0 %	1.0 %	2.9 %	2.8 %	3.2 %	3.0 %	13.4 %
FTE Students	8,498	8,704	9,018	9,211	9,594	9,712	
Change	300	206	314	193	383	118	1,214
%Change	3.7 %	2.4 %	3.6 %	2.1 %	4.2 %	1.2 %	14.3 %
Student Credit Hours	119,820	122,275	126,373	128,565	133,288	135,366	
Change	3,671	2,455	4,098	2,192	4,723	2,078	15,546
%Change	3.2 %	2.0 %	3.4 %	1.7 %	3.7 %	1.6 %	13.0 %

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2019 Recommendation



Program	Gov. Rec. All Funds FY 2019	Percent of Total	Gov. Rec. SGF FY 2019	Percent of Total
Institutional Support	\$ 8,727,219	7.0 %	\$ 2,540,528	7.7 %
Instructional Services	49,111,519	39.5	21,401,748	65.0
Academic Support	17,876,275	14.4	2,623,762	8.0
Student Services	8,458,763	6.8	1,261,884	3.8
Research	479,308	0.4	0	0.0
Public Service	2,131,164	1.7	25,598	0.1
Student Aid	19,900,000	16.0	0	0.0
Auxiliary	8,907,750	7.2	0	0.0
Physical Plant/Central Services	7,704,215	6.2	5,068,470	15.4
Debt Service	1,043,865	0.8	0	0.0
TOTAL	\$ 124,340,078	100.0 %	\$ 32,921,990	100.0 %

FTE POSITIONS BY PROGRAM FY 2017 – FY 2019					
Program	Actual FY 2017	Agency Est. FY 2018	Gov. Rec. FY 2018	Agency Est. FY 2019	Gov. Rec. FY 2019
Institutional Support	66.8	69.8	69.8	69.8	69.8
Instructional Services	456.7	462.7	462.7	462.7	462.7
Academic Support	108.7	109.2	109.2	109.2	109.2
Student Services	98.1	99.1	99.1	99.1	99.1
Research	0.0	0.0	0.0	0.0	0.0
Public Service	29.6	29.6	29.6	29.6	29.6
Student Aid	0.0	0.0	0.0	0.0	0.0
Auxiliary	58.9	58.9	58.9	58.9	58.9
Physical Plant/Central Services	125.0	113.5	113.5	113.5	113.5
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	943.8	942.8	942.8	942.8	942.8

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

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** estimates FY 2019 operating expenditures of \$8.7 million, including \$2.5 million from the State General Fund. This is an increase of \$1.2 million, or 16.6 percent, from all funds and \$1.3 million, or 104.0 percent, from the State General Fund above the approved amount. The increase is mainly in expenditures for salaries and wages (\$1.3 million).

The **Governor** concurs with the agency's revised estimate for FY 2019.

B. Instructional Services

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

The **agency** estimates FY 2019 operating expenditures of \$49.1 million, including \$21.4 million from the State General Fund. This is a decrease of \$421,971, or 0.9 percent, from all funds and \$1.5 million, or 6.7 percent, from the State General Fund below the approved amount. The decrease is mainly in expenditures for contractual services (\$397,137).

The **Governor** concurs with the agency's revised estimate for FY 2019.

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** estimates FY 2019 operating expenditures of \$17.9 million, including \$2.6 million from the State General Fund. This is an increase of \$374,013, or 2.1 percent, from all funds, and \$77,856, or 3.1 percent, from the State General Fund above the approved amount. The increase is mainly in expenditures for salaries and wages (\$376,111).

The **Governor** concurs with the agency's revised estimate for FY 2019.

D. Student Services

The Student Services program is responsible for the non-academic activities surrounding the students' 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** estimates FY 2019 operating expenditures of \$8.5 million, including \$1.3 million from the State General Fund. This is a decrease of \$71,354, or 0.8 percent, from all funds and an increase of \$59, or less than 0.1 percent, from the State General Fund from the approved amount. The decrease is mainly in expenditures for salaries and wages (\$56,484).

The **Governor** concurs with the agency's revised estimate for FY 2019.

E. Research

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

The **agency** estimates FY 2019 operating expenditures of \$479,308, all from special revenue funds. This is a decrease of \$27,327, or 5.4 percent, below the approved amount. The decrease is mainly in expenditures for contractual services (\$28,052).

The **Governor** concurs with the agency's revised estimate for FY 2019.

F. Public Service

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

The **agency** estimates FY 2019 operating expenditures of \$2.1 million, including \$25,598 from the State General Fund. This is a decrease of \$7,780, or 0.4 percent, from all funds and \$23, or 0.1 percent from the State General Fund below the approved amount. The decrease is mainly in expenditures for salaries and wages (\$8,762).

The **Governor** concurs with the agency's revised estimate for FY 2019.

G. Student Aid

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

The **agency** estimates FY 2019 operating expenditures of \$19.9 million, all from special revenue funds. This is an increase of \$21,027, or 0.1 percent, above the approved amount. The increase is mainly in expenditures for other assistance (\$21,042).

The **Governor** concurs with the agency's revised estimate for FY 2019.

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** estimates FY 2019 operating expenditures of \$8.9 million, all from special revenue funds. This is a decrease of \$46,218, or 0.5 percent, below the approved amount. The decrease is mainly in expenditures for salaries and wages (\$44,299).

The **Governor** concurs with the agency's revised estimate for FY 2019.

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** estimates FY 2019 operating expenditures of \$7.7 million, including \$5.1 million from the State General Fund. This is an increase of \$384,361, or 5.3 percent, from all funds and \$458,771, or 10.0 percent, from the State General Fund above the approved amount. The increase is mainly in expenditures for salaries and wages (\$385,760).

The **Governor** concurs with the agency's revised estimate for FY 2019.

J. Debt Service

The Debt Service program is responsible for payments of the interest on various forms of debt financing within the operating budget. The debt service principal payments are within the capital improvement budget.

The **agency** estimates FY 2019 operating expenditures of \$1.0 million, all from special revenue funds. There is no change from the approved amount.

The **Governor** concurs with the agency's revised estimate for FY 2019.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2018	Gov. Rec. FY 2018	Agency Est. FY 2019	Gov. Rec. FY 2019
Rehabilitation and Repair	\$ 4,315,084	\$ 4,315,084	\$ 0	\$ 0
Art Building	7,000,000	7,000,000	6,020,000	6,020,000
Raze Wiest Hall	1,380,000	1,380,000	0	0
South Camp Drive	0	0	70,000	70,000
Parking	400,000	400,000	400,000	400,000
Debt Service	1,645,886	1,645,886	1,585,043	1,585,043
TOTAL	\$ 14,740,970	\$ 14,740,970	\$ 8,075,043	\$ 8,075,043
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Educational Building Fund	4,315,084	4,315,084	0	0
All Other Funds	10,425,886	10,425,886	8,075,043	8,075,043
TOTAL	\$ 14,740,970	\$ 14,740,970	\$ 8,075,043	\$ 8,075,043

FY 2018 – Current Year. The agency estimates a revised capital improvements budget of \$14.7 million, all from special revenue funds, in FY 2018. This is an increase of \$4.3 million, or 41.4 percent, above the approved amount due to the transfer of the Educational Building Fund for rehabilitation and repair from the Board of Regents to the agency.

The **Governor** concurs with the agency's revised estimate in FY 2018.

FY 2019 – Budget Year. The agency estimates a revised capital improvements budget of \$8.1 million, all from special revenue funds, for FY 2019. This is an increase of \$70,000, all from the Restricted Fees Fund, for the redevelopment of South Campus Drive.

The **Governor** concurs with the agency's revised estimate for FY 2019.

PERFORMANCE MEASURES				
Measure	Gov. Rec. for FY 2017	Actual FY 2017	Gov. Rec. FY 2018	Gov. Rec. FY 2019
Six-year graduation rate	37.0%	37.0%	44.0%	45.0%
Student-to-faculty ratio	16:1	16:1	17:1	17:1