

## MINUTES OF THE EDUCATION BUDGET COMMITTEE

The meeting was called to order by Chairwoman Lana Gordon at 3:30 pm on Feb 16, 2011, in Room 159-S of the Capitol.

All members were present.

Committee staff present:

Audrey Dunkel, Fiscal Analyst, KLRD  
Reagan Cussimano, Fiscal Analyst, KLRD  
Eunice Peters, Revisor, Office of Revisor of Statutes  
Bernadine Lloyd, Committee Assistant

Others Attending:

See attached list.

Conferees appearing before the committee:

Dr. Steve Scott, President, Pittsburg State University  
John Martello, Deputy Superintendent for Operations, School of the Deaf & Blind  
Madeleine Burkindine, Superintendent, School of the Deaf & Blind

Proponents:

Representative Flaharty  
Andree Sisco  
Craig Wilford, Superintendent, Derby School district

Budget hearing on:

**HB 2090 - Providing bus transportation for school children subjected to hazardous walking conditions.**

Eunice Peters, Revisor, Office of Revisor of Statutes, gave a brief overview of the bill.

Representative Flaharty, submitted and presented testimony to support the bill. Also included was a brief 2006 KDOT traffic count on K-15 and 47<sup>th</sup> street south on both sides of the intersection for an average 24 hour period. ([Attachment 1](#))

Adree Sisco, submitted and presented testimony in support of the bill. She held up a map to show the dangerous conditions her five grandchildren have when they walk to school because they stopped busing within the 2-1/2 mile area in Derby, Kansas. ([Attachment 2](#))

Conferees:

Dr. Steve Scott, President, Pittsburg State University, submitted and presented testimony on Pittsburg State University 2012 Kansas Legislative budget Request. ([Attachment 3](#))

Craig Wilford, Superintendent of Schools, USD 260 Derby, submitted and presented testimony in support of the bill. ([Attachment 4](#))

John Martello, Deputy Superintendent for Operations, Kansas State School for the Deaf, submitted and presented testimony for a request to appeal their 5 Year Capital Improvement Plan as submitted July 1, 2010. This appeal is for the Roth West Wing which is a 3 story attached wing to the main campus building that currently houses administration/food service in the central section with the East Wing serving as a student dormitory. ([Attachment 5](#))

Madeleine Burkindine, Superintendent, KSSD, did not submit testimony but stood for questions. Rep. Aurand asked the number of students now at the school. Superintendent Burkindine stated they have 130-135 students now and rapidly approaching 150 and more in March. She said the School of the Blind has 100 students now and can serve 150 students.

Reagan Cussimano, Fiscal Analyst, KLRD, presented an overview of the draft copies for the KSSD and KSSB budgets. ([Attachment 6](#))

Audrey Dunkel, Fiscal Analyst, KLRD, presented a summary on Higher Education and made references to her Postsecondary Education System FY 2012 book. She made references to page 15 which is about FY 2012 Enhancements and page 29 which is about Capitol Improvements. She also presented on FY 2011 & 2012 Capital Improvement Amendments by the Senate Capital Improvements Subcommittee February 8, 2011. (Attachment 7).

A motion was made by Rep. Cassidy to concur with the Governor's recommendation for FY 2011 and FY 2012. The motion was seconded by Rep. Spalding. The motion passed on voice vote.

A motion was made by Rep. Arpke to approve the Capital Improvement Addition. The motion was seconded by Rep. Cassidy. The motion passed on voice vote.

A question and answer session followed each agency presentation.

The next meeting is scheduled for February 17, 2011 in 159-S.

The meeting was adjourned 5:03 pm.

# EDUCATION BUDGET COMMITTEE

3:30pm

Room 159S, State Capitol

## GUEST LIST

DATE: 2-16-11

NAME	REPRESENTING
John Patterson	Pittsburg State University
Victoria White	Pitt State
Daniel Rundquist	Pitt State
PAUL HERRING	PITTSBURG STATE UNIVERSITY
Janice Jewett	" "
Brandon Mills	" "
Julie Allison	" "
Ananda Jayawardhana	PSU
Barb McClaskey	Pittsburg State University
Luanne Barron	Kansas Schools for the Deaf & Blind
John Martell	KS Schools for Deaf & Blind
Madeleine Burkindine	Ks. Schools f/t Deaf & Blind
Gwendy Denton	DoB
Craig Wilford	Derby Public Schools
Andree Sisco	Oskaloosa PTO
Geraldine Flaherty	Rep. 78
Chadine Trout	Ks Schools f/t Deaf & Blind
Mark L. Johnson	PSU / KNEA

Sue Storm

KS BOE

D.K. Prideaux

FHSU

Bill Reardon

USD 500 (KC KS. PUB. SCHLS.)

STATE OF KANSAS

GERALDINE FLAHARTY  
REPRESENTATIVE 98TH DISTRICT  
1816 E. FERNWOOD  
WICHITA, KANSAS 67216  
(316) 524-8039  
Email: Flaharty98@sbcglobal.net



TOPEKA

HOUSE OF  
REPRESENTATIVES

DOCKING OFFICE BUILDING, 7TH FLOOR  
TOPEKA, KANSAS 66612  
(785) 296-7651  
HOTLINE: 1-800-432-3924  
Email: geraldine.flaharty@house.ks.gov

COMMITTEE ASSIGNMENTS  
RANKING MINORITY MEMBER: HEALTH AND  
HUMAN SERVICES  
RANKING MEMBER: AGING & LONG TERM CARE  
MEMBER: PENSIONS AND BENEFITS  
JOINT COMMITTEE PENSIONS &  
BENEFITS

February 16, 2011  
HB2090

As you probably know, school districts receive a transportation weighting to help with costs of bussing students who live more than 2 ½ miles from school. Districts have sometimes included others on bus routes by using district general funds. With cuts to school funding, many districts can no longer make these discretionary expenditures.

In district 260 there is a situation where children live within a ½ mile of their school but to get there must cross a 4 lane highway and a busy railroad track. A traffic count is attached. There are no pedestrian provisions at that intersection. KDOT says no overhead walkway could be put there. The district used to provide a bus because of the hazardous situation but has cut the service because of costs.

HB2090 is to include dangerous routes with the transportation weighting. To preclude districts from declaring every route dangerous, the state BOE would make rules and regulations for routes qualifying. At this point I do not know how many equally dangerous situations other districts may have. I would expect traffic counts to be part of the regulations. I perhaps did not make my bill request clear when 2090 was drafted. An amendment to properly include the funding for a hazardous route has been prepared.

This situation in USD260 is endangering children or causing them to miss school if the parents cannot provide transportation. I hope we can take action before a tragedy occurs.

House Education Budget Committee

Date: Feb. 16, 2011

Attachment #: 1



STATE OF KANSAS

GERALDINE FLAHARTY

REPRESENTATIVE 98TH DISTRICT  
1816 E. FERNWOOD  
WICHITA, KANSAS 67216  
(316) 524-8039  
Email: Flaharty98@sbcglobal.net



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS

RANKING MINORITY MEMBER: HEALTH AND  
HUMAN SERVICES  
MEMBER: EDUCATION  
ECONOMIC DEVELOPMENT &  
TOURISM  
AGING & LONG TERM CARE  
SELECT COMMITTEE ON KPERS

DOCKING OFFICE BUILDING, 7TH FLOOR  
TOPEKA, KANSAS 66612  
(785) 296-7651  
HOTLINE: 1-800-432-3924  
Email: geraldine.flaharty@house.ks.gov

In 2006, KDOT did a traffic count on K-15 and 47<sup>th</sup> street south. This is the counts for both sides of the intersection for an average 24 hour period.

K-15 north of 47<sup>th</sup>, 27,400 vehicles

K-15 south of 47<sup>th</sup>, 26,400 vehicles

47<sup>th</sup> west of K-15, 18,335 vehicles

47<sup>th</sup> east of K-15, 10,080 vehicles

These are the numbers that Major Mike Oliver gave us last year.

To: Chairman Lana Gordon and Members of the Education Budget Committee  
Subject: Constituent Testimony, House Bill 2090  
From: Andree Sisco, 5015 Jade Wichita, KS, 67216, USD 260 Derby School District

Good Evening All,

May it please the Committee, I am writing this letter in support of House Bill 2090. I am currently President of the Oaklawn, Parent Teacher Organization and have 11 grandchildren of which five would be directly and positively affected by the passage of House Bill 2090.

Last year the Derby School Board decided that effective the 2010-2011 school year they would no longer provide bussing to five of my grandchildren because they live within 2 ½ miles of their home school. I cannot argue the distance between the home of my son and his wife, to the elementary (Kindergarten thru 5<sup>th</sup> grades) home school of their children. The direct distance is merely blocks. However, the route to school now includes; passing K-15 highway, passing a set of railroad track, walking the length of two football fields South on K-15 and then West on 47<sup>th</sup> Street, then again two football fields South on Clifton Avenue.

According to a 2006 KDOT study, more than 50,000 vehicles travel North and South on the four lane highway known as K-15 at the intersection of 47<sup>th</sup> Street each day. In addition there are more than 25,000 vehicles that travel East and West on the four lane road known as 47<sup>th</sup> Street at the intersection of K-15 each day. Neither K-15 nor 47<sup>th</sup> Street have crosswalks or sidewalks, there is no button to push or path to follow. 47<sup>th</sup> Street is an identified snow route bringing higher levels of traffic during bad weather. Adding to the traffic is the constant of the railroad tracks the children must cross over to reach the West side of K-15. Keep in mind, the children will travel this road during the morning and evening commute hours and during times of the year when it is not light outside.

The Sedgwick County Sheriff's department has admittedly stopped adults for taking this dangerous route, and KDOT refuses to do a walk over for the same reasons. I speak on behalf of the Oaklawn Parent Teacher Organization, Parents of Deer Lakes Estates, and all other parents and grandparents affected by the unfortunate and financially driven decision to put the lives of our children and grandchildren in direct peril each and every day. House Bill 2090 will not reinstate all bussing, but merely address the concern of safety. By passing House Bill 2090 you can help guide school districts to ensure the safety of children by requiring bussing for dangerous routes such as the one described above. My grandchildren are just one of many, please make their lives matter. Thank you for any time and consideration.

Andree Sisco  
(316) 640-2314 Cellular  
(316) 529-1582 Home

House Education Budget Committee  
Date: Feb. 16, 2011  
Attachment #: 2

Strategic ♦ Efficient ♦ Accountable

# Pittsburg State University

House Education Budget Committee

Date: Feb 16, 2011

Attachment #: 3



**2012**

**Kansas Legislative Budget Request**

# Pittsburg State University

*Undergraduate & graduate programs in Arts & Sciences, Business, Education & Technology*

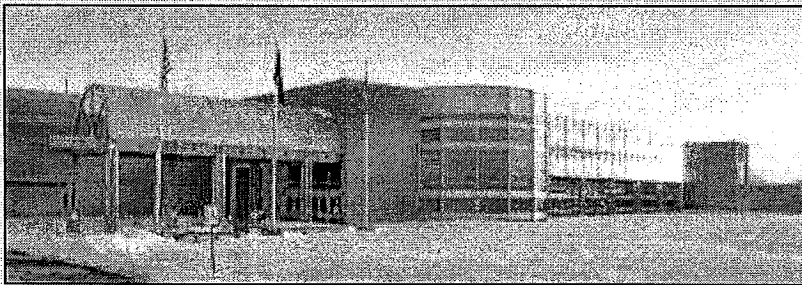


**Enrollment Fall 2010 – 7,130 (91 Kansas Counties, 40 States, 34 Foreign Countries )**



# Pittsburg State University

**Mission: *Teaching, Learning, Discovery & Engagement***



Statewide Mission in Technology  
And Economic Development

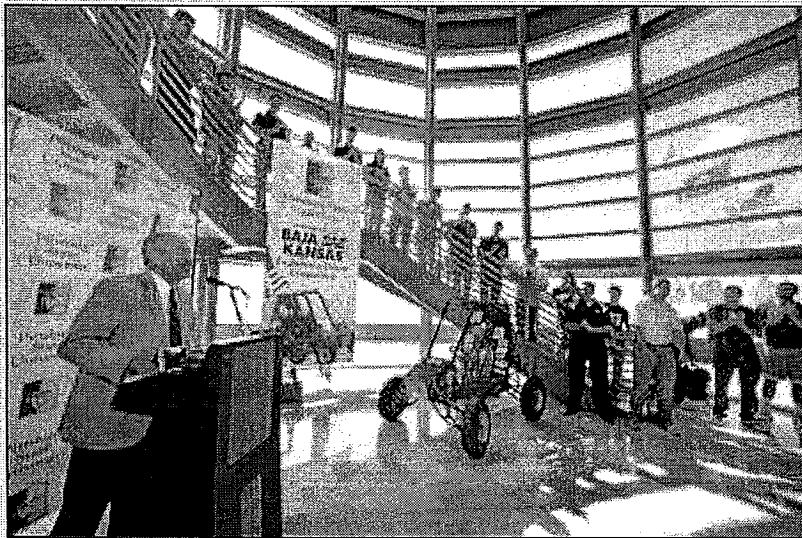
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**FY 2011 SGF**

*(operating budget)*

**\$34,613,223**

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FY 2008 economic impact report:  
\$5.04 returned on every  
state taxpayer dollar

PSU / Kansas Regents

# Performance Agreements

**Prepare graduates for careers in critical and emergent professions and for the workplace.**

**Improve student writing skills, technological skills and international experiences.**

**Expand access to higher education for American – minority students.**

**Create greater efficiencies and seamlessness through partnerships with community colleges and technical colleges.**



PSU / Kansas Regents

# FORESIGHT 2020

**Align Systems & Institutions**

**Increase Participation**

**Improve Retention  
& Graduation Rates**

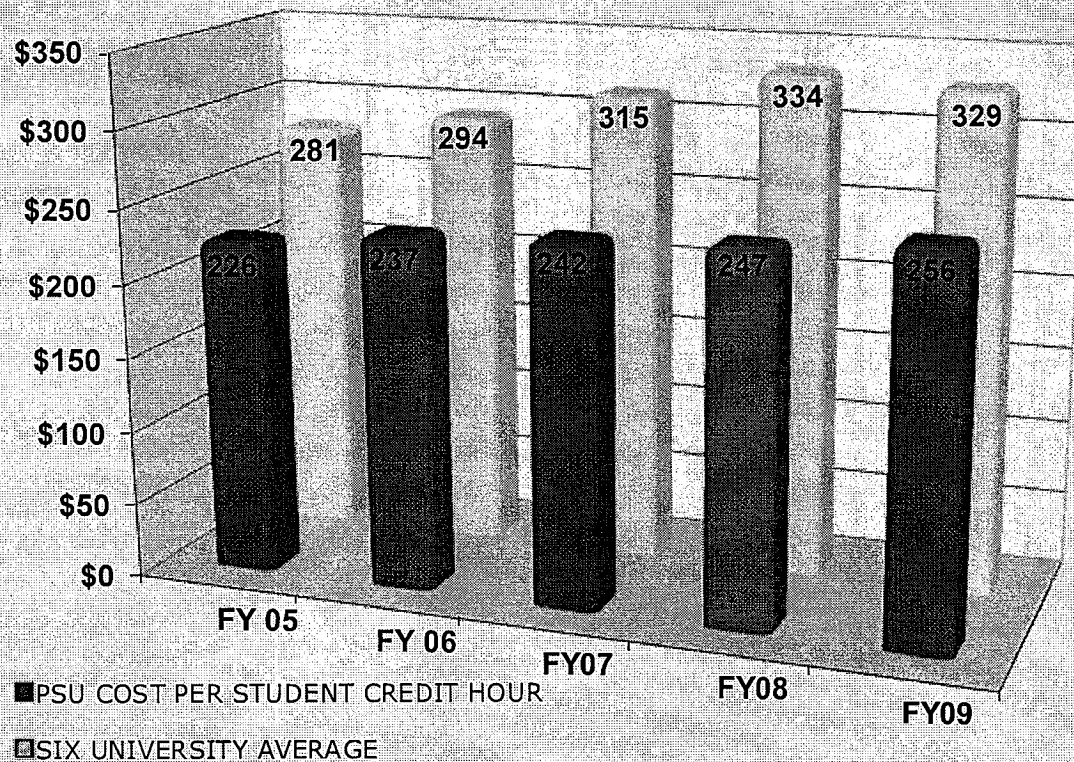
**Ensure Student Success**

**Align with Kansas  
Workforce Needs**

**Ensure State University  
Excellence**



# Expenditures Per Student Credit Hour



REGENTS  
UNIVERSITIES

\$329

PITTSBURG  
STATE  
UNIVERSITY

\$256

(FY 2009 AVERAGES)

Source: Kansas Regents 2010 Data Book, Table 1.40

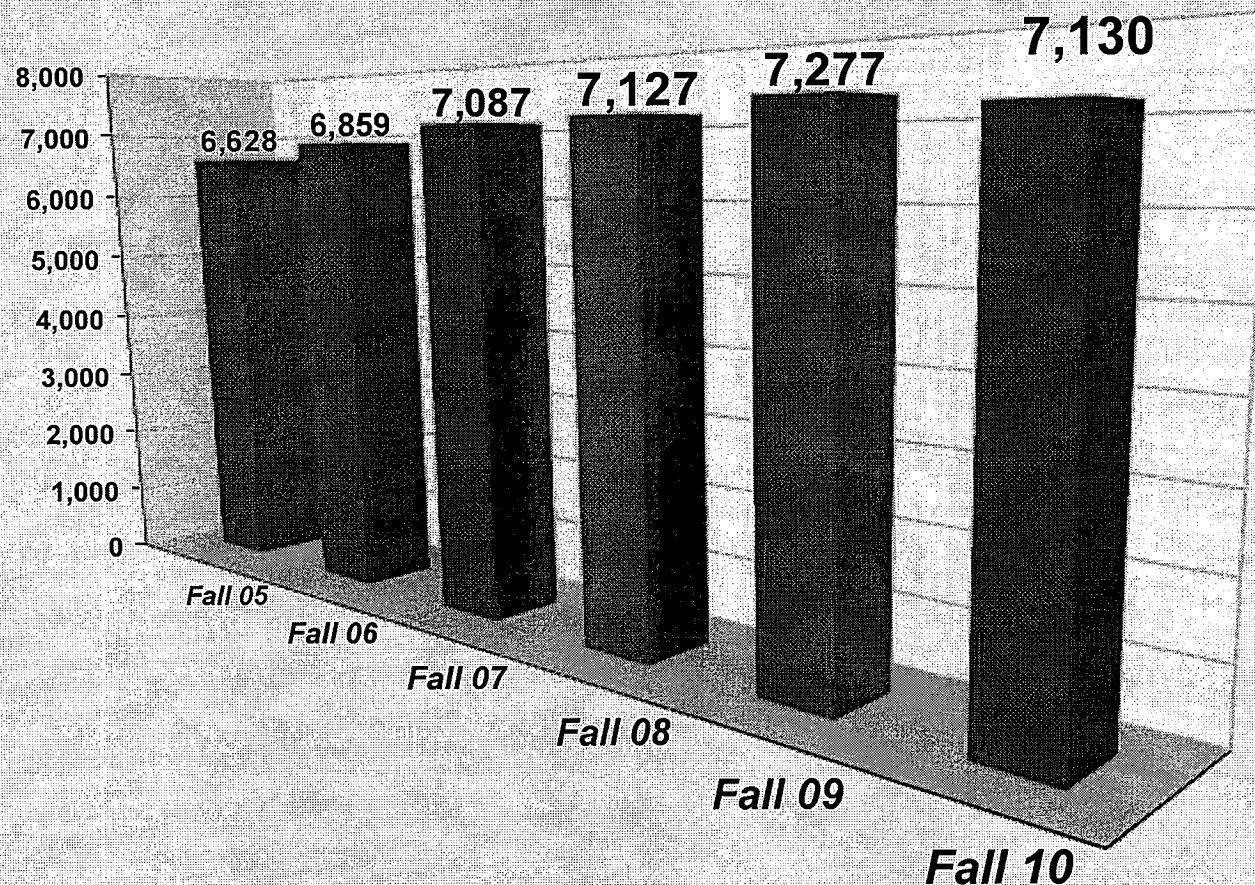


# Pittsburg State University

## Enrollment Growth

6 – YEAR COMPARISON OF FALL HEADCOUNT

Percent Change 2005 – 2010 7.6%



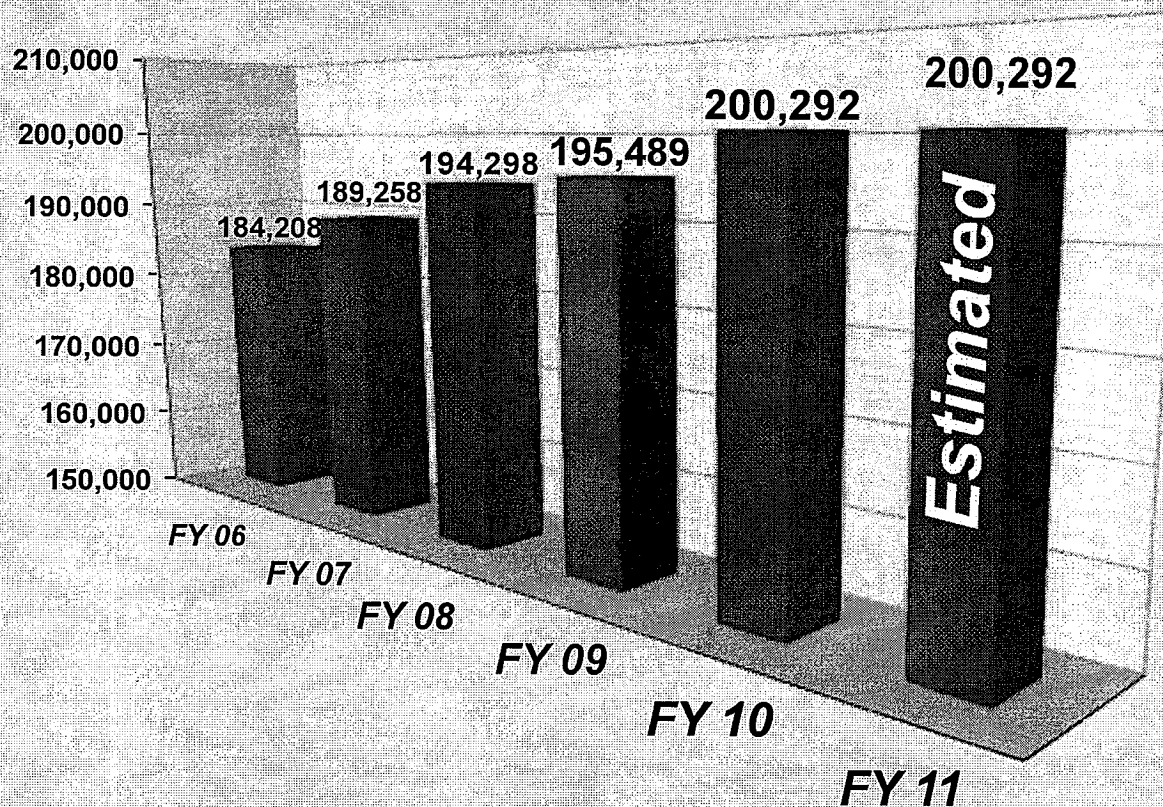
Source: PSU Registrar

# Pittsburg State University

## Student Credit Hour Production

6 – YEAR COMPARISON OF SCH

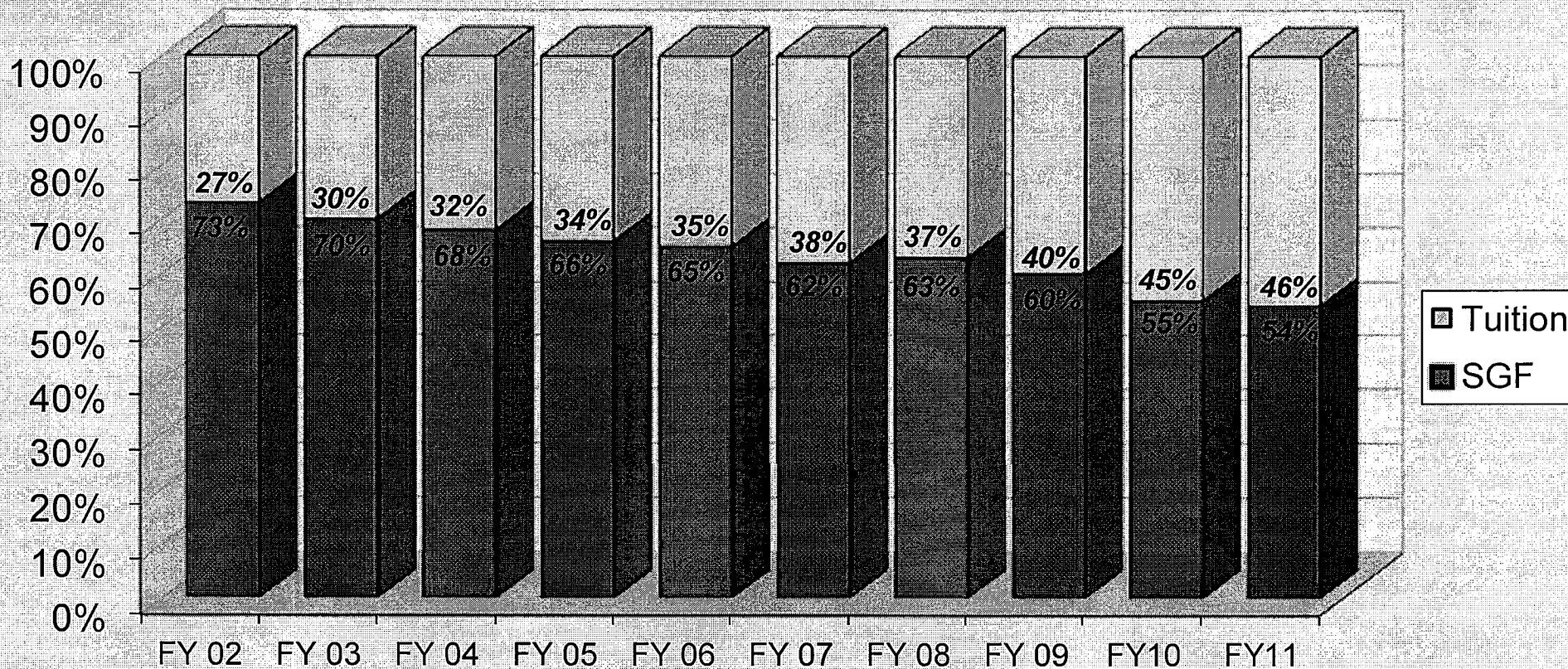
Percent Change 2006 – 2011 8.7%



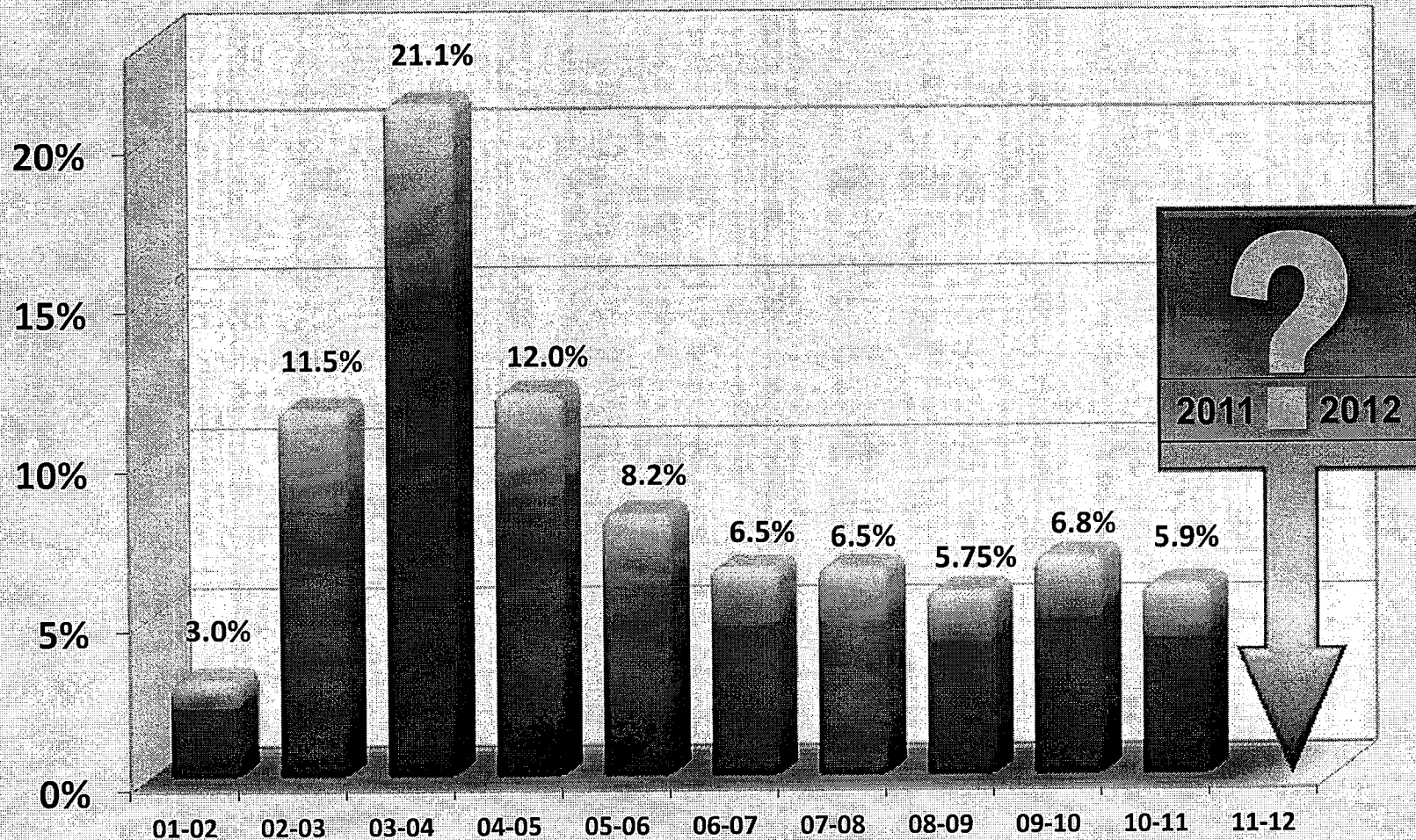
Source: PSU Office of Analysis , Planning and Assessment



# 10 - Year Funding Analysis



# Pittsburg State University Tuition





# PSU Tuition Comparison with National Peers

*Fall 2010- Spring 2011 Tuition Only rates per semester  
at National Peer Institutions*

	Undergraduate	
	Resident	Non-Res.
Northern Michigan University	3,624	5,832
Northwest Missouri State University	3,253	5,929
Eastern Washington University	2,738	7,103
Salisbury University	2,480	6,728
<b>Pittsburg State University</b>	<b>1,934</b>	<b>6,304</b>
<u>Western Carolina University</u>	<u>1,408</u>	<u>6,206</u>
<i>Area Average</i>	<b>\$2,701</b>	<b>\$6,360</b>
<b>PSU % of National Peers</b>	<b>72 %</b>	<b>99 %</b>

# PSU Tuition Comparison with Regional Peers

*Fall 2010- Spring 2011 Tuition & Fees rates per semester  
at Regional Peer Institutions*

	Undergraduate	
	Resident	Non-Res.
University of Central Missouri	\$3,334	\$ 6,263
Missouri State University	3,138	5,928
Arkansas Technical University	2,954	5,504
<b>Pittsburg State University</b>	<b>2,424</b>	<b>6,794</b>
Missouri Southern State University	2,408	4,721
University of Central Oklahoma	2,228	5,621
Northeastern State University (Oklahoma)	2,192	5,361
 Area Average	 \$2,709	 \$5,566
<b>PSU % of Regional Peers</b>	<b>89 %</b>	<b>122 %</b>



# Pittsburg State University

## FY 2011

### *Use of ARRA Federal Stimulus*

**Total Available: \$2,210,390**

Operations - \$793,196	\$167,322	Student Wage Increase
	375,000	Tuition Relief
	250,874	Academic Instructional Equipment
Deferred Maint. - \$1,417,194	236,964	Heckert Wells
	1,180,230	Hughes

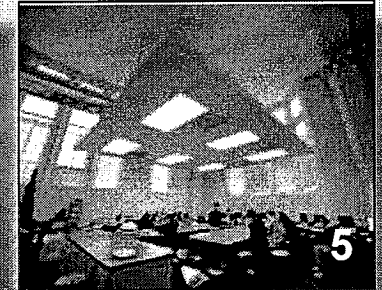
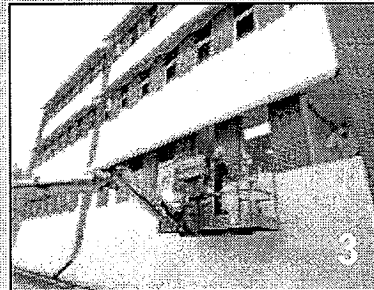
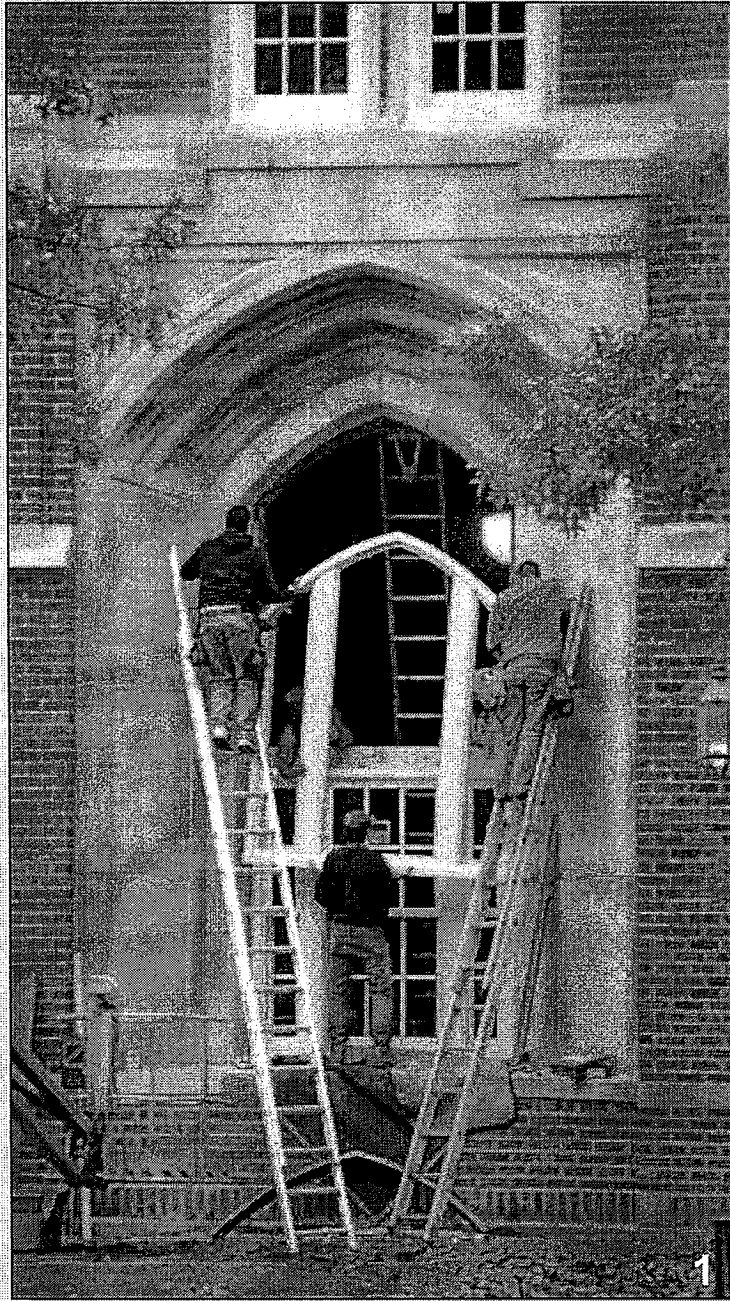
# Pittsburg State University

## STEPS TAKEN FY 2011

- **Consolidate Academic Departments**
- **Reduce Administrative Positions**
- **Add Key Positions to Strengthen Academic Success**
- **Energy Conservation Project**
- **Master Facilities Plan**
- **Expand Gorilla Advantage Territory**
- **Continue to Raise Private Support for Buildings**



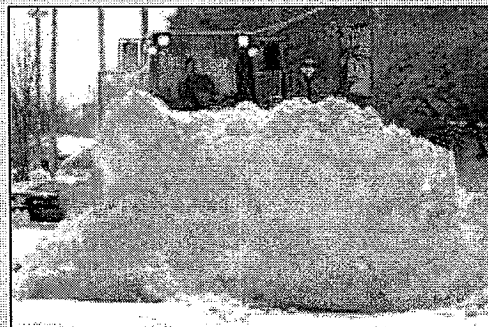
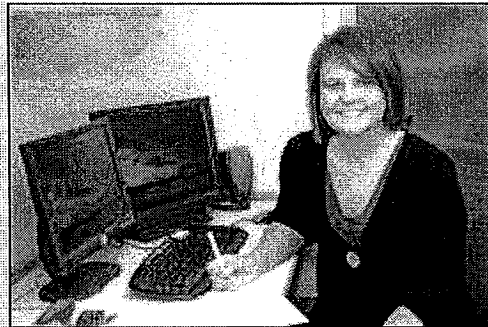
# Deferred Maintenance



1. McCray Hall Windows
2. Whitesitt Hall Structural & Windows
3. Grubbs Hall Structural & Windows
4. Yates Hall HVAC, Windows & Roof
5. Porter Hall Electrical & Interior
6. Heckert Wells Hall  
New Electrical Service



# FY 2012 Unfunded Expenses



- Fringe Benefit Increases
- Pay Plan Adjustments – Classified
- Faculty Promotions
- Student Hourly – ARRA Funding

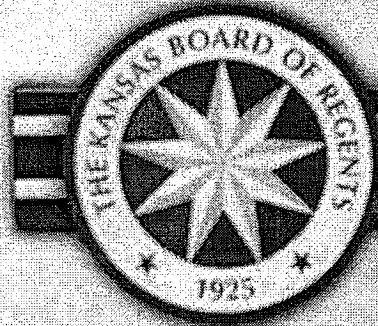
***TOTAL ESTIMATED NEED - \$1.4 M***



# **Classified & Support Staff Council Position Paper FY 2011- 2012**



- **Continue to fund the market-based increases recommended by the Division of Personnel Services as proposed by the Hay Group Study and approved by the Kansas Legislature HB2916 – 2007.**
- **Fund a 3.5% Cost of Living Adjustment for all university classified and support staff.**
- **Continue to support and fund longevity for all eligible employees.**



# The Kansas Commitment

*A 5-part \$50 million initiative to boost the Kansas economy.*

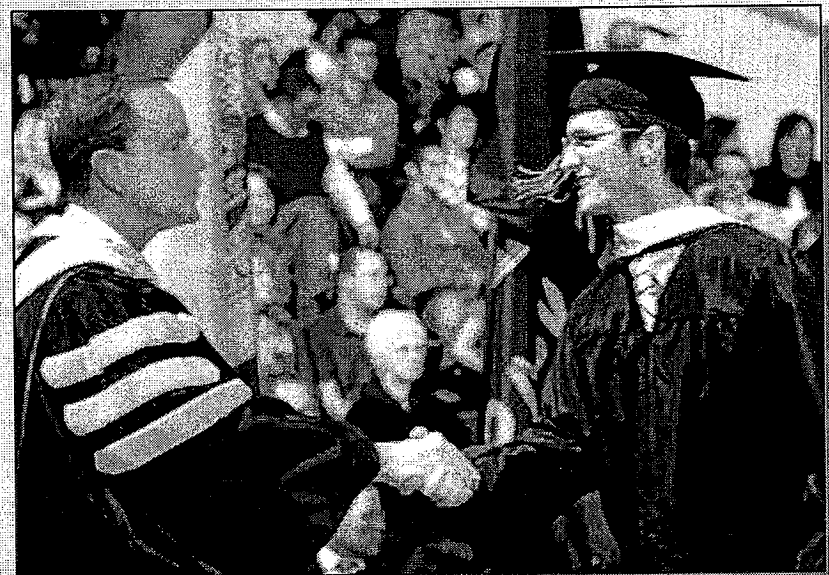
**KAN-PROTECT ★**

**KAN-BUILD ★**

**KAN-CONNECT ★**

**KAN-HELP ★**

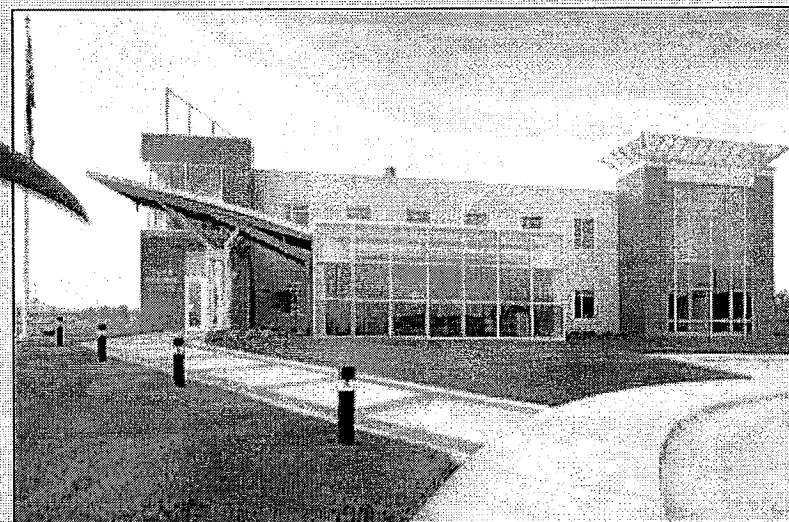
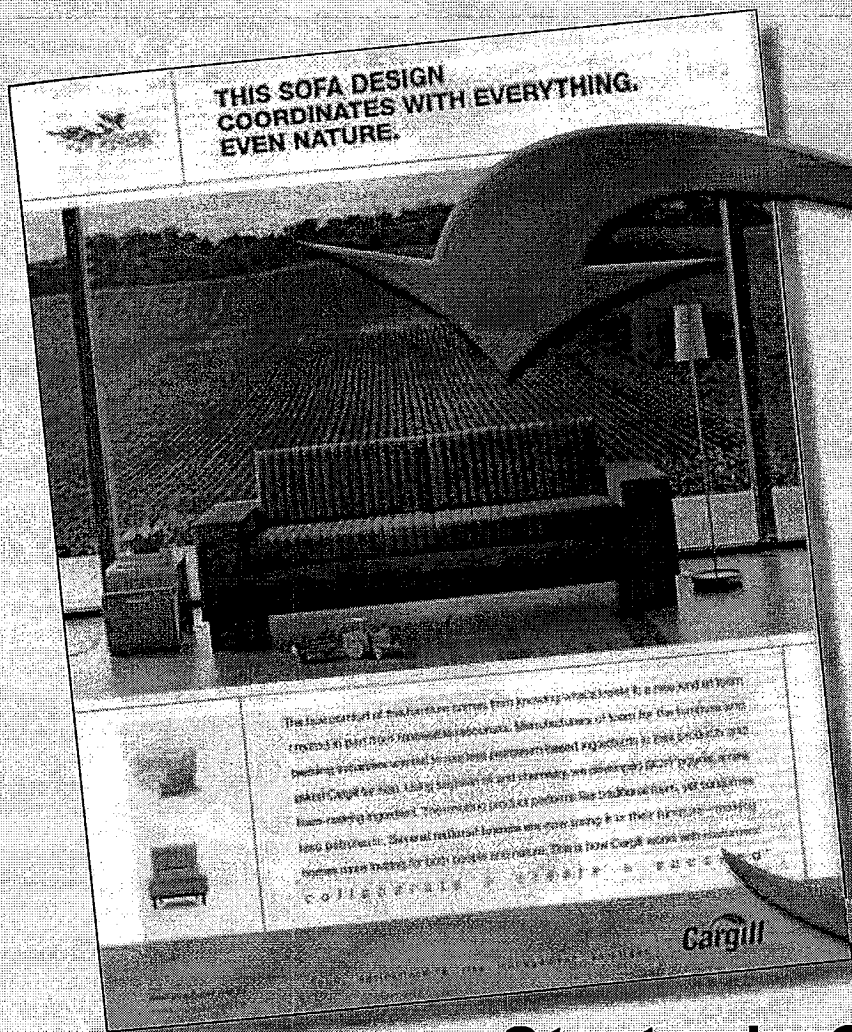
**KAN-GROW ★**





# Kansas Polymer Research Center

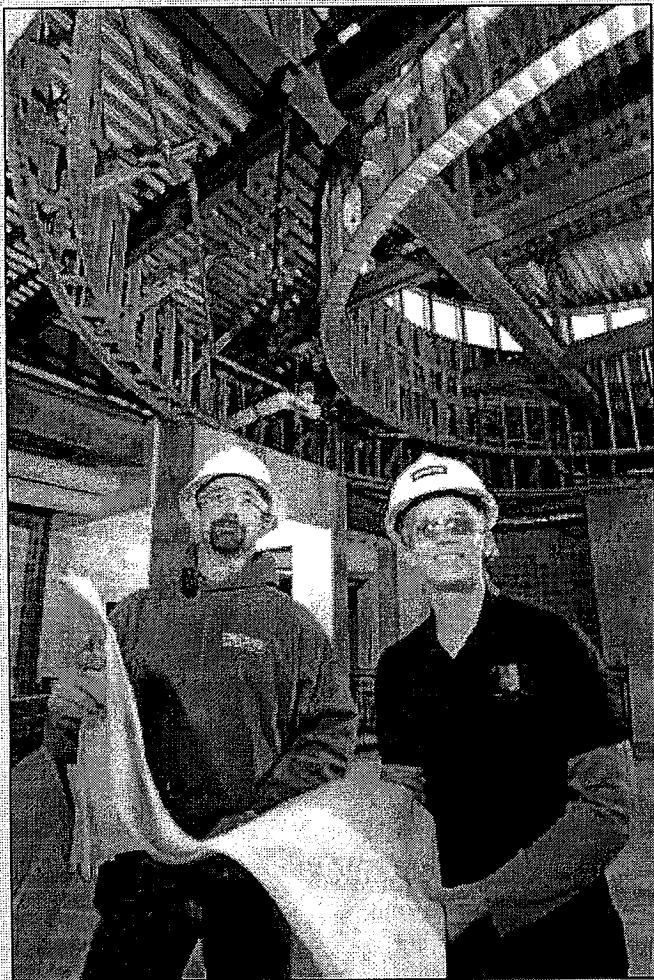
Meeting the Research Needs of Kansas



**BiOH™ Polyols from KPRC Research**  
(US Patent #s 6,107,433 and 7,786,239)

**Strategic Opportunities**

# Pittsburg State University



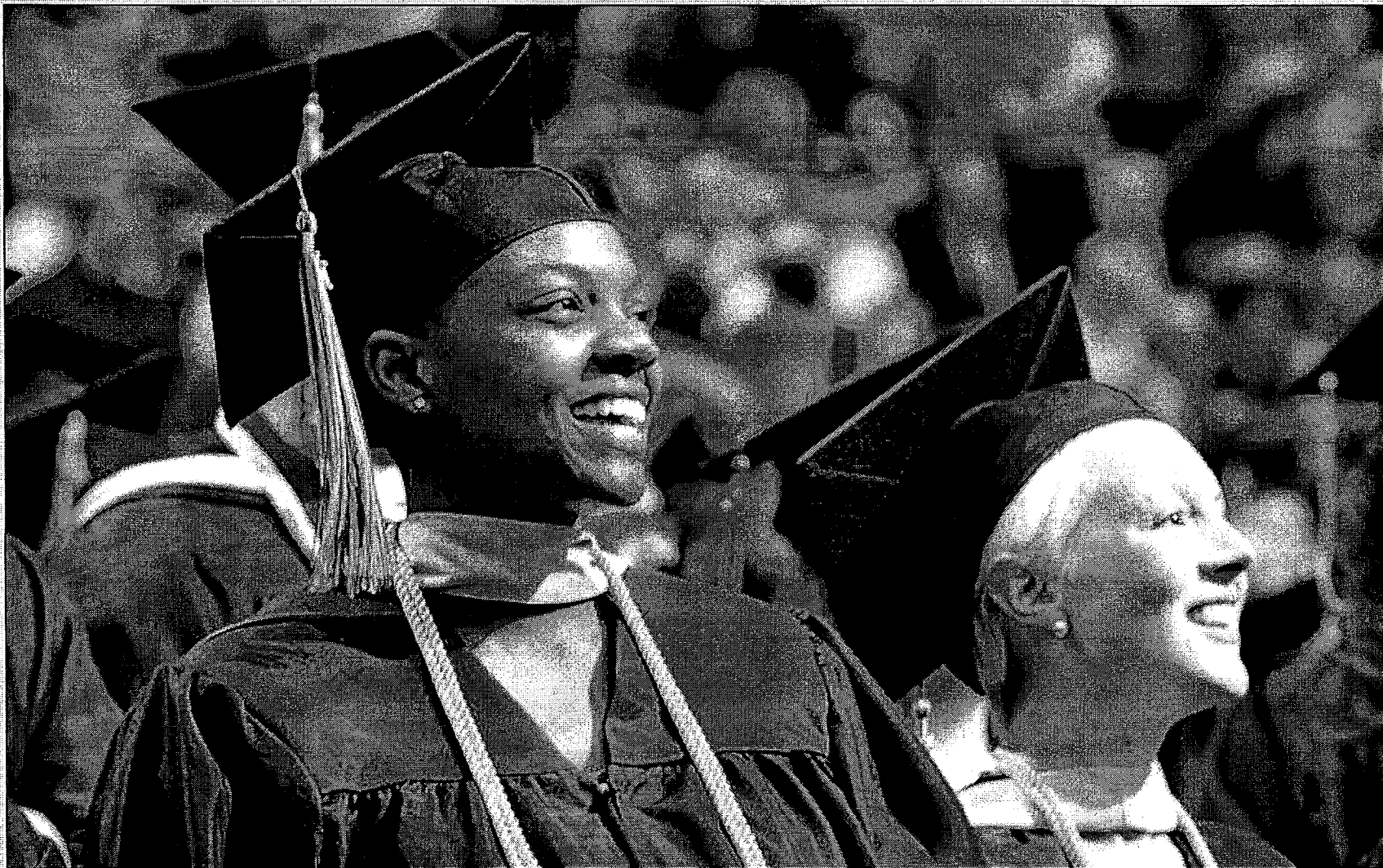
## School Of Construction

Meeting the workforce needs of Kansas

## Strategic Opportunities



# Pittsburg State University



*"Education is not preparation for life: education is life itself."*

John Dewey



Craig Wilford  
Superintendent of Schools  
120 E. Washington  
Derby, KS 67037

Testimony on HB 2090 in House Education Budget Committee  
February 16, 2011

Craig Wilford  
Superintendent of Schools  
USD 260 Derby

My name is Craig Wilford and I serve as superintendent of the Derby Public Schools. I am speaking to you today in support of HB 2090. USD 260 Derby includes, within the district, a long section of Highway K-15. The parts of this highway that are not within the Derby city limits are a four lane divided highway with speed limits as high as 55 mph. In addition, there is a major railroad line adjacent to the highway. For many years, the district was able to provide bus transportation for students that would have to cross these two items to get to their attendance center even if the distance was less than 2 ½ miles. The cost to the district to provide this service was approximately \$30,000. Last year, our Board of Education approved the elimination of this service along with other services totaling over \$1 million dollars. This transportation service is not currently included in the transportation weighting provided by the state. The district is supportive of the additional language in House Bill 2090 that allows the State Board of Education to designate hazardous areas that K-12 students have to cross. We would like to see the students affected by the hazardous designations included in the school finance formula's transportation weighting and would ask the committee to include this in the bill. Thank you.





## KANSAS SCHOOLS FOR THE DEAF AND BLIND

STATEWIDE RESOURCES ON DEAFNESS AND BLINDNESS



KANSAS STATE SCHOOL FOR THE DEAF  
450 EAST PARK ST. · OLATHE, KS 66061-5497  
PHONE: 913-791-0573 FAX: 913-791-0577  
WWW.KSDEAF.ORG

KANSAS STATE SCHOOL FOR THE BLIND  
1100 STATE AVE. · KANSAS CITY, KS 66102-4411  
PHONE: 913-281-3308 FAX: 913-281-3308  
WWW.KSSB.NET

Date: February 16, 2011

To: Education Budget Committee

From: John Martello, Deputy Superintendent/Operations

Subject: Capital Improvement Appeal

This is a request to appeal our 5 Year Capital Improvement Plan as submitted July 1, 2010.

We are asking to move the request for \$279,449 for 2012 to an emergency request for 2011. This money will be used for Architect fees to prepare for the complete renovation of the Roth West Wing. Any money not spent on architect fees will be spent to prepare the 1<sup>st</sup> floor for occupancy by August 2011.

We need to make this emergency request due to the change in our student population. For the last several years KSSD has had a stable population of 130-135 students. This year we began the year with 140 students and that number has grown to 148. We anticipate this number will grow another 10-15 students by August 2011 based on current requests from local districts. Our current dormitory space is exhausted with 148 students; we will be unable to accommodate the 10-15 students anticipated in August 2011 without having dormitory space in Roth West Wing.

The Roth West Wing is a 3 story attached wing to the main campus building that currently houses administration/food service in the central section with the East Wing serving as a student dormitory. The West Wing rehabilitation has been part of a long range plan to upgrade this 1935 era building to current environmental, security/safety, ADA, and to suit much needed instructional space. All but the West Wing renovation is completed. Historically this wing was used exclusively as dormitory space. We anticipate only 2 floors will be needed for that purpose with this current rehabilitation. The current West Wing is so antiquated that the State Fire Marshall has condemned the wing until this rehabilitation is completed. Our inspections since July 1 with construction professionals confirms the Fire Marshall's concerns and these professionals indicate that further deterioration of this wing could threaten the structural integrity of the entire Roth building including previously renovated areas.

The 1<sup>st</sup> floor will be minimally rehabilitated addressing only life safety and basic cosmetic needs for use as dormitory space. The 2nd floor will be permanently renovated as dormitory space using the same design as East Roth Dormitory. The 3rd floor will have apartments for transitional students ages 18-21 who need support in transitioning from school to work or higher education. These older students come to KSSD after completing part, or all, of their K-12 program at their local school district or KSD because many smaller regional cities or rural towns lack employment opportunities and vocational professionals to help deaf/hard of hearing students transition from school to work or higher education. The transitional services at KSSD greatly improve the ability of these students to be fully productive adults who do not need any state assistance.

When the 2nd and 3rd floors are renovated the 1st floor will be re-purposed as instructional program space. The re-purposed 1st floor will be used to grow KSSD's Outreach, Deaf/Blind programming/collaboration, Interpreter training, Birth to 3 year old Program, and Teacher Preparation Program. Currently, we lack the space to address the growth in requests for services from KSD received statewide. The 1st floor would also be equipped with electronics that will allow us to grow our distance learning and professional collaboration programming with local school districts. We have almost daily requests for these services with limited ability to respond.

For these reasons we hope you will approve this appeal.

*EQUAL EMPLOYMENT/EDUCATION OPPORTUNITY SCHOOL*

House Education Budget Committee

Date: Feb. 16, 2011

Attachment #: 5

# KANSAS STATE SCHOOL FOR THE DEAF



DR. AT

Expenditure	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Operating Expenditures:					
State General Fund	\$ 8,715,450	\$ 8,833,103	\$ 8,833,103	\$ 9,155,366	\$ 8,592,341
Other Funds	505,655	716,227	716,227	602,164	602,164
TOTAL	\$ 9,221,105	\$ 9,549,330	\$ 9,549,330	\$ 9,757,530	\$ 9,194,505
Capital Improvements:					
State General Fund	\$ 61,286	\$ 63,850	\$ 63,850	\$ 66,520	\$ 66,520
Other Funds	320,742	611,190	611,190	629,449	300,000
TOTAL	\$ 382,028	\$ 675,040	\$ 675,040	\$ 695,969	\$ 366,520
<b>GRAND TOTAL</b>	<b>\$ 9,603,133</b>	<b>\$ 10,224,370</b>	<b>\$ 10,224,370</b>	<b>\$ 10,453,499</b>	<b>\$ 9,561,025</b>

## Percentage Change:

### Operating Expenditures:

State General Fund	(0.3)%	1.3%	1.3%	3.6%	(2.7)%
All Funds	0.1	3.6	3.6	2.2	(3.7)
FTE Positions	173.5	173.5	173.5	173.5	150.5
Non-FTE Perm. Uncl. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	173.5	173.5	173.5	173.5	150.5

## AGENCY OVERVIEW

The mission of the Kansas State School for the Deaf (KSSD) is to provide both deaf and hard-of-hearing (D/HH) students total accessibility to language, communication, and educational excellence in a visual environment. The School established three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services. KSSD is a state agency under the control and supervision of the State Board of Education.

The School offers a comprehensive curriculum for D/HH students ages 21 and under. Both American Sign Language and English are integral parts of the total school program. KSSD provides related services to make educational programs available to students with additional disabilities, including health services, counseling, physical therapy, occupational therapy, and speech and language therapy. KSSD also provides sign language interpreting, audiological, community resource and family services. In addition, KSSD operates the Auditory Training Unit

Program which provides equipment and consultative services for hearing impaired children in public school districts.

## **MAJOR ISSUES FROM PRIOR YEARS**

**2004 Session.** The Legislature added \$105,556, all from the State General Fund, to allow the School for the Deaf to increase teacher salaries in FY 2005.

**2004 Interim.** The Legislative Budget Committee and the Joint Committee on State Building Construction reviewed the utilization and viability of KSSD and the School for the Blind. Both Committees specifically reviewed the capacity and utilization of the Schools' dormitories, classrooms, and campuses, as well as alternative methods of providing services to blind and deaf students. The alternative methods of providing services included: returning all students to their local unified school districts (USDs), using regional centers of learning, and consolidating both schools on one campus. Neither Committee recommended any changes.

**2005 Session.** The Legislature approved an additional \$330,732, all from the State General Fund, for FY 2006 to increase teacher salaries at KSSD to match the level of the Olathe Unified School District (USD No. 233) for the 2005-06 school year.

The 2005 Legislature also approved an additional \$25,000, all from the State General Fund, for operating expenditures in FY 2006.

**2006 Session.** The Legislature approved an additional \$32,800, all from the State General Fund, to replace two minivans in FY 2007.

The 2006 Legislature also approved for FY 2007 an additional \$232,097, all from the State General Fund, to increase teacher salaries at KSSD to the level of the Olathe School District for the 2005-2006 school year.

**2007 Session.** The Legislature added \$116,435, all from the State General Fund, to increase teacher salaries in FY 2008. The additional funding is for the implementation of a provision in 2007 HB 2310 which requires that, beginning on July 1, 2007, teachers or licensed personnel at the School are to be paid a rate of compensation that is not less than the rate of compensation paid to teachers or licensed personnel at the Olathe Unified School District (USD No. 233) as of September 1 of the preceding school year.

The 2007 Legislature also approved \$70,000 in FY 2007 and \$165,000 in FY 2008, all from the State General Fund, to cover anticipated shortfalls in funding for operating expenditures in both fiscal years.

**2009 Session.** The Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas School for the Deaf, Kansas State School for the Blind, the Beloit Juvenile Correctional Facility, State Developmental Disability Hospitals and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations regarding these, and any other facilities studied, to the Governor and the Legislature.

The Commission studied combining the Kansas State School for the Blind and Kansas School for the Deaf on one campus, specifically the Olathe campus for the School for the Deaf. Due to initial capital improvement expenditures required to meet the needs of students from the School for the Blind, the Commission recommended that the campuses not be co-located, but rather the School for the Blind and Deaf maintain their respective campuses, but share services where possible, including sharing one administrative staff, including the superintendent position, food services, health services, and any other services possible in order to reduce expenditures. Currently, the schools are under one administration team consisting of one Superintendent, one Director of Operations, one Food Service Manager, one Maintenance/Security Manager, one Human Resource Director, and one Financial Director. However, the business officers of each school remain until full implementation of the new financial management system is achieved.

**2010 Session.** The Legislature reduced the agency's budget by \$313,905, all from the State General Fund, to achieve a State General Fund reduction of approximately 2.5 percent below the FY 2010 Governor's recommendation for FY 2011.

## BUDGET SUMMARY AND KEY POINTS

**FY 2011 – Current Year.** The **agency** requests a revised FY 2011 operating budget of \$9,549,300, an increase of \$244,393, or 2.6 percent, above the amount approved by the 2010 Legislature. The revised estimate includes State General Fund expenditures of \$8,833,103, the same as the approved amount. The agency estimates \$716,227 in all other funds, an increase of \$244,393, or 51.8 percent, above the amount approved amount. The estimate includes 173.5 FTE positions, which is the same as the approved.

The agency also estimates \$675,040, including \$63,850 from the State General Fund, for capital improvements. This is an increase of \$66,775, or 12.3 percent, above the amount approved by the 2010 Legislature. The agency included additional funding of \$36,070, all from the State Institutions Building Fund, for roof repairs at the Emery Building and an increase of \$30,705, all from the State Institutions Building Fund, for rehabilitation and repair to remove damaged sheet rock, ceiling tile, floor tile, warped window frames and painting in the damaged dormitory, classroom and office areas.

The **Governor** concurs with the agency estimate.

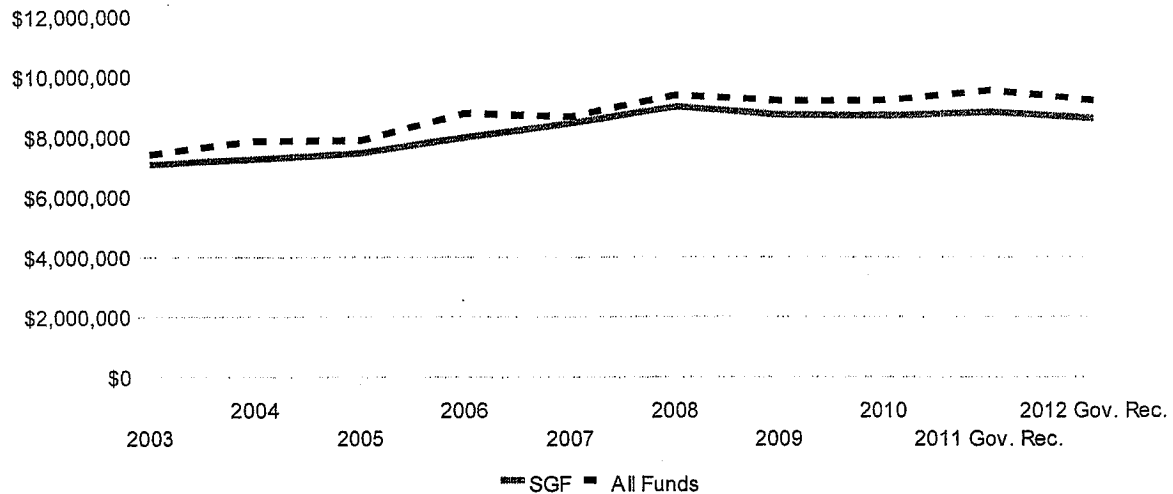
**FY 2012 – Budget Year.** The **agency** requests FY 2012 operating expenditures of \$9,757,530, an all funds increase of \$208,200, or 2.2 percent, above the revised FY 2011 estimate. The request includes State General Fund expenditures of \$9,155,366, an increase of \$322,263, or 3.6 percent, above the revised FY 2011 estimate. The request includes \$602,164 in all other funds, a decrease of \$114,063, or 15.9 percent, below the revised FY 2011 estimate. The request includes 173.5 FTE positions, the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$112,205, all from the State General Fund, to add three days to teacher contracts, increase teacher's salaries and purchase one vehicle. **Absent the enhancements**, the request is \$9,645,325, including \$9,043,161 from the State General Fund. This is an all funds increase of \$95,955, or 1.0 percent, and a State General Fund increase of \$210,058, or 2.4 percent, above the revised FY 2011 estimate.

The **Governor** recommends an FY 2012 operating budget of \$9.2 million, including \$8.6 million from the State General Fund. This is an all funds decrease of \$563,025, or 5.8 percent, below the agency FY 2012 request and a State General Fund decrease of the same amount. It is an all funds decrease of \$354,825, or 3.7 percent, and a State General Fund decrease of \$240,762, or 2.7 percent, below the Governor's FY 2011 recommendation. Included in the recommendation is the adoption of the agency's reduced resource package totaling \$450,820, all from the State General Fund, and a reduction of 23.0 vacant FTE positions. The Governor did not recommend any of the agency's enhancement requests.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2003–FY 2012



## OPERATING EXPENDITURES FY 2003–FY 2012

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2003	\$ 7,083,238	(2.2)%	\$ 7,418,042	(2.2)%	173.5
2004	7,264,756	2.6	7,866,368	6.0	173.5
2005	7,462,584	2.7	7,874,221	0.1	173.5
2006	7,980,314	6.9	8,771,548	11.4	173.5
2007	8,446,943	5.8	8,665,401	(1.2)	173.5
2008	8,996,675	6.5	9,379,505	8.2	173.5
2009	8,738,090	(2.9)	9,208,081	(1.8)	173.5
2010	8,715,450	(0.3)	9,221,105	0.1	173.5
2011 Gov. Rec.	8,833,103	1.3	9,549,330	3.6	173.5
2012 Gov. Rec.	8,592,341	(2.7)	9,194,505	(3.7)	150.5
Ten-Year Change Dollars/Percent	\$ 1,509,103	21.3%	1,776,463	23.9%	(23.0)

# Summary of Operating Budget FY 2010-FY 2012

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	Actual FY 2010	Agency Request				Governor's Recommendation			
		Estimate FY 2011	Request FY 2012	Dollar Change from FY 11	Percent Change From FY 11	Rec. FY 2011	Rec. FY 2012	Dollar Change from FY 11	Percent Change from FY 11
<b>By Program:</b>									
Administrative Services	\$ 261,228	\$ 214,576	\$ 218,620	\$ 4,044	1.9%	\$ 214,576	\$ 218,620	\$ 4,044	1.9%
Instructional Services	6,772,627	7,050,890	7,200,406	149,516	2.1	7,050,890	6,819,387	(231,503)	(3.3)
Support Services	2,155,366	2,254,442	2,311,752	57,310	2.5	2,254,442	2,129,746	(124,696)	(5.5)
Debt Service - Interest	31,884	29,422	26,752	(2,670)	(9.1)	29,422	26,752	(2,670)	(9.1)
<b>TOTAL</b>	<b>\$ 9,221,105</b>	<b>\$ 9,549,330</b>	<b>\$ 9,757,530</b>	<b>\$ 208,200</b>	<b>2.2%</b>	<b>\$ 9,549,330</b>	<b>\$ 9,194,505</b>	<b>\$ (354,825)</b>	<b>(3.7)%</b>
<b>By Major Object:</b>									
Salaries and Wages	\$ 7,859,661	\$ 8,237,489	\$ 8,485,674	\$ 248,185	3.0%	\$ 8,237,489	\$ 7,986,049	\$ (251,440)	(3.1)%
Contractual Services	825,902	791,788	789,892	(1,896)	(0.2)	791,788	747,392	(44,396)	(5.6)
Commodities	438,212	446,631	434,312	(12,319)	(2.8)	446,631	434,312	(12,319)	(2.8)
Capital Outlay	65,446	44,000	20,900	(23,100)	(52.5)	44,000	0	(44,000)	(100.0)
Debt Service - Interest	31,884	29,422	26,752	(2,670)	(9.1)	29,422	26,752	(2,670)	(9.1)
Subtotal - Operations	\$ 9,221,105	\$ 9,549,330	\$ 9,757,530	\$ 208,200	2.2%	\$ 9,549,330	\$ 9,194,505	\$ (354,825)	(3.7)%
Aid to Local Units	0	0	0	0	0.0	0	0	0	0.0
Other Assistance	0	0	0	0	0.0	0	0	0	0.0
<b>TOTAL</b>	<b>\$ 9,221,105</b>	<b>\$ 9,549,330</b>	<b>\$ 9,757,530</b>	<b>\$ 208,200</b>	<b>2.2%</b>	<b>\$ 9,549,330</b>	<b>\$ 9,194,505</b>	<b>\$ (354,825)</b>	<b>(3.7)%</b>
<b>Financing:</b>									
State General Fund	\$ 8,715,450	\$ 8,833,103	\$ 9,155,366	\$ 322,263	3.6%	\$ 8,833,103	\$ 8,592,341	\$ (240,762)	(2.7)%
All Other Funds	505,655	716,227	602,164	(114,063)	(15.9)	716,227	602,164	(114,063)	(15.9)
<b>TOTAL</b>	<b>\$ 9,221,105</b>	<b>\$ 9,549,330</b>	<b>\$ 9,757,530</b>	<b>\$ 208,200</b>	<b>2.2%</b>	<b>\$ 9,549,330</b>	<b>\$ 9,194,505</b>	<b>\$ (354,825)</b>	<b>(3.7)%</b>

## BUDGET OVERVIEW

### A. FY 2011 – Current Year

CHANGE FROM APPROVED BUDGET					
	Approved 2010 Legislature	Agency Estimate FY 2011	Agency Change from Approved	Governor Rec. FY 2011	Governor Change from Approved
State General Fund	\$ 8,833,103	\$ 8,833,103	\$ 0	\$ 8,833,103	\$ 0
All Other Funds	471,834	716,227	244,393	716,227	244,393
TOTAL	<u>\$ 9,304,937</u>	<u>\$ 9,549,330</u>	<u>\$ 244,393</u>	<u>\$ 9,549,330</u>	<u>\$ 244,393</u>
FTE Positions	173.5	173.5	0.0	173.5	0.0

The **agency** estimates FY 2011 operating expenditures of \$9,549,330, an increase of \$244,393, or 2.6 percent, above the amount approved by the 2010 Legislature. The revised estimate includes State General Fund expenditures of \$8,833,103, the same as the approved amount. The agency estimates \$716,227 in all other funds, an increase of \$244,393, or 51.8 percent, above the amount approved amount. The increase is due to fee funds which carried forward a balance from FY 2010 as well as an increase in State Institutions Building Fund (SIBF). The estimate includes 173.5 FTE positions, which is the same as the approved.

The agency also estimates \$675,040, including \$63,850 from the State General Fund, for capital improvements. This is an increase of \$66,775, or 12.3 percent, above the amount approved by the 2010 Legislature. The agency estimate includes additional funding of \$36,070, all from the State Institutions Building Fund, for roof repairs at the Emery Building and a reappropriation of \$30,705, all from the State Institutions Building Fund.

The **Governor** concurs with the agency estimate.



## B. FY 2012 – Budget Year

FY 2012 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
<b>Total Request/Recommendation</b>	<b>\$ 9,757,530</b>	<b>\$ 9,194,505</b>	<b>\$ (563,025)</b>
<b>FTE Positions</b>	<b>173.5</b>	<b>150.5</b>	<b>(23.0)</b>
<b>Change from FY 2011:</b>			
<i>Dollar Change:</i>			
State General Fund	\$ 322,263	\$ (240,762)	
All Other Funds	(114,063)	(114,063)	
<b>TOTAL</b>	<b>\$ 208,200</b>	<b>\$ (354,825)</b>	
<i>Percent Change:</i>			
State General Fund	3.6%	(2.7)%	
All Other Funds	(15.9)	(15.9)	
<b>TOTAL</b>	<b>2.2%</b>	<b>(3.7)%</b>	
Change in FTE Positions	0.0	(23.0)	

The **agency** requests FY 2012 operating expenditures of \$9,757,530, an all funds increase of \$208,200, or 2.2 percent, above the revised FY 2011 estimate. The request includes State General Fund expenditures of \$9,155,366, an increase of \$322,263, or 3.6 percent, above the revised FY 2011 estimate. The request includes \$602,164 in all other funds, a decrease of \$114,063, or 15.9 percent, below the revised FY 2011 estimate. The estimate includes 173.5 FTE positions, the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$112,205, all from the State General Fund, to add three days to teacher contracts, increase teacher's salaries and purchase one vehicle. **Absent the enhancements**, the request is \$9,645,325, including \$9,043,161 from the State General Fund. This is an all funds increase of \$95,955, or 1.0 percent, and a State General Fund increase of \$210,058, or 2.4 percent, above the revised FY 2011 estimate. The increase is mainly due to an increase in salaries and wages for KPERS employer contributions and group health insurance.

The **Governor** recommends an FY 2012 operating budget of \$9.2 million, including \$8.6 million from the State General Fund. This is an all funds decrease of \$563,025, or 5.8 percent, below the agency FY 2012 request and a State General Fund decrease of the same amount. It is an all funds decrease of \$354,825, or 3.7 percent, and a State General Fund decrease of

\$240,762, or 2.7 percent, below the Governor's FY 2011 recommendation. The Governor recommends adopting the agency reduced resource package with the following adjustments:

- **Vacate the Career Facilitator and Transition Coordinator Positions.** The agency submitted a reduced resource budget of \$122,092, all from the State General Fund, to eliminate a career facilitator and a transition coordinator for FY 2012. The Governor recommends combining the two positions for a State General Fund savings of \$69,033.
- **Eliminate Extended School Year Program.** The agency submitted a reduced resource budget of \$65,423, all from the State General Fund, to eliminate the extended school year program for FY 2012. The Governor recommends a partial reduction of \$29,315, all from the State General Fund. Based on this recommendation, \$36,038, all from the State General Fund, would remain in this program.
- **Vacate Two Administrative Support Positions in the Instruction Program.** The agency did not submit this as part of their reduced resources. However, the Governor recommends vacating two administrative support positions resulting in savings of \$89,167, all from the State General Fund, for FY 2012.

In addition, the Governor did not recommend any of the agency enhancements and deleted 23.0 vacant FTE positions.

FY 2012 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Add three days to teacher contract	\$ 78,105	\$ 78,105	0.0	\$ 0	\$ 0	0.0
Fund teacher salary increase	13,200	13,200	0.0	0	0	0.0
Purchase one vehicle	20,900	20,900	0.0	0	0	0.0
TOTAL	<u>\$ 112,205</u>	<u>\$ 112,205</u>	<u>0.0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0</u>

### Enhancements Detail

**Add three days to teacher contract.** The agency requests \$78,105, all from the State General Fund, to restore three contract days that were eliminated in the FY 2010 budget. According to the agency, adding three days will allow the school to restore professional learning and in-service time.

The **Governor** does not recommend the enhancement.

**Fund teacher salary increase.** The agency requests \$13,200, all from the State General Fund, to pay for additional salary costs for teachers who complete additional coursework. According to K.S.A 76-11a17, teachers and licensed personnel at the Kansas School for the Deaf are required to be compensated at a rate not less than that paid by the Olathe Unified School District (USD No. 233). According to the agency, a small amount is needed to cover movement on the salary schedule for those who completed additional coursework.

The **Governor** does not recommend the enhancement.

**Purchase one replacement vehicle.** The agency requests \$20,900, all from the State General Fund, for the purchase of one replacement vehicle. According to the agency, it currently has four vehicles, each with over 100,000 miles. The remaining nine vehicles have a current average of approximately 80,000 miles. The replacement vehicle would be used to transport students and staff for school and residential activities as well as athletics.

The **Governor** does not recommend the enhancement.



FY 2012 REDUCED RESOURCES						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Vacate two maintenance positions and reduce contracted services	\$ (129,438)	\$ (129,438)	0.0	\$ (129,438)	\$ (129,438)	0.0
Reduce extracurricular activities	(102,199)	(102,199)	0.0	(102,199)	(102,199)	0.0
Vacate a dietary position	(31,668)	(31,668)	0.0	(31,668)	(31,668)	0.0
Vacate career facilitator and transition coordinator positions	(122,092)	(122,092)	0.0	(69,033)	(69,033)	0.0
Eliminate extended school year	(65,423)	(65,423)	0.0	(29,315)	(29,315)	0.0
Vacate two administrative support positions	0	0	0.0	(89,167)	(89,167)	0.0
TOTAL	<u>\$ (450,820)</u>	<u>\$ (450,820)</u>	<u>0.0</u>	<u>\$ (450,820)</u>	<u>\$ (450,820)</u>	<u>0.0</u>

## FY 2012 Reduced Resources

The **agency** submits a reduced resource budget totaling \$450,820, all from the State General Fund, which includes the following adjustments:

- **Vacate Maintenance Positions and Reduce Contracted Services.** The agency submits a reduced resource budget of \$129,438, all from the State General Fund, to eliminate two maintenance positions and reduce contracted services. The agency indicates the reduction would impede its ability to respond to the maintenance and repairs affecting life safety systems and facilities.
- **Reduce Extracurricular Activities.** The agency submits a reduced resource budget of \$102,199, all from the State General Fund, to reduce extracurricular activities. The agency indicates the reduction would include activities such as sports, drama, academics bowl and various clubs.
- **Vacate a Dietary Position.** The agency submits a reduced resource budget of \$31,668, all from the State General Fund, to eliminate a dietary position. The agency indicates that eliminating the position would increase the amount of food preparation time for kitchen staff.
- **Vacate the Career Facilitator and Transition Coordinator Positions.** The agency submits a reduced resource budget of \$122,092, all from the State General Fund, to eliminate a career facilitator and a transition coordinator. These positions serve as points of reference for students, parents and faculty in post-secondary opportunities. They also serve as liaisons for the school, seeking potential opportunities for students and facilitating the ACT and training programs relevant to students' post-secondary plans.

- **Eliminate Extended School Year Program.** The agency submits a reduced resource budget of \$65,423, all from the State General Fund, to eliminate the extended school year program. The agency indicates eliminating the program would directly impact students since the program is designed to meet Individualized Education Plans (IEP) of students and could potentially impact compliance with state and federal guidelines.

The **Governor** concurs with the agency reduced resource budget with the following adjustments:

- **Vacate the Career Facilitator and Transition Coordinator Positions.** The Governor recommends combining the two positions for a savings of \$69,033, all from the State General Fund.
- **Eliminate Extended School Year Program.** The Governor recommends a partial reduction of \$29,315, all from the State General Fund. Based on this recommendation, \$36,038, all from the State General Fund, would remain in this program.
- **Vacate Two Administrative Support Positions in the Instructional Services Program.** The agency did not submit this as part of their reduced resources. However, the Governor recommends vacating two administrative support positions resulting in savings of \$89,167, all from the State General Fund.

## Governor's Recommended Salary and Wage Adjustments

**State Employee Pay Increases.** The Governor's FY 2012 recommendation does not include a base salary adjustment for state employees.

**Classified Employee Pay Plan.** During the 2007 interim, the State Employee Compensation Oversight Commission was charged with the development of a new pay plan for classified employees for the Governor, Chief Justice of the Supreme Court and 2008 Legislature to consider. The Commission endorsed the recommendation of the Hay Group that five separate pay plans be created for state employees in the classified service, with different opportunities for pay increases to acknowledge the different types of work performed. The five pay plans recommended include: a management pay plan for those involved in managerial functions (increases based on performance); a professional individual contributor for employees requiring knowledge of principles and theories of a professional discipline that is normally obtained through a college curriculum (increases within broad bands to reflect different levels of work and performance against established standards); a protective service pay plan for uniformed officers and all other positions that meet the definition of police or law enforcement officer (increases based on achievement of milestone and certification events as well as time on the job and performance); a basic vocational pay plan for employees that perform routine, structured, work where performance can be measured on a pass/fail basis (increases based on the traditional step movement approach, based on time on the job); and a general classified pay plan for those employees who do not fall within the parameters of the other four plans (the pay ranges will have steps below the market rate and an open range above the market rate).

The time frame to fully implement the recommended plan was five years. Under the plan, the classified employees were divided into three groups to first address those with the greatest salary disparity to the market rate. The 2008 Legislature appropriated \$8.5 million from the State General Fund for FY 2009, the first year of the program. The 2008 Legislature also appropriated \$8.5 million from the State General Fund for each year from FY 2010 through FY 2013 to the State Finance Council. The Governor does not recommend continued funding for the plan, and recommends that the \$8.5 million which had been previously appropriated for both FY 2012 and FY 2013 be lapsed.

**Longevity Bonus Payments.** For FY 2012, the Governor recommends the continuation of the current "temporary" longevity bonus payment program. The recommendation provides for a bonus of \$50 per year of service, with a 10-year minimum (\$500) and a 25-year maximum (\$1,250). The current statutory provisions of the longevity bonus payment are \$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 2012 payments is \$12.6 million, including \$5.3 million from the State General Fund. **For this agency,** longevity payments total \$15,750, including \$15,513 from the State General Fund.

**Kansas Public Employees Retirement System (KERS) Rate Adjustments.** A total of \$37.1 million, including \$32.3 million from the State General Fund, is included in the Governor's FY 2012 recommendations for KERS adjustments. The FY 2012 rate for KERS regular and school members will increase by 0.6 percent, from 8.17 percent to 8.77 percent, when compared to FY 2011. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KERS fund.

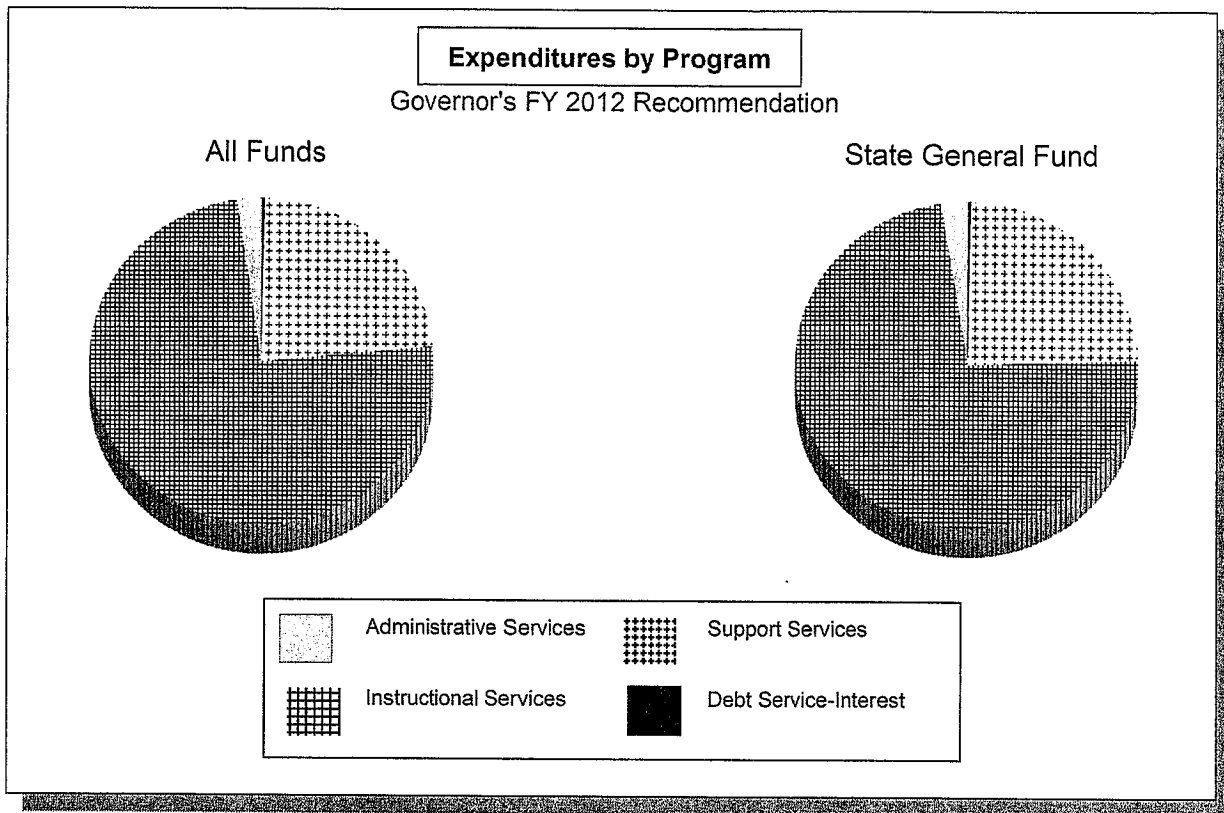
## Funding Sources

Funding Source	Agency Req. Percent of Total FY 2012	Gov. Rec. Percent of Total FY 2012
State General Fund	93.8%	93.5%
All Other Funds	6.2	6.5
TOTAL	100.0%	100.0%

**Note:** Percentages may not add due to rounding.



## PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2012	Percent of Total	Gov. Rec. SGF FY 2012	Percent of Total
Administrative Services	\$ 218,620	2.4%	\$ 218,620	2.5%
Instructional Services	6,819,387	74.2	6,267,868	72.9
Support Services	2,129,746	23.2	2,079,101	24.2
Debt Service - Interest	26,752	0.3	26,752	0.3
<b>TOTAL</b>	<b>\$ 9,194,505</b>	<b>100.0%</b>	<b>\$ 8,592,341</b>	<b>100.0%</b>

### FTE POSITIONS BY PROGRAM – FY 2010- FY 2012

Program	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Administrative Services	2.6	2.6	2.6	2.6	1.6
Instructional Services	132.4	132.4	132.4	132.4	118.4
Support Services	38.5	38.5	38.5	38.5	30.5
TOTAL	173.5	173.5	173.5	173.5	150.5

## A. Administrative Services

The Administrative Services program coordinates overall management and operations of KSSD, including Instructional, Residential, and Support Services. The program is also responsible for budget preparation and implementation of the School Improvement Plan.

ADMINISTRATIVE SERVICES SUMMARY OF EXPENDITURES FY 2010-FY 2012					
Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Expenditures:					
Salaries and Wages	\$ 196,625	\$ 164,576	\$ 164,576	\$ 167,695	\$ 167,695
Contractual Services	64,073	49,420	49,420	50,200	50,200
Commodities	530	580	580	725	725
Capital Outlay	0	0	0	0	0
Subtotal - Operating	\$ 261,228	\$ 214,576	\$ 214,576	\$ 218,620	\$ 218,620
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 261,228</u>	<u>\$ 214,576</u>	<u>\$ 214,576</u>	<u>\$ 218,620</u>	<u>\$ 218,620</u>
Financing:					
State General Fund	\$ 226,333	\$ 214,576	\$ 214,576	\$ 218,620	\$ 218,620
All Other Funds	34,895	0	0	0	0
TOTAL	<u>\$ 261,228</u>	<u>\$ 214,576</u>	<u>\$ 214,576</u>	<u>\$ 218,620</u>	<u>\$ 218,620</u>
FTE Positions	2.6	2.6	2.6	2.6	1.6
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>2.6</u>	<u>2.6</u>	<u>2.6</u>	<u>2.6</u>	<u>1.6</u>

### FY 2011

The **agency** estimates operating expenditures of \$214,576, all from the State General Fund. The revised estimate is an all funds decrease of \$46,652, or 17.9 percent, below the FY 2010 actual and a State General Fund decrease of \$11,757, or 5.2 percent. In FY 2010, the agency utilized Student Activity Fee Funds and Special Bequest Funds totaling \$34,895 which were not included in the revised FY 2011 estimate. The State General Fund decrease is due to a reduction in salaries and wages expenditures for a vacant position, a decrease in DISC fees and a decrease in other professional fees. The estimate includes 2.6 FTE, the same as the FY 2010 actual.

The **Governor** concurs with the agency estimate.

## FY 2012

The **agency** requests operating expenditures of \$218,620, all from the State General Fund. The request is an increase of \$4,044, or 1.9 percent, above the revised FY 2011 estimate.

- **Salaries and Wages.** The agency requests \$167,695, all from the State General Fund, for 2.6 FTE positions. This is an increase of \$3,119, or 1.9 percent, above the revised FY 2011 estimate and is due to cost increases in KPERS employer retirement contributions and group health insurance.
- **Contractual Services.** The agency requests \$50,200, all from the State General Fund, for contractual services. This is an increase of \$780, or 1.6 percent, above the revised FY 2011 estimate. The increase is primarily due to an increase in dues and subscriptions and other professional fees.
- **Commodities.** The agency requests \$725, all from the State General Fund, for commodities. This is an increase of \$145, or 25.0 percent, above the revised FY 2011 estimate. The increase is due to an increase in stationery and office supplies in anticipation of increased costs for developing and printing new stationery and business cards as a result of consolidation of the administrative functions of the two schools.

The **Governor** concurs with the agency request with but recommends deleting 1.0 vacant FTE position.



## ***B. Instructional Services***

To fulfill its mission to provide Deaf and Hard of Hearing (D/HH) students total accessibility to language, communication, and educational excellence in a visual environment, KSSD has divided the Instructional Services program into three sub-programs:

- Instructional Services, which consists of teachers and para-professionals;
- Related Services, which consists of psychologists, audiologists, counselors, therapists, and health care professionals; and
- Residential Services, which consists of dormitory teachers.

The program offers small classes for D/HH students, as required by special education regulations. To ensure adequate supervision, dormitory groups are also small. The students' Individualized Education Plans (IEPs) dictate the diagnostic, therapy, and support services needed for each child. Extracurricular athletic, academic, social, and the extended school year (summer school) programs are provided for those children whose IEPs specify such activities. Since one-third of the staff at KSSD is deaf, the School highly values sign language proficiency. All personnel must either be proficient, or working toward becoming proficient, in sign language skills.

**INSTRUCTIONAL SERVICES  
SUMMARY OF EXPENDITURES FY 2010-FY 2012**

Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
<b>Expenditures:</b>					
Salaries and Wages	\$ 6,243,348	\$ 6,530,281	\$ 6,530,281	\$ 6,735,650	\$ 6,354,631
Contractual Services	219,385	208,474	208,474	200,568	200,568
Commodities	258,117	268,135	268,135	264,188	264,188
Capital Outlay	51,777	44,000	44,000	0	0
Subtotal - Operating	\$ 6,772,627	\$ 7,050,890	\$ 7,050,890	\$ 7,200,406	\$ 6,819,387
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 6,772,627</b>	<b>\$ 7,050,890</b>	<b>\$ 7,050,890</b>	<b>\$ 7,200,406</b>	<b>\$ 6,819,387</b>
<b>Financing:</b>					
State General Fund	\$ 6,438,744	\$ 6,406,405	\$ 6,406,405	\$ 6,648,887	\$ 6,267,868
All Other Funds	333,883	644,485	644,485	551,519	551,519
<b>TOTAL</b>	<b>\$ 6,772,627</b>	<b>\$ 7,050,890</b>	<b>\$ 7,050,890</b>	<b>\$ 7,200,406</b>	<b>\$ 6,819,387</b>
FTE Positions	132.4	132.4	132.4	132.4	118.4
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>132.4</b>	<b>132.4</b>	<b>132.4</b>	<b>132.4</b>	<b>118.4</b>

**FY 2011**

The **agency** estimates operating expenditures of \$7,050,830, including \$6,406,405 from the State General Fund. The revised estimate is an all funds increase of \$278,263, or 4.1 percent, above the FY 2010 actual which is offset by a State General Fund decrease of \$32,339, or 0.5 percent. The all funds increase is mainly due to an increase in salaries and wages of \$286,993, or 4.6 percent, above the FY 2010, offset by reductions in contractual services and capital outlay. The estimate includes 132.4 FTE, the same as the FY 2010 actual.

The **Governor** concurs with the agency estimate.

**FY 2012**

The **agency** requests operating expenditures of \$7,200,406, including \$6,648,887 from the State General Fund. The request is an increase of \$149,576, or 2.1 percent, above the revised FY 2011 estimate.

- **Salaries and Wages.** The agency requests \$6,735,650, including \$6,614,106 from the State General Fund, for 132.4 FTE positions. This is an increase of \$205,369, or 3.1 percent, above the revised FY 2011 estimate. Included in the amount is an enhancement

request totaling \$91,305, all from the State General Fund. The request includes \$13,200, all from the State General Fund, for teacher salary increases for continuing education and \$78,105, all from the State General Fund, to add three days to the school year. Absent the enhancement, the request is \$6,644,150, including \$6,522,606 from the State General Fund. This is an all funds increase of \$113,869, or 1.7 percent, above the revised FY 2011 estimate and a State General Fund increase of \$116,201, or 1.8 percent, above the revised FY 2011 estimate. The increase is primarily due to KPERS employer retirement contributions and group health insurance.

- **Contractual Services.** The agency requests \$200,568, including \$34,781 from the State General Fund, for contractual services. This is an all funds decrease of \$7,906, or 3.8 percent, below the revised FY 2011 estimate. The decrease is mainly due to a reduction in expenditures for in-state meals and lodging and dues and subscriptions. The request is a State General Fund increase of \$34,871, or 100.0 percent, above the revised FY 2011 estimate. In FY 2011, the agency did not budget any State General Funds in contractual services, resulting in the increase.
- **Commodities.** The agency requests \$264,188, all from special revenue funds, for commodities. This is an all funds decrease of \$3,947, or 1.5 percent, below the revised FY 2011 estimate.
- **Capital Outlay.** The agency makes no request for capital outlay. This is a decrease of \$44,000, all from special revenue funds, or 100.0 percent, below the revised FY 2011 estimate. The agency received a grant in FY 2011 for digital hearing aid supplies that is no longer available in FY 2012.

The **Governor** recommends \$6,819,387 including \$6,267,868 from the State General Fund, and 118.4 FTE for FY 2012. This is an all funds decrease of \$381,019, or 5.3 percent, and a State General Fund decrease of \$381,019, or 5.7 percent, below the agency request. It is a decrease of 14.0 FTE positions below the agency request. It is a decrease of \$231,503, or 3.3 percent, below the Governor's FY 2011 recommendation. The Governor does not recommend the agency's enhancements totaling \$91,305, all from the State General Fund. The Governor further recommends the following from the agency's reduced resource budget:

- **Reduce Extracurricular Activities.** Delete \$102,199, all from the State General Fund, to reduce extracurricular activities.
- **Vacate the Career Facilitator and Transition Coordinator Positions.** Delete \$69,033, all from the State General Fund, and combine the two positions.
- **Eliminate Extended School Year Program.** Delete \$29,315, all from the State General Fund, for the extended school year program. Based on this recommendation, \$36,038, all from the State General Fund, would remain in this program.
- **Vacate Two Administrative Support Positions in the Instructional Services Program.** Delete \$89,167, all from the State General Fund, and vacate two administrative support positions.

In addition, the Governor recommends deleting 14.0 vacant FTE positions from the Instructional Services program.

### C. Support Services

The Support Services program is responsible for maintaining a safe, clean, and comfortable environment for KSSD students. The program provides the necessary housekeeping, utilities, transportation, and maintenance services for the School.

SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2010-FY 2012					
Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Expenditures:					
Salaries and Wages	\$ 1,419,688	\$ 1,542,632	\$ 1,542,632	\$ 1,582,329	\$ 1,463,723
Contractual Services	542,444	533,894	533,894	539,124	496,624
Commodities	179,565	177,916	177,916	169,399	169,399
Capital Outlay	13,669	0	0	20,900	0
Subtotal - Operating	\$ 2,155,366	\$ 2,254,442	\$ 2,254,442	\$ 2,311,752	\$ 2,129,746
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 2,155,366</u>	<u>\$ 2,254,442</u>	<u>\$ 2,254,442</u>	<u>\$ 2,311,752</u>	<u>\$ 2,129,746</u>
Financing:					
State General Fund	\$ 2,018,489	\$ 2,182,700	\$ 2,182,700	\$ 2,261,107	\$ 2,079,101
All Other Funds	136,877	71,742	71,742	50,645	50,645
TOTAL	<u>\$ 2,155,366</u>	<u>\$ 2,254,442</u>	<u>\$ 2,254,442</u>	<u>\$ 2,311,752</u>	<u>\$ 2,129,746</u>
FTE Positions	38.5	38.5	38.5	38.5	30.5
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>38.5</u>	<u>38.5</u>	<u>38.5</u>	<u>38.5</u>	<u>30.5</u>

#### FY 2011

The **agency** estimates operating expenditures of \$2,254,442, including \$2,182,700 from the State General Fund. The revised estimate is an all funds increase of \$99,076, or 4.6 percent, and a State General Fund increase of \$164,211, or 8.1 percent, above the FY 2010 actual. The estimate includes 38.5 FTE, the same as the FY 2010 actual. The increase is due to an increase in salaries and wages, longevity, KPERS retirement contributions and group health insurance.

The **Governor** concurs with the agency estimate.



## FY 2012

The **agency** requests operating expenditures of \$2,311,752, including \$2,261,107 from the State General Fund. The request is an all funds increase of \$57,310, or 2.5 percent, above the revised FY 2011 estimate. It is a State General Fund increase of \$78,407, or 3.6 percent, above the revised FY 2011 estimate.

- **Salaries and Wages.** The agency requests \$1,582,329, all from the State General Fund, for 38.5 FTE positions. This is an increase of \$36,697, or 2.6 percent, above the revised FY 2011 estimate. The increase includes an increase in salaries and wages and longevity but is mainly due to KPERS employer retirement contributions and group health insurance increases.
- **Contractual Services.** The agency requests \$539,124, all from the State General Fund, for contractual services. This is an increase of \$5,230, or 1.0 percent, above the revised FY 2011 estimate. The increase is primarily due to rising costs for electricity and natural gas.
- **Commodities.** The agency requests \$169,399, including \$118,754 from the State General Fund, for commodities. Of this amount, \$103,811 is for food for students attending school at KSSD. The request is an all funds decrease of \$8,517, or 4.8 percent, below the revised FY 2011 estimate. It is a State General Fund increase of \$12,580, or 11.8 percent, above the revised FY 2011 estimate.
- **Capital Outlay.** The agency requests \$20,900, all from the State General Fund, for capital outlay. This is an increase of \$20,900, or 100.0 percent, above the revised FY 2011 estimate. The increase is due to an enhancement request of \$20,900, all from the State General Fund, for one replacement van to transport students and staff for residential and athletic activities.

The **Governor** recommends \$2,129,746 including \$2,079,101 from the State General Fund, and 30.5 FTE for FY 2012. This is an all funds decrease of \$182,006, or 7.9 percent, and a State General Fund decrease of the same amount below the agency request. It is a decrease of 8.0 FTE positions below the agency request. The recommendation is an all funds decrease of \$124,696, or 5.5 percent, and a State General Fund decrease of \$103,599, or 4.7 percent, below the Governor's FY 2011 recommendation. The Governor does not recommend the agency's enhancement totaling \$20,900, all from the State General Fund. The Governor further recommends the following from the agency's reduced resource budget:

- **Vacate Maintenance Positions and Reduce Contracted Services.** Delete \$129,438, all from the State General Fund, to vacate two maintenance positions and reduce contracted services.
- **Vacate a Dietary Position.** Delete \$31,668, all from the State General Fund, to vacate a dietary position.

#### **D. Debt Service**

The agency's budget request includes debt service payments for the Facilities Conservation Improvement Program totaling \$29,422, all from the State General Fund, in FY 2011 and \$26,752, all from the State General Fund, for FY 2012. Debt service interest is reported as a part of an agency's operating expenditures. Debt service principal payments are reported as capital improvement expenditures.

The **Governor** concurs with agency request.

## CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Rehabilitation and Repair	\$ 235,705	\$ 235,705	\$ 210,000	\$ 300,000
Electrical Utility Distribution				
Upgrades to Roth				
Dormitory	339,415	339,415	0	0
Emery Hall Roof Repair	36,070	36,070	0	0
Roth Dormitory Renovation	0		279,449	0
Refrigeration Systems				
Upgrade	0	0	140,000	0
Debt Service - Principal	63,850	63,850	66,520	66,520
TOTAL	<u>\$ 675,040</u>	<u>\$ 675,040</u>	<u>\$ 695,969</u>	<u>\$ 366,520</u>
Financing:				
State General Fund	\$ 63,850	\$ 63,850	\$ 66,520	\$ 66,520
All Other Funds	611,190	611,190	629,449	300,000
TOTAL	<u>\$ 675,040</u>	<u>\$ 675,040</u>	<u>\$ 695,969</u>	<u>\$ 366,520</u>

**FY 2011-Current Year.** The agency estimates a revised FY 2011 capital improvements budget of \$675,040, comprised of \$63,850 from the State General Fund and \$611,190 from the State Institutions Building Fund. All funding from the State General Fund would apply to the agency's debt service principal payment made on the Facilities Conservation Improvement Project. This is the same as the amount approved by the 2010 Legislature. The following projects are included in the estimate:

- **Rehabilitation and Repair.** The agency estimates \$235,705, all from the State Institutions Building Fund, for general rehabilitation and repair projects.
- **Electrical Utility Distribution Upgrades to Roth Dormitory.** The agency estimates \$339,415, all from the State Institutions Building Fund, to upgrade the electrical distribution system. According to the agency, the current system has become outdated and can no longer carry the loads required by the facility.
- **Repair Emery Hall Roof.** The agency estimates \$36,070, all from the State Institutions Building Fund, to repair the roof on Emery Hall. According to the agency, the roof is experiencing significant leaks into dormitory, classroom and office areas due to flashing failure and block shifting that has resulted in cracking and gaping seals. Funding would be used to re-anchor the limestone blocks, reseal joints, fabricate and install appropriate

flashing and repair seams. The agency included a reappropriation of \$30,705, all from the State Institutions Building Fund, in rehabilitation and repair to remove damaged sheet rock, ceiling tile, floor tile, warped window frames and paint in the damaged dormitory, classroom and office areas.

- **Debt Service Principal.** The agency estimates \$63,850, all from the State General Fund, for debt service principal payments on the Facilities Conservation Improvement Project in FY 2011.

The **Governor** concurs with the agency FY 2011 capital improvements estimate.

**FY 2012-Budget Year.** The agency requests a FY 2012 capital improvements budget of \$695,069, comprised of \$66,520 from the State General Fund and \$629,449 from the State Institutions Building Fund. All funding from the State General Fund would apply to the agency's debt service principal payment made on the Facilities Conservation Improvement Project. The following projects are included in the request:

- **Rehabilitation and Repair.** The agency requests \$210,000, all from the State Institutions Building Fund, for general rehabilitation and repair projects.
- **Roth Dormitory Renovation.** The agency requests \$279,449, all from the State Institutions Building Fund, for architect fees to finish phase II of the renovation project. In 2007, phase I (East Wing) was completed.
- **Refrigeration Systems Upgrade.** The agency requests \$140,000, all from the State Institutions Building Fund, to replace the main kitchen refrigeration system. According to the agency, repairing them is no longer cost efficient due to the age of most of the systems.
- **Debt Service Principal.** The agency requests \$66,520, all from the State General Fund, for debt service principal payments on the Facilities Conservation Improvement Project in FY 2012.

The **Governor** recommends \$366,520, including \$66,520 from the State General Fund, for capital improvements in FY 2012. The Governor recommends \$300,000, all from the State Institutions Building Fund, for rehabilitation and repair. This is an increase of \$90,000, or 42.9 percent, above the agency request for rehabilitation and repair. The increase is to address basic maintenance issues on campus that have accumulated over time related to preventing water and moisture from entering buildings.



PERFORMANCE MEASURES				
Measure	Gov. Rec. FY 2010	Actual FY 2010	Gov. Rec. FY 2011	Gov. Rec. FY 2012
Percent of students scoring proficient or higher on the state assessment in math	90.0%	80.0%	85.0%	90.0%
Percent of subject areas with curriculum aligned with the current state standards	100.0%	100.0%	100.0%	100.0%
Percent of students scoring proficient or higher on the state assessment in reading	80.0%	80.0%	85.0%	90.0%

# KANSAS STATE SCHOOL FOR THE BLIND

Expenditure	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Operating Expenditures:					
State General Fund	\$ 5,365,651	\$ 5,530,223	\$ 5,530,223	\$ 5,663,154	\$ 5,327,944
Other Funds	534,926	570,307	570,307	594,418	724,836
TOTAL	\$ 5,900,577	\$ 6,100,530	\$ 6,100,530	\$ 6,257,572	\$ 6,052,780
Capital Improvements:					
State General Fund	\$ 29,107	\$ 30,509	\$ 30,509	\$ 31,979	\$ 31,979
Other Funds	131,791	546,167	546,167	289,004	191,696
TOTAL	\$ 160,898	\$ 576,676	\$ 576,676	\$ 320,983	\$ 223,675
<b>GRAND TOTAL</b>	<b>\$ 6,061,475</b>	<b>\$ 6,677,206</b>	<b>\$ 6,677,206</b>	<b>\$ 6,578,555</b>	<b>\$ 6,276,455</b>

## Percentage Change:

Operating Expenditures:					
State General Fund	(3.1)%	3.1%	3.1%	2.4%	(3.7)%
All Funds	(1.1)	3.4	3.4	2.6	(0.8)
FTE Positions	93.5	93.5	93.5	93.5	82.5
Non-FTE Perm.Uncl.Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	93.5	93.5	93.5	93.5	82.5

## AGENCY OVERVIEW

The mission of the Kansas State School for the Blind (KSSB) is to empower both blind and visually impaired students with the knowledge, attitudes, and skills needed to assume responsible roles in society and to lead fulfilling lives. KSSB established three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services.

To fulfill its mission, the School serves as the center for state-of-the-art education of Kansas children who are either blind or visually impaired, and as the training and support base for teachers across the state who work with children who have sensory impairments. Through its outreach program, KSSB also provides direct support in public schools by working with students, teachers, and parents to improve educational opportunities for students who are visually impaired.

KSSB is a state agency under the control and supervision of the State Board of Education. Residents of the state, up to the age of 21, who are unable to materially benefit from attendance in a public school because of a visual impairment, are entitled to free admission to the School. KSSB has a dormitory program with an extensive educational focus on daily living skills, a transition and career education program and a comprehensive nursing and student health program.

## MAJOR ISSUES FROM PRIOR YEARS

**2004 Interim.** The Legislative Budget Committee asked the Joint Committee on State Building Construction to review the utilization and viability of the School for the Blind and the School for the Deaf. Both Committees specifically reviewed the capacity and utilization of the Schools' dormitories, classrooms, and campuses, as well as alternative methods of providing services to blind and deaf students. The alternative methods of providing services included returning all students to their local unified school districts (USDs), using regional centers of learning, and consolidating both schools on one campus. Neither Committee recommended any changes.

**2005 Session.** The Legislature restored the salaries and wages reduction recommended by the Governor for the Instructional Services program in FY 2006. The amount restored totaled \$100,000, all from the State General Fund.

The **2005 Legislature** also approved an additional \$130,990, all from the State General Fund, in FY 2006 to increase teacher salaries at KSSB to match the level of the Olathe Unified School District (USD No. 233) for the 2005-2006 school year.

**2006 Session.** The Legislature approved an additional \$32,800, all from the State General Fund, to replace a wheelchair accessible minivan in FY 2006.

The **2006 Legislature** also approved for FY 2007 an additional \$150,071, all from the State General Fund, to increase teacher salaries at KSSB to match the level of the Olathe School District (USD No. 233) for the 2006-2007 school year.

**2007 Session.** The Legislature added \$84,597, all from the State General Fund, to increase teacher salaries in FY 2008. The additional funding is for the implementation of a provision in 2007 HB 2310 which requires that, beginning on July 1, 2007, teachers or licensed personnel at the School for the Blind are to be paid a rate of compensation that is not less than the rate of compensation paid to teachers or licensed personnel at the Olathe School District as of September 1 of the preceding school year.

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas School for the Deaf, Kansas State School for the Blind, the Beloit Juvenile Correctional Facility, State Developmental Disability Hospitals and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations regarding these and any other facilities studied to the Governor and the Legislature.

The Commission studied combining the Kansas State School for the Blind and Kansas School for the Deaf on one campus, specifically the Olathe campus for the School for the Deaf.

## BUDGET SUMMARY AND KEY POINTS

**FY 2011 – Current Year.** The agency estimates FY 2011 operating expenditures of \$6,100,530, an increase of \$101,444, or 1.7 percent, above the amount approved by the 2010 Legislature. The revised estimate includes State General Fund expenditures of \$5,530,223, an increase of \$42,437, or 0.8 percent, above the approved amount. The agency estimates \$570,307 in all other funds, an increase of \$59,007, or 11.5 percent, above the approved amount. The estimate includes 93.5 FTE positions which is the same as the FY 2010 approved.

Included in the agency estimate is \$576,676, including \$30,509 from the State General Fund, for capital improvements. This is the same as the amount approved by the 2010 Legislature.

The **Governor** concurs with the agency estimate.

**FY 2012 – Budget Year.** The agency requests FY 2012 operating expenditures of \$6,257,572, an all funds increase of \$157,042, or 2.6 percent, above the revised FY 2011 estimate. The request includes State General Fund expenditures of \$5,663,154, an increase of \$132,931, or 2.4 percent, above the revised FY 2011 estimate. The request includes 93.5 FTE positions which is the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$55,431, all from the State General Fund, to add three days to teacher contracts, increase teacher's salaries and purchase one vehicle. **Absent the enhancements**, the request is \$6,202,141, including \$5,607,723 from the State General Fund. This is an all funds increase of \$101,611, or 1.7 percent, and a State General Fund increase of \$77,500, or 1.4 percent, above the revised FY 2011 estimate.

The agency request also includes \$320,983, including \$31,979 from the State General Fund, for capital improvements.

The **Governor** recommends a FY 2012 operating budget of \$6,052,780, including \$5,327,944 from the State General Fund. This is an all funds decrease of \$204,792, or 3.3 percent, and State General Fund decrease of \$335,210, or 5.9 percent, below the agency FY 2012 request. The recommendation is a decrease of \$47,750, or 0.8 percent, below the Governor's FY 2011 recommendation. Included in the recommendation is the adoption of part of the agency's reduced resource budget totaling \$279,779, all from the State General Fund, and a reduction of 11.0 vacant FTE positions. The Governor did not recommend any of the agency's enhancement requests.

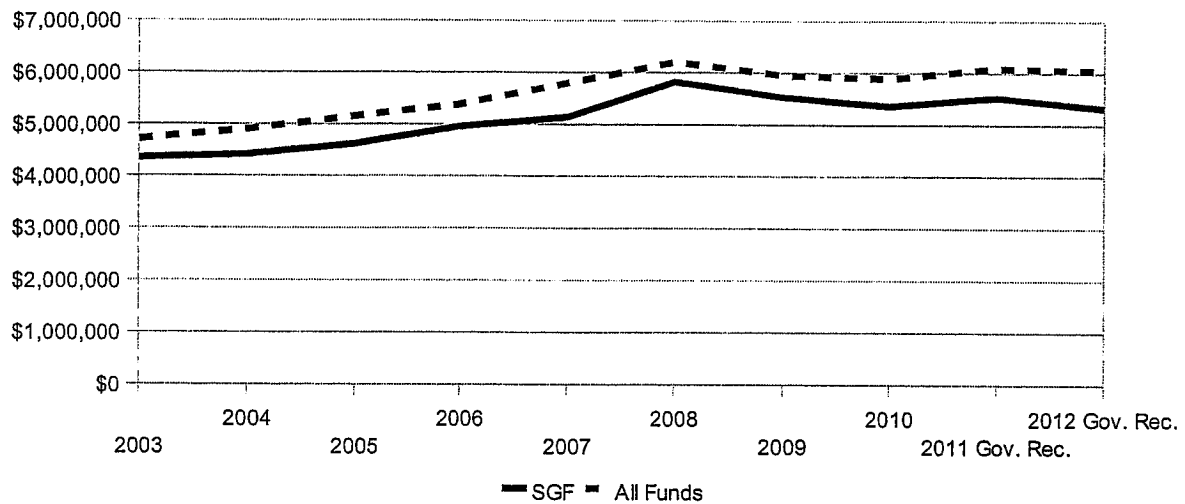


Due to initial capital improvement expenditures required to meet the needs of students from the School for the Blind, the Commission recommended that the campuses not be co-located, but rather the School for the Blind and School for the Deaf maintain their respective campuses, and share services where possible. Shared services should include one administrative staff, one superintendent position, food services, health services, and any other services possible in order to reduce expenditures.

**2010 Session.** The 2010 Legislature deleted \$211,799, all from the State General Fund, to apply a 2.5 percent reduction from the FY 2010 Governor's recommendation in FY 2011.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2003-FY 2012



## OPERATING EXPENDITURES FY 2003-FY 2012

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2003	\$ 4,351,914	(3.6)%	\$ 4,718,726	(3.5)%	93.5
2004	4,417,492	1.5	4,911,165	4.1	93.5
2005	4,623,900	4.7	5,161,014	5.1	93.5
2006	4,960,187	7.3	5,391,577	4.5	93.5
2007	5,144,255	3.7	5,801,788	7.6	93.5
2008	5,824,309	13.2	6,208,953	7.0	93.5
2009	5,536,607	(4.9)	5,964,855	(3.9)	93.5
2010	5,365,651	(3.1)	5,900,577	(1.1)	93.5
2011 Gov. Rec.	5,530,223	3.1	6,100,530	3.4	93.5
2012 Gov. Rec.	5,327,944	(3.7)	6,052,780	(0.8)	82.5
Ten-Year Change					
Dollars/Percent	\$ 976,030	22.4%	1,334,054	28.3%	(11.0)

# Summary of Operating Budget FY 2010-FY 2012

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Kansas State School for the Blind

		Agency Request					Governor's Recommendation			
		Actual FY 2010	Estimate FY 2011	Request FY 2012	Dollar Change from FY 11	Percent Change From FY 11	Rec. FY 2011	Rec. FY 2012	Dollar Change from FY 11	Percent Change from FY 11
<b>By Program:</b>										
Administrative Services	\$	526,086	\$ 467,872	\$ 471,276	\$ 3,404	0.7%	\$ 467,872	\$ 471,276	\$ 3,404	0.7%
Instructional Services		4,297,919	4,521,856	4,636,247	114,391	2.5	4,521,856	4,462,266	(59,590)	(1.3)
Support Services		1,062,000	1,097,184	1,137,900	40,716	3.7	1,097,184	1,107,089	9,905	0.9
Debt Service - Interest		14,572	13,618	12,149	(1,469)	(10.8)	13,618	12,149	(1,469)	(10.8)
<b>TOTAL</b>	<b>\$</b>	<b>5,900,577</b>	<b>\$ 6,100,530</b>	<b>\$ 6,257,572</b>	<b>\$ 157,042</b>	<b>2.6%</b>	<b>\$ 6,100,530</b>	<b>\$ 6,052,780</b>	<b>\$ (47,750)</b>	<b>(0.8)%</b>
<b>By Major Object:</b>										
Salaries and Wages	\$	4,912,614	\$ 5,027,034	\$ 5,179,484	\$ 152,450	3.0%	\$ 5,027,034	\$ 4,995,592	\$ (31,442)	(0.6)%
Contractual Services		724,420	805,103	773,619	(31,484)	(3.9)	805,103	773,619	(31,484)	(3.9)
Commodities		153,302	155,575	162,220	6,645	4.3	155,575	162,220	6,645	4.3
Capital Outlay		69,308	17,278	48,178	30,900	178.8	17,278	27,278	10,000	57.9
Debt Service - Interest		14,372	13,418	11,949	(1,469)	(10.9)	13,418	11,949	(1,469)	(10.9)
<b>Subtotal - Operations</b>	<b>\$</b>	<b>5,874,016</b>	<b>\$ 6,018,408</b>	<b>\$ 6,175,450</b>	<b>\$ 157,042</b>	<b>2.6%</b>	<b>\$ 6,018,408</b>	<b>\$ 5,970,658</b>	<b>\$ (47,750)</b>	<b>(0.8)%</b>
Aid to Local Units		0	0	0	0	0.0	0	0	0	0.0
Other Assistance		26,561	82,122	82,122	0	0.0	82,122	82,122	0	0.0
<b>TOTAL</b>	<b>\$</b>	<b>5,900,577</b>	<b>\$ 6,100,530</b>	<b>\$ 6,257,572</b>	<b>\$ 157,042</b>	<b>2.6%</b>	<b>\$ 6,100,530</b>	<b>\$ 6,052,780</b>	<b>\$ (47,750)</b>	<b>(0.8)%</b>
<b>Financing:</b>										
State General Fund	\$	5,365,651	\$ 5,530,223	\$ 5,663,154	\$ 132,931	2.4%	\$ 5,530,223	\$ 5,327,944	\$ (202,279)	(3.7)%
All Other Funds		534,926	570,307	594,418	24,111	4.2	570,307	724,836	154,529	27.1
<b>TOTAL</b>	<b>\$</b>	<b>5,900,577</b>	<b>\$ 6,100,530</b>	<b>\$ 6,257,572</b>	<b>\$ 157,042</b>	<b>2.6%</b>	<b>\$ 6,100,530</b>	<b>\$ 6,052,780</b>	<b>\$ (47,750)</b>	<b>(0.8)%</b>

## BUDGET OVERVIEW

### A. FY 2011 – Current Year

CHANGE FROM APPROVED BUDGET					
	Approved 2010 Legislature	Agency Estimate FY 2011	Agency Change from Approved	Governor Rec. FY 2011	Governor Change from Approved
State General Fund	\$ 5,487,786	\$ 5,530,223	\$ 42,437	\$ 5,530,223	\$ 42,437
All Other Funds	511,300	570,307	59,007	570,307	59,007
TOTAL	<u>\$ 5,999,086</u>	<u>\$ 6,100,530</u>	<u>\$ 101,444</u>	<u>\$ 6,100,530</u>	<u>\$ 101,444</u>
FTE Positions	93.5	93.5	0.0	93.5	0.0

The **agency** estimates FY 2011 operating expenditures of \$6,100,530, an increase of \$101,444, or 1.7 percent, above the amount approved by the 2010 Legislature. The revised estimate includes State General Fund expenditures of \$5,530,223, an increase of \$42,437, or 0.8 percent, above the approved amount which is due to a reappropriation. The agency estimates \$570,307 in all other funds, an increase of \$59,007, or 11.5 percent, above the approved amount. The estimate includes 93.5 FTE positions which is the same as the FY 2010 approved.

The **Governor** concurs with the agency estimate.

## B. FY 2012 – Budget Year

FY 2012 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
<b>Total Request/Recommendation</b>	<b>\$ 6,257,572</b>	<b>\$ 6,052,780</b>	<b>\$</b>	<b>(204,792)</b>
FTE Positions	93.5	82.5		(11.0)
<b>Change from FY 2011:</b>				
<i>Dollar Change:</i>				
State General Fund	\$ 132,931	\$ (202,279)		
All Other Funds	24,111	154,529		
<b>TOTAL</b>	<b>\$ 157,042</b>	<b>\$ (47,750)</b>		
<i>Percent Change:</i>				
State General Fund	2.4%	(3.7)%		
All Other Funds	4.2	27.1		
<b>TOTAL</b>	<b>2.6%</b>	<b>(0.8)%</b>		
Change in FTE Positions	0.0	(11.0)		

The **agency** requests FY 2012 operating expenditures of \$6,257,572, an all funds increase of \$157,042, or 2.6 percent, above the revised FY 2011 estimate. The request includes State General Fund expenditures of \$5,663,154, an increase of \$132,931, or 2.4 percent, above the revised FY 2011 estimate. The request includes 93.5 FTE positions, the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$55,431, all from the State General Fund, to add three days to teacher contracts, increase teacher's salaries and purchase one vehicle. **Absent the enhancements**, the request is \$6,202,141, including \$5,607,723 from the State General Fund. This is an all funds increase of \$101,611, or 1.7 percent, and a State General Fund increase of \$77,500, or 1.4 percent, above the revised FY 2011 estimate.

The **Governor** recommends a FY 2012 operating budget of \$6,052,780, including \$5,327,944 from the State General Fund. This is an all funds decrease of \$204,792, or 3.3 percent, and State General Fund decrease of \$335,210, or 5.9 percent, below the agency FY 2012 request. Included in the recommendation is the adoption of part of the agency's reduced resource budget including:



- **Extracurricular Activities.** Delete \$50,000, all from the State General Fund, to reduce student extracurricular activities for FY 2012. This is the same as the amount submitted by the agency.
- **Extended School Year.** The agency submitted a reduced resource budget of \$128,550, all from the State General Fund, to reduce the extended school year program from three weeks to one week. The Governor recommends deleting \$68,550, all from the State General Fund, to shorten the extended school year program for FY 2012.
- **Part-time Dietary Position.** Delete \$30,811, all from the State General Fund, to vacate a currently filled part-time dietary employee for FY 2012. This is the same as the amount submitted by the agency.

In addition, the Governor recommends the one-time use of the agency's fee funds totaling \$138,418, including \$70,418 from the General Fee Fund and \$60,000 from the Local Services Reimbursement Fund, in place of State General Funds for support services. The Governor did not recommend any of the agency's enhancement requests. The Governor's FY 2012 recommendation is an all funds decrease of \$47,750, or 0.8 percent, below the Governor's FY 2011 recommendation.

FY 2012 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Add three days to teacher contract	\$ 26,000	\$ 26,000	0.0	\$ 0	\$ 0	0.0
Fund teacher salary increase	8,531	8,531	0.0	0	0	0.0
Purchase one vehicle	20,900	20,900	0.0	0	0	0.0
TOTAL	\$ 55,431	\$ 55,431	0.0	\$ 0	\$ 0	0.0

### Enhancements Detail

**Add three days to teacher contract.** The agency requests \$26,000, all from the State General Fund, to restore three days that were eliminated in the FY 2010 budget. According to the agency, adding three days will allow the school to provide more professional development for teachers to enable them to remain current in the profession.

The **Governor** does not recommend the enhancement.

**Fund teacher salary increase.** The agency requests \$8,531, all from the State General Fund, to pay for additional salary costs for teachers who complete additional academic coursework.

The **Governor** does not recommend the enhancement.

**Purchase one replacement vehicle.** The agency requests \$20,900, all from the State General Fund, for the purchase of one replacement mini van. According to the agency, the vehicle is used mainly to transport students on field trips and to activities. It is anticipated that the van will exceed 100,000 miles by the end of FY 2011.

The **Governor** does not recommend the enhancement.

FY 2012 REDUCED RESOURCES						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Eliminate outside contracts and facility operations	\$ (70,418)	\$ (70,418)	0.0	\$ 0	0	0.0
Reduce extra curricular activities	(50,000)	(50,000)	0.0	(50,000)	(50,000)	0.0
Vacate a part-time dietary employee	(30,811)	(30,811)	0.0	(30,811)	(30,811)	0.0
Reduce the number of days in the school year	(128,550)	(128,550)	0.0	(68,550)	(68,550)	0.0
<b>TOTAL</b>	<b>\$ (279,779)</b>	<b>\$ (279,779)</b>	<b>0.0</b>	<b>\$ (149,361)</b>	<b>0</b>	<b>(149,361) 0.0</b>

## FY 2012 Reduced Resources

The **agency** submits a reduced resources budget totaling \$279,779, all from the State General Fund, which includes the following adjustments:

- **Eliminate Outside Contractors in Facilities Operations.** The agency submits a reduced resource budget of \$70,418, all from the State General Fund, to eliminate outside contractors in facilities operations. The agency indicates the reduction outcomes include a lack of services such as plumbing, electrical and other minor repairs which cannot be performed by existing staff.
- **Reduce Extra Curricular Activities.** The agency submits a reduced resource budget of \$50,000, all from the State General Fund, to eliminate extra curricular activities. The agency indicates the reduction would result in reducing or eliminating after school events such as band, athletic events, after school clubs, yearbook and accreditation compliance activities.
- **Vacate a Part-Time Dietary Employee.** The agency submits a reduced resource budget of \$30,811, all from the State General Fund, to vacate a currently filled part-time dietary employee. The agency states the reduction outcome would result in adding more responsibilities to the remaining staff.
- **Reduce Extended School Year Program.** The agency submits a reduced resource budget of \$128,550, all from the State General Fund, to reduce the extended school year program. The agency indicates that reducing the program would directly impact students since the program is designed to meet Individualized Education Plans (IEP) of students and could potentially impact compliance with state and federal guidelines.

The **Governor** recommends partial adoption of the agency's reduced resource budget as follows:

- **Extracurricular Activities.** Delete \$50,000, all from the State General Fund, to reduce student extracurricular activities for FY 2012. This is the same as the amount submitted by the agency.

- **Part-time Dietary Position.** Delete \$30,811, all from the State General Fund, to vacate a currently filled part-time dietary employee for FY 2012. This is the same as the amount submitted by the agency.
- **Extended School Year.** Delete \$68,550, all from the State General Fund, to shorten the extended school year program for FY 2012. This is a decrease of \$60,000, or 46.7 percent, below the amount submitted by the agency.

## Governor's Recommended Salary and Wage Adjustments

**State Employee Pay Increases.** The Governor's FY 2012 recommendation does not include a base salary adjustment for state employees.

**Classified Employee Pay Plan.** During the 2007 interim, the State Employee Compensation Oversight Commission was charged with the development of a new pay plan for classified employees for the Governor, Chief Justice of the Supreme Court and 2008 Legislature to consider. The Commission endorsed the recommendation of the Hay Group that five separate pay plans be created for state employees in the classified service, with different opportunities for pay increases to acknowledge the different types of work performed. The five pay plans recommended include: a management pay plan for those involved in managerial functions (increases based on performance); a professional individual contributor for employees requiring knowledge of principles and theories of a professional discipline that is normally obtained through a college curriculum (increases within broad bands to reflect different levels of work and performance against established standards); a protective service pay plan for uniformed officers and all other positions that meet the definition of police or law enforcement officer (increases based on achievement of milestone and certification events as well as time on the job and performance); a basic vocational pay plan for employees that perform routine, structured, work where performance can be measured on a pass/fail basis (increases based on the traditional step movement approach, based on time on the job); and a general classified pay plan for those employees who do not fall within the parameters of the other four plans (the pay ranges will have steps below the market rate and an open range above the market rate).

The time frame to fully implement the recommended plan was five years. Under the plan, the classified employees were divided into three groups to first address those with the greatest salary disparity to the market rate. The 2008 Legislature appropriated \$8.5 million from the State General Fund for FY 2009, the first year of the program. The 2008 Legislature also appropriated \$8.5 million from the State General Fund for each year from FY 2010 through FY 2013 to the State Finance Council. The Governor does not recommend continued funding for the plan, and recommends that the \$8.5 million which had been previously appropriated for both FY 2012 and FY 2013 be lapsed.

**Longevity Bonus Payments.** For FY 2012, the Governor recommends the continuation of the current "temporary" longevity bonus payment program. The recommendation provides for a bonus of \$50 per year of service, with a 10-year minimum (\$500) and a 25-year maximum (\$1,250). The current statutory provisions of the longevity bonus payment are \$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 2012 payments is \$12.6 million, including \$5.3 million from the State General Fund. **For this agency,** longevity payments total \$16,000, including \$15,557 from the State General Fund.

**Kansas Public Employees Retirement System (KPERs) Rate Adjustments.** A total of \$37.1 million, including \$32.3 million from the State General Fund, is included in the Governor's FY 2012 recommendations for KPERs adjustments. The FY 2012 rate for KPERs regular and school members will increase by 0.6 percent, from 8.17 percent to 8.77 percent, when compared to FY 2011. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

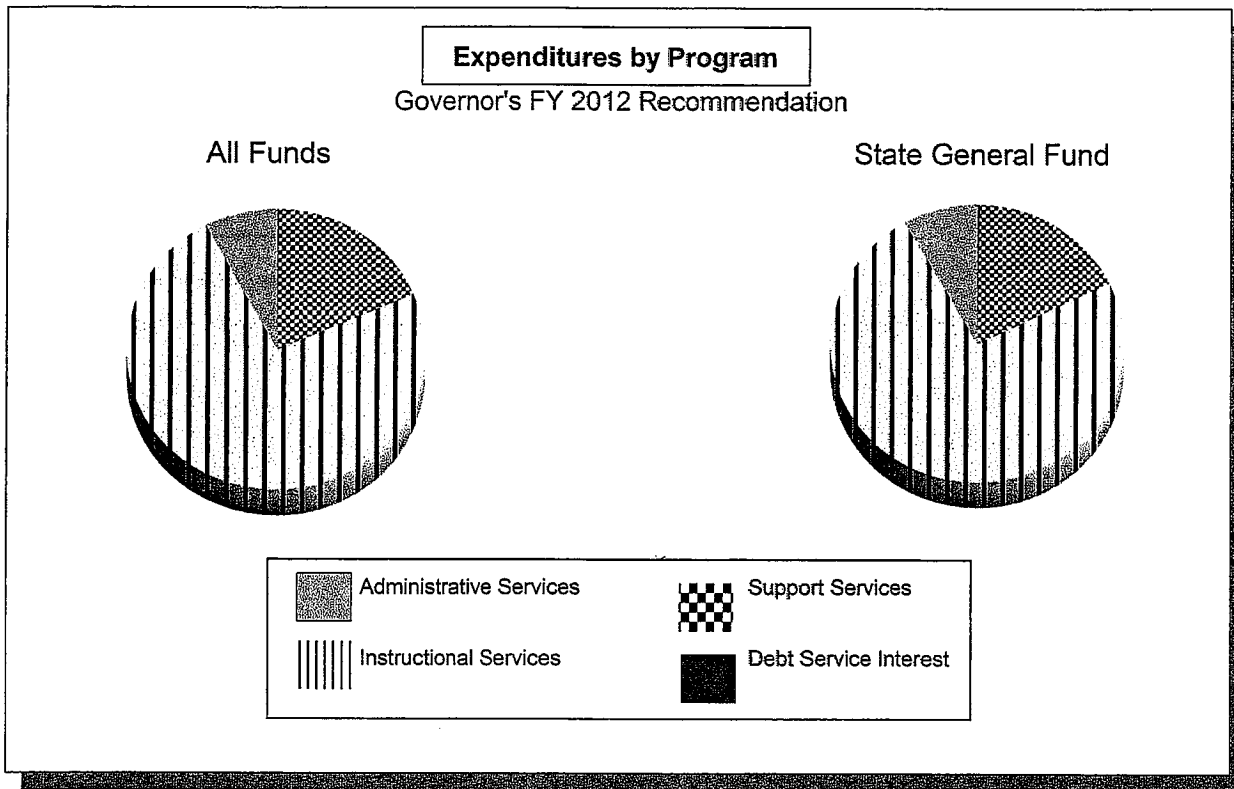


## Funding Sources

Funding Source	Agency Req. Percent of Total FY 2012	Gov. Rec. Percent of Total FY 2012
State General Fund	90.5%	88.00%
All Other Funds	9.5	12.0
TOTAL	<u>100.0%</u>	<u>100.0%</u>

**Note:** Percentages may not add due to rounding.

# PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2012	Percent of Total	Gov. Rec. SGF FY 2012	Percent of Total
Administrative Services	\$ 471,276	7.8%	\$ 466,786	8.2%
Instructional Services	4,462,266	73.7	4,189,729	74.0
Support Services	1,107,089	18.3	994,400	17.6
Debt Service Interest	12,149	0.2	12,149	0.2
<b>TOTAL</b>	<b>\$ 6,052,780</b>	<b>100.0%</b>	<b>\$ 5,663,064</b>	<b>100.0%</b>

# FTE POSITIONS BY PROGRAM – FY 2010- FY 2012

Program	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Administrative Services	5.8	5.8	5.8	5.8	5.8
Instructional Services	68.1	68.1	68.1	68.1	61.1
Support Services	19.6	19.6	19.6	19.6	15.6
TOTAL	93.5	93.5	93.5	93.5	82.5

## A. Administrative Services

The Administrative Services program coordinates overall management and operations of the Kansas State School for the Blind. The program is responsible for the development and administration of educational and co-curricular programs, personnel procedures and support services; appointment of classified and unclassified employees; budget preparation; and payroll.

ADMINISTRATIVE SERVICES SUMMARY OF EXPENDITURES FY 2010-FY 2012					
Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Expenditures:					
Salaries and Wages	\$ 445,129	\$ 386,197	\$ 386,197	\$ 389,426	\$ 389,426
Contractual Services	71,593	72,175	72,175	72,400	72,400
Commodities	9,364	9,500	9,500	9,450	9,450
Capital Outlay	0	0	0	0	0
Subtotal - Operating	\$ 526,086	\$ 467,872	\$ 467,872	\$ 471,276	\$ 471,276
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 526,086</u>	<u>\$ 467,872</u>	<u>\$ 467,872</u>	<u>\$ 471,276</u>	<u>\$ 471,276</u>
Financing:					
State General Fund	\$ 519,146	\$ 463,672	\$ 463,672	\$ 466,876	\$ 466,876
All Other Funds	6,940	4,200	4,200	4,400	4,400
TOTAL	<u>\$ 526,086</u>	<u>\$ 467,872</u>	<u>\$ 467,872</u>	<u>\$ 471,276</u>	<u>\$ 471,276</u>
FTE Positions	5.8	5.8	5.8	5.8	5.8
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>5.8</u>	<u>5.8</u>	<u>5.8</u>	<u>5.8</u>	<u>5.8</u>

### FY 2011

The **agency** estimates operating expenditures of \$467,872, including \$463,672 from the State General Fund. The revised estimate is a decrease of \$58,214, or 11.1 percent, below the FY 2010 actual. The decrease is mainly in salaries and wages and is due to the consolidation of the administration of the Kansas State School for the Blind and the Kansas State School for the Deaf. The estimate includes 5.8 FTE, the same as the FY 2010 actual.

The **Governor** concurs with the agency estimate.

## FY 2012

The **agency** requests operating expenditures of \$471,276, including \$466,876 from the State General Fund. The request is an increase of \$3,404, or 0.7 percent, above the revised FY 2011 estimate. The request includes 5.8 FTE, the same as the revised FY 2011 estimate.

### Salaries and Wages

- \$389,426 for 5.8 FTE positions. This is an increase of \$3,229, or 0.8 percent, above the revised FY 2011 estimate. The increase primarily reflects increased employer expenditures for health insurance and KPERS employer retirement contributions.

### Contractual Services

- \$72,400 for contractual services. This is an increase of \$225, or 0.3 percent, above the revised FY 2011 estimate.

### Commodities

- \$9,450 for commodities. This is a decrease of \$50, or 0.5 percent, below the revised FY 2011 estimate.

### Capital Outlay

- The agency makes no capital outlay request.

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



## **B. Instructional Services**

The Instructional Services program is designed to meet both the academic and special skill needs of a student population with a wide range of cognitive abilities. KSSB seeks to make students independent learners and equip them with the special skills and knowledge to successfully return them to their home communities and schools. The School provides a fully accredited academic program and services for multiple disabilities. Instructional Services operates the following subprograms:

**Day Program.** This subprogram combines traditional academic subjects and classes for students with multiple disabilities and focuses on functional academics and the skills of daily living. Related services such as speech therapy, orientation and mobility, counseling, and physical and occupational therapies are scheduled throughout the day. Extracurricular activities are offered in the afternoon and on the weekend.

**Extended Day.** The student residence subprogram is for students who are unable to return to their homes because of the distance from the School. A homelike environment is provided for students 6 to 21 years of age, who have disabilities ranging from mild to severe. Many extended day students have medical problems and are provided 24-hour nursing coverage. The Extended Day instructors (dormitory teachers) teach the students daily living skills.

**Extended Year.** This subprogram is a four-week summer school program that includes classes in orientation and mobility, daily living skills, cooking, computers, and academic areas as needed. The summer school program is offered to students who need such services to meet the requirements of their Individual Education Plan (IEP).

**Outreach.** The Outreach subprogram involves orientation and mobility instruction, such as cane travel, specialized computer training, low vision aids, and other skills needed by children in Kansas school districts. This sub-program also provides specialized education evaluations and consultative services, such as teacher in-service, parent education, and child-specific assistance.

**Kansas Assistive Technology Resource Center.** This subprogram is funded by state and private sources to provide specialized computer equipment and related training to Kansas schools serving blind and visually impaired children.

**Kansas Instructional Resource Center (KIRC) for the Blind and Visually Impaired.** The center provides textbooks and library materials in Braille and large print to all blind and visually impaired students in Kansas.

**Accessible Arts, Inc.** This subprogram provides outreach services statewide, as well as services to KSSB students. Accessible Arts, Inc. developed a model of using arts activities to promote learning across all curricular areas, and to promote the inclusion of children with disabilities with non-disabled children.

To integrate and accomplish the subprograms listed above, KSSB engages in the following activities:

- Braille instruction;
- Tactual and auditory learning methods in all academic and non-academic learning areas;
- The use of low vision aids such as telescopes, magnifiers, and closed circuit television reading systems;
- Orientation and mobility training;
- Early childhood education for children three to five years;
- Career education designed to overcome the 70.0 percent unemployment rate of blind individuals of working age;
- Community-based instruction for students with multiple disabilities;
- Extracurricular activities;
- Health services; and
- Promotion of self-empowerment concepts.

INSTRUCTIONAL SERVICES SUMMARY OF EXPENDITURES FY 2010-FY 2012					
Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Expenditures:					
Salaries and Wages	\$ 3,796,415	\$ 3,932,290	\$ 3,932,290	\$ 4,053,268	\$ 3,900,187
Contractual Services	371,611	439,516	439,516	400,179	400,179
Commodities	49,236	50,650	50,650	52,500	52,500
Capital Outlay	54,096	17,278	17,278	48,178	27,278
Subtotal - Operating	\$ 4,271,358	\$ 4,439,734	\$ 4,439,734	\$ 4,554,125	\$ 4,380,144
Aid to Local Units	0	0	0	0	0
Other Assistance	26,561	82,122	82,122	82,122	82,122
TOTAL	<u>\$ 4,297,919</u>	<u>\$ 4,521,856</u>	<u>\$ 4,521,856</u>	<u>\$ 4,636,247</u>	<u>\$ 4,462,266</u>
Financing:					
State General Fund	\$ 3,885,029	\$ 4,094,749	\$ 4,094,749	\$ 4,189,729	\$ 4,015,748
All Other Funds	412,890	427,107	427,107	446,518	446,518
TOTAL	<u>\$ 4,297,919</u>	<u>\$ 4,521,856</u>	<u>\$ 4,521,856</u>	<u>\$ 4,636,247</u>	<u>\$ 4,462,266</u>
FTE Positions	68.1	68.1	68.1	68.1	61.1
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>68.1</u>	<u>68.1</u>	<u>68.1</u>	<u>68.1</u>	<u>61.1</u>

## FY 2011

The **agency** estimates operating expenditures of \$4,521,856, including \$4,094,749 from the State General Fund. The revised estimate is an increase of \$220,937, or 5.1 percent, above the FY 2010 actual. The increase is mainly in salaries and wages and is due to a salary increase for teachers. The estimate includes 68.1 FTE, the same as the FY 2010 actual.

The **Governor** concurs with the agency estimate.

## FY 2012

The **agency** requests operating expenditures of \$4,636,247, including \$4,189,729 from the State General Fund. The request is an increase of \$114,391, or 2.5 percent, above the revised FY 2011 estimate. The request includes 68.1 FTE, the same as the revised FY 2011 estimate. The request includes \$34,531, all from the State General Fund, for two enhancements to restore three days to teacher contracts and fund salary increases for teachers who complete additional academic course work. **Absent the enhancements**, the request is an all funds increase of \$79,860, or 1.8 percent, above the revised FY 2011 estimate and a State General Fund increase of \$60,449, or 1.5 percent, above the revised FY 2011 estimate.

### Salaries and Wages

- \$4,053,268 for 68.1 FTE positions. This is an increase of \$120,978, or 3.1 percent, above the revised FY 2011 estimate. The request includes \$34,531, all from the State General Fund, for two enhancements to restore three days to teacher contracts and fund salary increases for teacher who complete additional academic course work. **Absent the enhancements**, the request is an increase of \$86,447, or 2.2 percent, above the revised FY 2010 estimate. This is due to increases in KPERS employer retirement contributions, unemployment compensation contributions and group health insurance.

### Contractual Services

- \$400,179 for contractual services. This is a decrease of \$59,337, or 9.0 percent, below the revised FY 2011 estimate. The decrease is mainly due to a one-time expenditure of funds in FY 2011.

### Commodities

- \$52,500 for commodities. This is an increase of \$1,850, or 3.7 percent, above the revised FY 2011 estimate. The increase is due to minor increases in teaching supplies for science, stationery and office supplies.

### Capital Outlay

- \$48,178 for capital outlay. This is an increase of \$30,900, or 178.8 percent, above the revised FY 2011 estimate. The increase is mainly due to an enhancement of \$20,900, all from the State General Fund, for a replacement vehicle. **Absent the enhancement**, the request is an increase of \$10,000, or 57.9 percent, above the revised FY 2011 estimate. The increase is due to the purchase of computer equipment totaling \$10,000.

The **Governor** recommends \$4,462,266, including \$4,015,748 from the State General Fund, and 61.1 FTE for FY 2012. This is a State General Fund decrease of \$173,981, or 3.8 percent, and a reduction of 7.0 vacant FTE positions below the agency request. It is an all funds decrease of \$59,590, or 1.3 percent, below the Governor's FY 2011 recommendation. The Governor does not recommend the agency's enhancements totaling \$55,431, all from the State General Fund. The Governor further recommends the following reductions from the agency's reduced resource budget:

- **Extracurricular Activities.** Delete \$50,000, all from the State General Fund, to reduce student extracurricular activities for FY 2012. This is the same as the amount submitted by the agency.
- **Extended School Year.** The agency submitted a reduced resource of \$128,550, all from the State General Fund, to reduce the program from three weeks to one week for FY 2012. The Governor recommends deleting \$68,550, all from the State General Fund, to shorten the extended school year program. This is a decrease of \$60,000, or 46.7 percent, below the amount submitted by the agency.

### C. Support Services

The Support Services program maintains eight buildings on a 9.6 acre campus. Dietary and laundry services are provided to students attending the School. Housekeeping services maintain the dormitory, hospital, recreational facilities, and grounds. Maintenance services provide for the operation and repair of plant facilities, maintenance of vehicles, and security. Central receiving services distributes all materials that come into KSSB.

SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2010-FY 2012					
Item	Actual FY 2010	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Expenditures:					
Salaries and Wages	\$ 671,070	\$ 708,547	\$ 708,547	\$ 736,790	\$ 705,979
Contractual Services	281,016	293,212	293,212	300,840	300,840
Commodities	94,702	95,425	95,425	100,270	100,270
Capital Outlay	15,212	0	0	0	0
Subtotal - Operating	\$ 1,062,000	\$ 1,097,184	\$ 1,097,184	\$ 1,137,900	\$ 1,107,089
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 1,062,000</u>	<u>\$ 1,097,184</u>	<u>\$ 1,097,184</u>	<u>\$ 1,137,900</u>	<u>\$ 1,107,089</u>
Financing:					
State General Fund	\$ 946,904	\$ 958,184	\$ 958,184	\$ 994,400	\$ 833,171
All Other Funds	115,096	139,000	139,000	143,500	273,918
TOTAL	<u>\$ 1,062,000</u>	<u>\$ 1,097,184</u>	<u>\$ 1,097,184</u>	<u>\$ 1,137,900</u>	<u>\$ 1,107,089</u>
FTE Positions	19.6	19.6	19.6	19.6	15.6
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>19.6</u>	<u>19.6</u>	<u>19.6</u>	<u>19.6</u>	<u>15.6</u>

### FY 2011

The **agency** estimates operating expenditures of \$1,097,184, including \$958,184 from the State General Fund. The revised estimate is an increase of \$35,184, or 3.3 percent, above the FY 2010 actual and is mainly in salaries and wages. The estimate includes 19.6 FTE, the same as the FY 2010 actual.

The **Governor** concurs with the agency estimate.



## FY 2012

The **agency** requests operating expenditures of \$1,137,900, including \$994,400 from the State General Fund. The request is an increase of \$40,716, or 3.7 percent, above the revised FY 2011 estimate. The request includes 19.6 FTE, the same as the revised FY 2011 estimate.

### Salaries and Wages

- \$736,790 for 19.6 FTE positions. This is an increase of \$28,243, or 4.0 percent, above the revised FY 2011 estimate and is primarily due to increases in KPERS employer retirement contributions and group health insurance.

### Contractual Services

- \$300,840 for contractual services. This is an increase of \$7,628, or 2.6 percent, above the revised FY 2011 estimate. The increase is due to increases in utilities and building repairs on grounds as well as vehicle and equipment repairs.

### Commodities

- \$100,270 for commodities. This is an increase of \$4,845, or 5.1 percent, above the revised FY 2011 estimate. The increase is mainly due to increases in gasoline, custodial supplies and food supplies for the school breakfast, lunch and dinner program.

### Capital Outlay

- The agency makes no request for capital outlay expenditures.

The **Governor** recommends \$1,107,089, including \$833,171 from the State General Fund, and 15.6 FTE positions for FY 2012. This is an all funds decrease of \$30,811, or 2.7 percent, and a State General Fund decrease of \$161,229, or 16.2 percent, below the agency request. It is an all funds increase of \$9,905, or 0.9 percent, above the Governor's FY 2011 recommendation. The Governor recommends the one-time use of fee fund balances totaling \$138,418 and reduces State General Fund expenditures by the same amount. In addition, a reduction of 4.0 vacant FTE positions is included. The Governor further recommends the following reductions from the agency's reduced resource budget:

- **Part-time Dietary Position.** Delete \$30,811, all from the State General Fund, to vacate a currently filled part-time dietary employee for FY 2012. This is the same as the amount submitted by the agency.

#### ***D. Debt Service Interest***

The **agency's** budget request includes debt service payments for the Facilities Conservation Improvement Program totaling \$13,618, all from the State General Fund, in FY 2011 and \$12,149, all from the State General Fund, for FY 2012. Debt service interest is reported as a part of an agency's operating expenditures. Debt service principal payments are reported as capital improvement expenditures.

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

## CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2011	Gov. Rec. FY 2011	Agency Req. FY 2012	Gov. Rec. FY 2012
Rehabilitation and Repair	\$ 99,883	\$ 99,883	\$ 86,460	\$ 86,460
Johnson Building - Roof project	239,700	239,700	0	0
Vogel Building - Roof replacement	206,584	206,584	0	0
Security System	0	0	105,236	105,236
Health Center - Roof	0	0	48,960	0
Replace & Reseal Driveway	0	0	48,348	0
Debt Service Principal	30,509	30,509	31,979	31,979
<b>TOTAL</b>	<b>\$ 576,676</b>	<b>\$ 576,676</b>	<b>\$ 320,983</b>	<b>\$ 223,675</b>
Financing:				
State General Fund	\$ 30,509	\$ 30,509	\$ 31,979	\$ 31,979
All Other Funds	546,167	546,167	289,004	191,696
<b>TOTAL</b>	<b>\$ 576,676</b>	<b>\$ 576,676</b>	<b>\$ 320,983</b>	<b>\$ 223,675</b>

**FY 2011-Current Year.** The agency estimates a revised FY 2011 capital improvements budget of \$576,676, comprised of \$30,509 from the State General Fund and \$546,167 from the State Institutions Building Fund. The estimate includes a reappropriation of \$227,867 for the Vogel Building roof repair which was not completed until the beginning of FY 2011. All funding from the State General Fund would apply to the agency's debt service principal payment made on the Facilities Conservation Improvement Project. This is the same as the amount approved by the 2010 Legislature. The following projects are included in the estimate:

- **Rehabilitation and Repair.** The agency estimates \$99,883, all from the State Institutions Building Fund, for general rehabilitation and repair projects.
- **Repair Roof on Johnson Building.** The agency estimates \$239,700, all from the State Institutions Building Fund, to repair the roof on the Johnson Building, an instructional building for elementary and high school students, that currently leaks.
- **Replace Roof on Vogel Building.** The agency estimates \$206,584, all from the State Institutions Building Fund, to replace the roof on the Vogel Building, an instructional facility for high school students. According to the agency, the roof has not been replaced since 1987.

- **Debt Service Principal.** The agency estimates \$30,509, all from the State General Fund, for debt service principal payments on the Facilities Conservation Improvement Project.

The **Governor** concurs with the agency's FY 2011 capital improvements estimate.

**FY 2012-Budget Year.** The **agency** requests a FY 2012 capital improvements budget of \$320,983, comprised of \$31,979 from the State General Fund and \$289,004 from the State Institutions Building Fund. All funding from the State General Fund would apply to the agency's debt service principal payment made on the Facilities Conservation Improvement Project. The following projects are included in the estimate:

- **Rehabilitation and Repair.** The agency requests \$86,460, all from the State Institutions Building Fund, for general rehabilitation and repair projects. These include emergency repairs to buildings, sidewalks, heat lines, electrical, plumbing, heating and cooling, and other equipment.
- **Security System.** The agency requests \$105,236, all from the State Institutions Building Fund, to continue the installation of a campus security system. In FY 2010, the agency completed the installation of a building perimeter safety security system including new doors, proximity card locking mechanisms, intrusion and motion sensors and essential cameras. The FY 2012 funding would allow the agency to implement interior safety and security mechanisms and smoke and carbon monoxide detectors in classrooms and student residence buildings.
- **Health Center Roof Replacement.** The agency requests \$48,960, all from the State Institutions Building Fund, to replace the roof at the Health Center. According to the agency, the roof is 28 years old and is leaking.
- **Replace and Reseal Driveway.** The agency requests \$48,348, all from the State Institutions Building Fund, to replace two sections of the asphalt driveway and reseal the remaining driveways.
- **Debt Service Principal.** The agency requests \$31,979, all from the State General Fund for the agency's debt service principal payment on the Facilities Conservation Improvement Project.

The **Governor** recommends capital improvements totaling \$223,675, including \$31,979 from the State General Fund, for FY 2012. It includes:

- \$86,460, all from the State Institutions Building Fund, for Rehabilitation and Repair projects;
- \$105,236, all from the State Institutions Building Fund, to continue the installation of a campus security system; and
- \$31,979, all from the State General Fund, for the agency's debt service principal payment on the Facilities Conservation Improvement Project.

The Governor did not recommend funding for replacement of the health center roof or the replacement of two sections driveway and resealing the remaining driveways.

PERFORMANCE MEASURES				
Measure	Gov. Rec. for FY 2010	Actual FY 2010	Gov. Rec. FY 2011	Gov. Rec. FY 2012
Percent of parents expressing satisfaction with curriculum and instruction	95.0%	97.0%	97.0%	95.0%
Percent of graduates living independently	60.0%	60.0%	55.0%	65.0%
Percent of graduates employed or in post-secondary education or training	70.0%	70.0%	70.0%	75.0%
Percent of seniors in each graduating class enrolled in post-secondary education or vocational-technical training in the year after graduation	85.0%	75.0%	60.0%	85.0%
Percent of seniors in each graduating class enrolled in post-secondary education or vocational-technical training in the year after graduation	85.0%	75.0%	60.0%	85.0%



KANSAS BOARD OF REGENTS

**Senate Capital Improvements Subcommittee**  
**February 8, 2011**

*FY 2011 & 2012 Capital Improvement Amendments*

**Submitted by**  
**Eric King**  
**Director of Facilities**

**Emporia State University**

*No Amendments*

**Pittsburg State University**

*1. University House*

Pittsburg State University requests authorization to amend its FY 2012 Capital Improvement Plan to add the University House Project. The project includes demolition of the existing President's Home and replacement with a new University House. The existing home is a single family residence the President's family resides in. However, the existing structure does not adequately function for entertainment and University events or accommodations for overnight guests or dignitaries. The existing structure has experienced numerous substantial issues in need of attention and repair or replacement including but not limited to settlement, water intrusion/mold, outdated mechanical systems, windows, roofing, and plumbing. The new University House would provide private quarters for the President's family yet separation from the entertaining space. The new University House would also provide functional event space for University use for dinners, receptions, and meetings. Private quarters for overnight guests and dignitaries would also be part of the new house. The construction cost of the new University House is estimated at \$1,500,000 with the total project cost estimated to be \$2.0 million. The project is being funded through private gifts to the Pittsburg State University Foundation. Future operating and maintenance costs will be paid from existing operations budget, no additional funding will be requested. An architectural program will be distributed detailing additional justification for this request.



## **Fort Hays State University**

### *1. McMIndes Hall Window and Exterior Door Replacement*

Fort Hays State University requests approval to amend its FY 2012 Capital Improvement Plan. The University has determined the next capital project at McMIndes Hall will provide for the removal and replacement of all existing window units and aluminum entrance frames and doors. Given the quantity of windows to be replaced and limited construction days, it is anticipated the construction will occur during the summers of 2012 and 2013. Current windows and doors do not offer significant energy efficiency and will be replaced with units that are models of today's standards. Total cost of the project is estimated to be \$1.3 million to be funded from housing revenues.

### *2. Indoor Practice Facility*

Fort Hays State University requests approval to amend its FY 2012 Capital Improvement Plan to construct an Indoor Practice Facility for Use by the Athletics Programs. Fort Hays State University athletic teams do not currently possess sufficient indoor practice facilities for the variety of teams that require them. The following teams have a need for such practice space: football, baseball, softball, and track and field, as well as soccer teams, which are currently being formed. Today, all of these teams compete for shared space in Cunningham Hall-Gross Coliseum. These spaces most typically include intramural recreation gyms and Gross Coliseum. Coordination of activities scheduled by the Health and Human Performance department and sports teams is problematic, as normal outdoor practice schedules can be altered without notice, due to changes in weather. The new facility would include a weight room, running track, half a football field, and support areas. Total square footage is estimated to be 48,000 square feet at a total cost of approximately \$4 million funded by private donations. Utilities will become a normal part of the university's operating budget and no additional state funds will be requested to support the building. Construction is estimated to begin February of 2012.

## **Wichita State University**

*No Amendments*

## **The University of Kansas**

*No Amendments*

## **The University of Kansas Medical Center**

*No Amendments*

## **Kansas State University**

### *1. Large Animal Research Center*

Kansas State University requests approval to modify its FY 2011 Capital Improvements Plan to expand its Large Animal Research Center (LARC) – a research facility that houses multiple species, including canine, bovine, equine, sheep, goat, and swine. Because the animal holding capacity of the existing LARC is less than that demanded by primary investigators currently at KSU, K-State researchers have identified a need for additional space and capability.

The university requests approval to include a \$5.3 million privately funded project to add an 11,570 square foot animal suite to the LARC. Sponsored Research Overhead will be used to pay all additional utilities, custodial, routine and special maintenance costs associated with the project. To provide context, the National Bio and Agro-defense Facility (NBAF) project requires relocation of the existing LARC from just behind the College of Veterinary Medicine to a new site that is approximately  $\frac{3}{4}$  miles from the current facility. This new site is ideal as it provides isolation for sensitive research away from other KSU campus resources and mitigates contamination risk. Funding to relocate the existing 22,223 square foot facility was made available through the NBAF project, construction is underway and completion is planned for October 2010. The scope of the project was limited to replacement of the current facility.

### *2. Sheep and Meat Goat Facility*

Kansas State University requests approval to modify its FY 2011 Capital Improvement Plan. The Sheep and Meat Goat Center project budget needs to be increased from \$1.5 million to \$1.8 million to meet program needs. The project is funded by a combination of private gifts and restricted fees.

### *3. Justin Hall Addition*

Kansas State University requests approval to modify its FY 2011 and FY 2012 Capital Improvements Plans. The Justin Hall Addition, a \$5.2 million privately funded project, is part of K-State's FY 2012 Capital Improvement Plan. Recent fund raising success facilitates an earlier start date for this important academic project so it needs to become a FY 2011 project.

### *4. Old Chemical Waste Landfill*

Kansas State University requests approval to modify its FY 2011 and FY 2012 Capital Improvement Plans to include a project to remove the Old Chemical Waste Landfill (OCWLF). Disposal of hazardous chemical waste or low level radioactive waste occurred at the site from the mid 1960s until 1984 consistent with regulations that were in effect at the time. K-State requested to close the landfill to further chemical waste disposal in 1984 and official closure was granted by the KDHE Bureau of Waste Management (BWM) in 1986.

K-State has been actively investigating and monitoring the OCWLF for chemical contamination of groundwater under consent agreement since 1990. Long-term groundwater monitoring

indicates that the OCWLF is releasing hazardous materials to the uppermost aquifer. Investigations have shown that the contamination flows with the groundwater from the landfill towards the east and northeast outside the fenced enclosure that secures the landfill. Though none of the contamination has moved from K-State property, the waste is not stable under *Title 10 CFR 61* and closure of the disposal area in a leaking condition is not acceptable under current regulations.

Because annual costs to monitor the site now exceed \$300,000 per year and are expected to continue escalating, and because the KDHE and EPA required permanent resolution, K-State engaged a subject-matter expert to work with the KDHE and EPA to develop a plan to remove the landfill – the only permanent solution. That plan, a Corrective Measures Study (CMS), was submitted to the KDHE on June 22, 2010.

The project consists of two stages. The first stage is to build an interceptor trench and temporary treatment facility. This first stage will be completed this year and is expected to cost \$300,000. The final stage is to remove the landfill and will be completed between November 2011 and May 2012 and is expected to cost \$3.7 million. Project costs will be paid from a combination of Sponsored Research Overhead funds and bond funds.

#### 5. *Snyder Family Stadium Improvements*

Kansas State University requests approval to modify its FY 2011 and FY 2012 Capital Improvements Plans. Snyder Family Stadium Improvements, a \$50 million project funded by bonds to be repaid by Athletic revenues, is part of K-State's FY 2012 Capital Improvement Plan. The program statement, currently being finalized, includes a timeline that calls for construction to begin immediately following the 2011 football season so design needs to start soon. K-State plans to use the Kansas Board of Regents State Educational Institution Project Delivery Construction Procurement Act Procedures for this project. An architect will be selected this fall so design can be completed by next summer.

#### 6. *West Hall Upgrades*

Kansas State University requests approval to modify its FY 2011 Capital Improvement Plan to add a \$1.2 million project to upgrade West Hall, a dormitory constructed in 1962 that is used as a coed residence hall for Kansas State University students during the fall and spring semesters. The project will encompass updating HVAC, lighting, and plumbing systems and installation of a new fire alarm system. The project will be funded by Housing system funds.

#### 7. *Southeast Research-Extension Center*

Kansas State University requests approval to modify its FY 2011 Capital Improvement Plan to add a \$2 million project to construct a 12,000 sq. ft. Southeast Research-Extension Center to be located on university owned land in Parsons. The building will serve as headquarters for the Southeast Area Extension Office and the Southeast Agricultural Research Center. The Southeast Area Extension Office currently rents space in Chanute. The Southeast Agricultural Research Center currently occupies space in the old Parsons State Hospital grounds that is in need of cost

prohibitive renovation. The Southeast Extension Office serves 21 counties and houses the director, four professional specialists, and two clerical staff. The Southeast Agricultural Research Center houses the director, three tenure-track faculty positions, one clerical staff, and twelve agricultural technicians. Combining the two offices in one location would facilitate effective interactions between research and extension activities, offer increased opportunity for efficient staff utilization and would follow a very successful model employed in southwest and northwest Kansas. The project will be funded with a combination of restricted fees and private gifts. Eighty thousand (\$80,000) per year currently being used for rent, utilities and operational costs for rented space will be used to fund new building operational and maintenance costs. The project will be funded with a combination of restricted fees and private gifts.

8. *Greenhouse at Agricultural Research Center - Hays*

Kansas State University requests approval to modify its FY 2011 Capital Improvement Plan to add a \$600,000 project to replace a badly deteriorated greenhouse at the Agricultural Research Center in Hays. The current greenhouse is no longer structurally sound or code compliant. The cost of repairing and renovating the current 5,500 sq. ft. facility exceeds the cost of demolition and replacement. The project will be funded with private gifts.

9. *Chemical Engineering Laboratory*

Kansas State University requests approval to modify its FY 2011 Capital Improvement Plan to add a \$2 million renovation of 5,337 square feet of Chemical Engineering lab space in Durland Hall. K-State was notified of a \$1.6 million NSF-ARRA award for this purpose. The remaining \$400,000 will come from sponsored research overhead.

10. *Snyder Family Stadium/Tointon Stadium Turf Replacement*

Kansas State University requests approval to modify its FY 2011 Capital Improvements Plan to add a \$1.2 million project to replace the turf at Snyder Family Stadium and Tointon Stadium. The project will be funded with private gifts on deposit at the K-State Foundation.

11. *Technology Assistance Center - Salina*

Kansas State University requests approval to modify its FY 2011 Capital Improvements Plan to add a \$600,000 project to remodel the Technology Assistance Center on the Salina Campus. The project will be funded with restricted fees.

12. *Grain Science Center Feed Mill*

Kansas State University requests approval to modify its FY 2011 and FY 2012 Capital Improvement Plans. The \$13 million Grain Science Center Feed Mill project is a joint effort of K-State's departments of Grain Science and Industry and the Animal Science and Industry. The project will replace the feed-production capability provided by the feed mill located on the NBAF site at the corner of Denison and Kimball Avenues and significantly enhance the research capacity of both departments. The project was approved by the Board of Regents as a privately funded FY 2012 capital improvement in spring 2010. Because the existing feed-production

facility is on the NBAF site, K-State had requested \$5.4 million in NBAF relocation funds to be combined with \$8 million in private funds to complete the project. Recently, it has been made clear that \$5.4 million in NBAF relocation funding will not be made available. Other sources to provide \$5.4 million are being pursued. To date, these efforts have not been successful. This project has been proceeding under K.S.A. 76-757, using entirely private funds acquired through a combination of private donations and Kansas Bioscience Authority funds. Consequently, the KSU Foundation has been using a design-build agreement to develop the plans. Because K-State's agreement with DHS requires relocation of the existing facility by September 1, 2013, the university must begin construction this summer.

The relocation deadline; the lack of an identified funding source for the \$5.4 million required to relocate the Animal Science facilities; impact of the relocation deadline on the fund raising timeline associated with the \$8 million in private funds; and investment in a design-build agreement through the KSU Foundation result in the following plan: K-State would lease 1.75 acres in the grain science complex on Kimball Avenue to the KSU Foundation. The Foundation would build a feed mill using private financing. KSU would enter a lease-purchase agreement with the Foundation. Once the principal and interest are retired, the ground lease would terminate and the property would be transferred to KSU.

The KSU Foundation has agreed to finance up to \$8 million in project costs through an agreement with a local lender. The financing terms are not finalized but estimated to be 3.75% interest for the first five years and the five-year treasury rate plus 1.75% for subsequent five year periods. The University and College of Agriculture would reallocate resources to retire the debt over a 15 year period. Funds raised from private sources and the KBA would be used to retire the obligation early.

K-State requests permission to advertise its intent to enter the ground lease and lease-purchase agreements in the Kansas Register. The University will present the ground lease and lease-purchase agreements in their final form to the Board at the March or April meeting.

13. *John C. Pair Center - Wichita*

Kansas State University requests approval to modify its FY 2011 Capital Improvements Plan to add a \$550,000 project to upgrade the John C. Pair Center in Wichita. This project would correct major ADA deficiencies, replace the roof and add 3,000 square foot to an existing building to expand the office, teaching and meeting spaces for the existing facility. The John C. Pair Center is a research farm that also provides local extension services and university outreach to the communities surrounding Wichita. With the addition of distance learning technology, the Center will be able to connect with the main campus to enhance research-based exchange and training. The cost of this project is \$550,000 and will be paid with private funds and research and extension funds.

FY 2012 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
KPERS/Health Insurance Rate Increase for the Board Office	\$ 40,283	\$ 40,283	0.0	\$ 40,283	\$ 40,283	0.0
KAN-PROTECT	20,500,000	20,500,000	0.0	0	0	0.0
KAN-BUILD	750,000	750,000	0.0	0	0	0.0
KAN-GROW	14,150,000	20,100,000	0.0	0	0	0.0
KAN-CONNECT	0	10,000,000	0.0	0	10,000,000	0.0
KAN-HELP	0	0	0.0	0	0	0.0
TOTAL	<u>\$ 35,440,283</u>	<u>\$ 51,390,283</u>	<u>0.0</u>	<u>\$ 40,283</u>	<u>\$ 10,040,283</u>	<u>0.0</u>

### Enhancements Detail

**KPERS/Health Insurance Rate Increase for the Board Office.** The Board requests \$40,283, all from the State General Fund, for required rate increases in the Group Health Insurance (\$36,595) and KPERS (\$3,688) for FY 2012. This item was requested as an enhancement because it has been included in the Board's State General Fund allocation in previous years.

The **Governor** concurs with the agency request for funding of fringe benefit increases for FY 2012.

**KAN-PROTECT.** The Board requests \$20.5 million, all from the State General Fund, for an increase based on a three year rolling average of the Higher Education Price Index (HEPI) of 2.73 percent for FY 2012.

The **Governor** does not recommend the enhancement.

**KAN-BUILD.** The Board requests \$750,000, all from the State General Fund, to fund interest payments for the Postsecondary Education Infrastructure (PEI) program for FY 2012. The program provides no interest loans (bonds) to Washburn University, as well as the community and technical colleges and is part of the State Educational Institution Long-Term Infrastructure Maintenance Program. The increased funding would allow for the issuance of an additional \$20.0 million in bonds that were suspended for FY 2011.

**Staff Note:** The agency also has requested an additional \$15.0 million, all from the State General Fund, for deferred maintenance which is included in capital improvements at the end of this document.

The **Governor** does not recommend the enhancement.

**KAN-GROW.** The Board requests \$14.15 million, all from the State General Fund, to grow the Kansas workforce and economy through a 2 to 1 state to institution match program to do the following:

contracts between the Kansas Board of Regents and selected schools of optometry for approximately 40 students to attend out-of-state schools at resident tuition rates. Depending on the school attended, the recipient may have to practice optometry in Kansas one year for each year of financial assistance or repay the assistance at the interest rate under the federal PLUS program at the time the student entered into the agreement plus five percentage points. Students are ranked academically by the optometry schools and are funded in that order.

Agency Request FY 2012			Governor's Recommendation FY 2012		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 108,380	\$ 119,231	22	\$ 108,380	\$ 119,231	22

**ROTC Scholarship Program.** The ROTC Scholarship Program was established in 1979 to provide for the payment of tuition for eligible ROTC students each year at state and municipal universities which have an ROTC program. There is a statutory maximum of 160 recipients. In exchange, scholarship recipients agree to serve four years in the Kansas National Guard or repay the benefits plus interest. The average award for the program is \$7,256.

Agency Request FY 2012			Governor's Recommendation FY 2012		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 177,447	\$ 177,447	24	\$ 177,447	\$ 177,447	24

**Military Service Scholarship.** The Kansas Military Service Scholarship was established by proviso during the 2007 Session to assist individuals who had served after September 11, 2001, in one or more of the following military operations: Enduring Freedom; Noble Eagle; or Iraqi Freedom. The scholarship provides payment of tuition and fees at eligible institutions which include: technical schools, community colleges, the municipal university and state universities.

Agency Request FY 2012			Governor's Recommendation FY 2012		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 475,982	\$ 475,982	30	\$ 475,982	\$ 475,982	30