



KANSAS CAMPUS RESTORATION ACT

January 2025

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The purpose of this report is to fulfil the requirements to report on the progress of the Kansas Campus Restoration Plan as required by K.S.A. 76-7,159.

The 2024 Legislature enacted the Kansas Campus Restoration Act in support of the Board of Regents' facilities capital renewal initiative at the state universities, and for improvements at the campuses of the public coordinated institutions of higher education.

With the establishment of the Act beginning in FY 2026, \$32.7 million will be transferred from the State General Fund to the Kansas Campus Restoration Fund to the Board of Regents. In Fiscal Years 2026 through 2031, the Board is to distribute an aggregate amount of \$30 million to the state universities and shall credit \$100,000 to each public community college, technical college, institute of technology and municipal university. All expenditures from the fund by the state universities shall require a match of nonstate money on a \$1-for-\$1 basis from the institution or private money. Expenditures for demolition or razing of an obsolete state university buildings or facilities on campus shall not require a match. Expenditures from the fund by the coordinated institutions do not require a match.

At the December 18, 2024, meeting, the Board allocated the FY 2026 funds to the state universities pursuant to the same formula based on square footage, age, and complexity of existing campus buildings as has been utilized previously to allocate similar capital renewal appropriations and the Educational Building Fund. This allocation has been approved contingent upon the Board's assessment of each university's multi-year project plan (FY 2026 through FY 2031) by September 2025 that will identify additional mission critical buildings for demolition and renewal plans for facilities and campus infrastructure.

FY 2026 Allocation of Kansas Campus Restoration Act Fund or Mission Critical Buildings and Infrastructure \$30,000,000

	% of Total	Allocation
University of Kansas	26.87	\$8,061,000
University of Kansas Medical Center	11.25	3,375,000
Kansas State University	29.90	8,970,000
Wichita State University	10.98	3,294,000
Emporia State University	6.04	1,812,000
Pittsburg State University	7.38	2,214,000
Fort Hays State University	7.58	2,274,000
Total	100.00	\$30,000,000

Board of Regents' Capital Renewal Initiative

After years of reports that highlighted the growing backlog of capital renewal (building systems replacement) and maintenance projects needed at the state universities, the Board of Regents decided more focused attention must be directed at solving the chronic problem of deferred building renewal and maintenance in 2019. As an initial step toward that objective, the Board commissioned two systemwide studies: one to survey and assess the condition of mission critical buildings and the other to take stock of utilization rates for academic instructional spaces and offices. Both efforts were conducted by reputable, third-party consultants using industry standard methodologies during 2020. The findings of the facilities condition assessment showed that the estimated maintenance backlog for mission critical buildings was approximately \$1.2 billion.

Results of the space utilization study indicated that utilization of classrooms and instructional space across the system generally fell below nationally recognized target efficiency metrics, identifying opportunity space that could potentially be repurposed or taken out of service.

The backlog has now increased to an estimated \$1.57 billion largely due to the continued aging out of existing building systems, as well as the effect of inflation on construction costs. The KBOR 2024 University Facilities Report can be referenced by navigating from the main page at [KansasRegents.gov](https://kansasregents.gov) => Data => Legislative Reports or by using this link: <https://kansasregents.gov/data/legislative-reports>.

Background

The Board of Regents' current strategic plan "Building a Future" features three main priorities: helping Kansas families, supporting Kansas businesses, and advancing the state's economic prosperity. The Board's facilities renewal initiative to maintain and revitalize the campuses of the state universities advances all these important priorities.

The buildings and campuses of the state universities provide the physical environment where learning and research occur to support educational achievement and fulfill the missions of the institutions. These facilities also contribute to creating a sense of place and community; help with recruitment and retention of students, faculty, and staff; and inspire ongoing participation of alumni and donors.

The universities' substantial portfolio of facilities comprises a major portion of the State of Kansas' building inventory. In total, there are currently 1,134 facilities and 39 million square feet of space in use by the universities, situated on approximately 27,000 acres across the state with an estimated total replacement value of almost \$13.5 billion. Of those facilities, 489 are designated "mission critical" (i.e., predominantly used for academic and/or research functions) with 21.4 million gross square feet, and an average age of 52 years. The mission critical facilities have an estimated current replacement value of \$8.4 billion and an estimated current renewal cost of \$1.57 billion to bring the facilities to a "state of good repair" (structurally sound, safe, and functional).

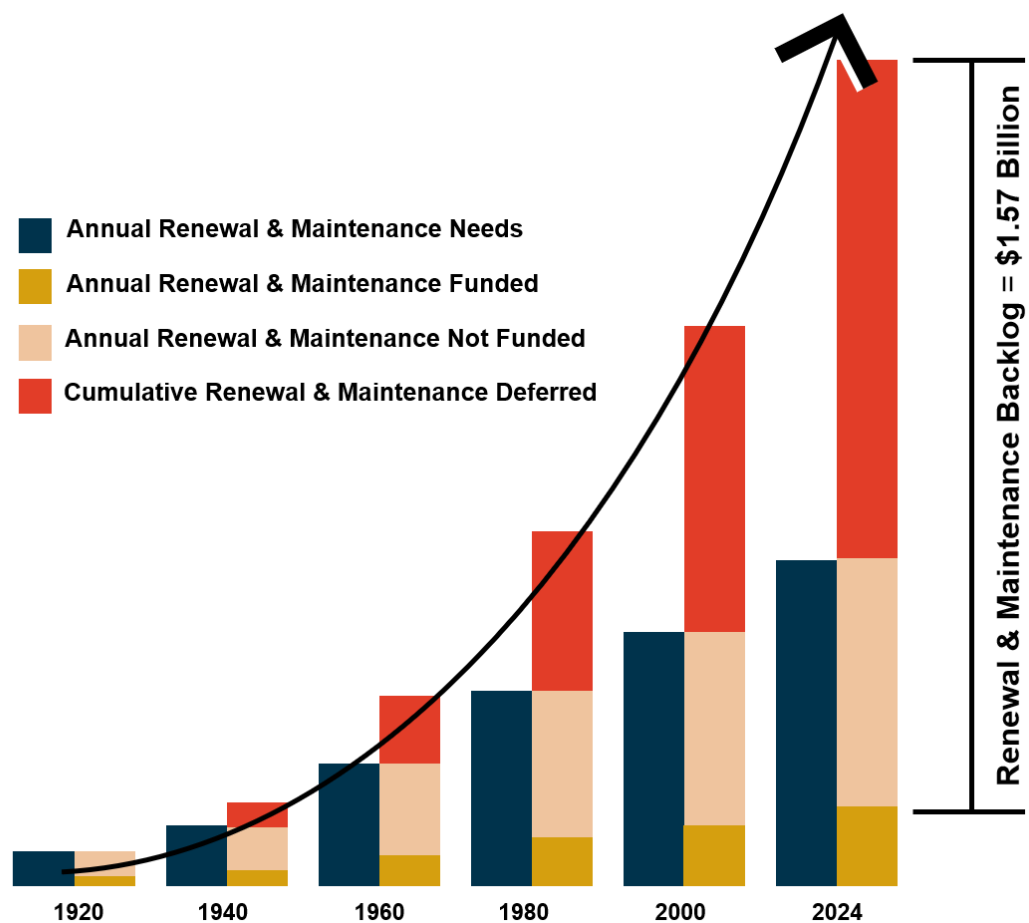
As stewards of these state assets, the campuses must continually update their facilities to be competitive in their recruitment of students, to meet the expectations of their university community, and to stay up to date with changing technologies and campus needs. The demands of managing aging facilities and infrastructure increasingly requires a strategic approach to campus planning decision making. The universities must plan and prioritize when to repair or renovate existing facilities and when to replace obsolete structures with a new building. The state universities face significant challenges to provide state of the art facilities that serve their institutional missions effectively and optimally. A combination of renewal and repair of existing facilities, preservation and renovation, divestment of unsuitable buildings, and the construction of new structures will all play a role in the revitalization effort.

The Board first adopted new facilities policy in 2021 to execute on the initiative, a proactive step in revitalizing campus facilities across the system. Highlights of the initiative include the following:

- Establishing a maintenance assessment for all mission critical buildings starting in FY 2023 at 0.25 percent of replacement value, ramping up to 2.0 percent by FY 2028 to ensure the universities are setting aside and reinvesting resources annually for renewal and maintenance projects;

- Rigorous data collections to track building and space inventory to support strategic campus planning and project development and prioritization;
- Requiring state universities to provide a structured and detailed plan to demonstrate how maintenance over the life of the building will be financed when proposing a new facility; and
- Enacting incentives to divest, repurpose, replace, and/or raze obsolete buildings to revitalize and right-size campuses with facilities optimally suitable to their functions to support the universities' missions for the coming decades.

Capital Renewal and Maintenance Backlog Over Time



Funding

In partnership with the Governor and Legislature, the Board's capital renewal initiative has already resulted in tangible improvements at the campuses. The campus facilities staff now have additional resources to proactively address building needs. Whereas in the past they were commonly reacting to emergencies, they can now strategically plan repair and replacement projects before costly and disruptive system failures.

State General Fund appropriations for capital renewal, demolition of obsolete buildings and one-time investments in new facilities is having transformative effects at the universities. In the first three years of the Board's initiative (FY 2023-FY 2025):

- Over \$405 million was allocated to address maintenance and demolition projects:
 - \$97.8 million State General Fund appropriations;
 - \$153 million from the Educational Building Fund; and
 - \$155 million from university and private sources.
- Well over 500 rehabilitation and repair projects were made possible with EBF dollars, and approximately 300 projects are expected to be financed by the State General Fund investment for capital renewal or the Universities' required match;
- As of December 2024, funds have been allocated to 27 state university demolition projects that will eliminate more than \$95 million of deferred maintenance backlog, with utility and other operating costs savings to also benefit the campuses; and
- A new space needs analysis modeling tool was finalized in Spring 2024 to enable facilities staff to coordinate with academic administrators to make strategic decisions on project development, space utilization and overall campus planning.

Although construction remains challenging due to supply chain issues and labor availability, many of the planned projects have either been completed, are currently under construction, or are in the planning stages to be executed over the course of the next year.

Educational Building Fund (EBF)

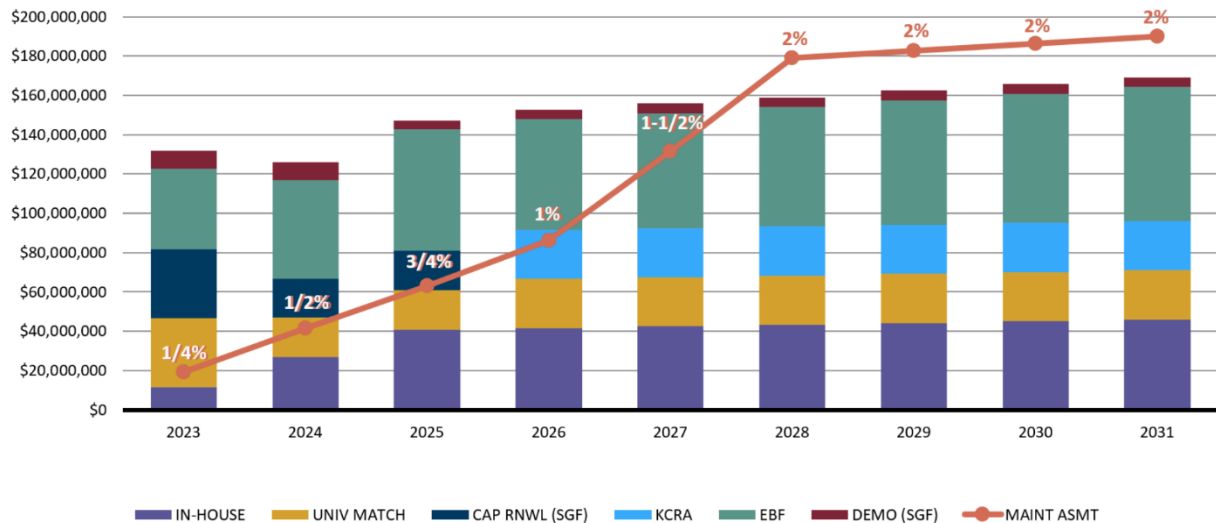
The EBF was first established by the 1941 Legislature and has been a primary source of state funds for building projects at the state universities. Income to the fund is derived from a one mill, statewide levy on property subject to ad valorem taxation. According to language in the statute, the tax levy shall be for the use and benefit of the state institutions of higher education. The EBF is appropriated to the Board for distribution among the campuses according to a formula developed in 2007, with an emphasis on rehabilitation and repair type projects for the eligible mission critical facilities and the infrastructure that directly supports these buildings.

Through the budget process, the universities submit their five-year capital plans to the Board for approval and to the Joint Committee on State Building Construction, as required by state law. Board policy determines how the state universities may use their EBF allocations. The state universities provide reports to the Board on how the funds were used for rehabilitation and repair projects on an annual basis. The EBF expenditures report for FY 2024 is included in this annual facilities report.

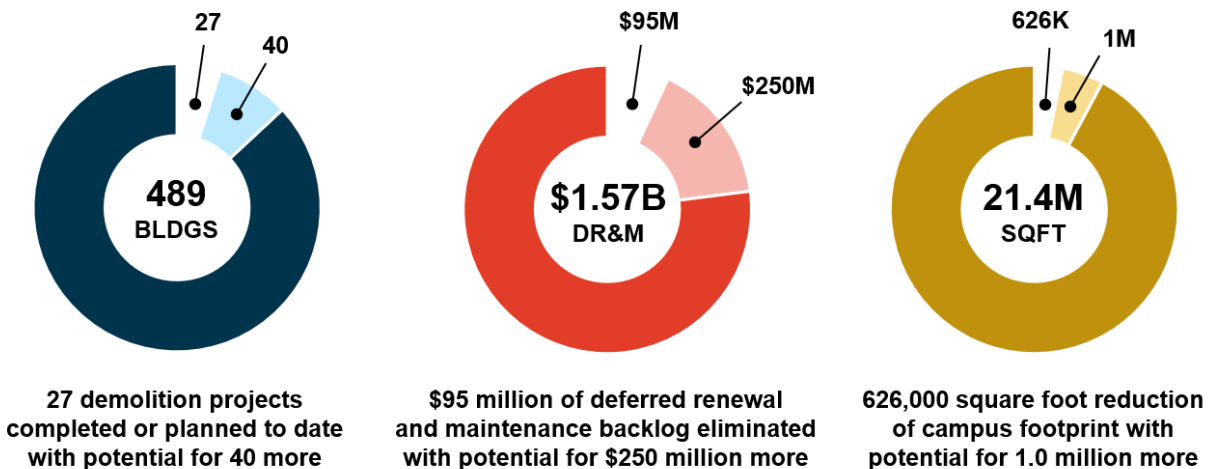
The Board's annual capital improvement appropriation from the Educational Building Fund (EBF) for state university facilities capital renewal provides critical funding for maintenance of the

mission critical facilities; however, EBF revenues are not sufficient to cover their facility renewal, repair, and maintenance needs. The EBF is allocated annually to the state universities for capital renewal projects, relying on information provided by the Division of the Budget to forecast what will be available.

Facilities Capital Renewal Initiative Funding Summary



Strategic Demolition of Obsolete Buildings



Demolition of Obsolete Facilities

The Legislature appropriated \$25.0 million over three years for the demolition of obsolete buildings on public university campuses (\$10.0 million in both FY 2023 and FY 2024 and \$5.0 million in FY 2025, with \$750,000 in each year dedicated to Washburn University).

The state universities have completed or planned 27 projects to date and have identified approximately 40 more potentially obsolete buildings that may be candidates for future demolition that would eliminate approximately another \$250 million of the \$1.57 billion deferred capital renewal and maintenance backlog for mission critical buildings. The additional facilities will not be publicly identified until the necessary campus planning, and communications can occur. Realistically, this process will take several years to realize.

Please contact the Kansas Board of Regents office with any questions regarding this program.