

## Postsecondary Education Systemwide

Expenditure	Actual FY 2021	Approved FY 2022	Approved FY 2023
<b>All Funds:</b>			
State Operations	\$ 2,435,472,463	\$ 2,624,588,503	\$ 2,657,457,300
Aid to Local Units	214,070,874	218,641,309	294,384,731
Other Assistance	316,442,269	415,320,550	329,661,783
<i>Subtotal - Operating</i>	<u>\$ 2,965,985,606</u>	<u>\$ 3,258,550,362</u>	<u>\$ 3,281,503,814</u>
Capital Improvements	123,133,813	151,778,805	173,673,964
<b>TOTAL</b>	<b><u>\$ 3,089,119,419</u></b>	<b><u>\$ 3,410,329,167</u></b>	<b><u>\$ 3,455,177,778</u></b>
<b>State General Fund:</b>			
State Operations	\$ 602,516,794	\$ 630,831,730	\$ 654,082,928
Aid to Local Units	186,241,230	204,997,648	280,724,533
Other Assistance	31,488,387	68,875,845	66,081,950
<i>Subtotal - Operating</i>	<u>\$ 820,246,411</u>	<u>\$ 904,705,223</u>	<u>\$ 1,000,889,411</u>
Capital Improvements	4,716,206	615,086	45,661,978
<b>TOTAL</b>	<b><u>\$ 824,962,617</u></b>	<b><u>\$ 905,320,309</u></b>	<b><u>\$ 1,046,551,389</u></b>
<b>Percent Change:</b>			
Operating Expenditures			
All Funds	1.3 %	9.9 %	0.7 %
State General Fund	(2.3)	10.3	10.6
FTE Positions	19,005.4	19,147.6	19,205.6

The approved operating budget for Postsecondary Education Systemwide in FY 2022 is \$3.3 billion, including \$904.7 million SGF. This is an increase of \$292.6 million from all funds, or 9.9 percent, including an increase of \$84.5 million SGF, or 10.3 percent, above the FY 2021 actual expenditures. The major increases include expenditures for contractual services and other assistance. The major SGF expenditure increases are due to the additional funds to restore base funding from an allotment and a restoration of previously reduced resources, to meet maintenance of effort requirements in FY 2022. These increases occurred during the 2021 Session. The only SGF addition during the 2022 Session was \$220,000 for the Kansas State University Polytechnic Campus in FY 2022.

The approved capital improvements budget in FY 2022 is \$151.8 million, including \$615,086 SGF. This is an all funds increase of \$28.6 million, or 23.3 percent, including a decrease of \$4.1 million SGF, or 87.0 percent, from the FY 2021 actual expenditures. The increase is primarily due to additional deferred maintenance and rehabilitation and repair projects. The SGF decrease is due to capital improvement projects and debt service not funded in FY 2022.

The approved operating budget for Postsecondary Education Systemwide for FY 2023 is \$3.3 billion, including \$1.0 billion SGF. This is an increase of \$23.0 million from all funds, or 0.7 percent, including an increase of \$96.2 million SGF, or 10.6 percent, above the FY 2022 revised estimate. The major expenditure increases are in state aid to local units with additional SGF funding to pass through to the universities, community and technical colleges, and Washburn University.

The approved capital improvements budget for FY 2023 is \$173.7 million, including \$45.7 million SGF. This is an all funds increase of \$21.9 million SGF, or 14.4 percent, including an increase of \$45.0 million SGF, or 7,323.7 percent, above the FY 2022 approved amount. The Governor and Legislature added \$35.0 million SGF for deferred maintenance projects and \$10.0 million SGF for demolition projects across all state universities.

**Governor's Vetoes.** In House Sub. for Sub. for SB 267, the Governor vetoed the line item that would have provided Benedictine College with \$200,000 SGF for their engineering program. This program was later funded by ARPA funds as noted below.

In HB 2510, the Legislature lapsed language from House Sub. for Sub. for SB 267 that required the state universities to not increase tuition rates for FY 2023. The Governor vetoed the lapsed language, therefore restoring the language to not allow the state universities to increase tuition rates for FY 2023.

## Postsecondary Education Systemwide

	FY 2022			FY 2023		
	SGF	All Funds	FTE	SGF	All Funds	FTE
<b>Agency Estimate</b>	\$ 905,100,309	\$3,410,109,167	19,147.6	\$ 1,021,669,145	\$3,367,157,306	19,205.6
<b>Governor's Changes:</b>						
1. Enhancements	\$ -	\$ -	-	\$ (161,635,454)	\$ (161,635,454)	-
2. University Restore/Tuition Freeze	-	-	-	45,700,000	45,700,000	-
3. Universities Facilities Capital Renewal	-	-	-	25,000,000	25,000,000	-
4. Universities IT/Cybersecurity	-	-	-	20,000,000	20,000,000	-
5. Kansas Access Partnership Grant	-	-	-	25,000,000	25,000,000	-
6. Two-Year Colleges Special Projects	-	-	-	15,000,000	15,000,000	-
7. Tiered and Non-tiered Funding	-	-	-	6,000,000	6,000,000	-
8. Career Tech Ed Tuition	-	-	-	2,500,000	2,500,000	-
9. Career Tech Ed Capital Outlay	-	-	-	1,000,000	1,000,000	-
10. Washburn University	-	-	-	1,554,013	1,554,013	-
11. National Guard Scholarship	-	-	-	1,000,000	1,000,000	-
12. Regents Administration	-	-	-	305,454	305,454	-
13. KSU-VMC GBA No. 2, Item 17	-	-	-	250,000	250,000	-
14. Veto No. 1 House Sub. for Sub. for SB 267 Benedictine College	-	-	-	(200,000)	(200,000)	-
15. Veto No. 1 HB 2510 Restore Tuition Freeze Language	-	-	-	-	-	-
<b>Subtotal - Governor's Recommendation</b>	<u>\$ 905,100,309</u>	<u>\$ 3,410,109,167</u>	<u>19,147.6</u>	<u>\$ 1,003,143,158</u>	<u>\$ 3,348,631,319</u>	<u>19,205.6</u>
Change from Agency Est.	\$ -	\$ -	-	\$ (18,525,987)	\$ (18,525,987)	-
Percent Change from Agency Est.	--%	--%	--%	(1.8)%	(0.6)%	--%
<b>Legislative Action:</b>						
16. FHSU - Cybersecurity Initiative	\$ -	\$ -	-	\$ 500,000	\$ 500,000	-
17. KSU - Polytechnic Campus	220,000	220,000	-	-	-	-
18. KSU - Language to study Polytechnic Campus	-	-	-	-	-	-
19. KSU-VMC GBA No. 2, Item 17	-	-	-	-	-	-
20. WSU - Digital Transformation	-	-	-	7,000,000	7,000,000	-
21. WSU - Federal ARPA Funds	-	-	-	-	10,000,000	-
22. Two-Year Colleges Special Projects	-	-	-	(15,000,000)	(15,000,000)	-
23. Kansas Access Partnership Grant	-	-	-	(25,000,000)	(25,000,000)	-
24. Teachers Scholarship	-	-	-	1,547,023	1,547,023	-
25. Postsecondary Tiered Technical Education State Aid	-	-	-	3,097,030	3,097,030	-
26. Non-tiered Course Credit Hour Grant	-	-	-	11,412,876	11,412,876	-
27. Comprehensive Grant Program	-	-	-	19,000,000	19,000,000	-
28. Benedictine College Engineering Program	-	-	-	200,000	200,000	-
29. Language for Funding of Community and Technical Colleges over the Next Two Years	-	-	-	-	-	-
30. Establish a Working Group to Review Funding of Community and Technical Colleges	-	-	-	-	-	-
31. Career Technical Education Capital Outlay	-	-	-	3,800,000	3,800,000	-
32. Post-secondary Operating Grant	-	-	-	(7,200,000)	(7,200,000)	-
33. Universities Facilities Capital Renewal with 1:1 Match	-	-	-	10,000,000	10,000,000	-
34. Demolition Account	-	-	-	10,000,000	10,000,000	-
35. Language for Land Sales	-	-	-	-	-	-
36. Salary Increase	-	-	-	24,051,302	77,189,530	-
<b>TOTAL APPROVED</b>	<u>\$ 905,320,309</u>	<u>\$3,410,329,167</u>	<u>19,147.6</u>	<u>\$ 1,046,551,389</u>	<u>\$3,455,177,778</u>	<u>19,205.6</u>
Change from Gov. Rec.	\$ 220,000	\$ 220,000	-	\$ 43,408,231	\$ 106,546,459	-
Percent Change from Gov. Rec.	0.0%	0.0%	--%	4.3%	3.2%	--%
Change from Agency Est.	\$ 220,000	\$ 220,000	-	\$ 24,882,244	\$ 88,020,472	-
Percent Change from Agency Est.	0.0%	0.0%	--%	2.4%	2.6%	--%

1. The Governor deleted \$161.6 million SGF in agency-requested enhancements for FY 2023.
2. The Governor added \$45.7 million SGF to restore the state investment in state universities to the prior level, recognizing inflationary cost increases to operate and freeze student tuition for FY 2023.
3. The Governor added \$25.0 million SGF for the universities facilities capital renewal initiative for FY 2023.
4. The Governor added \$20.0 million SGF for universities to invest in information technology infrastructure and bolster cybersecurity efforts across the system.
5. The Governor added \$25.0 million SGF for the Kansas Access Partnership Grant for FY 2023.
6. The Governor added \$15.0 million SGF for two-year colleges special projects for FY 2023.
7. The Governor added \$6.0 million SGF for the tiered and non-tiered funding for community and technical colleges to close the funding gap for FY 2023.
8. The Governor added \$2.5 million SGF for the Career Technical Education Tuition for FY 2023.
9. The Governor added \$1.0 million SGF for the Career Technical Education Capital Outlay for FY 2023.
10. The Governor added \$1.6 million SGF for Washburn University operating grant for FY 2023.
11. The Governor added \$1.0 million SGF for the National Guard Scholarship for FY 2023.
12. The Governor added \$305,454 for the Board of Regents operating expenditures to provide staffing for the Promise Act and the capital renewal initiative for FY 2023.
13. For Kansas State University Veterinary Medical Center, the Governor added \$250,000 SGF as GBA No. 2, Item 17 for the Veterinary Training Program for Rural Kansas for FY 2023.
14. The Governor vetoed the \$200,000 SGF for the Benedictine College engineering program for FY 2023. *Staff note:* In 2022 House Sub. for HB 2510, the Legislature added language requiring that of the \$10.0 million from federal ARPA funds for private and independent colleges, at least \$200,000 shall be granted to the Benedictine College engineering program with a 1:1 match. This provision was not vetoed.
15. The Governor vetoed the language in HB 2510 that would have removed the language stating that universities may not increase tuition for FY 2023. With the language removed, the original language in House Sub. for Sub. for SB 267 that prevents universities from increasing their tuition stands for FY 2023.
16. For Fort Hays State University, the Legislature added \$500,000, SGF for cybersecurity initiative operating expenditures for FY 2023.
17. For Kansas State University, the Legislature added \$220,000 SGF to the Polytechnic Campus operating fund in FY 2022.
18. For Kansas State University, the Legislature added language to conduct a study of the Polytechnic Campus including a review of the mission and extent of the campus; degree offerings; and the financial structure of the polytechnic campus. The report shall be submitted to the House Committee on Appropriations and the Senate Committee on Ways and Means before November 1, 2022, for FY 2023.
19. For Kansas State University Veterinary Medical Center, the legislature concurred with GBA No. 2, Item 17 to add \$250,000 for the Veterinary Training Program for Rural Kansas for FY 2023.
20. For Wichita State University, the Legislature added \$7.0 million SGF to a new Digital Transformation Program account with a 1:1 match and annual reporting to the House Committee on Appropriations and Senate Committee on Ways and Means for FY 2023. This new fund will also see an annual \$7.0 million SGF appropriation for FY 2024, FY 2025, FY 2026, and FY 2027.
21. For Wichita State University, the Legislature transferred \$10.0 million, all from the federal ARPA funds in the Office of the Governor, to the new federal Digital Transformation Fund for FY 2023 and allowed \$10.0 million in expenditures from the fund for FY 2023.
22. The Legislature deleted \$15.0 million SGF for the two-year colleges special projects for FY 2023.

23. The Legislature deleted \$25.0 million SGF for the Kansas Access Partnership Grant for FY 2023.
24. The Legislature added \$1.5 million SGF for the Teachers Scholarship for FY 2023.
25. The Legislature added \$3.1 million to the Postsecondary Tiered Technical Education State Aid for FY 2023.
26. The Legislature added \$11.4 million to the Non-tiered Course Credit Hour Grant for FY 2023.
27. The Legislature added \$19.0 million SGF to the Comprehensive Grant program with language for a 1:1 match with non-governmental funding for FY 2023.
28. The Legislature added \$200,000 SGF for the Benedictine College engineering program for FY 2023. This item was vetoed by the Governor (see #13 above). *Staff note:* In 2022 House Sub. for HB 2510, the Legislature added language requiring that of the \$10.0 million from federal ARPA funds for private and independent colleges at least \$200,000 shall be granted to the Benedictine College engineering program with a 1:1 match. This provision was not vetoed.
29. The Legislature added language to the Postsecondary Tiered Technical Education State Aid and Non-Tiered Course Credit Hour Grant to hold all colleges harmless and funded for FY 2023 at no less than the funding amounts allocated in FY 2022. For FY 2024, the two-year colleges will have any over-funded amounts reduced by 50 percent and the remaining funds distributed based on each eligible institution's calculated gap. For FY 2025, the two-year colleges will be funded by fully implementing the funding formula for the Postsecondary Tiered Technical Education State Aid and Non-Tiered Course Credit Hour Grant.
30. The Legislature added language to establish a working group to review the plan to reduce the tiered and non-tiered funding from those colleges currently over-funded and other formula related issues, pursuant to the Board of Regents formula for FY 2023. This working group would be made of 13 members, including: 3 members from community colleges, 2 members from technical colleges, 1 member from the Board of Regents, the Chairperson from the Senate Committee on Education, the Chairperson of the Senate Committee on Ways and Means, the Chairperson of the House Committee on Appropriations, the ranking member of the House Committee on Appropriations, the Chairperson of the House Committee on Higher Education Budget, the ranking member of the House Committee on Higher Education Budget, and the ranking members from the Senate Committee on Ways and Means.
31. The Legislature added \$3.8 million SGF for the Career Technical Education Capital outlay to be divided evenly among the 16 technical and community colleges receiving capital outlay for FY 2023. The new funds reappropriate for two years.
32. The Legislature deleted \$7.2 million SGF from the Postsecondary Operating Grant for FY 2023.
33. The Legislature added \$10.0 million SGF to the Universities Facilities Capital Renewal Initiative with language requiring a 1:1 match by the universities for the additional funds for FY 2023.
34. The Legislature added \$10.0 million SGF for demolition of buildings at the universities for FY 2023. Of the total amount, Washburn University will receive \$750,000. The funds are to be expended for demolition only.
35. The Legislature added the contents of HB 2600, a land sale/exchange bill including properties currently owned by the University of Kansas, Kansas State University, Emporia State University, and Pittsburg State University in Kansas and Nebraska for FY 2023.
36. The Legislature added \$77.2 million, including \$24.1 million SGF, for a 5.0 percent salary increase for most state employees for FY 2023. This adjustment excludes statewide elected officials, current beneficiaries of the 24/7 pay plan, with other specific limitations for employees who receive salary adjustments in other portions of the appropriations bill.