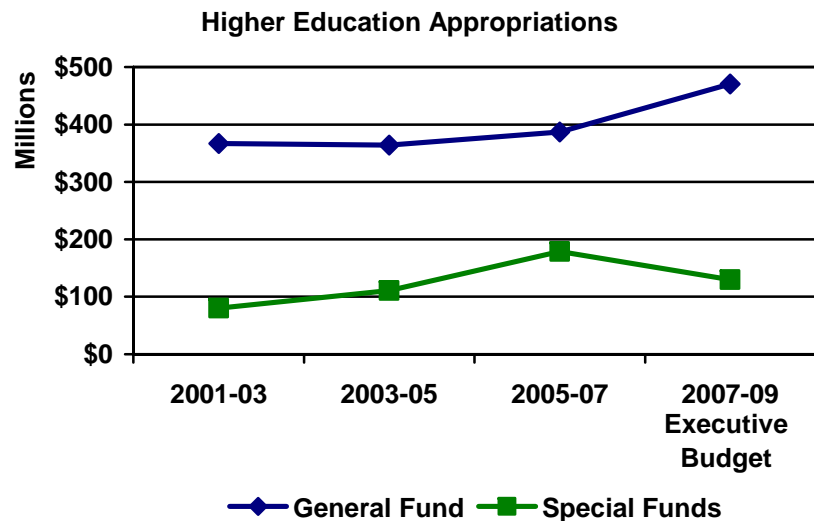


## HIGHER EDUCATION - SUMMARY OF KEY RECOMMENDATIONS

The 2007-09 executive budget recommends the following higher education funding changes compared to 2005-07 legislative appropriations for higher education:

- Increases **general fund** support by \$83,069,547, or 21.5 percent, including approximately \$30.6 million of one-time funding from the general fund. The increase in funding is due in part to increasing funding for campus operations and extraordinary repairs by approximately \$54.8 million, increasing funding for major capital projects by approximately \$13.8 million, and increasing funding for student financial assistance by approximately \$4.2 million.
- Decreases support from **special funds** by \$49,078,952, or 27.5 percent, due to decreasing major capital projects funding from special funds by approximately \$48.9 million.
- Adjusts the authorized number of **full-time equivalent (FTE) positions** from 2,194.42 to 2,134.59 to reflect the number of FTE positions supported by the general fund



Biennium	General Fund	Special Funds	Total
2001-03	\$366,953,836	\$80,367,201	\$447,321,037
2003-05	\$364,029,938	\$110,546,775	\$474,576,713
2005-07	\$387,157,893	\$178,552,108	\$565,710,001
2007-09 - Executive budget	\$470,227,440	\$129,473,156	\$599,700,596

Key recommendations include:

- Funding of \$30,564,710 is provided for **one-time general fund appropriations**, including:

Northern Tier Network infrastructure	\$1,000,000
ConnectND system support	3,700,000
Common information services parity funding	420,000
Deferred maintenance	11,000,000
Major capital projects	14,444,710
<b>Total</b>	<b>\$30,564,710</b>

- Funding of \$33.8 million from the general fund for **campus parity** as requested by the State Board of Higher Education for costs to continue the fiscal year 2007 legislatively authorized salary increases, 5 percent per year salary increases for the 2007-09 biennium, estimated health insurance increases, and 2.4 percent per year operating inflation. This level of funding represents 96 percent of the general fund portion of parity costs. The remaining funding of approximately \$1.4 million will need to be funded with special funds or reallocation.
- Funding of \$10 million from the general fund for **campus equity** payments.
- Funding of \$5,987,497, of which \$5,823,497 is from the general fund and \$164,000 is from federal funds, for the **student financial assistance grant program**. This level represents a total funds increase of \$2,483,095 from the 2005-07 legislative appropriation of \$3,504,402.
- Funding of \$2,617,026, of which \$2,299,566 is from the general fund and \$317,460 is from the student loan trust fund, for the **professional student exchange program**. The funding includes \$200,000 from the general fund for a new community matching loan forgiveness program for veterinary medicine and optometry students and \$317,460 from the student loan trust fund for continuing the Kansas State University veterinary medicine program. This level represents a total funds increase of \$489,746 from the 2005-07 legislative appropriation of \$2,127,280.
- Funding of \$1,478,566 from the general fund for the **scholars program**. The funding includes \$250,785 to increase the number of new freshmen awards from 35 to 50 per year for fiscal years 2008 and 2009 and \$200,000 for a one-time \$2,000 stipend to all new freshmen in fiscal years 2008 and 2009. This level represents a general fund increase of \$616,489 from the 2005-07 legislative appropriation of \$862,077.
- Funding of \$5,500,000 from the general fund is recommended for **competitive research** matching funding. This represents an

increase in funding of \$310,000 from the 2005-07 legislative appropriation of \$5,190,000.

8. Funding of \$2,091,174 from the general fund for **board initiatives** to support University System and statewide goals linked to the State Board of Higher Education strategic plan and the Higher Education Roundtable report. The funding includes \$300,000 for a grant to the Space Grant Consortium. This level of funding represents an increase of \$366,174 from the 2005-07 adjusted appropriation of \$1,725,000.
9. A **common information services pool** of \$27,403,293 from the general fund is provided for support of the Higher Education Computer Network, the Interactive Video Network (IVN), the On-line Dakota Information Network (ODIN), and other related technology initiatives. The funding includes \$5,120,000 of one-time funding from the general fund, including \$420,000 for parity, \$3.7 million for support of the ConnectND system, and \$1,000,000 for Northern Tier Network infrastructure. This level of funding represents an increase

of \$6,796,200 from the 2005-07 adjusted appropriation of \$20,607,093.

10. Funding of \$174,018,625 is provided for **capital assets**, including:

	<b>General Fund</b>	<b>Special Funds</b>	<b>Total</b>
Capital construction lease payments	\$14,792,252	\$1,029,750	\$15,822,002
Campus extraordinary repairs	17,714,053	0	17,714,053
Major capital projects	14,444,710	126,037,860	140,482,570
Total	\$46,951,015	\$127,067,610	\$174,018,625

Of the \$17,714,053 provided for campus extraordinary repairs, \$11 million is considered by the executive budget to be one-time funding. The funding of \$14,444,710 for major capital projects is also considered to be one-time funding. Please refer to the schedules under the **Capital Construction** section for additional information regarding capital improvements.