Today’s Presentation

The University of Kansas

- Overview
- Structure
- How we serve Kansas
- Budget
- History of state funding
- Efficiency efforts
- FY 2017 allotment cut of $10.7 million
- Q&A
Overview

Educating leaders, building healthy communities, making discoveries

• 28,400 students
• 2,600 faculty
• Five campuses
  • Lawrence and Edwards
  • KU Medical Center in Kansas City, Wichita and Salina
• States’ only schools of pharmacy and medicine
• 49 nationally ranked graduate programs
• AAU member since 1909
Structure
Two agencies, six controlled affiliated corporations and three non-controlled affiliated corporations

The University of Kansas

Lawrence and Edwards campuses
- Center for Research
- Memorial Unions
- Kansas Athletics

KU Medical Center
- Research Institute
- KU Health Partners
- Student Union

KU Endowment Association

The University of Kansas Hospital

The University of Kansas Physicians
How we serve Kansas (1 of 2)
Educating leaders, building healthy communities, making discoveries

Educating Leaders
• Five straight years of freshman growth; historic 2016 class

Building Healthy Communities
• KU Medical Center, NCI designation, telemedicine
• Law enforcement and fire/rescue training
• Kansas Geological Survey
• RedTire and Jayhawk Consulting

Making Discoveries
• No. 1 ranked programs in special education, city management
• 127 license agreements for commercial use of KU technology
• Partnerships with Garmin, ADM, Ford Motor Company
How we serve Kansas (2 of 2)

KU is an economic engine for Kansas

Addressing workforce needs for Kansas
• 6,000 graduates annually

Creating startups and recruiting existing companies to Kansas
• 38 active KU startups; 40 tenants in our on-campus incubator

Creating jobs
• NCI investment producing 4,140 jobs from 2007-2020
• Central District project creating 700 jobs per year

Bringing external research grants to Kansas
• $238.8 million

Attracting donations from outside Kansas
• 40 percent of donors live outside Kansas
Budget (1 of 2)
Research grants, tuition now top two KU revenue sources

Source: FY 2016 Budget
Budget (2 of 2)
Tuition covers only 29% of Lawrence budget, 11% of KUMC budget

Lawrence and Edwards

- Tuition and fees, net of scholarship allowances: 29%
- Non-operating federal grants and contracts: 2%
- Grants and contracts: 17%
- Local appropriations: 1%
- State appropriations: 15%
- Auxiliary enterprises: 20%
- Gifts: 2%
- Other revenue: 3%

KU Medical Center

- Tuition and fees, net of scholarship allowances: 11%
- Non-operating federal grants and contracts: <1%
- Grants and contracts: 30%
- Local appropriations: 1%
- State appropriations: 25%
- Sales and services of educational departments: 17%
- Auxiliary enterprises: 2%
- Gifts: 9%
- Capital grants and gifts: 2%
- Other revenue: 3%
- Other revenue: 3%

Source: FY 2016 Budget
History of state funding
SGF per FTE student down 44 percent in 17 years
Efficiency efforts (1 of 2)
Lawrence and KU Medical Center

Launched in 2012 with three goals:
• Be more efficient, reinvest in priorities, improve service

Reinvest in priorities such as:
• Faculty hires
• Scholarships, fellowships
• Facility updates
• Technology upgrades
• Central District
• Engineering school growth

*State of Kansas A&M Efficiency Study
• Networking printing suggestion was already fully implemented at KU prior to study
Efficiency efforts (2 of 2)
Lawrence and KU Medical Center

Examples

• Centralized 85% of Information Technology units (L)
• Consolidated facilities/housekeeping (L)
• Launched paperless procurement, strategic sourcing (L and MC)
• Implemented multiple energy efficiency projects (L and MC)
• Reduced internal construction staff; now contract with vendors (MC)
• Negotiated new housekeeping contract with outside vendor (MC)
• Launched license plate recognition system, badge readers (L and MC)
• Automated and consolidated mailroom and receiving dock (MC)
FY2017 allotment cut of $10.7 million
Difficult decisions across the university

The Governor cut the KU budget in May 2016
- $7M for Lawrence; $3.7M for KU Medical Center
- KU-L, KSU took a larger percentage cut due to proviso language

Lawrence impact
- Many unfilled faculty slots, failed retentions of star researchers
- CLAS has reduced faculty hires 60%
- Reductions to KPR, Audio-Reader, KFRTI

KU Medical Center impact
- No salary increase for seventh time in eight years
- Reduced statewide clinical outreach, teacher training programs
- Reduced slots for M.D./Ph.D program