



KANSAS BOARD OF REGENTS

MEMO

TO: Governor Sam Brownback, Senate and House Leadership, Members of the House Appropriations Committee, Senate Ways and Means Committee, Budget Conferees, House Education Committee, & Senate Education Committee

FROM: Andy Tompkins, President & CEO

DATE: March 27, 2013

RE: State University Spending per FTE Student

We have received questions from Legislators about information they received from the Kansas Policy Institute (KPI) on March 24, 2013, regarding state university spending per full-time equivalent (FTE) student. We were asked if the KPI information is an accurate depiction of state university spending per FTE student.

The KPI analysis takes the total number of FTE students divided by the total operating expenditures financed from all funds to derive total expenditures per FTE student. This simple methodology does not accurately depict state university spending on the instructional mission, nor does it accurately describe the financing of spending per FTE student.

The facts are:

- Since 1993, the Kansas Board of Regents has published a State University Data Book. For the past 20 years, a table published in the State University Data Book (Table 1.40) displays the trend in per student spending. The methodology was developed in consultation with policymakers and has been endorsed by the Regents, Governors and Legislators for many years.
- The simple calculation used by KPI includes *all categories of program expenditures* in the per FTE student calculation. This means items like research, auxiliary services and other expenditures, that are not part of the education program of the universities, are included in the calculation.
- The simple calculation used by KPI also includes *all categories of funds* in the per FTE student calculation. This means funds like federal research grants, auxiliary services and other restricted use funds, which do not directly support the education program of the universities, are included in the calculation.
- KPI used inaccurate FTE student figures for 2007 and 2012 and did not treat the University of Kansas Medical Center consistently in calculations. These issues, and their impact on the calculations, are documented in the table below. (NOTE: We contacted

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KPI to make them aware of the data errors and concerns with their simple methodology. KPI indicated they will correct the data errors and re-issue their report.)

- Using the Standard Methodology, and correct data, university per FTE student spending has grown by 9% from 2007 to 2012, while inflation increased by 10.6% (BLS, Midwest Urban Cities, average annual CPI).

The Kansas Board of Regents appreciates the Legislature's interest in university spending, and the desire to have the most accurate data to inform decision-making during the budget process.

If you have any questions, or if I can be of additional assistance, please don't hesitate to contact me at atompkins@ksbor.org or 785.296.3421.

State University Spending Per FTE Student | Corrected

	Kansas Board of Regents Standard Methodology State University Data Book Table 1.40			Kansas Policy Institute Information Provided on March 23, 2013		
	2007	2012	% Change	2007	2012	% Change
All State Universities						
FTE Enrollment	72,025	75,803	5%	72,684 ^A	75,569 ^B	4%*
Spending Per FTE Student	\$9,404	\$10,276	9%	\$25,824 ^{*A}	\$32,292 ^{*B}	25%*
Total Educational Expense ¹ SGF, Tuition & Fees	\$677,302,239	\$778,948,479	15%	--	--	--
Total Operating Expense ^{2,3} All Funds	--	--	--	\$1,876,993,512	\$2,440,267,068	30%
Emporia State University						
FTE Enrollment	5,224	4,908	-6%	5,230 ^C	4,745 ^D	-9%*
Spending Per FTE Student	\$7,898	\$9,201	16%	\$13,643 ^{*C}	\$17,653 ^{*D}	29%*
Total Educational Expense ¹ SGF, Tuition & Fees	\$41,260,081	\$45,158,869	9%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$71,354,957	\$83,765,777	17%
Fort Hays State University						
FTE Enrollment	6,156	8,198	33%	6,246 ^E	8,498 ^F	36%*
Spending Per FTE Student	\$6,737	\$6,538	-3%	\$12,546 ^{*E}	\$13,045 ^{*F}	4%*
Total Educational Expense ¹ SGF, Tuition & Fees	\$41,473,353	\$53,595,733	29%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$78,362,673	\$110,854,073	41%
Kansas State University						
FTE Enrollment	19,133	20,014	5%	19,311 ^G	20,596 ^H	7%*
Spending Per FTE Student	\$9,036	\$10,321	14%	\$29,250 ^{*G}	\$35,928 ^{*H}	23%*
Total Educational Expense ¹ SGF, Tuition & Fees	\$172,877,809	\$206,554,935	19%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$564,842,103	\$739,977,678	31%
KSU Vet Medical Center						
FTE Enrollment	651	723	11%	645 ^I	723	12%*
Spending Per FTE Student	\$40,115	\$38,154	-5%	\$51,131 ^{*I}	\$49,845	-3%*
Total Educational Expense ¹ SGF, Tuition & Fees	\$26,115,064	\$27,585,531	6%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$32,979,403	\$36,038,192	9%

State University Spending Per FTE Student | Corrected

	Kansas Board of Regents Standard Methodology State University Data Book Table 1.40			Kansas Policy Institute Information Provided on March 23, 2013		
	2007	2012	% Change	2007	2012	% Change
Pittsburg State University						
FTE Enrollment	6,371	6,984	10%	6,626 ^J	6,876 ^K	4% [*]
Spending Per FTE Student	\$7,083	\$7,561	7%	\$11,679 ^{*J}	\$15,142 ^{*K}	30% [*]
Total Educational Expense ¹ SGF, Tuition & Fees	\$45,125,282	\$52,805,693	17%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$77,385,867	\$104,117,964	35%
University of Kansas						
FTE Enrollment	23,942	23,290	-3%	23,831 ^L	22,468 ^M	-6% [*]
Spending Per FTE Student	\$10,436	\$12,554	20%	\$26,056 ^{*L}	\$34,669 ^{*M}	33% [*]
Total Educational Expense ¹ SGF, Tuition & Fees	\$249,862,902	\$292,391,436	17%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$620,931,887	\$778,935,391	25%
University of Kansas Medical Center						
Headcount ⁴	2,840	3,270	15%	2,918 ^N	3,362 ^O	15% [*]
Spending Per Student ⁴	\$37,837	\$32,847	-13%	\$80,886 ^{*N}	\$95,771 ^{*O}	18% [*]
Total Educational Expense ¹ SGF, Tuition & Fees	\$107,456,851	\$107,410,478	0%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$236,024,390	\$321,982,406	36%
Wichita State University						
FTE Enrollment	10,548	11,686	11%	10,795 ^P	11,662 ^Q	8% [*]
Spending Per FTE Student	\$9,535	\$8,631	-9%	\$18,074 ^{*P}	\$22,689 ^{*Q}	26% [*]
Total Educational Expense ¹ SGF, Tuition & Fees	\$100,587,748	\$100,856,282	0%	--	--	--
Total Operating Expense ² All Funds	--	--	--	\$195,112,232	\$264,595,587	36%

State University Spending Per FTE Student | Corrected

Footnotes

1. Total Educational Expense includes operating expenditures for Instruction, Academic Support, Student Services and Institutional Support. General Use Operating Educational Expenditures used.
2. Total Operating Expense includes Educational Expenditures, as well as Physical Plant, Research, Public Service Scholarships & Fellowships, Auxiliary Enterprises and Other expenditures. All Funds Operating Expenditures used.
3. KPI included the University of Kansas Medical Center in the All State Universities expenditures number. The correct figure for All State Universities Total Operating Expense is \$1,640,969,122 (2007) and \$2,118,284,662 (2012). This error over-represents expenditures by \$23.6 million in 2007 and \$32.2 million in 2012. The correct percent change is 29.1%.
4. FTE is not calculated for University of Kansas Medical Center students.

*Calculation based on an incorrect number. Incorrect FTE Enrollment or Student Headcount used.

- A. Correct FTE Enrollment for All State Universities in 2007 is 72,025. Overstates FTE Students by 659.
- B. Correct FTE Enrollment for All State Universities in 2012 is 75,803. Missing 234 FTE Students.
- C. Correct FTE Enrollment for Emporia State University in 2007 is 5,224. Overstates FTE Students by 6.
- D. Correct FTE Enrollment for Emporia State University in 2012 is 4,908. Missing 163 FTE Students.
- E. Correct FTE Enrollment for Fort Hays State University in 2007 is 6,156. Overstates FTE Students by 90.
- F. Correct FTE Enrollment for Fort Hays State University in 2012 is 8,198. Overstates FTE Students by 300.
- G. Correct FTE Enrollment for Kansas State University in 2007 is 19,133. Overstates FTE Students by 178.
- H. Correct FTE Enrollment for Kansas State University in 2012 is 20,014. Overstates FTE Students by 582.
- I. Correct FTE Enrollment for Kansas State University Veterinary Medical Center in 2007 is 651. Missing 6 FTE Students.
- J. Correct FTE Enrollment for Pittsburg State University in 2007 is 6,371. Overstates FTE Students by 255.
- K. Correct FTE Enrollment for Pittsburg State University in 2012 is 6,984. Missing 108 FTE Students.
- L. Correct FTE Enrollment for the University of Kansas in 2007 is 23,942. Missing 111 FTE Students.
- M. Correct FTE Enrollment for the University of Kansas in 2012 is 23,290. Missing 822 FTE Students.
- N. Correct Headcount Enrollment for the University of Kansas Medical Center in 2007 is 2,840. Overstates Headcount by 78.
- O. Correct Headcount Enrollment for the University of Kansas Medical Center in 2012 is 3,270. Overstates Headcount by 92.
- P. Correct FTE Enrollment for Wichita State University in 2007 is 10,548. Overstates FTE Students by 247.
- Q. Correct FTE Enrollment for Wichita State University in 2012 is 11,686. Missing 24 FTE Students.