



Fiscal Affairs & Audit Standing Committee (FAA)

Kansas Board of Regents

Curtis State Office Building at 1000 SW Jackson, Suite 520, Topeka, KS 66612

Meeting Held on Zoom:

<https://kansasregents-org.zoom.us/j/84585875925?pwd=KQCA6hdYJwp1kg2PPRbRS6uC7tsUxk.1&jst=1>

Tuesday, March 31, 2026, 12:15 – 12:45 pm

I. Call To Order

Regent Dicus

II. New Business

First Read of Johnson County Educational Research Triangle (JCERT) FY 2027 Budgets

Mary Damewood, Senior Director of Finance, KU Cancer Center

Stuart Day, Vice Provost, KU Edwards Campus

Ben Wolfe, Dean and CEO, K-State Olathe

III. Future Meetings

May 5 – 12:15pm, Agenda Planning Conference Call on Zoom

May 20 – 10:15 am Committee Meeting, Board Office, Topeka

June 2 – 12:15pm, Agenda Planning Conference Call on Zoom

June 17 – 10:15 am Committee Meeting, Board Office, Topeka



KANSAS BOARD OF REGENTS

**First Read by Fiscal Affairs & Audit Standing Committee:
Johnson County Education Research Triangle (JCERT) Budgets for FY 2027**
Full Board Consideration at the May Meeting

History

The 2007 Legislature created the Johnson County Education Research Triangle Authority (JCERTA), and the voters of Johnson County subsequently approved a 1/8 cent sales tax to support three university projects:

1. Medical education and life sciences and cancer research programs at the Johnson County locations of the University of Kansas Medical Center;
2. Research and education programs in animal health and food safety and security, and other undergraduate and graduate programs¹ at the Olathe Campus of Kansas State University; and
3. Specific undergraduate and graduate programs at the Edwards Campus of the University of Kansas in the City of Overland Park.

The statute establishes a seven-member Board of Directors to administer the sales tax revenues. Each of the members must be elected officials of Johnson County and appointed to serve a maximum of two terms of four years each. Employees of the universities are not eligible to serve.

As of Spring 2026, the JCERT Board of Directors is as follows:

- Melanie Hepperly, Mayor of Fairway, Appointed by Kansas Board of Regents
- Jeff Meyers, Johnson County Commissioner, Appointed by Johnson County Board of County Commissioners
- Dawn Rattan, Johnson County Community College Trustee, Appointed by Board of Johnson County Community College
- Dina Sykes, Kansas State Senator and Chair of JCERTA, Appointed by the University of Kansas
- David Waters, Mayor of Westwood, Appointed by Kansas State University
- Laura Williams, Kansas State Representative, Appointed by the University of Kansas
- Brandon Woodard, Kansas State Representative, Appointed by Governor Kelly

¹The 2022 Legislature amended K.S.A. 19-5005 to permit Kansas State University to offer additional academic programs at the Olathe Campus; however, any additional academic programs are subject to the approval of the Board of Regents, the University of Kansas and the JCERT Authority. Any new academic programs cannot include pre-baccalaureate programs, lower-division courses or courses for students attending high school.

The JCERTA Board retains up to two percent of the tax revenues to cover administrative costs and the remainder of the annual revenue is to be split evenly between the three projects.

The law restricts the universities' expenditure of JCERT tax revenues to certain purposes and states that "the Kansas Board of Regents shall remain responsible for the governance of these institutions, including approval of any academic programs and the regulation thereof, and shall be responsible to the Authority for institutional compliance with the purposes of this act." Budget approval by the Board of Regents is required each year. In accordance with the Board's process, the universities prepare annual budgets for their portion of the JCERT revenue, to include debt service, maintenance, operations, and, where appropriate, research, and undergraduate and graduate educational programs.

The law requires each participating university to certify to both the Authority Board and to the Board of Regents that expenditures of funds received from the Authority are made in compliance with the Act, Board policy and applicable state and federal laws. Furthermore, any revenue bonds that pledge the JCERT funds for repayment must be approved by the Board of Regents, regardless of what entity acts as obligor on the bonds. According to the Authority's by-laws, the universities are to certify expenditures to the Authority on an annual basis; the universities' certification to the Board is on the same schedule. The Universities submit the accounts and expenditures for an annual independent audit paid for by the JCERTA Board. The JCERTA Board contracts with external auditors for a financial audit to be completed by September 1 of each year. A copy of the external audit is provided to the Board and the Universities.

The attached documents are the proposed FY 2027 budget plans for the operation of the Business, Education, Science and Technology (BEST) Building and degree programs at KU's Edwards Campus in Overland Park; the Clinical Research Center at the KU Medical Center in Fairway; and the K-State Innovation Campus in Olathe.

The JCERT Authority has developed a website to highlight the benefits of the sales tax initiative. Refer to the JCERT website for additional information, <https://www.jocotriangle.com/>.

The JCERT budgets will appear on the Board of Regents' May agenda for final action – this item appears on the Fiscal Affairs & Audit Committee agenda in April for a first read. The JCERT Authority will meet on Monday, April 27 for their review and approval process.

Budget narrative and proposals are attached.

**Proposed Fiscal Year 2027
JCERTA Budget
The University of Kansas Clinical Research Center**

Summary of the Project:

The University of Kansas Clinical Research Center (CRC) opened to patients on January 23, 2012. Funds from the Johnson County Education Research Triangle sales tax (JCERT) and revenue bonds supported by the sales tax were used to renovate the facility. Sales tax receipts are now being used to pay debt service, maintain the building and pay the costs of the clinical research infrastructure supporting clinical trials designed to translate discoveries made in the laboratory into treatments for patients.

The total square footage of the building after renovation is 82,400 SF including clinic, lab, office, and public space including sitting areas and conference rooms. The cost to renovate and equip the facility was approximately \$19.4 million funded with \$14.4 million in bond proceeds and approximately \$5 million in JCERT funds.

JCERT Impact

At the KU Clinical Research Center (CRC), physicians, researchers and others work together to identify safer and more effective approaches to prevention, screening, diagnosis and treatment of cancer. The Clinical Trial office's (CTO) budgeted staff, housed in the CRC and Westwood campus, includes 258 FTE's which has more than quadrupled since the building opened in 2012. In 2025, the CTO had 740 participant accruals including our community sites. The University of Kansas Cancer Center was designated as a "comprehensive" cancer center by the National Cancer Institute in July 2022. This is the highest level of recognition awarded by the NCI and is the gold standard for cancer centers.

Expenditure Categories

A draft two year budget is attached for reference and planning purposes. While only the FY 2027 budget is being submitted for approval, the additional year provides a clear picture of all expenses for building support and operations, and the clinical research program. Also provided is information on other revenue sources that support the operations of the CTO.

Below are details of the FY 2027 budget which is presented for approval.

Debt Service: \$899,199

The annual debt service is now under \$1 million per year. The original 2010P bond for \$15,930,000 was refinanced in December 2020. The 2020W bond currently has a principal balance of \$2,575,000. The final payment will be paid September 2028.

Clinical Trial Office Staff and Operating Expenses: \$25,465,771

These funds support oncology physicians and clinical research support staff and related operating expenses. JCERT funds are budgeted to fund \$7,455,787 of these expenses in FY27. The increase in salaries is due to a budgeted 3% salary increase in FY27 plus an additional 4 positions to cover the support of increased trials every year.

Facilities Operating Costs: \$1,078,803

These funds will be used to provide utilities cost, custodial and security staff, other facility services.

Reserves:

We are not budgeting to increase reserves at all in FY27 since there was no spending in FY26. We currently have capital reserve of \$1,659,787 which is reserved for improvements and maintenance on the aging building. The operations reserve of \$3,000,000 is maintained to support payroll in case of reduced revenue due to situations outside of our control, like the pandemic.

The University of Kansas
Johnson County Research Triangle
KUMC Budget Operating Budget

CRC Operations	Approved FY26 Budget			FY26 Projection			Proposed FY27 Budget			FY28 Plan		
	JCERT	Other Sources	Total	JCERT	Other Sources	Total	JCERT	Other Sources	Total	JCERT	Other Sources	Total
Sources of Funds												
Revenue												
JCERT Sales Tax	\$ 8,300,000		\$ 8,300,000	\$ 8,750,000		\$ 8,750,000	\$ 8,600,000		\$ 8,600,000	\$ 8,700,000		\$ 8,700,000
Clinical Trial Collection		13,500,000	13,500,000		15,600,000	15,600,000		15,000,000	15,000,000		15,500,000	15,500,000
CCSG for NCI-designated Cancer Ctr / other		797,305	797,305		721,920	721,920		731,724	731,724		731,724	731,724
University of Kansas Hospital Community Hospital Support		1,232,100	1,232,100		1,232,100	1,232,100		1,232,100	1,232,100		1,232,100	1,232,100
KUCC Support		50,000	50,000		710,976	710,976		50,000	50,000		50,000	50,000
Facility Rent Collection		392,702	392,702		392,702	392,702		392,702	392,702		392,702	392,702
Common Area Maintenance Fee		345,242	345,242		345,242	345,242		345,242	345,242		345,242	345,242
Interest Earnings	200,000		200,000	158,912		158,912	160,000		160,000	160,000		160,000
Total Revenue	8,500,000	16,317,349	24,817,349	8,908,912	19,002,940	27,911,852	8,760,000	17,751,768	26,511,768	8,860,000	18,251,768	27,111,768
Total Sources of Funds	\$ 8,500,000	\$ 16,317,349	\$ 24,817,349	\$ 8,908,912	\$ 19,002,940	\$ 27,911,852	\$ 8,760,000	\$ 17,751,768	\$ 26,511,768	\$ 8,860,000	\$ 18,251,768	\$ 27,111,768
Expenditures												
Payroll												
Director, Phase I Program & startup	103,903	84,453	188,356	100,762	112,853	213,614	101,042	113,166	214,208	105,083	117,692	222,776
Physician Positions	112,747	174,761	287,508	81,752	169,649	251,401	71,175	167,157	238,332	74,022	173,843	247,865
Research Leadership	197,256	488,696	685,953	196,974	513,131	710,105	195,273	513,851	709,124	203,084	534,405	737,489
Business Development	-	542,984	542,984	-	536,307	536,307	-	526,617	526,617	-	547,682	547,682
Research Scientists	203,083	-	203,083	186,207	-	186,207	183,981	-	183,981	191,340	-	191,340
Investigator Initiated Trial Staff	632,439	-	632,439	604,307	-	604,307	613,380	-	613,380	637,916	-	637,916
Research Laboratory Staff	461,289	564,851	1,026,140	502,902	566,912	1,069,814	549,449	613,562	1,163,011	571,427	638,105	1,209,532
Research Nursing, Study Coordination & Regulatory	2,289,616	11,547,589	13,837,205	1,972,372	11,390,658	13,363,031	2,513,574	12,290,221	14,803,795	1,514,117	14,281,830	15,795,947
Research Administration/Quality Assurance	1,273,183	2,315,737	3,588,920	1,199,792	1,833,534	3,033,326	1,517,054	1,880,983	3,398,036	1,577,736	1,956,222	3,533,957
Center for Survivorship and Patient Oriented Research	661,700	-	661,700	712,433	-	712,433	893,416	-	893,416	929,153	-	929,153
Budget & Finance Support	316,350	1,011,114	1,327,464	318,313	1,120,152	1,438,465	318,408	1,118,964	1,437,371	331,144	1,163,722	1,494,866
Total Payroll	6,251,566	16,730,185	22,981,752	5,875,815	16,243,196	22,119,011	6,956,751	17,224,520	24,181,271	6,135,021	19,413,501	25,548,522
Other Operating Expenses												
Operating Expenses	75,000	600,000	675,000	336,792	633,012	969,804	294,536	535,464	830,000	400,000	575,000	975,000
Center for Survivorship and Patient Oriented Research	250,000		250,000	8,908		8,908	50,000		50,000	52,000		52,000
Service contract for BioAnalytical Equipment	48,000		48,000	29,000		29,000	29,000		29,000	29,000		29,000
Telephone & Networking	74,763		74,763	95,000		95,000	96,500		96,500	105,000		105,000
Clinical Trial Research Initiatives for Comprehensive Status	29,000	255,000	284,000	29,000	250,000	279,000	29,000	250,000	279,000	29,000	250,000	279,000
Total Other Operating Expenses	476,763	855,000	1,331,763	498,700	883,012	1,381,712	499,036	785,464	1,284,500	615,000	825,000	1,440,000
Facility Expenses												
Facility Operating Costs	1,215,379		1,215,379	1,036,298		1,036,298	1,078,803		1,078,803	1,132,743		1,132,743
Withheld by Trustee for Debt Service & Trustee Expenses	900,792		900,792	900,792		900,792	899,199		899,199	902,435		902,435
Total Facility Expenses	2,116,171	-	2,116,171	1,937,090	-	1,937,090	1,978,002	-	1,978,002	2,035,178	-	2,035,178
Total Expenditures	\$ 8,844,500	\$ 17,585,185	\$ 26,429,686	\$ 8,311,605	\$ 17,126,208	\$ 25,437,813	\$ 9,433,789	\$ 18,009,984	\$ 27,443,773	\$ 8,785,199	\$ 20,238,501	\$ 29,023,700
Revenue less Expenditures	(344,500)	(1,267,836)	(1,612,336)	597,307	1,876,732	2,474,039	(673,789)	(258,216)	(932,005)	74,801	(1,986,733)	(1,911,932)
Operating Account - Beginning Balance	\$ 1,597,521	\$ 3,101,365	\$ 4,698,886	\$ 928,958	\$ 9,349,485	\$ 10,278,443	\$ 1,026,265	\$ 3,883,615	\$ 4,909,880	\$ 352,476	\$ 3,625,399	\$ 3,977,875
Revenue less Expenditures	(344,500)	(1,267,836)	(1,612,336)	597,307	1,876,732	2,474,039	(673,789)	(258,216)	(932,005)	74,801	(1,986,733)	(1,911,932)
Investment in Cancer Building					(7,342,602)	(7,342,602)						
Less Current Amount Set aside for Capital Reserve												
Less Current Amount Set aside for Operation Reserve	500,000		500,000	500,000		500,000						
Ending Operating Balance	\$ 753,022	\$ 1,833,529	\$ 2,586,550	\$ 1,026,265	\$ 3,883,615	\$ 4,909,880	\$ 352,476	\$ 3,625,399	\$ 3,977,875	\$ 427,277	\$ 1,638,666	\$ 2,065,943
All Accounts												
Operating Account	\$ 753,022	\$ 1,833,529	\$ 2,586,551	\$ 1,026,265	\$ 3,883,615	\$ 4,909,880	\$ 352,476	\$ 3,625,399	\$ 3,977,875	\$ 427,277	\$ 1,638,666	\$ 2,065,943
Capital Reserve	2,000,000		1,346,064	1,659,787		1,659,787	1,659,787		1,659,787	1,659,787		1,659,787
Operations Reserve	3,000,000	7,500,000	1,200,000	3,000,000	6,300,000	9,300,000	3,000,000	6,300,000	9,300,000	3,000,000	6,300,000	9,300,000
Total All Accounts	\$ 5,753,022	\$ 9,333,529	\$ 15,086,550	\$ 5,686,052	\$ 10,183,615	\$ 15,869,667	\$ 5,012,263	\$ 9,925,399	\$ 14,937,662	\$ 5,087,064	\$ 7,938,666	\$ 13,025,730

**Proposed Fiscal Year 2027
JCERTA Budget
Edwards Campus & School of Professional Studies
Business, Engineering, Science, and Technology (BEST)**

Background

The Edwards campus of the University of Kansas, has used the funds from the Johnson County Research Triangle Authority (JCERTA) sales tax for the construction, debt service and maintenance of a 75,000 square foot building, and to pay the costs initially of ten new degrees, including four bachelors and four masters degrees in business, engineering, science, and technology as well as two Professional Science Masters degrees.

The Business Engineering, Science and Technology (BEST) building was dedicated on March 2, 2012. The building contains 21 classrooms, including one computer lab classroom, an open computer lab, an Exercise Science lab, 35 faculty offices, and a 400-seat conference center. The total cost of the building was \$22.9 million and was financed with \$3.9 million from sales tax collections and \$19 million in bonds.

Expenditure Categories

A draft two-year budget is attached for reference and planning purposes. While only the FY 2027 budget is being approved at this time, the additional year provides a clear picture of all expenses for building support and operations, and the programmatic costs.

Below are details of the FY 2027 budget which is presented for approval.

JCERTA Scholarships: \$200,000

KU and KSU each agreed to establish a scholarship program from JCERTA funds. The scholarships are to be awarded to Johnson County residents. The criteria for the scholarships at KU are as follows: Students must be enrolled in an undergraduate or graduate program at the Edwards Campus that was funded by the JCERTA tax. The scholarship can be applied toward the cost of tuition, fees and/or books. Additional requirements include residence in Johnson County, a minimum cumulative grade point average of 3.0, and enrollment in a minimum of six hours at KU Edwards Campus. Preference will be given to students with financial need. Completion of the Free Application for Federal Student Aid (FAFSA) is required.

JCERTA Scholarship Awards

Fiscal Year	Students	Average Award
FY 2012	22	\$3,000/semester
FY 2013	41	\$1,500/semester
FY 2014	24	10 @ \$3,000; others@ \$1,500
FY 2015	20	\$1,500/semester
FY 2016	20	\$1,500/semester
FY 2017	16	\$2,000/year
FY 2018	34	\$1,500/year
FY 2019	32	\$1,500/year
FY 2020	68	\$398/semester-\$3,000/year
FY 2021	90	\$630/semester-\$2,000/year
FY 2022	71	\$2,000/year
FY 2023	99	\$1,500/year
FY 2024	89	\$1,500/year

FY 2025	67	\$2,000/year
FY 2026	65	\$2,300/year

Master of Applied Statistics Program Awards

From FY 2016 to FY 2019, an additional \$37,500 annually was allocated for Johnson County students enrolled in the online Master of Applied Statistics program. A minimum GPA of 3.25 was required for these awards.

Fiscal Year	Students	Average Award
FY 2016	8	\$1,560/year
FY 2017	16	\$2,000/year
FY 2018	24	\$1,900/year
FY 2019	27	\$1,890/year
FY 2020 →	—	Program absorbed into single scholarship pool

JCERTA Programmatic Budget: \$6,824,544

Programmatic costs for FY 2027 are detailed below.

Biotechnology Programs

Health care and technology intersect in the field of biotechnology. The School of Professional Studies offers a degree-completion undergraduate program and three career-focused minors that incorporate both classroom and laboratory learning. The primary course format is in person at the KU Edwards Campus in Overland Park, Kansas.

Programs Included:

- Bachelor of Applied Science in Biotechnology
- Minor in Discovery and Innovation in Biotechnology
- Minor in Forensic Science
- Minor in Pre-Health Professions

FY 2027 Budget

- Program costs total \$689,450, funded 100% by JCERTA.
- The Forensic Science Lab—currently still in the setup phase and expected to incur additional one-time expenses into FY27—has a projected budget of \$73,000 to cover remaining establishment costs. These costs will be funded 100% by JCERTA.

Professional Science Master’s Programs (PSM)

PSM in Environmental Assessment

The Environmental Assessment program combines physical and natural science, resilience, and sustainability principles with project management and communications training to develop science professionals with the skills to accurately collect, synthesize, and clearly communicate data, develop and implement solutions, and successfully lead teams.

- FY 2027 budget: \$341,676, fully funded by JCERTA.

PSM in Environmental Geology

The Environmental Geology program combines in-depth coursework in geology and environmental policy, with project management and communications training.

- FY 2027 budget: \$282,350, fully funded by JCERTA.

B.S. in Exercise Science

The Bachelor of Science in Exercise Science studies human movement, using components of biological, physical and health sciences to explore structural and functional changes that occur to the body on physiological, biochemical and biomechanical levels.

- FY 2027 budget: \$348,965, fully funded by JCERTA.

Health Sciences Programs

The Bachelor of Health Sciences and the Bachelor of Professional Studies (Health Policy and Management concentration) are fully online degree-completion programs designed for transfer students pursuing non-clinical health care careers. Students may tailor their degree by selecting from five minors: Nutrition, Clinical Trials Management, Environmental Studies, Public and Population Health, and Health Policy and Management.

- FY 2027 budget: \$1,178,249, funded 100% by JCERTA.

A Clinical Trials Certificate will begin in FY 2027.

- FY 2027 budget: \$130,473, fully funded by JCERTA.

Master of Science in Human and Organization Performance Effectiveness (HOPE)

Introduced in FY 2024, the HOPE program prepares leaders to align individual performance with organizational goals across departments and functions.

- FY 2027 budget: \$450,265, fully funded by JCERTA.

Information Technology Programs

The Bachelor of Science programs in Information Technology, Applied Cybersecurity, and Data Analytics

- FY 2027 budget: \$806,803, funded 100% by JCERTA.

Software Engineering and Cybersecurity Graduate Certificates

- FY2027 budget: \$105,453, fully funded by JCERTA.

B.A.S. in Operations Management

The Bachelor of Applied Science in Operations Management, a degree-completion program with an accompanying minor.

- FY 2027 budget: \$325,652, funded 100% by JCERTA.

Organizational Communication Programs

The Master of Arts in Organizational Communication and the graduate certificates in Professional Workplace Communication prepare students to communicate effectively in professional contexts.

- FY 2027 budget: \$259,011, fully funded by JCERTA.

Professional Management Program

The Online Graduate Certificate in Professional Management is designed to equip professionals with the essential skills needed to succeed in leadership and management roles. This fully online certificate program covers critical topics such as managing teams, leading projects, financial decision-making, and effective communication

- FY 2027 budget: \$133,548, fully funded by JCERTA.

B.A.S. in Professional Performance

As the first professional performance bachelor's degree in Kansas and the Midwest, this program provides training and experience in brand development and growth. In person classes at the Lawrence Campus and Online.

- FY 2027 budget: \$490,233, supported entirely with tuition funds (not JCERTA).

Project Management Programs

The Bachelor of Project Management, Master of Science in Project Management, and Master of Engineering in Project Management, offered both in-person and online.

- FY 2027 budget: \$1,400.164, funded 100% by JCERTA.

Center for Workforce Excellence (CWE)

Development of the CWE began in FY 2026. The Center provides customizable training, research-based resources, and experiential learning opportunities to strengthen workplace competencies such as teamwork, communication, conflict management, agility, critical thinking, and professionalism.

- FY 2027 budget: \$249,486, fully funded by JCERTA.

New Program Development

Investment in the creation of additional new academic program. These funds support faculty work in curriculum design and course development prior to program launch. All programs will be regularly evaluated for viability.

- FY 2027 budget: \$50,000, funded by JCERTA.

JCERTA Administrative and Operations Budget: \$3,270,991

Administrative costs include salary and fringe for a total of 3.0 FTE providing administrative support, public relations, student recruitment and retention, and financial services. The total budget for administrative salary and fringe for FY 2027 is \$319,682. Other administrative positions supporting JCERTA programs are funded through KU base allocations with a FY 2027 budget of \$570,994. Additional administrative expenses for academic support and research total \$146,450, also funded by JCERTA.

Marketing and recruitment efforts—critical to sustaining and increasing enrollment—will require \$1,428,398, funded by JCERTA.

The estimated JCERTA-funded facility costs for custodial services, building maintenance, utilities, and technology infrastructure total \$ 1,376,461. This amount includes the transfer of information technology and network support expenses from administrative services to the central information technology budget

Reserves: \$2,195,000

A capital reserve in the amount of \$878,000 has been established to fund major repairs, infrastructure upgrades and renovations. Additionally, an operations reserve in the amount of \$1,317,000 has been established to cover operations should a delay in monthly sales tax disbursements occur or another unforeseen financial emergency.

Both the capital and operation reserve amounts equal 25% of the revenue budget, which is the recommended practice of the University of Kansas.

KU Edwards Campus JCERT Budget FY 2027

	Proposed FY26 Budget			FY26 Forecast			Proposed FY27 Budget			Estimated FY28 Budget		
	JCERT	Other Sources	Total Preliminary FY26 Budget	JCERT	Other Sources	Total Forecasted FY26 Budget	JCERT	Other Sources	Total Preliminary FY27 Budget	JCERT	Other Sources	Total Estimated FY28 Budget
Revenue												
JCERT Sales Tax	8,300,000	-	\$ 8,300,000	8,750,000	-	\$ 8,750,000	8,600,000	-	\$ 8,600,000	8,700,000	-	\$ 8,700,000
Interest Earnings	300,000	-	\$ 300,000	280,000	-	\$ 280,000	280,000	-	\$ 280,000	280,000	-	\$ 280,000
Tuition/Base Budget	-	1,085,661	\$ 1,085,661	-	1,033,038	\$ 1,033,038	-	1,070,227	\$ 1,070,227	-	1,127,161	\$ 1,127,161
Total Revenue	\$ 8,600,000	\$ 1,085,661	\$ 9,685,661	\$ 9,030,000	\$ 1,033,038	\$ 10,063,038	\$ 8,880,000	\$ 1,070,227	\$ 9,950,227	\$ 8,980,000	\$ 1,127,161	\$ 10,107,161
Expenditures												
Administrative/Student Services												
Scholarships	200,000	-	\$ 200,000	160,000	-	\$ 160,000	200,000	-	\$ 200,000	200,000	-	\$ 200,000
Salaries and Fringes (3.0 FTE)	236,500	547,318	\$ 783,818	222,642	555,322	\$ 777,964	319,682	570,994	\$ 890,676	329,272	588,124	\$ 917,396
Public Relations and Recruitment	1,307,330	-	\$ 1,307,330	1,263,174	-	\$ 1,263,174	1,428,398	-	\$ 1,428,398	1,428,398	-	\$ 1,428,398
Academic Support & Research	106,300	-	\$ 106,300	80,000	-	\$ 80,000	146,450	-	\$ 146,450	147,915	-	\$ 147,915
Total Administrative/Student Services	\$ 1,850,130	\$ 547,318	\$ 2,397,448	\$ 1,725,816	\$ 555,322	\$ 2,281,138	\$ 2,094,530	\$ 570,994	\$ 2,665,524	\$ 2,105,585	\$ 588,124	\$ 2,693,709
Programmatic												
Biotechnology	841,369	-	\$ 841,369	678,361	-	\$ 678,361	689,450	-	\$ 689,450	696,345	-	\$ 696,345
Forensic Lab	250,000	-	\$ 250,000	226,341	-	\$ 226,341	73,000	-	\$ 73,000	20,000	-	\$ 20,000
Environmental Assessment	370,510	-	\$ 370,510	332,174	-	\$ 332,174	341,676	-	\$ 341,676	345,093	-	\$ 345,093
Environmental Geology	278,159	-	\$ 278,159	193,282	-	\$ 193,282	282,350	-	\$ 282,350	285,174	-	\$ 285,174
Exercise Science	348,965	-	\$ 348,965	305,793	-	\$ 305,793	348,965	-	\$ 348,965	209,379	-	\$ 209,379
Health Sciences - Bachelor in Health Sciences	851,049	-	\$ 851,049	767,209	-	\$ 767,209	1,178,249	-	\$ 1,178,249	998,249	-	\$ 998,249
Health Sciences - Clinical Trials Certificate	64,062	-	\$ 64,062	36,000	-	\$ 36,000	130,473	-	\$ 130,473	131,778	-	\$ 131,778
Human & Organization Performance Effectiveness (MS)	351,269	-	\$ 351,269	290,363	-	\$ 290,363	450,265	-	\$ 450,265	454,768	-	\$ 454,768
IT BAS Programs (BSIT, Cybersecurity, Data Analytics)	993,590	-	\$ 993,590	957,632	-	\$ 957,632	806,803	-	\$ 806,803	814,871	-	\$ 814,871
IT Grad Certificates (Software Eng & Cybersecurity)	76,608	-	\$ 76,608	64,126	-	\$ 64,126	105,453	-	\$ 105,453	106,508	-	\$ 106,508
Operations Management (BAS)	344,721	-	\$ 344,721	317,947	-	\$ 317,947	325,652	-	\$ 325,652	328,909	-	\$ 328,909
Organizational Communication (Communications Studies)	229,209	-	\$ 229,209	232,622	-	\$ 232,622	259,011	-	\$ 259,011	261,601	-	\$ 261,601
Professional Management Certificate (SPS Core)	150,125	-	\$ 150,125	158,081	-	\$ 158,081	133,548	-	\$ 133,548	134,884	-	\$ 134,884
Professional Performance (BAS)	-	404,996	\$ 404,996	-	332,716	\$ 332,716	-	490,233	\$ 490,233	-	500,038	\$ 500,038
Project Management - MS & ME	1,185,171	-	\$ 1,185,171	1,163,426	-	\$ 1,163,426	1,400,164	-	\$ 1,400,164	1,428,167	-	\$ 1,428,167
Center for Workplace Excellence	164,123	-	\$ 164,123	97,200	-	\$ 97,200	249,485	-	\$ 249,485	145,000	-	\$ 145,000
Program Development	200,000	-	\$ 200,000	-	-	\$ -	50,000	-	\$ 50,000	-	-	\$ -
Total Programmatic	\$ 6,698,931	\$ 404,996	\$ 7,103,927	\$ 5,820,556	\$ 332,716	\$ 6,153,272	\$ 6,824,544	\$ 490,233	\$ 7,314,777	\$ 6,360,723	\$ 500,038	\$ 6,860,761
Facility Expense												
Facility Operations	773,800	-	\$ 773,800	727,008	-	\$ 727,008	579,281	-	\$ 579,281	500,000	-	\$ 500,000
Custodial Service	58,750	-	\$ 58,750	49,322	-	\$ 49,322	24,650	-	\$ 24,650	25,000	-	\$ 25,000
Security	-	124,347	\$ 124,347	87,000	136,000	\$ 223,000	130,000	-	\$ 130,000	100,000	30,000	\$ 130,000
Technology & IT Support	585,660	-	\$ 585,660	569,137	-	\$ 569,137	502,530	-	\$ 502,530	502,530	-	\$ 502,530
Utilities	173,250	9,000	\$ 182,250	135,843	9,000	\$ 144,843	140,000	9,000	\$ 149,000	145,000	9,000	\$ 154,000
Total Facility Expense	\$ 1,591,460	\$ 133,347	\$ 1,724,807	\$ 1,568,310	\$ 145,000	\$ 1,713,310	\$ 1,376,461	\$ 9,000	\$ 1,385,461	\$ 1,272,530	\$ 39,000	\$ 1,311,530
Construction/Capital Improvement	\$ 165,000	-	\$ -	216,260	-	\$ 216,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction -Encumbrance	\$ -	\$ -	\$ -	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Construction Expense	\$ 165,000	\$ -	\$ 165,000	\$ 216,260	\$ -	\$ 216,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 10,305,521	\$ 1,085,661	\$ 11,391,182	\$ 9,330,942	\$ 1,033,038	\$ 10,363,980	\$ 10,295,535	\$ 1,070,227	\$ 11,365,762	\$ 9,738,838	\$ 1,127,161	\$ 10,866,000
Revenue less Expenditures (Net Margin)	\$ (1,705,521)	\$ -	\$ (1,705,521)	\$ (300,942)	\$ -	\$ (300,942)	\$ (1,415,535)	\$ -	\$ (1,415,535)	\$ (758,838)	\$ -	\$ (758,838)
Less Current Amount Set aside for Capital Reserve	-	-	\$ -	-	-	\$ -	-	-	\$ -	-	-	\$ -
Less Current Amount Set aside for Operations Reserve	-	-	\$ -	-	-	\$ -	-	-	\$ -	-	-	\$ -
Operating Account - Beginning Balance	4,129,263	-	\$ 4,129,263	4,129,263	-	\$ 4,129,263	3,828,321	-	\$ 3,828,321	2,412,785	-	\$ 2,412,785
Operating Account - Ending Balance	\$ 2,423,742	\$ -	\$ 2,423,742	\$ 3,828,321	\$ -	\$ 3,828,321	\$ 2,412,785	\$ -	\$ 2,412,785	\$ 1,653,947	\$ -	\$ 1,653,947
All Accounts - Ending Balance												
Operating Account	2,423,742	-	\$ 2,423,742	3,828,321	-	\$ 3,828,321	2,412,785	-	\$ 2,412,785	1,653,947	-	\$ 1,653,947
Capital Reserve (10%)	878,000	-	\$ 878,000	878,000	-	\$ 878,000	878,000	-	\$ 878,000	878,000	-	\$ 878,000
Operations Reserve (15%)	1,317,000	-	\$ 1,317,000	1,317,000	-	\$ 1,317,000	1,317,000	-	\$ 1,317,000	1,317,000	-	\$ 1,317,000
Total All Accounts - Ending Balance	\$ 4,618,742	\$ -	\$ 4,618,742	\$ 6,023,321	\$ -	\$ 6,023,321	\$ 4,607,785	\$ -	\$ 4,607,785	\$ 3,848,947	\$ -	\$ 3,848,947

Proposed Fiscal Year 2027 | JCERTA Budget

Background

Kansas State University Olathe is dedicated to meeting the current and future workforce needs of Greater Kansas City by delivering academic programs that are developed in collaboration with industry, often featuring experts as speakers and mentors. Professional development is offered through workshops and seminars as an option for those who want to upskill or change careers. K-State Olathe's research facilities are a flourishing hub for the advancement of food systems, animal health, data analytics, sensory and consumer science and more. The mission is to leverage applied research to help solve the societal challenges and improve lives.

Next-Gen Strategic Plan and Budget Alignment

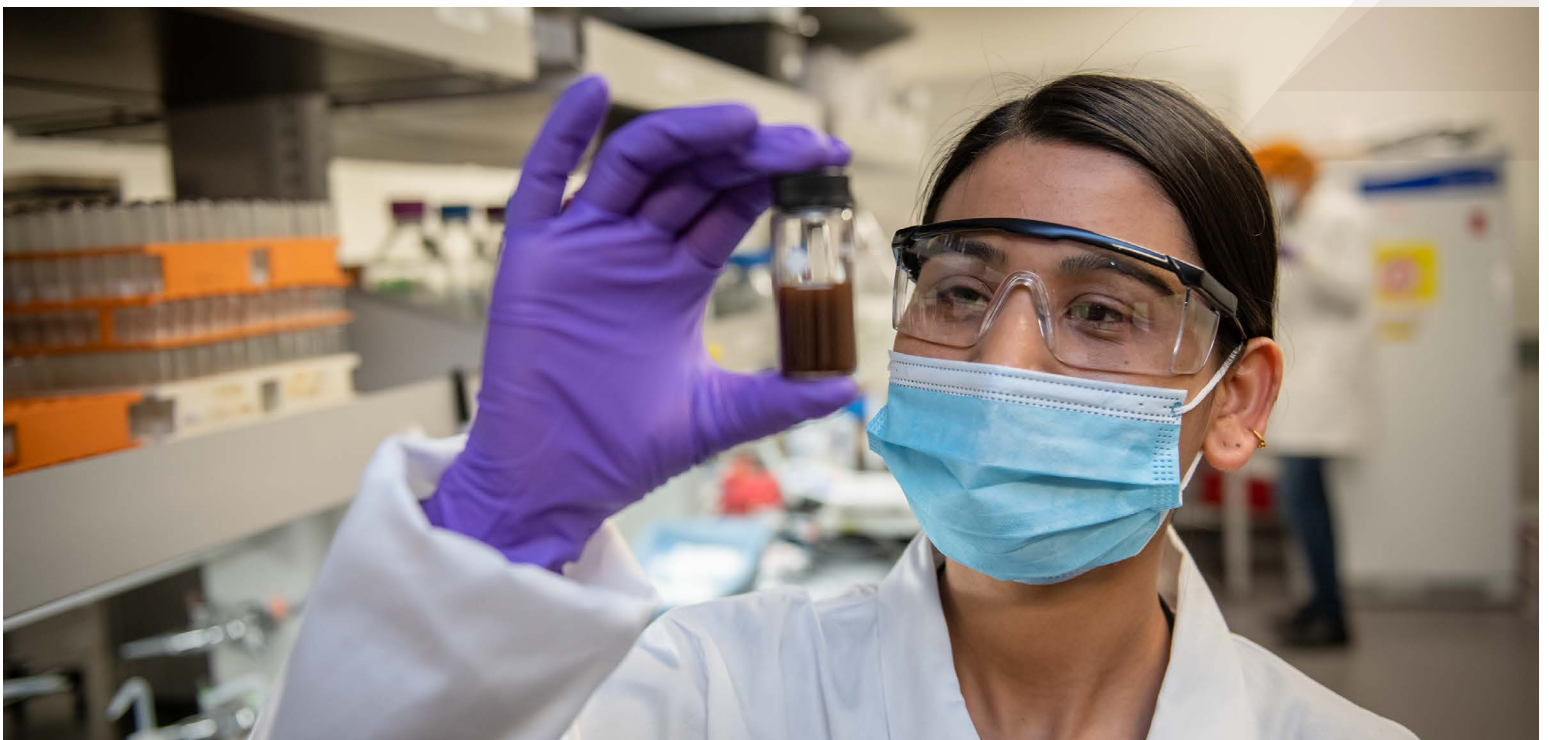
In Fall 2023, K-State's leadership revealed the results of its comprehensive university-wide strategic planning process, defining its future as a next-generation land-grant university. At the same time, the K-State Olathe wrapped up its strategic planning process to align and ladder into the larger university plan. The result was a campus plan that seamlessly interfaces with the larger university strategic goals yet also is tailored to the uniqueness and strengths of K-State Olathe. This plan now serves as a guide for how resources are deployed and investments made in our learners, faculty and staff and infrastructure.

Budget Overview

The proposed budget for fiscal year 2027 has been designed to align with and support the Next-Gen strategic plan that includes core imperatives related to academic innovation, research and discovery, engagement and workforce development.

Revenue

Sales tax collections continue to grow in Johnson County, and a conservative JCERT sales tax revenue estimate of \$8.6 million is included in the budget for FY27. An estimated \$1.2 million revenue will be produced by our testing and evaluation programs. Building space lease revenue from strategic partners co-locating on campus and collaborating with faculty and staff are projected to total \$440,000. We also anticipate \$65,000 in interest and investment income. Total budgeted JCERT revenue is \$10.3 million.



Proposed Fiscal Year 2027 | JCERTA Budget

Expenditures

Academic Programming: The academic component of the organization has a total budget of approximately \$1.1 million to support personnel and non-personnel expenses associated with existing programs and programs set to launch in FY27.

Research: The campus continues to invest heavily in research activities, including new capabilities in Bulk Solids and Advanced Manufacturing as construction is completed on that project, enhanced Sensory and Consumer Research, and exciting new research possibilities. The FY27 operating budget for the research enterprise totals \$2 million.

Professional Development: Interest in K-State Olathe's Professional Development offerings continues to be strong as we work to meet the needs of the region's workforce. This initiative has grown to encompass customized trainings for industry and conference support.

Administrative Services: Personnel costs budgeted for the organization's administrative functions total approximately \$2 million and include administrative leadership and support, marketing, fiscal services, human resources, and strategic initiatives. \$1.5 million is budgeted for non-personnel expenses include marketing services for all programs, HR and employee engagement expenses, fundraising costs, and expenses related to corporate and community engagement.

Facilities and Campus Operations: Personnel costs budgeted for the facilities operations total approximately \$490,000 and include facilities staff, IT, and event services. \$1.7 million is budgeted for non-personnel operational expenses including maintenance, utilities, and technology related costs.

Strategic Reserve

Approximately \$9.3 million will be carried forward at the beginning of FY27, which is an increase of \$1.6 million that was carried forward in FY26. Among the reserves are a deferred maintenance reserve of \$3.9 million, which is 6% of the replacement value of the building and an operating reserve of approximately \$3.6 million to cover one year of debt service and three months of operating expenses. Funds are also held in reserve to provide scholarships, fuel academic innovation and research, and refresh technology.

Johnson County Education Research Triangle
Kansas State Olathe Innovation Campus

	Current Budget FY 26			Proposed FY27			Estimated FY28		
	JCERT	Other Sources	Total FY26 budget	JCERT	Other Sources	Total Proposed FY27 budget	JCERT	Other Sources	Total Estimated FY28 budget
REVENUE									
JCERT Collections	8,300,000		8,300,000	8,600,000		8,600,000	8,750,000		8,750,000
KSU Activated Budget		395,000	395,000			-			-
Non-Credit Programs		480,350	480,350		225,000	225,000		270,000	270,000
Building Use Fees	330,000	250,000	580,000		645,000	645,000		774,000	774,000
Research-Testing & Evaluation; Sponsored Projects	391,709	805,000	1,196,709	1,240,569	9,000	1,249,569	2,108,683	10,800	2,119,483
Interest and Investment Income	176,000	-	176,000	65,000		65,000	65,000		65,000
Other Miscellaneous Income	231,800	65,000	296,800	404,000	138,000	542,000	472,680	165,600	638,280
Total revenue	9,429,509	1,995,350	11,424,859	10,309,569	1,017,000	11,326,569	11,396,363	1,220,400	12,616,763
EXPENDITURES									
Programmatic									
Academic Programming & Student Services									
Salary & Fringe-12.51 FTE									
Leadership, Student Services, Coordination	529,993	268,589	798,582	146,500		146,500	150,895		150,895
Data	35,987		35,987						
Horticulture & Urban Agriculture	225,805		225,805	332,617		332,617	181,399		181,399
Hospitality Management	-	53,527	53,527						
Engineering Tech	131,251		131,251	132,217		132,217	136,184		136,184
Animal Health	429,336		429,336						
Public Health	152,100		152,100	288,078		288,078	296,721		296,721
Personal Financial Planning	154,772		154,772	155,640		155,640	160,309		160,309
Total personnel	1,659,244	322,116	1,981,360	1,055,053	-	1,055,053	925,507	-	925,507
Other Operating Expenses									
Program support & supplies	46,450		46,450	40,000		40,000	42,400		42,400
Travel, training, professional development	34,320	-	34,320	13,820		13,820	14,649		14,649
Total OOE	80,770	-	80,770	53,820	-	53,820	57,049	-	57,049
Research									
Salary & Fringe-12.89 FTE									
Leadership & Coordination	158,824		158,824	102,000		102,000	105,060		105,060
Data	143,910		143,910	186,632		186,632	192,231		192,231
Transportation				105,331		105,331	108,491		108,491
Food Program	191,615		191,615	211,147		211,147	524,482		524,482
Horticulture & Urban Agriculture	335,963		335,963	94,473		94,473	97,307		97,307
Sensory & Consumer Research	135,380	433,168	568,548	414,439		414,439	426,872		426,872
Animal Health	53,881		53,881	393,837		393,837	405,653		405,653
Bulk Solids & Advanced Manufacturing	233,025		233,025	286,930		286,930	295,538		295,538
Total personnel	1,252,598	433,168	1,685,766	1,794,789	-	1,794,789	2,155,633	-	2,155,633
Other Operating Expenses									
Research Support & Supplies	173,339	347,280	520,619	204,804		204,804	217,092		217,092
Travel, training, professional development	14,100	17,400	31,500	32,090		32,090	34,016		34,016
Total OOE	187,439	364,680	552,119	236,894	-	236,894	251,108	-	251,108
OPERATIONS									
Professional and Continuing Education									
Salary & Fringe-3.25 FTE									
Professional and Continuing Education Program	-	328,539	328,539	372,804		372,804	383,988		383,988
Total personnel	-	328,539	328,539	372,804	-	372,804	383,988	-	383,988
Other Operating Expenses									
PD Support & supplies	-	130,950	130,950	-		-	-		-
Total OOE	-	130,950	130,950	-	-	-	-	-	-
Administrative Services									
Salary & Fringe-14.65 FTE									
Administrative Leadership	169,560	34,251	203,811	323,969	234,037	558,006	1,081,712	241,058	1,322,770
Administrative Support	210,025		210,025	443,002	19,777	462,779	476,663	20,371	497,033
Communications & Marketing	442,998		442,998	486,232		486,232	500,819		500,819
Fiscal Services	346,650		346,650	318,457		318,457	328,011		328,011
Human Resources	138,385	19,321	157,706	164,497		164,497	169,432		169,432
Strategic Initiatives/ Student Services	140,672		140,672	348,775		348,775	359,238		359,238
Total personnel	1,448,290	53,572	1,501,862	2,084,931	253,814	2,338,746	2,915,874	261,429	3,177,303
Other Operating Expenses									
Marketing materials & services	461,360		461,360	318,775		318,775	337,902		337,902
Professional Services	27,000		27,000	251,150	134,500	385,650	408,789	142,570	551,359
HR & Employee Engagement	17,000		17,000	18,100		18,100	19,186		19,186
Corporate & Community Engagement	65,000		65,000	306,750	3,750	310,500	329,130	3,975	333,105
Operating supplies & services	130,195		130,195	387,790	87,100	474,890	503,383	92,326	595,709
Travel & training	40,400		40,400	66,250	4,700	70,950	75,207	4,982	80,189
KSU Foundation Fundraising	70,000		70,000	70,000		70,000	74,200		74,200
Travel, Training and Professional Development		8,700	8,700	31,000		31,000	32,860		32,860
Miscellaneous admin expenses	4,000		4,000	66,285	35,075	101,360	107,442	37,180	144,621
Total OOE	814,955	8,700	823,655	1,516,100	265,125	1,781,225	1,888,099	281,033	2,169,131
Scholarships	75,000		75,000	100,960		100,960	100,000		100,000
Special Tax Assessment	112,000		112,000	115,000		115,000	120,000		120,000
Debt Service	1,590,500		1,590,500	1,593,900		1,593,900	1,593,900		1,593,900
Facilities & Campus Operations									
Salary & Fringe-5.8 FTE									
Events	177,395		177,395	150,625		150,625	155,143		155,143
Facilities & Operations	209,077		209,077	301,721		301,721	310,773		310,773
Information Technology	102,083		102,083	102,975		102,975	106,064		106,064
Total Personnel	488,555	-	488,555	555,321	-	555,321	571,980	-	571,980
Other Operating Expenses									
Operations & maintenance costs	818,250	92,500	910,750	389,000		389,000	412,340		412,340
Utilities	471,992		471,992	454,928		454,928	482,224		482,224
Deferred maintenance	380,000		380,000	418,500		418,500	100,000		100,000
Technology equipment & supplies	46,000		46,000	80,000	15,000	95,000	100,700	15,900	116,600
Travel & training	3,900	600	4,500						
Total OOE	1,720,142	93,100	1,813,242	1,342,428	15,000	1,357,428	1,095,264	15,900	1,111,164
Capital Improvements									
Total Expenditures	9,429,509			10,822,000	533,939	11,355,939	12,058,402	558,361	12,616,763
Total Revenue	9,429,509			10,309,569	1,017,000	11,326,569	11,396,363	1,220,400	12,616,763
Investment from Strategic Reserve	-			29,370		29,370			
Net revenue (loss)	-			(483,061)		(483,061)	(662,039)		(662,039)
JCERT Strategic Reserve beginning balance	7,692,609			7,698,694			9,309,160		
JCERT Strategic Reserve ending balance	7,692,609			9,309,160			9,279,790		

Strategic Reserve Balance EOY FY26	
Deferred Maintenance Reserve	\$ 2,256,000.00
Scholarships	\$ 240,000.00
Operating Reserve	\$ 3,947,877.00
Academic Innovation Reserve	\$ 604,817.00
GRIP 2 funding: Research & Economic Dev	\$ 300,000.00
Technology Refresh	\$ 350,000.00
Total	\$ 7,698,694.00

Strategic Reserve Balance BOY FY27	
Deferred Maintenance Reserves	\$ 3,942,000.00
Operating Reserves	\$ 3,602,564.00
Strategic Initiatives	\$ 1,144,596.00
Scholarships	\$ 370,000.00
Technology Refresh	\$ 250,000.00
Total	\$ 9,309,160.00