



The University of Kansas

An engine of
economic growth for
Kansas

Presented by
Chancellor Douglas A. Girod

February 20, 2023



Today's presentation

KU overview

- Mission and vision
- How KU drives the Kansas economy
- How KU serves Kansas communities
- KU research

KU budget

- Revenues and expenditures
- Enrollment trends
- Responsible stewardship of state resources
- Governor's budget recommendations for FY 2024



Mission and vision

Mission

- Educate leaders
- Build healthy communities
- Make discoveries that change the world

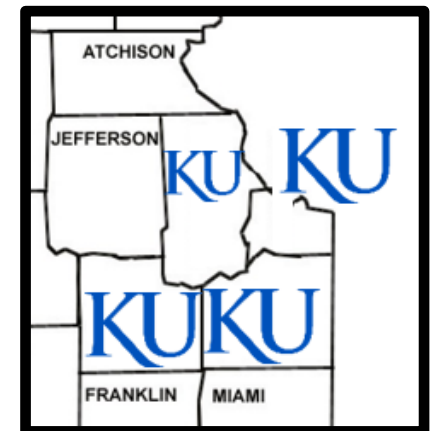
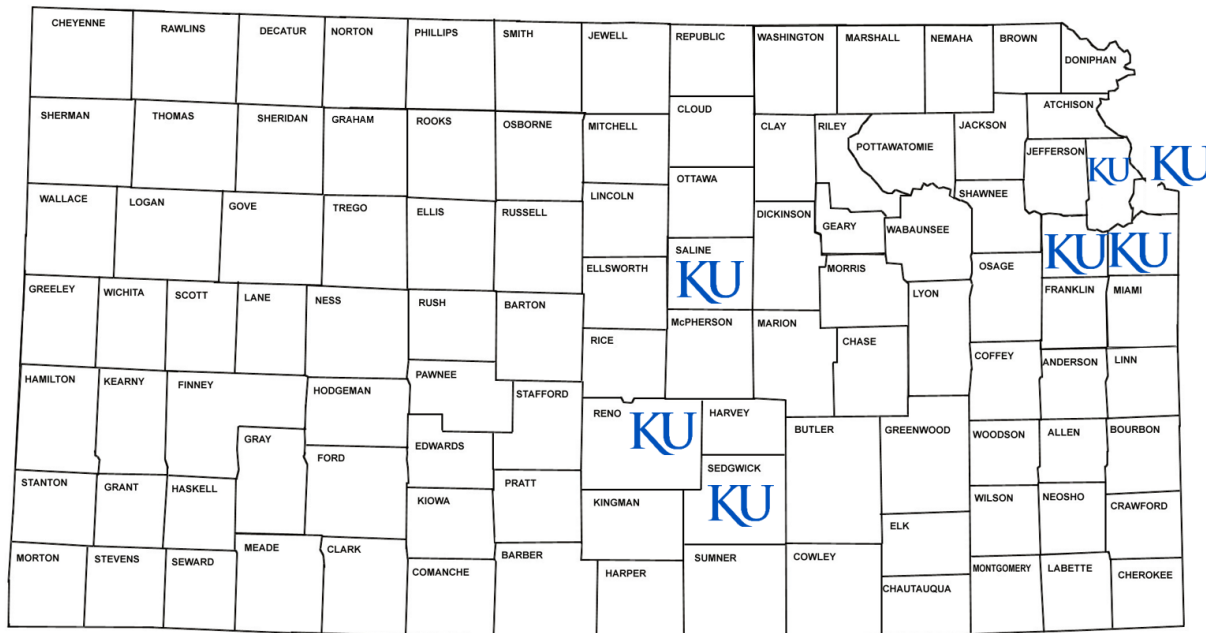
Vision

- Be a destination for talented scholars nationwide
- Be an engine of economic growth for Kansas
- Enhance our standing as one of America's leading research universities

Mission and vision

Locations

- Lawrence, Edwards, Leavenworth
- KU Medical Center in Kansas City Metro, Wichita, Salina
- Kansas Law Enforcement Training Center in Yoder
- Medical outreach and training sites in all 105 counties





How KU drives the economy

KU addresses workforce needs

- 7,200 degrees/certificates annually
- 70% of Kansas students stay in the region after graduation
- 30-40% out-of-state students stay in the region after graduation
- Partnerships with 3,000+ companies for curriculum, research, internships

KU creates startup companies

- 44 active KU startup companies
- 100+ university inventions licensed for use by companies



How KU drives the Kansas economy

KU creates jobs

- New startups and corporate relocations bring new jobs
- KU Innovation Park (40+ companies, 400 jobs)

KU brings research dollars into Kansas

- \$400M in research annually; 4,000 university jobs funded
- \$50M spent with KS vendors in 65 counties annually

KU brings private dollars into Kansas

- 40% of donors and students from outside Kansas



How KU drives the Kansas economy

KU events create travel and tourism expenditures

- Lawrence and KU are #1 tourist destination in Kansas
- Hotel stays, dining, retail, sales tax

KU responds to major opportunities for the state

- Cancer Center NCI initiative (\$2.5B impact since 2007)
- Panasonic (\$4B capital investment, 4,000 jobs)
- Hydrogen Hub initiative (\$750M-\$1B grant opportunity)



How KU serves Kansas communities

KU Medical Center

- Campuses in KC Metro, Salina, Wichita; outreach sites in 105 counties
- KU Health System locations in Kansas City Metro, Great Bend, Topeka
- Half of all KS doctors graduated from KU
- Nationally designated Cancer Center, Alzheimer's Center
- School of Nursing partnerships with community colleges
- Center for Telemedicine and Telehealth



How KU serves Kansas communities

Kansas Law Enforcement Training Center

- 8,000 police officers trained annually

School of Public Affairs and Administration

- 1,700 Kansas public managers trained since 1993

Kansas Geological Survey

- 1,400 water wells monitored
- Earthquake monitoring statewide



How KU serves Kansas communities

Kansas Fire & Rescue Training Institute

- 8,200 firefighters and EMS trained annually

School of Pharmacy

- 400 preceptorships and clinical rotations annually

Professional and Continuing Education

- 35,000 professionals trained, including engineers, attorneys, architects, educators, social workers, journalists and physicians



How KU serves Kansas communities

School of Business RedTire program

- Connects rural businesses with new owners
- 90 businesses, 800 jobs saved
- Success stories include:
 - Flint Hills Veterinary Hospital (Junction City)
 - Kansas Publishing Ventures (Hillsboro)
 - Yates Center Dental (Yates Center)
 - Duis Meat Processing Inc. (Concordia)
 - Funk Pharmacy (Concordia)



KU: One of America's leading research universities

\$400M in annual research funding

- Sources: NSF, NIH, DOE, DOD
- Highly competitive: <15% funded

Economic impact

- Funds 4,000 university jobs to conduct the research
- \$50M spent with KS vendors in 65 counties annually

Human/societal impact

- Saves lives, improves healthcare, solves major challenges



KU: One of America's leading research universities

Areas of expertise

- Cancer
- Alzheimer's disease
- Stroke
- Kidney disease
- Drug discovery
- Cybersecurity
- Energy
- Economics
- Special education
- Public administration

Kansas Athletics Inc.

KAI is self-funded

- Receives no state dollars

KAI benefits the university

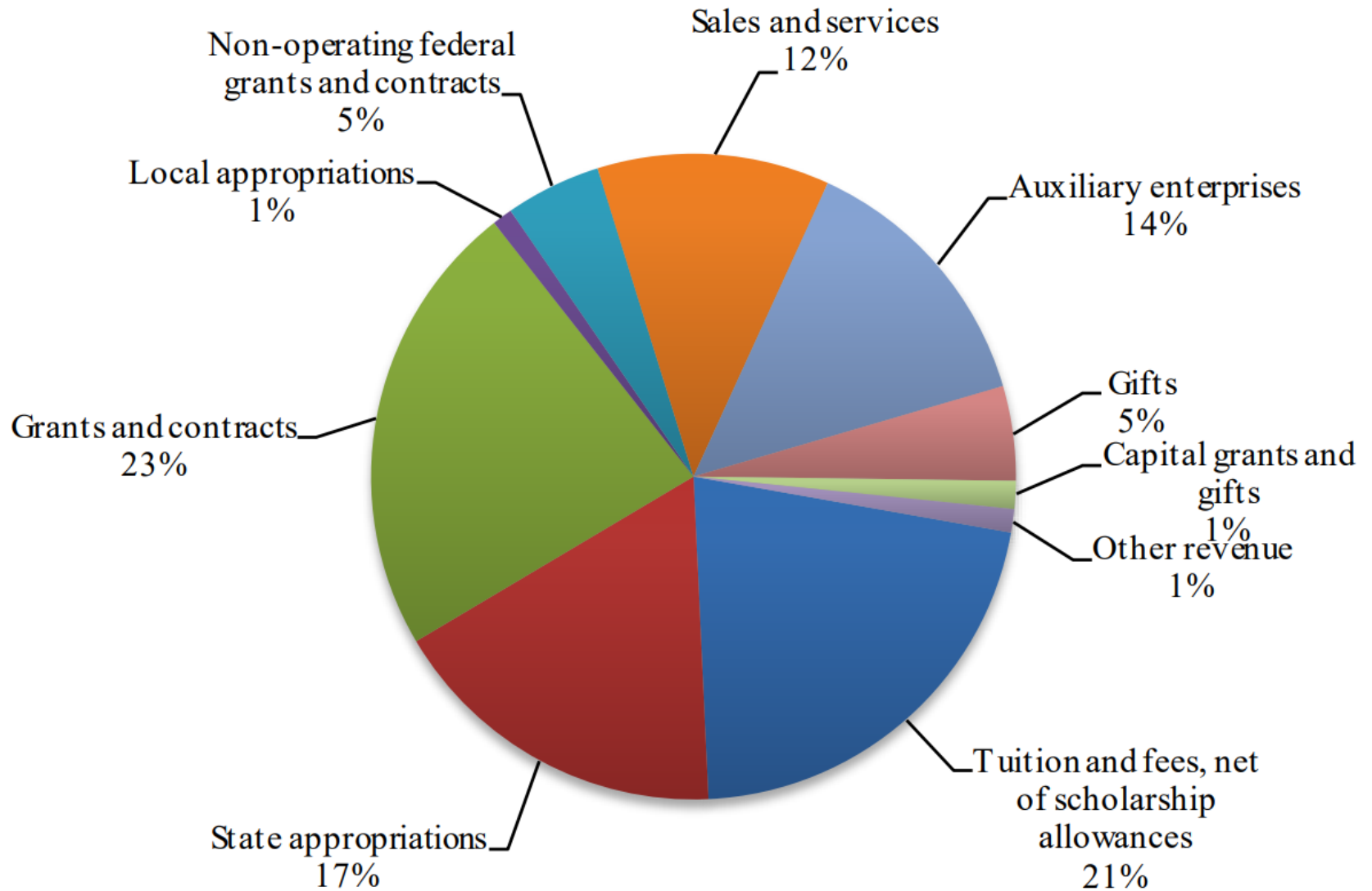
- Drives recruitment, branding, donor relations
- Provides financial assistance to students

KAI benefits the state

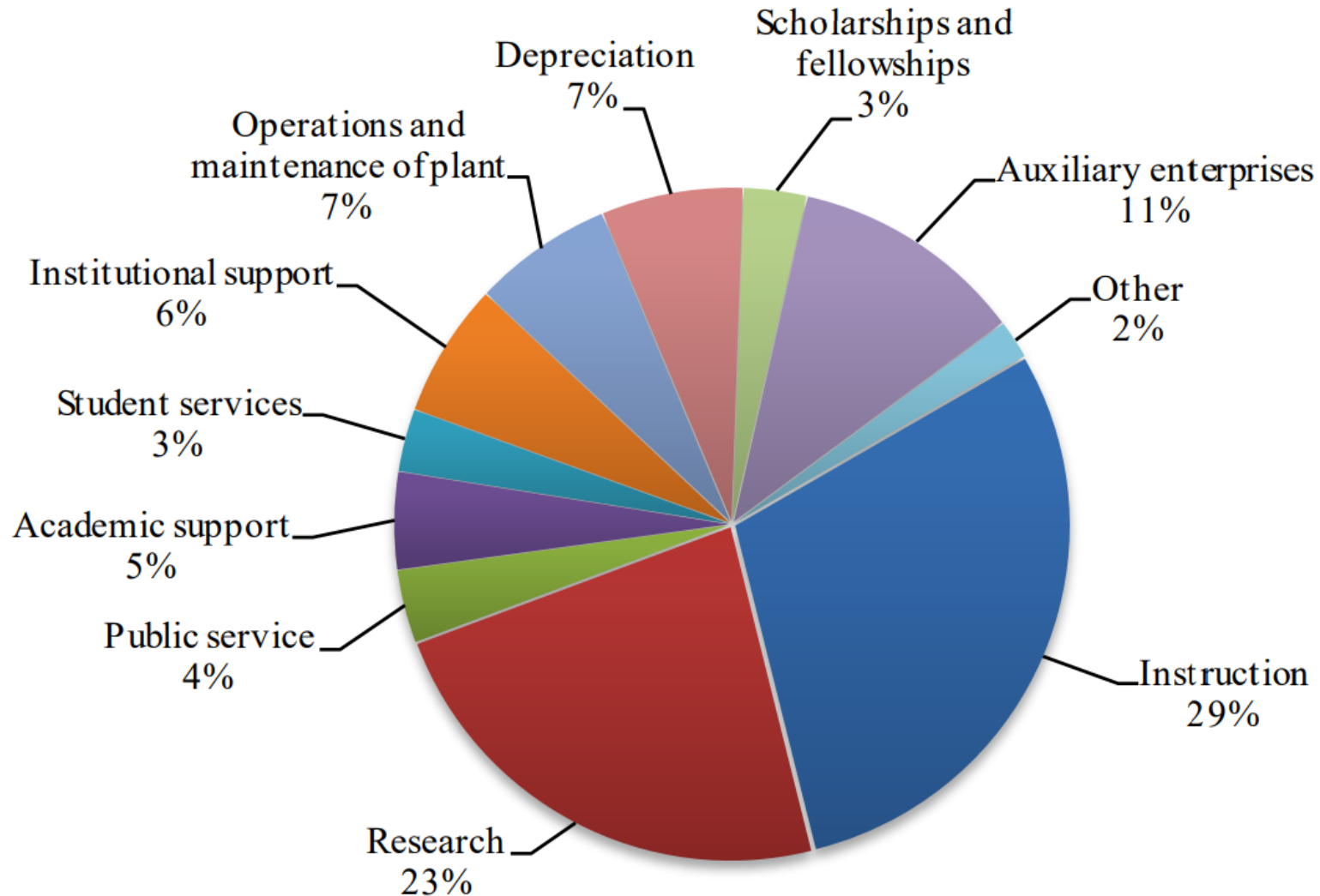
- Sustains jobs and drives hotel/restaurant/retail spending
- Brings Big 12 Conference revenue to Kansas

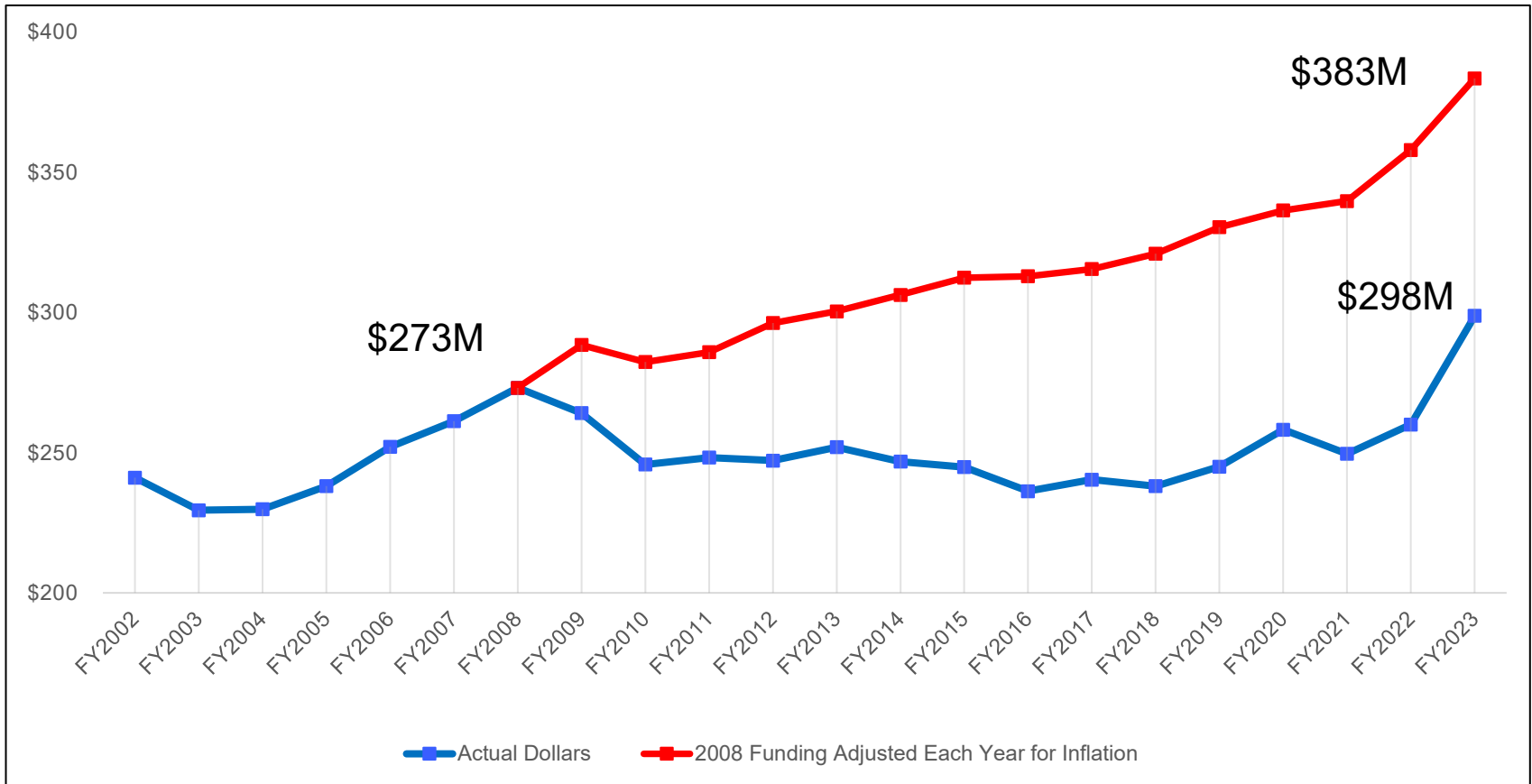


Revenues (\$1.5B)



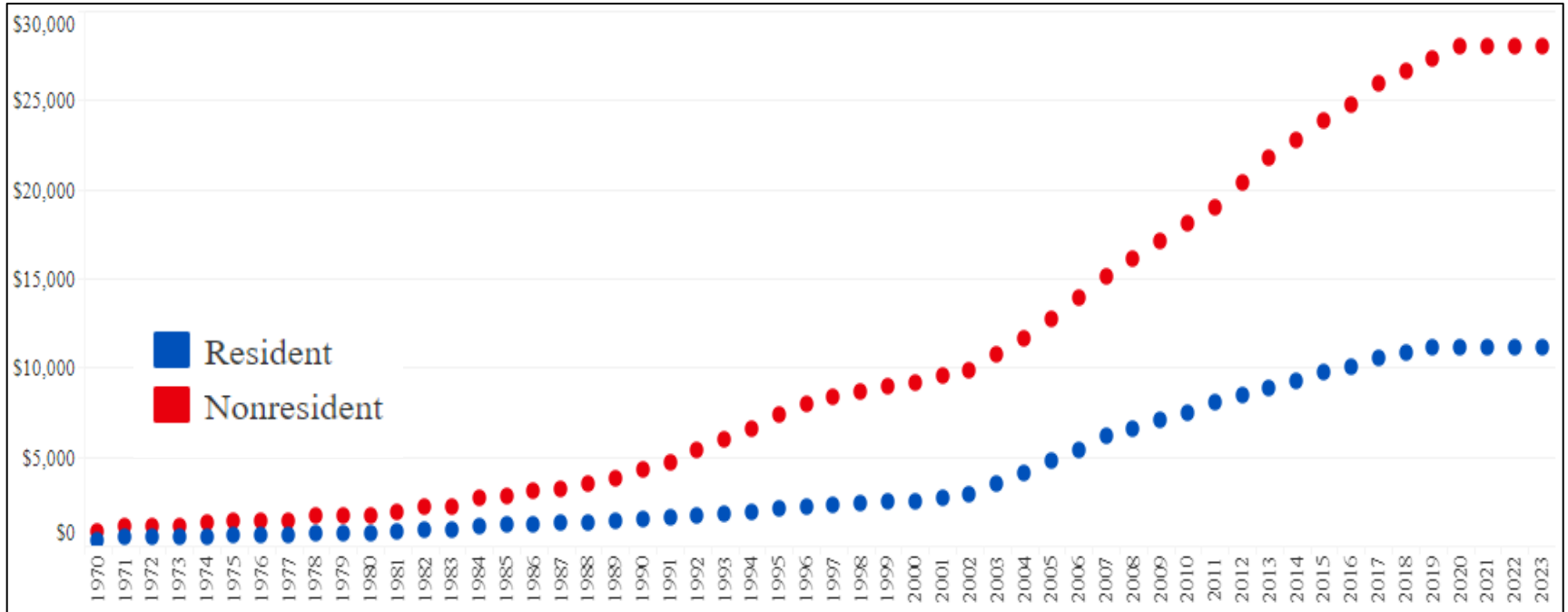
Expenditures





State funding for KU

- In 2008, funding was cut and remained below 2008 levels until 2023
- Adjusted for inflation, we are now **\$85 million below** 2008 levels

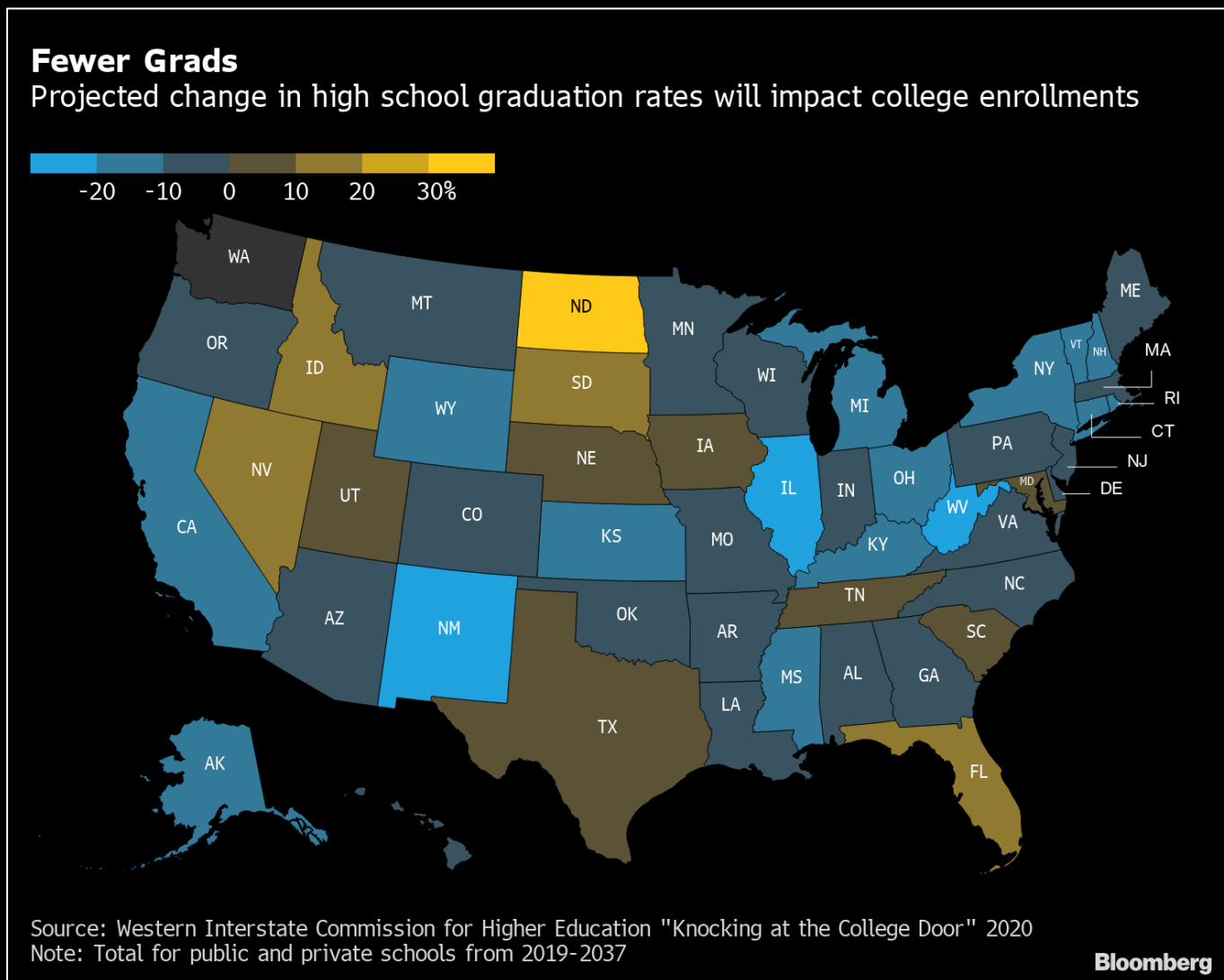


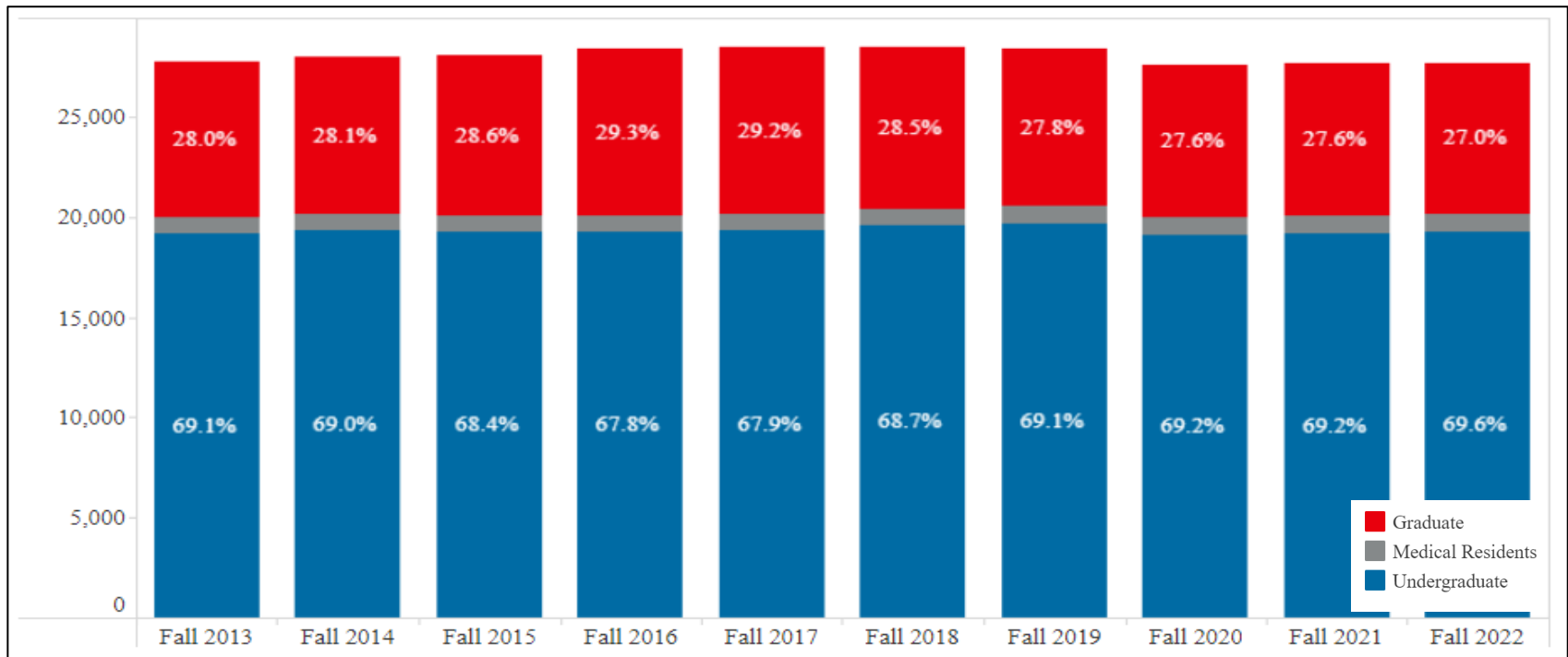
Tuition

- KU has held tuition flat for **four** straight years.
- KU provides **\$92M per year** in undergraduate scholarships and grants.
- Governor’s FY24 proposal is designed to minimize tuition increase.
- **Takeaway:** State funding directly impacts ability to stabilize tuition.

National enrollment trends

- High school graduation numbers continue to fall until 2037
- Midwest and Northeast greatest impact
- Higher education is already feeling the impact
- Enrollment “Cliff” in 2026

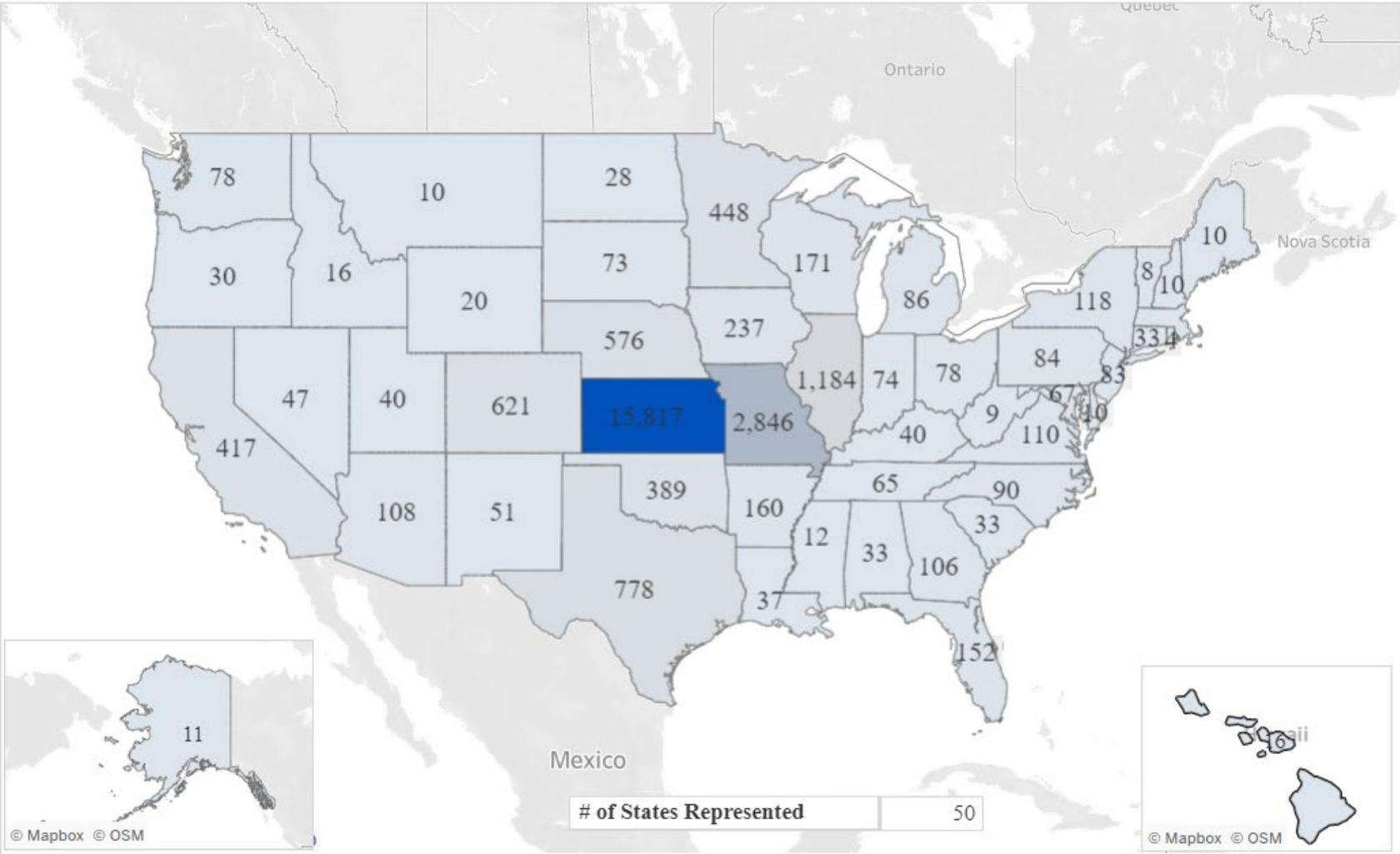




KU enrollment trends

- Enrollment has held steady since 2012.
- 2022 freshman class was the largest in 14 years.
- KU has more Kansas students than any other Kansas university.
- KU has more out-of-state students than any other Kansas university.
- KU has more international students than any other Kansas university.
- **Takeaway:** KU is the state's premier talent magnet.

KU enrollment trends



Fall 2022 students from all 50 states and 110 countries



Responsible stewardship of state resources

(Note: Inflation has increased 23.1% since FY2017)

Lawrence campus self-imposed internal cuts since 2017:

- \$106M in budget cuts
- 12.4% reduction in tenure track faculty; 22% other faculty
- 46 underperforming academic programs closed

KU Medical Center self-imposed internal cuts since 2017:

- \$8.8M in budget cuts
- 7.4% reduction in tenure track faculty



Responsible stewardship of state resources

Improvements to revenue-generating functions

- Student recruitment and retention
- Industry partnerships
- Donor relations
- Monetization of facilities through rentals, camps, conferences and events

Efforts to limit costs, increase efficiencies

- Revised budgeting, procurement, space utilization, security, technology
- Lawrence Campus Master Planning process

Governor's budget proposal for FY 2024

\$107.9M in new funding for higher education

- \$65.9M base funding increase:
 - \$20M for financial aid
 - \$21.8M to mitigate inflation
 - \$10.6M for specific programs
 - \$8.5M for National Institute for Student Success
- \$42M one-time expenses:
 - \$20M for deferred maintenance and \$10M for demolition
 - \$12M for IT and cybersecurity upgrades

5% pay increase for state employees

- This amounts to a lower percentage for universities

No recommended funds for Wichita Biomedical Campus

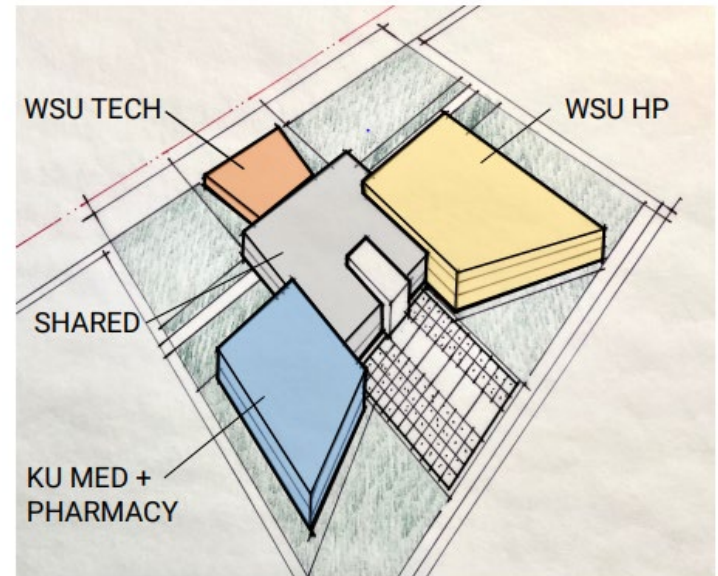
- We continue to work with WSU and partners to pursue this project

Wichita Biomedical Campus

A new home for WSU, WSU Tech, and KUMC Health Education in Wichita

Campus would allow for:

- interdisciplinary education
- cost effective use of shared space
- increased recruitment and enrollment
- support of healthcare workforce growth in Kansas





Thank you

KU