

An Important Update on the State Budget  
Mar. 16, 2016

Dear Faculty, Staff, and Students:

Wednesday afternoon, the Kentucky House of Representatives approved its version of the state budget. The House sustains Kentucky's existing financial commitment of \$280 million to the University of Kentucky in the current fiscal year. That level of state support would remain stable in 2016-17. The House version then calls for a task force on performance funding to determine how a portion of our \$280 million is allocated in 2017-18. The House version does not include state funding for new building projects or authorize us to issue debt for such projects.

Over the next two weeks, the state Senate will develop its budget proposal. The House and Senate must then agree to a budget that would be sent to the Governor. So there is still much left to do; and the public and private conversations in Frankfort remain fluid.

I am very grateful to the members of the House for their willingness to listen to our story; and to sustain our funding in a very difficult budget environment. The Governor has rightly placed the substantial pension challenge at the center of our budget conversations; and the House also has aggressively addressed the problem.

We will continue to share our story in a strong, positive, and respectful way. We are educating more students (over 30,000), healing more patients (over 37,000 patients in our hospitals and 1.4 million visits to our clinics), conducting more transformative research (over \$580 million in annual impact), and serving more communities than at any time in our 150-year history.

As we undertake these essential responsibilities to Kentucky's health and well-being, we are making substantial contributions to Kentucky's economy. Given the \$3.4 billion in revenue we annually generate, the state gets a return of 12 times on its investment of \$280 million. We have a total payroll of more than \$1.3 billion annually with some 12,500 full-time employees on our campus, at our hospitals and across all 120 counties of the Commonwealth. Collectively, our employees contribute more than \$90 million annually in state and local taxes.

We have and will continue to call on Kentucky to invest more money in higher education, as all but four states in our region are doing.

This process will continue; so we need to continue to tell our story. Please contact your state senator – on your personal time and using your personal phone or email if you are a UK employee – and urge her/him to continue to invest in Kentucky higher education and support state appropriations to the University of Kentucky. You can do that by calling the legislative message line at 800-372-7181 or going to [lrc.ky.gov](http://lrc.ky.gov) and clicking on the link to [find your legislator](#).

Your support for what we do for Kentucky is critical to our future. Thank you for joining us in this effort. We will continue to keep you informed throughout this important process. You can also learn more about our story and how you can be involved at [www.uky.edu/uk4ky](http://www.uky.edu/uk4ky).

Sincerely,

Eli Capilouto  
President