

BUDGET ANALYSIS

FISCAL YEAR 2021

Submitted to the 2020 Kansas Legislature

KLRD

*Providing objective research and fiscal
analysis for the Kansas Legislature*

Volume I

*Governor's Budget Report Overview
Agriculture and Natural Resources
Education
Human Services
Public Safety
Transportation*

Kansas Legislative Research Department
February 2020

BUDGET ANALYSIS

FISCAL YEAR 2021

Volume I

Governor's Budget Report Overview

Agriculture and Natural Resources

Education

Human Services

Public Safety

Transportation

KLRD

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FOREWORD

The *Fiscal Year 2020 Budget Analysis* is provided to assist the Legislature in the review of agency budget requests and the Governor's budget recommendations for fiscal years 2020 and 2021.

Function of Government

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This report contains the individual analyses of state agency budgets, including the agency budget requests and the Governor's recommendations. The Legislative Research Department's analysis pertains to the Governor's recommendations as originally reported in Volumes 1 and 2 of the Governor's Budget Report as submitted to the Legislature.

This document groups agencies by the function of government into which each agency is classified. There are six functions of government into which agencies are grouped, with similar agencies grouped that share similar basic purposes.

Volume I of this publication contains Governor's Budget Report, Agriculture and Natural Resources, Education, Human Services, Public Safety, Transportation.

Volume II of this publication contains agencies in General Government.

LEGISLATIVE FISCAL ANALYST ASSIGNMENTS—FY 2021

Abstracters' Board of Examiners **DE BOER, MARTIN** (785-296-4439)
 Adjutant General's Department **KLAASSEN, AARON** (785-296-4396)
 Attorney General **PATEL, AMIT** (785-296-3183)
 Behavioral Sciences Regulatory Board **FYE, DAVID** (785-296-4405)
 Board of Accountancy **DUPRE, CHARLES** (785-296-4407)
 Board of Barbering **DUPRE, CHARLES** (785-296-4407)
 Board of Cosmetology **DUPRE, CHARLES** (785-296-4407)
 Board of Examiners in Optometry **WILLIS, MATTHEW** (785-296-4443)
 Board of Indigents' Defense Services **MOORE, MATTHEW** (785-296-6684)
 Board of Mortuary Arts **WILLIS, MATTHEW** (785-296-4443)
 Board of Nursing **FYE, DAVID** (785-296-4405)
 Board of Pharmacy **MORROW, SHIRLEY** (785-296-3542)
 Board of Technical Professions **DE BOER, MARTIN** (785-296-4439)
 Board of Veterinary Examiners **POTTS, VICTORIA** (785-296-7250)
 Citizens' Utility Ratepayer Board **POTTS, VICTORIA** (785-296-7250)
 Department for Children and Families **VOLKMER, NORMA** (785-296-3535)
 Department of Administration **WU, STEVEN** (785-296-4447)
 Department of Agriculture **POTTS, VICTORIA** (785-296-7250)
 Department of Corrections **RIEDEL, MURL** (785-296-3184)
 Department of Credit Unions **MOORE, MATTHEW** (785-296-6684)
 Department of Education **HESS, JOHN** (785-296-7882)
 Department of Wildlife, Parks and Tourism **POTTS, VICTORIA** (785-296-7250)
 El Dorado Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Ellsworth Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Emergency Medical Services Board **KLAASSEN, AARON** (785-296-4396)
 Emporia State University **MORROW, SHIRLEY** (785-296-3542)
 Fort Hays State University **MORROW, SHIRLEY** (785-296-3542)
 Governmental Ethics Commission **MOORE, MATTHEW** (785-296-6684)
 Health Care Stabilization Fund Board of Governors **MOORE, MATTHEW** (785-296-6684)
 Hutchinson Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Judicial Branch **WU, STEVEN** (785-296-4447)
 Judicial Council **WU, STEVEN** (785-296-4447)
 Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments **WILLIS, MATTHEW** (785-296-4443)
 Kansas Board of Regents **MORROW, SHIRLEY** (785-296-3542)
 Kansas Bureau of Investigation **PATEL, AMIT** (785-296-3183)
 Kansas Commission on Peace Officers' Standards and Training **KLAASSEN, AARON** (785-296-4396)
 Kansas Commission on Veterans' Affairs Office **FYE, DAVID** (785-296-4405)
 Kansas Corporation Commission **POTTS, VICTORIA** (785-296-7250)
 Kansas Dental Board **LEOPOLD, MEGAN** (785-296-4419)
 Kansas Department for Aging and Disability Services **FYE, DAVID** (785-296-4405)
 Kansas Department of Commerce **DEAR, DYLAN** (785-296-0665)
 Kansas Department of Health and Environment **LEOPOLD, MEGAN** (785-296-4419)
 Kansas Department of Labor **HESS, JOHN** (785-296-7882)
 Kansas Department of Revenue **DEAR, DYLAN** (785-296-0665)
 Kansas Department of Transportation **KLAASSEN, AARON** (785-296-4396)
 Kansas Guardianship Program **WILLIS, MATTHEW** (785-296-4443)
 Kansas Highway Patrol **KLAASSEN, AARON** (785-296-4396)
 Kansas Human Rights Commission **DUPRE, CHARLES** (785-296-4407)
 Kansas Insurance Department **MOORE, MATTHEW** (785-296-6684)
 Kansas Juvenile Correctional Complex **RIEDEL, MURL** (785-296-3184)
 Kansas Lottery **PATEL, AMIT** (785-296-3183)
 Kansas Neurological Institute **FYE, DAVID** (785-296-4405)
 Kansas Public Employees Retirement System **PATEL, AMIT** (785-296-3183)
 Kansas Racing and Gaming Commission **PATEL, AMIT** (785-296-3183)
 Kansas Sentencing Commission **RIEDEL, MURL** (785-296-3184)
 Kansas State Board of Healing Arts **MORROW, SHIRLEY** (785-296-3542)
 Kansas State Fair **POTTS, VICTORIA** (785-296-7250)
 Kansas State School for the Blind **HESS, JOHN** (785-296-7882)
 Kansas State School for the Deaf **HESS, JOHN** (785-296-7882)
 Kansas State University **MORROW, SHIRLEY** (785-296-3542)
 Kansas State University Agricultural Extension **MORROW, SHIRLEY** (785-296-3542)
 Kansas State University Veterinary Medical Center **MORROW, SHIRLEY** (785-296-3542)
 Kansas Water Office **POTTS, VICTORIA** (785-296-7250)
 Lansing Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Larned Mental Health Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Larned State Hospital **FYE, DAVID** (785-296-4405)
 Legislative Coordinating Council **DECKARD, AMY** (785-296-4429)
 Legislative Division of Post Audit **DECKARD, AMY** (785-296-4429)
 Legislative Research Department **DECKARD, AMY** (785-296-4429)
 Legislature **DECKARD, AMY** (785-296-4429)
 Norton Correctional Facility **RIEDEL, MURL** (785-296-3184)
 Office of Administrative Hearings **WU, STEVEN** (785-296-4447)
 Office of Information and Technology Services **WU, STEVEN** (785-296-4447)
 Office of the Governor **DECKARD, AMY** (785-296-4429)
 Office of the Revisor of Statutes **DECKARD, AMY** (785-296-4429)
 Office of the State Bank Commissioner **MOORE, MATTHEW** (785-296-6684)
 Office of the State Treasurer **PATEL, AMIT** (785-296-3183)
 Osawatimie State Hospital **FYE, DAVID** (785-296-4405)
 Parsons State Hospital and Training Center **FYE, DAVID** (785-296-4405)
 Pittsburg State University **MORROW, SHIRLEY** (785-296-3542)
 Pooled Money Investment Board **PATEL, AMIT** (785-296-3183)
 Postsecondary Education Systemwide **MORROW, SHIRLEY** (785-296-3542)
 Real Estate Appraisal Board **VOLKMER, NORMA** (785-296-3535)
 Real Estate Commission **VOLKMER, NORMA** (785-296-3535)
 Secretary of State **DEAR, DYLAN** (785-296-0665)
 State Board of Tax Appeals **DE BOER, MARTIN** (785-296-4439)
 State Fire Marshal **KLAASSEN, AARON** (785-296-4396)
 State Historical Society **HESS, JOHN** (785-296-7882)
 State Library **HESS, JOHN** (785-296-7882)
 Topeka Correctional Facility **RIEDEL, MURL** (785-296-3184)
 University of Kansas **MORROW, SHIRLEY** (785-296-3542)
 University of Kansas Medical Center **MORROW, SHIRLEY** (785-296-3542)
 Wichita State University **MORROW, SHIRLEY** (785-296-3542)
 Winfield Correctional Facility **RIEDEL, MURL** (785-296-3184)

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OVERVIEW OF THE FISCAL YEAR 2021

GOVERNOR'S BUDGET REPORT

In this budget overview, various summaries of state expenditures and the plan for their financing are reviewed. The summary data was obtained from *The FY 2021 Governor's Budget Report*. The Legislative Research Department utilizes the classification of expenditures by function of government and by major purpose of expenditure to coincide with the Division of the Budget and the Division of Accounts and Reports. The Department has made some changes in the classification of expenditures in order to be consistent with its prior reports to the Legislature.

The summary data in this overview compares FY 2019 actual expenditures and the Governor's FY 2020 revised estimates and FY 2021 recommendations.

SUMMARY OF CHANGES TO ESTIMATED FY 2020 EXPENDITURES

The FY 2020 approved budget totals \$17.2 billion, including \$7.1 billion from the State General Fund. This approved amount includes \$108.7 million of expenditure authority carried forward. The approved budget includes FTE positions totaling 40,866.5.

In FY 2020, the Governor's recommendation totals \$18.7 billion, with \$7.8 billion financed from the State General Fund. The recommendation increases total all funds expenditures by \$118.2 million, and decreases expenditures from the State General Fund by \$34.0 million from the FY 2020 approved amount. The approved budget includes \$108.7 million in State General Fund reappropriations from FY 2019 to FY 2020. The recommendation includes additional State General Fund expenditures in the Department of Commerce of \$58.9 million to retire the IMPACT bonds early, \$14.9 million in the Office of Information Technology Services (OITS) for modernization, \$11.0 million in the Kansas Department for Aging and Disability Services (KDADS), \$2.0 million for State Park flood repairs, and \$4.5 million for the Career Technical Education Program. The increases were offset by decreases of \$40.5 million from all funds and \$32.9 million from the State General Fund for school finance consensus estimates, \$15.3 million for human services consensus caseload estimates, and \$42.3 million from the Evidence-based Juvenile Programs Fund in the Department of Corrections.

In addition to the expenditure adjustments, the Governor recommends increasing transfers out of the State General Fund by \$399.6 million, including \$268.4 million to pay off the KPERS layering payments and \$132.2 million to accelerate payment of the Pooled Money Investment Board Bridge payment by one year.

It is expected the Governor's recommended revenue and expenditure adjustments will produce a current year ending balance of \$533.3 million, or 6.8 percent, of State General Fund expenditures.

TOTAL STATE EXPENDITURES FOR FY 2021

Summary of Expenditures from All Funds

The Governor's recommendation totals \$19.8 billion from all funding sources, with \$7.9 billion financed from the State General Fund. The recommendation increases total expenditures

by \$1.1 billion, including \$34.2 million from the State General Fund, above the FY 2020 revised estimate. The recommendation includes the State's new estimates of expenditures for state aid to K-12 schools of \$137.3 million, which is primarily due to the Base Aid for Student Excellence (BASE) increasing from \$4,436 to \$4,569 for FY 2021. The recommendation increases Kansas Department of Health and Environment (KDHE)-Division of Health expenditures by \$1.0 billion, including funding for Medicaid expansion at an estimate of \$562.5 million, and fully funding human services consensus caseload estimates for an increase of \$414.0 million. Kansas Department of Transportation expenditures increase by an estimated \$80.8 million for the 11th year of the T-Works program. The increases are partially offset by a decrease of \$100.7 million to the Department of Commerce, largely from the elimination of IMPACT bond payments and \$150.3 million reduction after the reamortization of KPERS over 25 years.

The ending balance at the close of FY 2021 is projected to be \$627.8 million, or 8.0 percent, of State General Fund expenditures.

Expenditures by Major Purpose

State Operations—Agency operating costs for salaries and wages, contractual services, commodities, and capital outlay. The Governor's FY 2021 recommendation for state operations is \$5,761.7 million, which is an increase of \$91.4 million, or 1.6 percent, above the FY 2020 recommendation. The most significant increases are due to \$51.0 million in the KDHE-Division of Health due to increased contractual expenditures associated with the modernization of the Medicaid Management Information System in the Division of Health Care Finance and the remainder related to Medicaid expansion; \$26.1 million for a 2.5 percent salary adjustment for Executive Branch employees; \$17.5 million for salary adjustments and new personnel for Judicial Branch employees; \$12.0 million in the Department of Corrections for shrinkage reductions and least payments; and \$9.7 million in Regents Institutions. The increases are partially offset by a decrease of \$32.8 million associated with KPERS reamortization.

Aid to Local Units of Government—Aid payments to counties, cities, school districts, and other local government entities; may be from state or federal funds. The Governor's FY 2021 recommendation for aid to local units of government is \$6,127.2 million, which is an increase of \$42.0 million, or 0.7 percent, above the FY 2020 recommendation. Significant changes include an increase of \$105.3 million for K-12 education and \$54.0 million for the Local *Ad Valorem* Tax reduction fund payment, partially offset by a decrease of \$117.6 million associated with the reamortization of KPERS.

Other Assistance, Grants, and Benefits—Payments made to or on behalf of individuals as aid, including public assistance benefits, unemployment benefits, and tuition grants. The Governor's FY 2021 recommendation for other assistance, grants, and benefits is \$6,738.5 million, which is an increase of \$920.2 million, or 15.8 percent, above the FY 2020 recommendation. Significant changes include funding for Medicaid expansion at an estimate of \$562.5 million, and fully funding human services consensus caseload estimates for an increase of \$482.7 million, \$17.6 million in student aid and financial assistance, and \$8.6 million for unemployment insurance. The increases were partially offset by a decrease of \$98.4 million in the Department of Commerce from the early retirement of the IMPACT bonds in FY 2020.

Capital Improvements—Cash or debt service payments for projects involving new construction, remodeling and additions, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The Governor's FY 2021 recommendation for capital improvements is \$1,147.4 million, which is an increase of \$25.2

million, or 2.2 percent, above the FY 2020 recommendation. Changes are largely reflected in the Department of Transportation, with an increase of \$83.6 million for projected planned road construction contracts. Expenditures in the Department of Transportation budget fluctuate in its funding request due to its best estimate at a given point in time as projects are being let, and due to its subsequent funding streams. The Department for Aging and Disability Services includes an increase of \$5.3 million for the Biddle building remodel and the Department of Administration includes an increase of \$4.2 million due to increased rehabilitation and repair on the Capitol Complex and debt service principal payments.

The increase is partially offset by a decrease in the university budgets (\$51.4 million) due to fewer capital improvement expenditures for FY 2021.

EXPENDITURES FROM ALL FUNDS BY MAJOR PURPOSE
(Dollars in Millions)

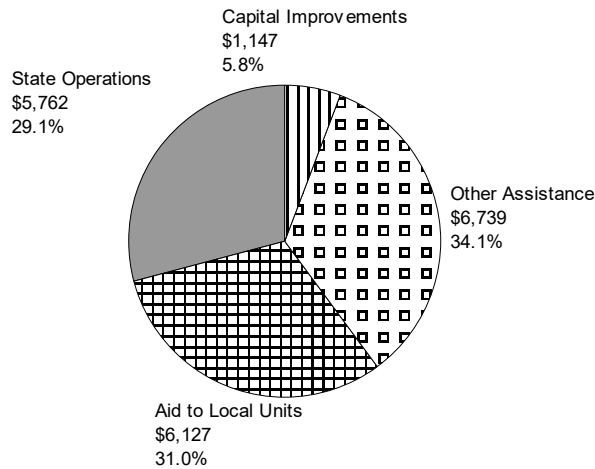
	Actual FY 2019	Gov. Rec. FY 2020	Change \$	%	Gov. Rec. FY 2021	Change \$	%
State Operations	\$ 5,292.1	\$ 5,670.2	\$ 378.1	7.1 %	\$ 5,761.7	\$ 91.4	1.6 %
Aid to Local Units	5,501.8	6,085.1	583.3	10.6	6,127.2	42.0	0.7
Other Assistance	5,324.2	5,818.4	494.2	9.3	6,738.5	920.2	15.8
<i>Subtotal - Operations</i>	<i>\$ 16,118.1</i>	<i>\$ 17,573.7</i>	<i>\$ 1,455.6</i>	<i>9.0 %</i>	<i>\$ 18,627.4</i>	<i>\$ 1,053.6</i>	<i>6.0 %</i>
Capital Improvements	820.8	1,122.2	301.4	36.7	1,147.4	25.2	2.2
TOTAL	\$ 16,938.9	\$ 18,696.0	\$ 1,757.1	10.4 %	\$ 19,774.8	\$ 1,078.8	5.8 %

Note: Totals may not add due to rounding.

Of the total budget recommendation in FY 2020, 30.3 percent is for state operations; 32.5 percent is for state aid to local units of government; 31.1 percent is for other assistance, grants, and benefits; and 6.0 percent is for capital improvements. For FY 2021, 29.1 percent is for state operations; 31.0 percent is for state aid to local units of government; 34.1 percent is for other assistance, grants, and benefits; and 5.8 percent is for capital improvements. The following pie chart displays the major categories of all funds expenditures in FY 2020.

**FY 2021 EXPENDITURES FROM ALL FUNDS
BY MAJOR PURPOSE
Governor's Recommendation
(Dollars in Millions)**

Total: \$19,774.8



Expenditures by Function of Government

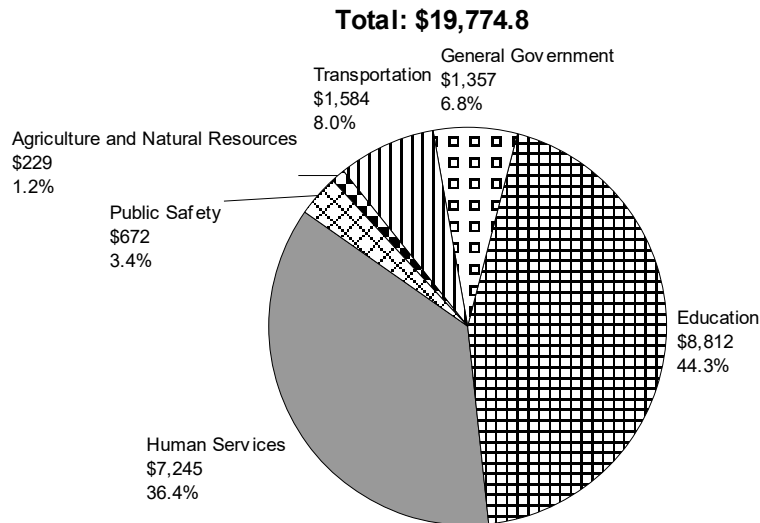
The following table and pie chart summarize expenditures from all funds by function of government. Functions of government reflect the six classifications into which similar agencies are grouped that share similar basic purposes of state government. The functions include General Government, Human Services, Education, Public Safety, Agriculture and Natural Resources, and Transportation. The Education function is the largest component with 46.7 percent of the total expenditures in FY 2020 and 44.6 percent of the total expenditures for FY 2021. The two largest functions of government—Education and Human Services—comprise 79.5 percent of the recommended expenditures in FY 2020 and 81.2 percent for FY 2021.

**EXPENDITURES FROM ALL FUNDS BY FUNCTION OF GOVERNMENT
(Dollars in Millions)**

Purpose	Actual	Gov. Rec.	Change		Gov. Rec.	Change	
	FY 2019	FY 2020	\$	%	FY 2021	\$	%
General Government	\$ 1,272.0	\$ 1,399.5	\$ 127.5	10.0 %	\$ 1,356.8	\$ (42.7)	(3.1)%
Human Services	5,570.5	6,140.1	569.6	10.2	7,245.0	1,104.9	18.0
Education	8,068.7	8,725.8	657.1	8.1	8,811.6	85.8	1.0
Public Safety	665.9	690.2	24.3	3.6	671.9	(18.3)	(2.7)
Agriculture & Nat. Res.	219.3	236.7	17.4	7.9	229.3	(7.4)	(3.1)
Transportation	1,142.4	1,503.6	361.2	31.6	1,584.4	80.8	5.4
Other	0.0	0.0	0.0	--	(124.3)	(124.3)	--
TOTAL	\$ 16,938.9	\$ 18,696.0	\$ 1,757.1	10.4 %	\$ 19,774.8	\$ 1,078.7	5.8 %

Note: Totals may not add due to rounding.

**FY 2021 EXPENDITURES FROM ALL FUNDS
BY FUNCTION OF GOVERNMENT
Governor's Recommendation
(Dollars in Millions)**



Note: Percentages may not be accurate due to funding for the state employee pay plan proposal and KPERS reamortization, which has not been distributed between the functions of government.

Summary Plan for Financing

Total state expenditures are financed by the resources contained in approximately 1,300 distinct funds. The following table summarizes total state expenditures. The table separates the plan for financing into operating purposes and capital improvements. The State General Fund operating amount shown in the table for FY 2020 is based on current resources of the fund. The net increase in State General Fund operating expenditures from FY 2019 to FY 2020 is \$781.7 million, or 11.2 percent, and from FY 2020 to 2021, the increase is \$37.9 million, or 0.5 percent. The Governor's recommendations do, however, include both positive and negative adjustments for individual agencies.

**SUMMARY OF THE PLAN FOR FINANCING STATE EXPENDITURES
(Dollars in Millions)**

	Actual FY 2019	Gov. Rec. FY 2020	Change \$	%	Gov. Rec. FY 2021	Change \$	%
Operating Expenditures:							
State General Fund	\$ 6,959.5	\$ 7,741.2	\$ 781.7	11.2 %	\$ 7,779.1	\$ 37.9	0.5 %
All Other Funds	9,158.6	9,832.6	674.0	7.4	10,848.2	1,015.6	10.3
Subtotal	\$ 16,118.1	\$ 17,573.8	\$ 1,455.7	9.0 %	\$ 18,627.3	\$ 1,053.5	6.0 %
Capital Improvements:							
State General Fund	\$ 73.3	83.1	\$ 9.8	13.4 %	\$ 79.4	\$ (3.7)	(4.5)%
All Other Funds	747.4	1,039.1	291.7	39.0	1,068.0	28.9	2.8
Subtotal	\$ 820.7	\$ 1,122.2	\$ 301.5	36.7 %	\$ 1,147.4	\$ 25.2	2.2 %
TOTAL	\$ 16,938.8	\$ 18,696.0	\$ 1,757.1	10.4 %	\$ 19,774.8	\$ 1,078.8	5.8 %

Note: Totals may not add due to rounding.

The State General Fund, to which most state tax receipts are credited, is the predominant source of financing for state expenditures. The State General Fund finances 41.9 percent of estimated FY 2020 expenditures. For FY 2021, the State General Fund finances 39.7 percent of the recommended expenditures.

Schedule 7 in *The Governor's Budget Report (Volume 1)* summarizes actual and estimated receipts of federal funds. Estimated FY 2020 receipts are \$4.0 billion, which is a decrease of \$582.0 million, or 12.8 percent, below FY 2019 actual receipts. The FY 2021 estimate of \$4.0 billion is \$160.4 million, or 4.1 percent, below FY 2020 estimated receipts. Four agencies—the Department of Health and Environment, the Department for Children and Families, the Department of Education, and the Department for Aging and Disability Services—account for 65.4 percent of FY 2021 estimated federal receipts.

Federal receipts for FY 2020 and FY 2021 are dependent on future actions of the federal government. Past experience indicates the final outcome of those actions will not be known prior to adjournment of the 2020 Legislature.

Expenditures for State Operations

Expenditures for state operations (*i.e.*, for purposes other than local aid, other assistance, and capital improvements) comprise 30.3 percent of total recommended expenditures in FY 2020 and 29.1 percent for FY 2021. The following table divides state operations expenditures into the following components: salaries and wages; contractual services (communications, rent, travel); commodities (food, supplies, stationery); capital outlay (equipment and furniture, not building and highway construction projects); and debt service interest payments.

SUMMARY OF EXPENDITURES FROM ALL FUNDS STATE OPERATIONS BY MAJOR COMPONENT (Dollars in Millions)

Function	Actual FY 2019	Gov. Rec. FY 2020	Change \$	%	Gov. Rec. FY 2021	Change \$	%
Salaries and Wages	\$ 2,943.9	\$ 3,181.8	\$ 237.9	8.1 %	\$ 3,214.2	\$ 32.4	1.0 %
Contractual Services	1,777.9	1,922.8	144.9	8.2	1,969.6	46.8	2.4
Commodities	194.5	212.1	17.6	9.0	215.5	3.4	1.6
Capital Outlay	147.6	129.8	(17.8)	(12.1)	148.9	19.1	14.7
Debt Service Interest	228.2	223.6	(4.6)	(2.0)	213.4	(10.2)	(4.6)
TOTAL	\$ 5,292.1	\$ 5,670.2	\$ 378.1	7.1 %	\$ 5,761.7	\$ 91.5	1.6 %

Note: Totals may not add due to rounding.

Salaries and wages expenditures, including fringe benefits, comprise 56.1 percent of the recommended state operations budget in FY 2020 and salaries and wages expenditures comprise 55.8 percent of the budget for FY 2021.

The Governor's budget does include additional resources for a general, broad-based salary increase for FY 2021. The Governor's recommendation for FY 2021 appropriates \$26.1 million, including \$11.3 million from the State General Fund, to the State Finance Council. The plan will increase salaries for permanent classified employees in the Executive Branch by 2.5 percent and establish a 2.5 percent merit pool for unclassified employees. The Legislative Branch and the Judicial Branch are not included in the proposed pay plan.

In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund.

The Governor's proposed salary expenditures in agency budgets are based on fringe benefit rates established by law or certified by agencies to the Division of the Budget for the budget instructions, which are used by agencies to prepare their budgets.

The employer retirement contribution rate for KPERS State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERS State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERS State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021.

Governor's FY 2021 State Employee Salary Adjustments

	Dollars in Millions	
	State General Fund	All Funds
Executive Branch Only 2.5% Base Salary Increase	\$ 11.3	\$ 26.1
Racing and Gaming Commission - Law enforcement agents - 10.0%	0.0	0.3
Schools for the Blind and Deaf - Teachers and Licensed Personnel - 4.1%	0.2	0.2
Judicial Branch - (18.3 percent judges, 1.7 - 17.9 percent for staff)	17.1	17.1
Governor's Office - Salary Adjustments	0.2	0.2
Legislative Branch	1.4	1.4

Authorized FTE Employees by Function of Government

Expenditures for salaries and wages are affected by policy recommendations that change the size of the State's workforce. The FY 2020 Governor's budget recommendations include 40,784.3 FTE positions, which is a decrease of 81.2 positions below the approved number of 40,865.4. For FY 2021, the Governor recommends 40,727.4 FTE positions, which is a decrease of 56.9 FTE positions below the FY 2020 recommendation.

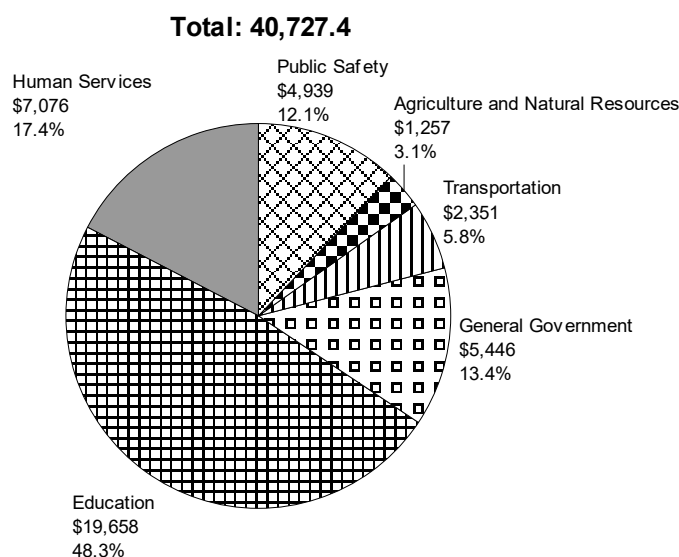
The decrease below the FY 2020 approved number is primarily attributable to decreased positions at the Department of Corrections and the correctional facilities (136.3 positions), Larned State Hospital (59.0 positions), the Kansas Highway Patrol (56.0 positions), and the Department of Agriculture (20.6 positions). These decreases are partially offset by increased FTE positions for the Department of Revenue (89.9 positions), the Board of Regents and the Regents universities (37.7 positions), and the Office of Information Technology Services (OITS) (20.4 positions).

The decrease in positions for the Department of Corrections and the correctional facilities is due to increased efficiencies at Lansing Correctional Facility, which allowed for reduced staff. The decrease in positions for Larned State Hospital is due to the reallocation of some FTE positions for the Sexual Predator Treatment Program to the budget of Osawatomie

State Hospital and to the elimination of some vacant positions. Finally, the decrease for the Kansas Highway Patrol is due to a technical error in the FY 2020 approved budget. The increase in positions for the Department of Revenue is due to information technology positions and driver's license office expansions. The increase in positions for the Board of Regents and Regents universities is attributable to normal fluctuations. The increase in positions for OITS is due to the transfer of ten Chief Information Officer positions from other state agencies to OITS, as well as to additional personnel in the Kansas Information Security Office to strengthen cybersecurity efforts.

The FY 2021 decrease below the FY 2020 recommendation is primarily attributable to decreased positions at the Department of Corrections and the correctional facilities (117.9 positions). This decrease is due to increased efficiencies at Lansing Correctional Facility. The decrease is partially offset by increased FTE positions in the Department for Children and Families (18.0 positions) and the Judicial Branch (13.0 positions). The DCF increase is due to additional positions for Family First Prevention Services and Protection and Prevention Services staff at service centers. The Judicial Branch increase is due additional positions for judges and support staff.

**FY 2021 FULL-TIME EQUIVALENT (FTE) POSITIONS
by Function of Government
Governor's Recommendations**



Program or Agency Components of FY 2021 All Funds Budget

To this point, this memorandum has dealt primarily with measuring year-to-year changes proposed in *The Governor's Budget Report*. The following tables pertain to FY 2021 only and measures major program or agency expenditures in dollar terms and as a percent of the total budget. The budget of the Department of Education, the Board of Regents and the Regents institutions, the Department of Health and Environment, the Department for Children and Families, and the Kansas Department of Transportation account for 87.1 percent of total spending for FY 2021.

**GOVERNOR'S RECOMMENDED
EXPENDITURES FROM ALL FUNDS, FY 2021
By Agency or Program**

	Amount (Thousands)	Percent of total	Cumulative Percent	Percent Change from FY 2020
Department of Education	\$ 5,641,404.8	28.5 %	28.5 %	1.9 %
KDHE - Health	3,954,784.7	20.0	48.5	34.9
Board of Regents and Institutions	3,136,484.3	15.9	64.4	(0.6)
Department for Children and Families	2,913,476.0	14.7	79.1	287.1
Department of Transportation	1,584,443.5	8.0	87.1	5.4
Corrections and Facilities	432,300.7	2.2	89.3	(5.2)
Kansas Lottery	388,529.9	2.0	91.3	(0.2)
Department of Administration	192,301.9	1.0	92.3	0.7
KDADS and Hospitals	177,275.5	0.9	93.2	(92.2)
Department of Labor	174,070.6	0.9	94.0	7.4
Judicial Branch	169,544.7	0.9	94.9	11.5
Highway Patrol and KBI	148,950.2	0.8	95.6	10.2
Department of Revenue	108,534.4	0.5	96.2	(2.5)
Department of Wildlife, Parks and Tourism	89,457.4	0.5	96.6	(4.1)
State Treasurer	84,968.0	0.4	97.1	177.5
Insurance Dept. and Health Care Stabilization Fund	72,025.4	0.4	97.4	(2.0)
Department of Commerce	71,854.7	0.4	97.8	(58.4)
Adjutant General	70,898.7	0.4	98.2	(10.0)
KDHE - Environment	69,499.9	0.4	98.5	(0.8)
KPERS	52,423.3	0.3	98.8	6.0
Department of Agriculture	50,611.6	0.3	99.0	(8.6)
Board of Indigents' Defense Services	35,599.8	0.2	99.2	1.1
Office of the Governor	35,109.3	0.2	99.4	(4.7)
Legislative Branch	33,223.4	0.2	99.6	(6.6)
Attorney General	25,741.5	0.1	99.7	(6.4)
KPERS Policy Change	(150,381.4)	(0.8)	98.9	--
All Other	211,622.0	1.1	100.0	8.6
TOTAL	\$ 19,774,754.8	100.0 %		5.8 %

Note: Each agency's expenditures include state and federal aid, if any, to local units of government.

The following tables reflect changes in agency budgets from the Governor's FY 2020 recommendation to the Governor's recommended FY 2021 budget.

CHANGE IN EXPENDITURES FROM ALL FUNDS
FY 2020 to FY 2021
Governor's Recommendation

	Amount (Thousands)	Comments
Total Change		
Human Services Caseloads	\$ 487,700	Human Services Caseloads
K-12 Education Caseloads	137,266	K-12 Education School Funding
KDHE—Medicaid Expansion	563,726	
KDOT—T-Works Plan	80,811	
Local <i>Ad Valorem</i> Transfer	54,000	
State Employee Pay Plan	26,067	2.5 % Increase for Executive Branch
Judiciary Pay Plan	17,077	
Highway Patrol Aircraft	14,450	
Office of Information Technology	(5,000)	Modernization Plan Spending
Adjutant General's Department	(5,752)	Reappropriations and Joint Force Headquarters design.
Commerce - IMPACT Bonds	(96,774)	
Regents - Capital Improvements	(51,000)	
KPERS Reamortization	(150,381)	Reamortization over 25 years
All Other	6,604	Various
	<u>\$ 1,078,794</u>	

Note: Totals may not add due to rounding.

EXPENDITURES AND STATUS OF THE STATE GENERAL FUND

Program and Agency Components of the FY 2021 State General Fund Budget

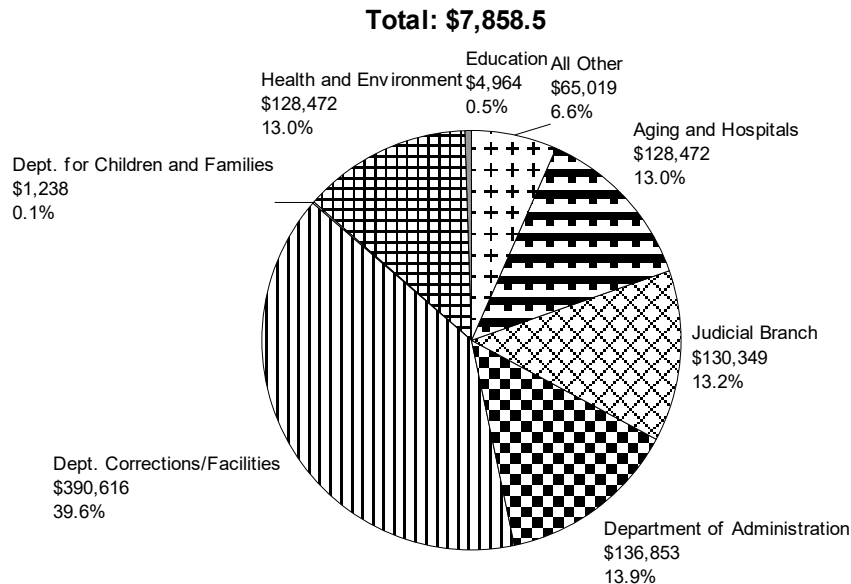
The following table provides an overview of the program or agency components of the Governor's recommended FY 2021 expenditures from the State General Fund. This table identifies individual components that comprise 99.9 percent of State General Fund expenditures. The Education function accounts for 64.3 percent of all State General Fund expenditures for FY 2021.

STATE GENERAL FUND EXPENDITURES BY PROGRAM OR AGENCY Governor's Recommendations for FY 2021

	Amount (Thousands)	Percent of Total	Cumulative Percent	Increase over FY 2020	
				Amount (Thousands)	Percent
Education					
Department of Education	\$ 4,071,900	51.8 %	51.8 %	\$ 87,883	2.2 %
Bd. of Regents/Institutions	867,306	11.0	62.9	19,215	2.2
Other Education*	24,422	0.3	63.2	748	3.1
<i>Subtotal - Education</i>	<i>\$ 4,963,628</i>	<i>63.2 %</i>	<i>63.2 %</i>	<i>\$ 107,847</i>	<i>2.2 %</i>
Department for Children and Families	\$ 1,237,629	15.7 %	78.9 %	\$ 901,797	72.9 %
KDHE-Health	805,960	10.3	89.2	51,786	6.4
Dept. of Corrections/Facilities	390,616	5.0	94.1	(17,351)	(4.4)
Dept. of Administration	136,853	1.7	95.9	2,196	1.6
Judicial Branch	130,349	1.7	97.5	18,657	14.3
KDADS and Hospitals	128,472	1.6	99.2	(838,183)	(652.4)
Board of Indigent's Defense	34,994	0.4	99.6	394	1.1
Legislative Branch	33,223	0.4	100.0	(2,359)	(7.1)
Kansas Bureau of Investigation	27,633	0.4	100.4	(277)	(1.0)
Department of Revenue	16,027	0.2	100.6	45	0.3
Adjutant General's Department	10,845	0.1	100.7	(1,584)	(14.6)
Department of Agriculture	10,147	0.1	100.9	41	0.4
Sentencing Commission	9,862	0.1	101.0	(166)	(1.7)
Office of the Governor	8,198	0.1	101.1	(487)	(5.9)
Attorney General	6,421	0.1	101.2	(258)	(4.0)
Commission on Veteran's Affairs Office	5,936	0.1	101.3	20	0.3
KDHE-Environment	4,365	0.1	101.3	(296)	(6.8)
Kansas Guardianship Program	1,315	0.0	101.3	(6)	(0.5)
Kansas Human Rights Commission	1,105	0.0	101.3	(54)	(4.9)
All Other	(105,052)	(1.3)	100.0	(187,527)	178.5
TOTAL	\$ 7,858,526	100.0 %		\$ 34,235	0.4 %

Note: Totals may not add due to rounding.

**FY 2021 STATE GENERAL FUND
STATE GENERAL FUND EXPENDITURES
BY MAJOR PROGRAM OR AGENCY
Governor's Recommendation
(Dollars in Millions)**



State General Fund Expenditures by Function of Government

The next table summarizes State General Fund expenditures by function of government. The Education function accounts for the largest portion of the State General Fund budget (62.1 percent in FY 2020 and 63.2 percent for FY 2021). Two functions—Education and Human Services—account for 88.5 percent of all State General Fund expenditures in FY 2020 and 90.9 percent for FY 2021.

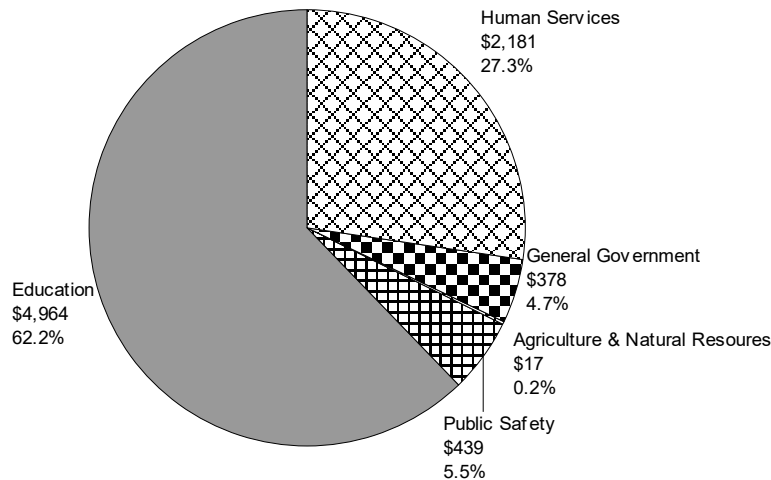
**STATE GENERAL FUND EXPENDITURES
BY FUNCTION OF GOVERNMENT
Governor's Recommendation
(Dollars in Millions)**

Function	Actual FY 2019	Gov. Rec. FY 2020	Change		Gov. Rec. FY 2021	Change	
			\$	%		\$	%
General Government	\$ 341.5	\$ 426.5	\$ 85.0	24.9 %	\$ 378.3	\$ (48.2)	(11.3)%
Human Services	1,952.6	2,064.9	112.3	5.8	2,180.8	115.9	5.6
Education	4,311.6	4,855.8	544.2	12.6	4,963.6	107.8	2.2
Public Safety	411.2	458.3	47.1	11.5	439.0	(19.3)	(4.2)
Agriculture/Natural Resources	15.9	18.8	2.9	18.2	16.5	(2.3)	(12.2)
Transportation	0.0	0.0	0.0	--	0.0	0.0	--
Current Year Savings	0.0	0.0	0.0	--	(119.7)	(119.7)	--
TOTAL	\$ 7,032.8	\$ 7,824.3	\$ 791.5	11.3 %	\$ 7,858.5	\$ 34.2	0.4 %

Note: Totals may not add due to rounding.

**FY 2021 STATE GENERAL FUND EXPENDITURES
BY FUNCTION OF GOVERNMENT
Governor's Recommendation
(Dollars in Millions)**

Total: \$7,858.5



Expenditures by Major Purpose

Almost \$4.3 billion (54.4 percent) of recommended FY 2020 expenditures from the State General Fund is paid to local units of government; 23.2 percent is for other assistance, grants, and benefits expenditures; 21.3 percent represents the costs of state operations; and 1.1 percent is for capital improvements.

Approximately \$4.2 billion (53.8 percent) of recommended FY 2021 expenditures from the State General Fund is paid to local units of government; 23.4 percent is for other assistance, grants, and benefits expenditures; 21.8 percent represents the costs of state operations; and 1.0 percent is for capital improvements.

The following table reflects expenditures for the State General Fund by major purpose.

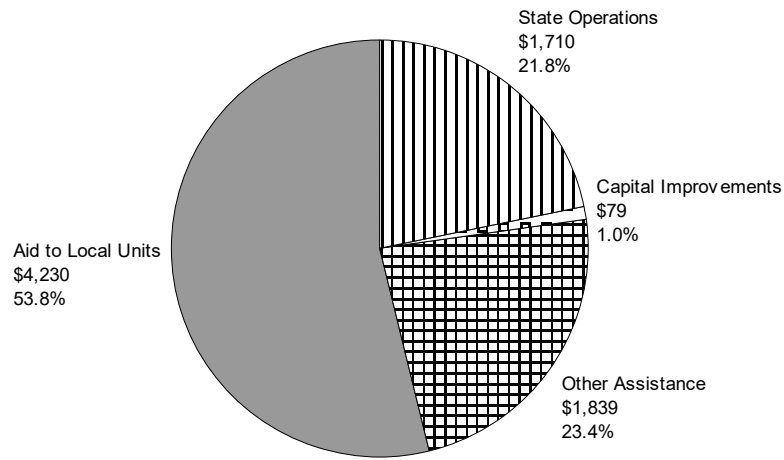
**STATE GENERAL FUND EXPENDITURES
BY MAJOR PURPOSE
(Dollars in Millions)**

	Actual FY 2019	Gov. Rec. FY 2020	Change		Gov. Rec. FY 2021	Change	
			\$	%		\$	%
State Operations	\$ 1,532.9	\$ 1,667.3	\$ 134.4	8.8 %	\$ 1,710.2	\$ 42.9	2.6 %
Aid to Local Units	3,703.8	4,260.7	556.9	15.0	4,229.7	(31.0)	(0.7)
Other Assistance	1,722.8	1,813.2	90.4	5.2	1,839.2	26.0	1.4
<i>Subtotal - Operations</i>	<i>\$ 6,959.5</i>	<i>\$ 7,741.2</i>	<i>\$ 781.7</i>	<i>11.2 %</i>	<i>\$ 7,779.1</i>	<i>\$ 37.9</i>	<i>0.5 %</i>
Capital Improvements	73.3	83.1	9.8	13.4	79.4	(3.7)	(4.5)
TOTAL	\$ 7,032.8	\$ 7,824.3	\$ 791.5	11.3 %	\$ 7,858.5	\$ 34.2	0.4 %

Note: Totals may not add due to rounding.

**FY 2021 STATE GENERAL FUND EXPENDITURES
BY MAJOR PURPOSE
Governor's Recommendation
(Dollars in Millions)**

Total: \$7,858.5



The following table reflects expenditures for state operations by function of government.

**STATE GENERAL FUND FOR STATE OPERATIONS
BY FUNCTION OF GOVERNMENT
(Dollars in Millions)**

Function	Actual	Gov. Rec.	Change		Gov. Rec.	Change	
	FY 2019	FY 2020	\$	%	FY 2021	\$	%
General Government	\$ 262.5	\$ 300.1	\$ 37.6	14.3 %	\$ 309.0	\$ 8.9	3.0 %
Human Services	278.0	301.4	23.4	8.4	330.7	29.3	9.7
Education	619.4	657.8	38.4	6.2	662.3	4.5	0.7
Public Safety	357.7	391.9	34.2	9.6	394.5	2.6	0.7
Agriculture/Natural Resources	15.3	16.1	0.8	5.2	15.8	(0.3)	(1.9)
Transportation	0.0	0.0	0.0	--	0.0	0.0	--
Other	0.0	0.0	0.0	--	(2.1)	(2.1)	--
TOTAL	\$ 1,532.9	\$ 1,667.3	\$ 134.4	8.8 %	\$ 1,710.2	\$ 42.9	2.6 %

Note: Totals may not add due to rounding.

State Aid to Local Units of Government

STATE GENERAL FUND STATE AID TO LOCAL UNITS OF GOVERNMENT (Dollars in Thousands)

	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021	Change FY 2020 - 2021	
				Amount	Percent
State Foundation Aid	\$ 2,109,651	\$ 2,282,149	\$ 2,362,836	\$ 80,687	3.5 %
Supplemental State Aid	494,300	503,300	513,400	10,100	2.0
Special Education State Aid	490,367	497,895	505,381	7,486	1.5
Capital Outlay State Aid	64,961	73,200	75,800	2,600	3.6
KPERS-USDs	\$ 260,116	\$ 516,387	\$ 530,770	\$ 14,382	2.8 %
<i>Subtotal-Major Categories</i>	<i>\$ 3,419,396</i>	<i>\$ 3,872,931</i>	<i>\$ 3,988,186</i>	<i>\$ 115,255</i>	<i>3.0 %</i>
KPERS-Non-USDs	30,472	38,522	40,747	2,225	5.8 %
KPERS Layering Payment (FY 2017)	6,400	6,400	0	(6,400)	(100.0)
KPERS Layering Payment (FY 2019)	0	19,400	0	(19,400)	(100.0)
Mental Health Pilot Program	7,131	8,750	12,674	3,924	44.8
Juvenile Detention Grants	3,975	5,061	5,061	0	0.0
School Safety and Security Grants	34	5,000	0	(5,000)	(100.0)
School Food Assistance	2,394	2,391	2,391	0	0.0
Professional Development	1,700	1,700	1,700	0	0.0
Mentor Teacher Program	1,300	1,300	1,300	0	0.0
Evidence-Based Reading Programs	0	1,200	0	(1,200)	(100.0)
Technical Education Transportation	650	1,852	1,043	(809)	(43.7)
Governor's Teaching Scholarships	208	306	306	0	0.0
Teach for America	0	261	0	(261)	(100.0)
Tech. Ed. Incentive	800	80	0	(80)	(100.0)
Education Superhighway	300	513	120	(393)	(76.6)
Juvenile Crisis Center Pilot	300	300	300	0	0.0
Deaf and Blind Program Aid	110	110	110	0	0.0
Discretionary Grants	173	181	181	0	0.0
<i>Subtotal-State Aid to USDs</i>	<i>\$ 3,475,342</i>	<i>\$ 3,966,256</i>	<i>\$ 4,054,118</i>	<i>\$ 87,862</i>	<i>2.2 %</i>
Post. Tiered Tech. Educ.	\$ 57,510	\$ 59,831	\$ 60,967	\$ 1,137	1.9 %
Non-Tiered Course Credit	75,458	78,503	79,995	1,492	1.9
Technical Colleges Equip.	392	398	398	0	0.0
Voc. Ed. Capital Outlay	71	72	72	0	0.0
Adult Basic Education	1,402	1,423	1,423	0	0.0
Washburn University	11,768	12,214	12,446	232	1.9
Tech. Ed. Tuition	32,023	35,077	37,550	2,473	0.0
Nursing Faculty Grant	755	986	982	(4)	(0.4)
Teacher Scholarships	25	0	0	0	--
State Library	1,341	1,298	1,298	0	0.0
<i>Subtotal-Other Education</i>	<i>\$ 180,745</i>	<i>\$ 189,802</i>	<i>\$ 195,131</i>	<i>\$ 5,330</i>	<i>2.8 %</i>
Community Corrections	\$ 38,809	\$ 40,409	\$ 20,191	\$ (20,218)	0.0 %
KDHE Aid Programs	6,120	6,120	6,120	0	0.0
KDADS Aid Programs	2,421	2,421	22,639	20,218	835.2
Secretary of State	0	219	0	(219)	0.0
Adjutant General Aid Programs (Disaster Relief)	394	1,226	1,608	382	31.1
KPERS Policy Change	0	0	(117,559)	(117,559)	--
SGF TOTAL	\$ 3,703,830	\$ 4,206,454	\$ 4,182,249	\$ (24,205)	(0.6)%

Note: Totals may not add due to rounding.

SELECTED EDUCATION STATE AID FROM OTHER FUNDS
(Dollars in Thousands)

	Actual FY 2019	Gov. Est. FY 2020	Gov. Rec. FY 2021	Change	
				\$	%
20-Mill Local Property Tax* \$	677,465	\$ 710,718	\$ 732,981	\$ 22,262	3.1 %
School District Finance Fund*	58,279	56,000	52,000	(4,000)	(7.1)
Mineral Production Education Fund*	9,233	11,687	8,203	(3,484)	(29.8)
State Highway Fund*	45,000	0	0	0	--
Capital Improvement State Aid	202,100	208,000	213,000	5,000	2.4
KPERS–ELARF	40,084	41,633	41,640	7	0.0
Parents as Teachers–CIF	8,163	8,513	8,438	(75)	(0.9)
Pre-K Program–CIF	4,079	1,980	1,980	0	0.0
Driver Education Aid	1,658	1,592	824	(768)	(48.2)
School Safety & Security Grants	5,000	0	0	0	--
TOTAL	\$ 1,051,061	\$ 1,040,123	\$ 1,059,066	\$ 18,942	1.8 %

*Component of State Foundation Aid.

Note: Totals may not add due to rounding.

SELECTED NON-EDUCATION STATE AID FROM OTHER FUNDS
(Dollars in Thousands)

	Actual FY 2019	Gov. Est. FY 2020	Gov. Rec. FY 2021	Change	
				\$	%
KDOT–CCHF and County Equalization	\$ 156,596	\$ 156,183	\$ 156,862	\$ 679	0.4 %
State Treasurer–LAVTR	0	0	54,000	54,000	--
KDOT–Aviation	3,947	5,000	5,000	0	0.0
Insurance Dept.–Firefighters Relief	13,879	14,000	14,000	0	0.0
Commerce–CDBG	11,983	12,556	12,556	0	0.0
Lottery–Expanded Lottery Aid to Locals	12,298	12,372	12,462	90	0.7
Dept. of Corrections	3,557	4,118	1,700	(2,418)	(58.7)
KDOR–Oil and Gas Mineral Production	4,121	3,500	3,500	0	0.0
KDHE–Local Health Departments	46,961	29,328	29,046	(282)	(1.0)
KDHE–Environmental Enforcement	2,076	4,560	5,602	1,042	22.9
Dept. of Ag.–SWPF Aid to Local Districts	2,097	2,193	2,193	0	0.0
TOTAL	\$ 257,514	\$ 243,810	\$ 296,921	\$ 53,111	21.8 %

Note: Totals may not add due to rounding.

INCREASE IN STATE GENERAL FUND EXPENDITURES
Governor's Recommendation
FY 2020 - FY 2021

	<u>Amount</u> <u>(Thousands)</u>	<u>Percent of</u> <u>Total Increase</u>
Department of Education	\$ 87,883	257.0 %
KDADS and DCF	60,346	176.5
KDHE - Health	51,786	151.4
Regents Institutions - 1.9% of CPI	19,216	56.2
Judiciary	18,657	54.6
State Employee Pay Plan - Executive Branch	11,300	33.0
Wildlife and Parks	(200)	(0.6)
Legislature	(2,985)	(8.7)
Office of Information Technology	(5,826)	(17.0)
Corrections and Correctional Facilities – (4.3)%	(17,351)	(50.7)
Commerce	(60,345)	(176.4)
KPERS Policy Change	(130,983)	(383.0)
All Other Adjustments	2,701	7.9
TOTAL	\$ 34,200	

DEMAND/REVENUE TRANSFERS FROM THE STATE GENERAL FUND

Demand transfers are certain expenditures specified by statute. Since FY 2002, the demand transfers to the Local *Ad Valorem* Tax Reduction Fund (LAVTRF), the County and City Revenue Sharing Fund (CCRSF), and the Special City and County Highway Fund (SCCHF) have been treated as revenue transfers. By changing these demand transfers to revenue transfers, these funds were no longer considered State General Fund expenditures and thus, no longer subject to the State General Fund ending balance law. In FY 2003, the Governor recommended changing the State Water Plan Fund and the School District Capital Improvements Fund to revenue transfers as well. Since FY 2004, the remaining demand transfers, with the exception of the School District Capital Outlay Fund, are also treated as revenue transfers.

**FY 2021 DEMAND/REVENUE TRANSFERS FROM STATE GENERAL FUND
TO OTHER STATE FUNDS**
(Dollars in Thousands)

	<u>FY 2021</u>		
	<u>No Law</u> <u>Change</u>	<u>Governor's</u> <u>Proposed</u>	<u>Difference</u>
School District Capital Improvement Fund	\$ 230,000	\$ 213,000	\$ (17,000)
School District Capital Outlay	70,000	75,800	5,800
Regents Faculty of Distinction	1,673	3,430	1,757
Local <i>Ad Valorem</i> Tax	0	54,000	54,000
TOTAL	\$ 301,673	\$ 346,230	\$ 44,557

Status of the State General Fund

The Governor's recommendations for FY 2020 and FY 2021 would result in an ending balance of \$533.3 million at the end of FY 2020 and \$633.6 million at the end of FY 2021. Recommended receipts for FY 2020 and FY 2021 are equal to the consensus revenue

estimates with the exception of certain transfers, adjustments, and revenue proposals recommended by the Governor, which decrease projected State General Fund receipts by \$399.6 million in FY 2020 and increase projections by \$283.3 million for FY 2021. This profile excludes the impact of proposed tax adjustment which have not been introduced.

Some of the Governor's proposed revenue adjustments include the following changes:

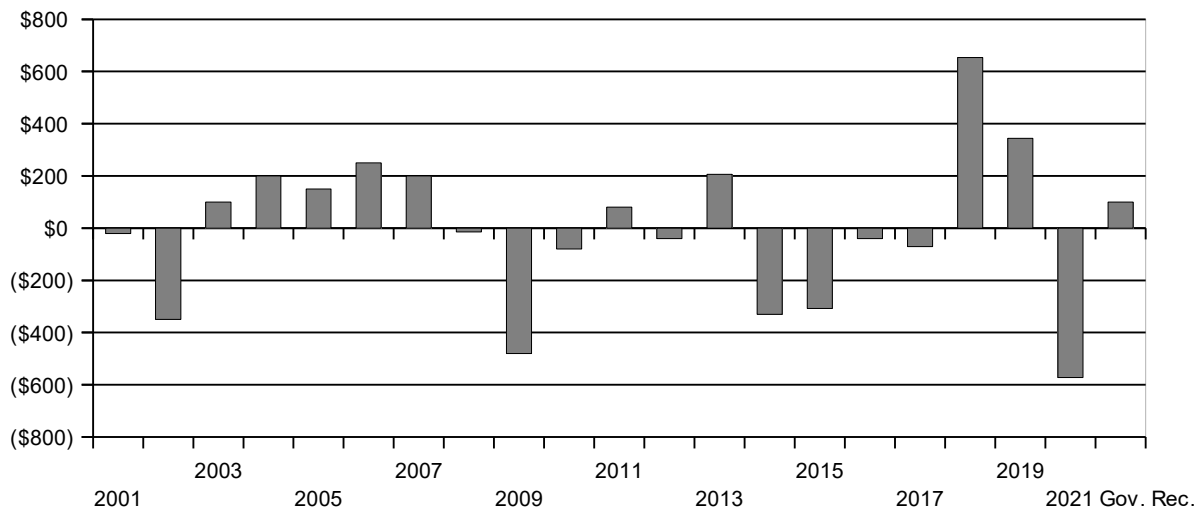
- Use additional State General Fund tax receipt revenue to repay the Pooled Money Investment Board loan in FY 2020, eliminating transfers in future fiscal years; and
- Reduce the transfer from the State Highway Fund to the State General Fund in FY 2021 by \$73.1 million.
- Restart the Local *Ad Valorem* Tax Reduction Fund transfer with a cap of \$54.0 million.

STATE GENERAL FUND RECEIPTS, EXPENDITURES, AND BALANCES
(Dollars in Millions)

	Actual FY 2019	Gov. Rec. FY 2020	Change	Gov. Rec FY 2021	Change
Beginning Unencumbered Cash	\$ 761.7	\$ 1,105.1	\$ 343.4	\$ 533.3	\$ (571.8)
Receipts	7,376.2	7,652.1	275.9	7,675.5	23.4
Gov. Rec. Adjustments	0.0	(399.6)	(399.6)	283.3	682.9
Adjusted Receipts	7,376.2	7,252.5	(123.7)	7,958.8	706.3
<i>Total Resources</i>	<u>\$ 8,137.9</u>	<u>\$ 8,357.6</u>	<u>\$ 219.7</u>	<u>\$ 8,492.1</u>	<u>\$ 134.5</u>
Less: Expenditures	7,032.8	7,824.3	791.5	7,858.5	34.2
Ending Unencumbered Cash Balance	\$ 1,105.1	\$ 533.3	\$ (571.8)	\$ 633.6	\$ 100.3
Ending Balance as a Percentage of Expenditures	15.7 %	6.8 %		8.1 %	
Adj. Receipts in Excess of Expenditures	\$ 343.4	\$ (571.8)		\$ 100.3	

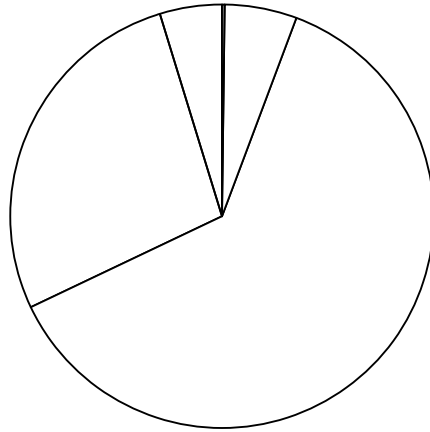
Note: Totals may not add due to rounding.

RECEIPTS IN EXCESS OF EXPENDITURES
GOVERNOR'S RECOMMENDATION – STATE GENERAL FUND
(Dollars in Millions)

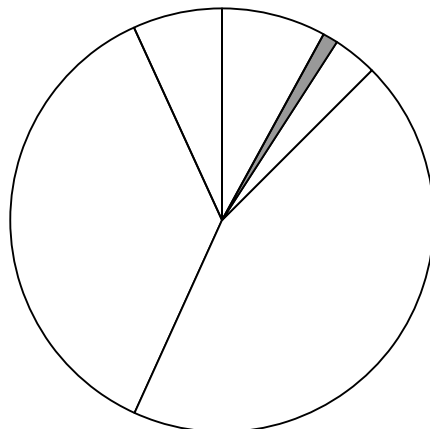


AGRICULTURE AND NATURAL RESOURCES

State General Fund



All Funds



Agriculture and Natural Resources Function protects and regulates the natural and physical resources of the State. This function of government includes the Department of Agriculture, the Kansas State Fair, the Kansas Water Office, and the Department of Wildlife, Parks and Tourism. The analysis for the Kansas Department of Health and Environment (KDHE)–Division of Environment can be found included with the KDHE analysis in the Human Services section of this publication.

The Governor's FY 2021 recommendation for the Agriculture and Natural Resources function totals \$229.3 million from all funding sources, including \$16.5 million from the State General Fund.

Agencies in this Function:		The FY 2021 recommendation represents a State General Fund decrease of 12.0 percent, or \$2.3 million, below FY 2020. Expenditures from all funds decrease by 3.1 percent, or \$7.4 million, below FY 2020.
<i>Department of Agriculture</i>	23	
<i>Department of Wildlife, Parks and Tourism</i>	51	
<i>Kansas State Fair</i>	79	
<i>Kansas Water Office</i>	96	

A total of 1,256.7 FTE positions are recommended by the Governor for the Agriculture and Natural Resources function for FY 2021, which is a decrease of 7.6 FTE positions below FY 2020. Of all state FTE positions, 3.1 percent are in this function.

Agencies in this function comprise 0.2 percent of the total State General Fund budget for FY 2021, which is a decrease of 0.03 percent below FY 2020. They comprise 1.2 percent of expenditures from all funding sources in FY 2021, which a decrease of 0.1 percent below FY 2020.

DEPARTMENT OF AGRICULTURE

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 9,856,098	\$ 10,105,978	\$ 10,105,978	\$ 10,507,633	\$ 10,147,108
Other Funds	40,465,971	45,265,006	45,265,006	43,802,194	40,464,495
<i>Subtotal</i>	<i>\$ 50,322,069</i>	<i>\$ 55,370,984</i>	<i>\$ 55,370,984</i>	<i>\$ 54,309,827</i>	<i>\$ 50,611,603</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 50,322,069</u>	<u>\$ 55,370,984</u>	<u>\$ 55,370,984</u>	<u>\$ 54,309,827</u>	<u>\$ 50,611,603</u>
Percentage Change:					
Operating Expenditures					
State General Fund	7.1 %	2.5 %	2.5 %	4.0 %	0.4 %
All Funds	13.8	10.0	10.0	(1.9)	(8.6)
FTE Positions	310.0	313.7	313.7	317.7	306.2

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Department of Agriculture is responsible for implementing food safety, consumer and environmental protection, and water resource allocation programs. This includes the assurance of a safe meat, milk, and egg supply; safety of the food supply through inspection at food processing and retail establishments; the responsible and judicious use of pesticides and nutrients; the protection of Kansas' natural and cultivated plants; the integrity of weighing and measuring devices in commerce; and that the waters of Kansas are put to beneficial use. The agency consists of 15 programs under six main categories: Administration; Agribusiness Services (Meat and Poultry, Food Safety, Dairy and ACAP, Weights and Measures, Grain Warehouse, Agricultural Laboratories, Plant Protection and Seed, Pesticide and Fertilizer); Water Resources (Water Management, Water Appropriations, Water Structures); Animal Health; Conservation; and Agriculture Marketing. The Secretary of Agriculture is a gubernatorial appointee and serves as head of the agency.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted \$233,797, all from the State General Fund, to achieve a State General Fund reduction of approximately 2.5 percent from the Governor's

recommendation for FY 2011, and added \$29,000, all from the State General Fund, to continue agricultural land valuations performed by the Agricultural Statistics program for FY 2011. The same amount was deleted from the Department of Revenue's FY 2011 budget. This amount fully funded the land valuations for FY 2011.

The **2010 Legislature** also added \$75,000, all from the Economic Development Initiatives Fund, for Grain Warehouse Inspection program expenditures for FY 2011, and added language for FY 2011 that allowed the agency to reappropriate. The Legislature also added language establishing a new fund called the "Lodging Fee Fund" with a no limit expenditure limitation and added language stating expenditures may be made from the Fund for Lodging Inspection program expenditures.

The **2011 Legislature** approved Executive Reorganization Order No. 40, which transferred the Agriculture Products Development Division within the Department of Commerce to the Department of Agriculture and renamed it the Marketing and Promotions program, consolidated the Kansas Animal Health Department and the Livestock Commissioner within the Department of Agriculture as the Animal Health Division, and consolidated the State Conservation Commission within the Department of Agriculture as the Conservation Division.

The **2011 Legislature** also added \$1.0 million, all from special revenue funds, for replacement vehicles, grain warehouse inspections, the Conservation Reserve Enhancement program, streamgage monitoring, livestock market reporting, non-point source pollution, aid to conservation districts, the Compliance Education Fee Fund, and feral swine eradication. Those increases were partially offset by reductions totaling \$826,891, including \$227,025 from the State General Fund, for the Water Supply Restoration program, self-funded longevity bonus payments, office supplies, cell phone expenditures, a 5.0 percent information technology reduction, an administration activities reduction, a death and disability contribution moratorium, and an across-the-board reduction.

The **2012 Legislature** added \$468,983 and 6.0 FTE positions to restore funding and positions that were deleted for savings from the Voluntary Retirement Incentive Program for FY 2013. The 2012 Legislature also approved the addition of \$465,907, all from special revenue funds, and restored 3.0 FTE positions deleted by the Governor to the Division of Water Resources for FY 2013 to assist in the processing of water appropriation applications. The approved budget also shifted \$672,281, all from the State Water Plan Fund, from water rights purchased to the Water Transition Assistance program and Conservation Enhancement program for FY 2013.

The **2013 Legislature** added language to allow the agency to transfer funds between line items in the State Water Plan Fund appropriation with approval from the State Finance Council for FY 2014 and FY 2015.

The **2014 Legislature** added \$321,114, all from the Veterinary Examiners Fee Fund, and 4.0 FTE positions to consolidate the Board of Veterinary Examiners into the agency in accordance with 2014 SB 278 for FY 2015.

The **2014 Legislature** also added \$210,000, including \$160,000 from the State General Fund and \$50,000 from the State Water Plan Fund, to fund wheat genetics research at the Kansas Wheat Innovation Center, and directed the agency to utilize State Water Plan Fund moneys for expenditures other than salaries and wages for FY 2015.

The **2014 Legislature** also deleted \$160,000, all from the State General Fund, for supplemental funding for the Weights and Measures program for FY 2015 and \$50,000, all from the State Water Plan Fund, for streambank stabilization projects for FY 2015.

The **2015 Legislature** added language requiring the Department of Agriculture to submit a zero base budget request for use as a pilot program for the budget process.

The **2015 Legislature** also added \$500,000, all from the Economic Development Initiatives Fund, for the Agriculture Marketing program for FY 2017. The Legislature also deleted the funding for and language authorizing the Conservation Reserve Enhancement Program for FY 2017.

The **2016 Legislature** authorized the Conservation Reserve Enhancement Program for FY 2017, funded by carry-forward expenditures from the State Water Plan Fund. Additionally, the temporary merger between the Kansas Department of Agriculture and the Board of Veterinary Examiners expired, and the Board became a separate agency again, effective FY 2017.

The **2016 Legislature** also added language authorizing the Conservation Reserve Enhancement Program and authorizing the use of State Water Plan Fund reappropriations to fund the program for FY 2017.

Additionally, the **Governor's May 2016 allotment** deleted \$395,775, all from the State General Fund, for FY 2017.

The **2017 Legislature** added \$60,000, all from special revenue funds, for the acquisition of a Quattro Micro Analyzer and a Bentley Somatic Cell Counter for FY 2018 and FY 2019.

The **2018 Legislature** added \$250,000, all from the State General Fund, for an animal traceability pilot project for FY 2019 and added \$77,868, all from the State General Fund, for an animal facilities inspector for FY 2019.

The **2018 Legislature** also added \$850,000, all from the State Water Plan Fund, for water-related projects, including sorghum (\$150,000) and hemp (\$100,000) crop research, streambank stabilization (\$500,000), and irrigation technology adoption (\$100,000) for FY 2019.

Additionally, the **2018 Legislature** passed SB 63, which created the Alternative Crop Research Act and authorized the growth, processing, and distribution of industrial hemp for research purposes.

The **2019 Legislature** deleted \$162,972 from the Water Resources Cost-Share account of the State Water Plan Fund and added the same amount to the Conservation Reserve Enhancement Program (CREP) account of the State Water Plan Fund for CREP contracts for FY 2019. The Legislature added \$500,000, all from the State General Fund, for the Kansas State University IT Cloud move (\$150,000), CattleTrace (animal traceability) (\$250,000), and the water appropriations program (\$100,000) for FY 2020. The Legislature also added \$800,000, all from the State Water Plan Fund, for aid to conservation districts (\$100,000), crop and livestock water research (\$100,000), the Water Right Transition Assistance Program/CREP (\$100,000), and conservation best management practices (\$500,000) for FY 2020.

Additionally, the **2019 Legislature** passed Senate Sub. for HB 2167, which requires the Kansas Department of Agriculture (KDA) to submit a plan to the U.S. Department of Agriculture regarding how the KDA will monitor and regulate the commercial production of industrial hemp within the state, in accordance with federal law.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$55.4 million, including \$10.1 million from the State General Fund, in FY 2020. This is an all funds increase of \$4.6 million, or 9.0 percent, all from special revenue funds, above the FY 2020 approved amount. The revised estimate includes reappropriations of \$2.1 million from the State Water Plan Fund. This increase is due to increased expenditures on non-point source cost-share payments to land owners, streambank stabilization, the riparian and wetland program, architects and engineers for State Water Plan projects, and federal funds.

The revised estimate includes 313.7 FTE positions, which is a decrease of 20.8 FTE positions below the FY 2020 approved number. This decrease is due to the agency's request not including unfunded vacant positions.

The **Governor** concurs with the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests FY 2021 expenditures of \$54.3 million, including \$10.5 million from the State General Fund, for FY 2021. This is an all funds decrease of \$1.1 million, or 1.9 percent, and a State General Fund increase of \$401,665, or 4.0 percent, from the FY 2020 revised estimate. The State General Fund increase is due to the agency's enhancement requests for a water compact engineer, three water conservation specialists, a water conservation manager, a water structures engineers, and an environmental scientist and a vehicle. The all funds decrease is due to decreased expenditures on conservation technicians, cost-share payments for conservation practices, and scientific equipment due to the new lab being completed in FY 2020.

The request includes 317.7 FTE positions, which is an increase of 4.0 FTE positions above the FY 2020 revised estimate. The increase is due to the agency's enhancement requests for a water compact engineer, water conservation specialists, a water conservation manager, a water structures engineer, and an environmental scientist.

The **Governor** recommends FY 2021 expenditures of \$50.6 million, including \$10.1 million from the State General Fund. This is an all funds decrease of \$3.7 million, or 6.8 percent, and a State General Fund decrease of \$360,525, or 3.4 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's water compact engineer, water conservation specialists, water conservation manager, water structures engineer, and environmental scientist enhancements. This State General Fund decrease is partially offset by a State General Fund increase of \$257,000 recommended by the Governor to offset the transfer of a portion of the Agricultural Marketing program from the Department of Agriculture to the Department of Commerce. The all funds decrease is due to the Governor not recommending the agency's State Water Plan Fund enhancements as well as a decrease of \$650,000 from the agency's Economic Development Initiatives Fund appropriation. This decrease is part of the transfer of the Agricultural Marketing program.

The Governor recommends 306.2 FTE positions, which is a decrease of 11.5 FTE positions below the agency's request. This decrease is due to the Governor not recommending the agency's water compact engineer, water conservation specialists, water conservation manager, water structures engineer, and environmental scientist enhancements (7.0 FTE positions). This decrease is also due to the transfer of 6.5 FTE positions to the Department of Commerce as part of the transfer of the Agricultural Marketing program. This decrease is partially offset by the Governor recommending the addition of 2.0 FTE positions to offset the transfer of the Agricultural Marketing program.

PERFORMANCE MEASURES

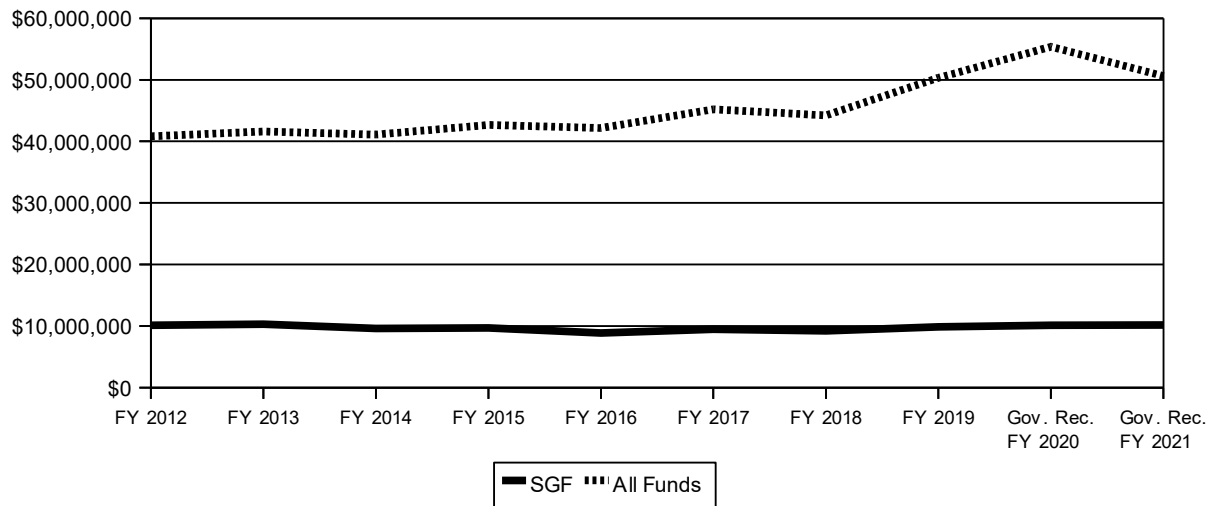
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Completed Dam Permits Processed within Established Time Frame	N/A	76.0 %	100.0 %	82.0 %	100.0 %	100.0 %
Percent of Kansas Food Establishments Inspected Annually	100.0 %	93.3 %	97.5 %	92.3 %	97.5 %	97.5 %
Percent of Licensed Warehouses Inspected Annually	N/A	73.0 %	90.0 %	98.0 %	100.0 %	100.0 %
Percent of pesticide/fertilizer field inspections completed within established time frames	N/A	98.0 %	95.0 %	97.0 %	95.0 %	95.0 %
Percent of Kansas Livestock Markets Inspected per Six-month Period	N/A	95.0 %	98.0 %	95.3 %	100.0 %	100.0 %
Percent of Total Number of Streambanks Designated for Protection Completed per Fiscal Year	N/A	80.0 %	80.0 %	15.0 %	85.0 %	85.0 %
Annual Percent Growth in Kansas Dairy Industry	N/A	6.7 %	6.0 %	2.0 %	6.0 %	6.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 45.2	\$ 44.2	\$ 53.5	\$ 50.3	\$ 55.4	\$ 50.6
FTE Positions	99.9	329.1	334.5	310.0	313.7	306.2

Staff note: Only 15 percent of streambank stabilization projects were completed in FY 2019 due to weather conditions.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 10,143,610	9.0 %	\$ 40,822,187	33.4 %	411.0
2013	10,309,478	1.6	41,602,901	1.9	354.7
2014	9,582,162	(7.1)	41,101,813	(1.2)	357.5
2015	9,693,976	1.2	42,664,762	3.8	319.5
2016	8,851,362	(8.7)	42,166,800	(1.2)	323.5
2017	9,487,162	7.2	45,205,556	7.2	317.5
2018	9,202,853	(3.0)	44,220,487	(2.2)	329.1
2019	9,856,098	7.1	50,322,069	13.8	310.0
2020 Gov. Rec.	10,105,978	2.5	55,370,984	10.0	313.7
2021 Gov. Rec.	10,147,108	0.4	50,611,603	(8.6)	306.2
Ten-Year Change Dollars/Percent	\$ 3,498	0.0 %	\$ 9,789,416	24.0 %	(104.8)

Summary of Operating Budget FY 2019 - FY 2021

Department of Agriculture

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	6,159,874	\$ 7,331,035	\$ 6,513,181	\$ (817,854)	(11.2) %	\$ 7,331,035	\$ 6,513,181	\$ (817,854)	(11.2)%
Agribusiness Services		15,223,314	16,847,649	16,679,052	(168,597)	(1.0)	16,847,649	16,679,052	(168,597)	(1.0)
Division of Water Resources		15,396,861	12,193,024	12,414,845	221,821	1.8	12,193,024	11,772,320	(420,704)	(3.5)
Conservation		8,147,520	13,172,643	13,074,207	(98,436)	(0.7)	13,172,643	10,411,508	(2,761,135)	(21.0)
Agricultural Marketing		2,579,427	2,770,704	2,665,261	(105,443)	(3.8)	3,055,929	2,963,281	(92,648)	(3.0)
Animal Health		2,815,073	3,055,929	2,963,281	(92,648)	(3.0)	2,770,704	2,272,261	(498,443)	(18.0)
TOTAL	\$	50,322,069	\$ 55,370,984	\$ 54,309,827	\$ (1,061,157)	(1.9) %	\$ 55,370,984	\$ 50,611,603	\$ (4,759,381)	(8.6)%
By Major Object of Expenditure:										
Salaries and Wages	\$	22,507,520	\$ 25,139,085	\$ 25,659,205	\$ 520,120	2.1 %	\$ 25,139,085	\$ 24,665,344	\$ (473,741)	(1.9)%
Contractual Services		19,509,627	16,764,705	16,228,122	(536,583)	(3.2)	16,764,705	15,266,458	(1,498,247)	(8.9)
Commodities		960,716	1,086,591	868,154	(218,437)	(20.1)	1,086,591	868,154	(218,437)	(20.1)
Capital Outlay		958,858	1,516,321	962,280	(554,041)	(36.5)	1,516,321	917,280	(599,041)	(39.5)
Debt Service		0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$	43,936,721	\$ 44,506,702	\$ 43,717,761	\$ (788,941)	(1.8) %	\$ 44,506,702	\$ 41,717,236	\$ (2,789,466)	(6.3)%
Aid to Local Units		2,096,884	2,192,637	2,492,637	300,000	13.7	2,192,637	2,192,637	0	0.0
Other Assistance		4,288,464	8,671,645	8,099,429	(572,216)	(6.6)	8,671,645	6,701,730	(1,969,915)	(22.7)
TOTAL	\$	50,322,069	\$ 55,370,984	\$ 54,309,827	\$ (1,061,157)	(1.9) %	\$ 55,370,984	\$ 50,611,603	\$ (4,759,381)	(8.6)%
Financing:										
State General Fund	\$	9,856,098	\$ 10,105,978	\$ 10,507,633	\$ 401,655	4.0 %	\$ 10,105,978	\$ 10,147,108	\$ 41,130	0.4 %
Economic Development Initiatives Fund		1,020,407	1,035,436	1,035,436	0	0.0	1,035,436	385,436	(650,000)	(62.8)
State Water Plan Fund		8,033,875	11,964,517	12,514,087	549,570	4.6	11,964,517	9,826,388	(2,138,129)	(17.9)
Federal Funds		14,346,956	11,094,275	10,136,587	(957,688)	(8.6)	11,094,275	10,136,387	(957,888)	(8.6)
All Other Funds		17,064,733	21,170,778	20,116,084	(1,054,694)	(5.0)	21,170,778	20,116,284	(1,054,494)	(5.0)
TOTAL	\$	50,322,069	\$ 55,370,984	\$ 54,309,827	\$ (1,061,157)	(1.9) %	\$ 55,370,984	\$ 50,611,603	\$ (4,759,381)	(8.6)%

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$10.1 million for the Department of Agriculture in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 10,105,978	\$ 10,105,978	\$ 0	\$ 10,105,978	\$ 0
All Other Funds	40,710,871	45,265,006	4,554,135	45,265,006	4,554,135
TOTAL	\$ 50,816,849	\$ 55,370,984	\$ 4,554,135	\$ 55,370,984	\$ 4,554,135
FTE Positions	334.5	313.7	(20.8)	313.7	(20.8)

The **agency** estimates revised FY 2020 expenditures of \$55.4 million, including \$10.1 million from the State General Fund. This is an all funds increase of \$4.6 million, or 9.0 percent, all from special revenue funds, above the FY 2020 approved amount. The revised estimate includes reappropriations of \$2.1 million from the State Water Plan Fund. This increase is due to increased expenditures on contractual services, commodities, capital outlay, and other assistance. Major expenditure changes are detailed below:

- Contractual Services.** The agency estimates FY 2020 revised contractual services expenditures of \$16.8 million, including \$1.6 million from the State General Fund. This is an all funds increase of \$1.8 million, or 12.0 percent, and a State General Fund increase of \$186,780, or 13.6 percent, above the FY 2020 approved amount. The State General Fund increase is due to re-categorizing some of the expenditures of CattleTrace program from aid to local units of government to contractual services. The all funds increase is due to increased expenditures on streambank stabilization, interstate water issues, and the water use study due to State Water Plan Fund reappropriations. The increase is also due to increased expenditures on agriculture remediation payments, buffer incentive program payments, and federal funds;
- Commodities.** The agency estimates FY 2020 revised commodities expenditures of \$1.1 million, including \$142,493 from the State General Fund. This is an all funds increase of \$299,210, or 38.0 percent, and a State General Fund increase of \$29,484, or 26.1 percent, above the FY 2020 approved amount. The State General Fund increase is due to re-categorizing some of the expenditures of the CattleTrace program from aid to local units of government to commodities. The all funds increase is primarily due to increased expenditures on agricultural supplies for the CattleTrace program and gasoline;

- **Capital Outlay.** The agency estimates FY 2020 revised capital outlay expenditures of \$1.5 million, including \$70,249 from the State General Fund. This is an all funds increase of \$643,474, or 73.7 percent, and a State General Fund increase of \$40,984, or 140.0 percent, above the FY 2020 approved amount. These increases are due to increased expenditures on furniture and scientific equipment for the new laboratory;
- **Aid to Local Units of Government.** The agency estimates FY 2020 revised aid to local units of government expenditures of \$2.2 million, all from special revenue funds. This is a decrease of \$250,000, or 10.2, percent, all from the State General Fund. This decrease is due to re-categorizing expenditures for the CattleTrace program from aid to local units of government to contractual services; and
- **Other Assistance.** The agency estimates FY 2020 revised other assistance expenditures of \$8.7 million, all from special revenue funds. This is an increase of \$2.0 million, or 30.6 percent, above the FY 2020 approved amount. This increase is due to increased expenditures on the nonpoint source program, the riparian and wetland program, and the water quality buffer initiative due to State Water Plan Fund reappropriations. This increase is also due to increased cost-share expenditures in the buffer incentive program.

The **Governor** concurs with the agency's FY 2020 revised estimate.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 54,309,827	\$ 50,611,603	\$ (3,698,224)
FTE Positions	317.7	306.2	(11.5)
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 401,655	\$ 41,130	
All Other Funds	(1,462,812)	(4,800,511)	
TOTAL	\$ (1,061,157)	\$ (4,759,381)	
<i>Percent Change:</i>			
State General Fund	4.0 %	0.4 %	
All Other Funds	(3.2)	(10.6)	
TOTAL	(1.9) %	(8.6) %	
Change in FTE Positions	4.0	(7.5)	

The **agency** requests FY 2021 expenditures of \$54.3 million, including \$10.5 million from the State General Fund. This is an all funds decrease of \$1.1 million, or 1.9 percent, and a State General Fund increase of \$401,655, or 4.0 percent, from the FY 2020 revised estimate.

The State General Fund increase is due to the agency's enhancement requests, partially offset by decreased expenditures on the CattleTrace (animal traceability) program due to the program finishing in FY 2020. The all funds decrease is due to decreased expenditures on contractual services, commodities, capital outlay, and other assistance. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$25.7 million, including \$9.0 million from the State General Fund. This is an all funds increase of \$520,120, or 2.1 percent, and a State General Fund increase of \$697,313, or 8.4 percent, above the FY 2020 revised estimate. This increase is primarily due to the agency's enhancement requests for 4 new positions and to shift funding for 3 positions;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$16.2 million, including \$1.2 million from the State General Fund. This is an all funds decrease of \$536,583, or 3.2 percent, and a State General Fund decrease of \$331,690, or 21.2 percent, below the FY 2020 revised estimate. The State General Fund decrease is primarily due to the completion of the CattleTrace program in FY 2020. The all funds decrease is due to the completion of the CattleTrace program and decreased expenditures on architects and engineers for water-related projects;
- **Commodities.** The agency requests FY 2021 commodities expenditures of \$868,154, including \$116,178 from the State General Fund. This is an all funds decrease of \$218,437, or 20.1 percent, and a State General Fund decrease of \$26,315, or 18.5 percent, below the FY 2020 revised estimate. The State General Fund and the all funds decreases are due to the completion of the CattleTrace program in FY 2020;
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$962,280, including \$132,596 from the State General Fund. This is an all funds decrease of \$554,041, or 36.5 percent, and a State General Fund increase of \$62,347, or 88.8 percent, from the FY 2020 revised estimate. The State General Fund increase is primarily due to the agency's vehicle and telemetry enhancements. The all funds decrease is due to the completion of the new lab in FY 2020 and paying off the Master Lease payments on equipment and furniture for the Manhattan office in FY 2020;
- **Aid to Local Units of Government.** The agency requests FY 2021 aid to local units expenditures of \$2.5 million, all from special revenue funds. This is an increase of \$300,000, or 13.7 percent, above the FY 2020 revised estimate. This increase is due to the agency's aid to conservation districts enhancement; and
- **Other Assistance.** The agency requests FY 2021 other assistance expenditures of \$8.1 million, all from special revenue funds. This is a decrease of \$572,216, or 6.6 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on cost-share payments in the buffer incentive program, the riparian and wetland program, and the nonpoint source program, partially offset by the agency's Conservation Reserve Enhancement Program (CREP), watershed dam construction, water resources cost-share, and irrigation technology enhancements.

The **Governor** recommends FY 2021 expenditures of \$50.6 million, including \$10.1 million from the State General Fund. This is an all funds decrease of \$3.7 million, or 6.8 percent, and a State General Fund decrease of \$360,525, or 3.4 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's water compact engineer, water conservation specialists, water conservation manager, water structures engineer, and environmental scientist enhancements. This State General Fund decrease is partially offset by a State General Fund increase of \$257,000 recommended by the Governor to offset the transfer of a portion of the Agricultural Marketing program from the Department of Agriculture to the Department of Commerce. The all funds decrease is due to the Governor not recommending the agency's State Water Plan Fund enhancements as well as a decrease of \$650,000 from the agency's Economic Development Initiatives Fund appropriation. This decrease is part of the transfer of the Agricultural Marketing program.

The Governor recommends 306.2 FTE positions, which is a decrease of 11.5 FTE positions below the agency's request. This decrease is due to the Governor not recommending the agency's water compact engineer, water conservation specialists, water conservation manager, water structures engineer, and environmental scientist enhancements (7.0 FTE positions). This decrease is also due to the transfer of 6.5 FTE positions to the Department of Commerce as part of the transfer of the Agricultural Marketing program. This decrease is partially offset by the Governor recommending the addition of 2.0 FTE positions to offset the transfer of the Agricultural Marketing program.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Water Compact Engineer	\$ 99,993	\$ 99,993	1.0	\$ 0	\$ 0	0.0
Water Conservation Specialists	199,334	199,334	3.0	0	0	0.0
Water Conservation Manager	123,171	123,171	1.0	0	0	0.0
Environmental Scientist and Vehicle	95,034	95,034	1.0	0	0	0.0
Water Structure Engineer	99,993	99,993	1.0	0	0	0.0
Streambank Stabilization	0	500,000	0.0	0	0	0.0
Water Supply Restoration	0	465,000	0.0	0	0	0.0
Irrigation Technology	0	100,000	0.0	0	0	0.0
Watershed Dam Construction	0	400,000	0.0	0	0	0.0
Rattlesnake Creek Water Rights	0	100,000	0.0	0	0	0.0
Water Resources Cost-Share	0	500,000	0.0	0	0	0.0
Aid to Conservation Districts	0	300,000	0.0	0	0	0.0
CREP	0	297,699	0.0	0	0	0.0
Real Time Telemetry	0	25,000	0.0	0	0	0.0
TOTAL	\$ 617,525	\$ 3,305,224	7.0	\$ 0	\$ 0	0.0

The **agency** requests 14 enhancements totaling \$3.3 million, including \$617,525 from the State General Fund, for FY 2021. These enhancements include:

- \$99,993, all from the State General Fund, and 1.0 FTE position for a water compact engineer. The agency states this position will help administer and enforce the Kansas-Colorado Arkansas River Compact;
- \$199,334, all from the State General Fund, for three water conservation specialists. The agency states these specialists will work with water users to develop a water conservation area near the Ogallala-High Plains Aquifer;
- \$123,171, all from the State General Fund, and 1.0 FTE position for a water conservation manager. The agency states this new position would prioritize and evaluate the work of the water conservation specialists;
- \$95,034, all from the State General Fund, and 1.0 FTE position for an environmental scientist (\$75,034) and a new vehicle (\$20,000). The agency states this position will be located in the Stafford field office and serve water users affected by the impairment of Quivira National Wildlife Refuge by monitoring allocations and flexibility of water rights;
- \$99,993, all from the State General Fund, and 1.0 FTE position for a water structures engineer. The agency states this position will be responsible for engineering calculations and construction documents for the Water Structures program;
- \$500,000, all from the State Water Plan Fund, for streambank stabilization to reduce sedimentation;
- \$465,000, all from the State Water Plan Fund, for water supply restoration to repair and restore Santa Fe Lake as a safe public water supply;
- \$100,000, all from the State Water Plan Fund, for irrigation technology to provide cost-share payments to landowners implementing irrigation technology;
- \$400,000, all from the State Water Plan Fund, for watershed dam construction to provide cost-share assistance on the building and repairing of watershed dams;
- \$100,000, all from the State Water Plan Fund, to retire 6,186 acre-feet of irrigation water rights in the Rattlesnake Creek impairment area;
- \$500,000, all from the State Water Plan Fund, for the water resources cost-share program to increase implementation of best management practices to prevent soil erosion and reduce sedimentation and runoff;
- \$300,000, all from the State Water Plan Fund, for aid to conservation districts to fully match county government funding to conservation districts;

- \$297,699, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program (CREP) to retire water rights in the Rattlesnake Creek Basin and for the Water Transition Assistance Program to retire water rights in Wichita and Greeley counties; and
- \$25,000, all from the State Water Plan Fund, for real-time water management to install telemetry units to study measure water levels in aquifers and pumping rates in wells. These funds will purchase four telemetry units.

The **Governor** does not recommend any of the agency's enhancement requests for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$524,725, including \$183,223 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$18,159, including \$6,081 from the State General Fund, and FY 2021 longevity payments total \$19,119, including \$6,646 from the State General Fund.**

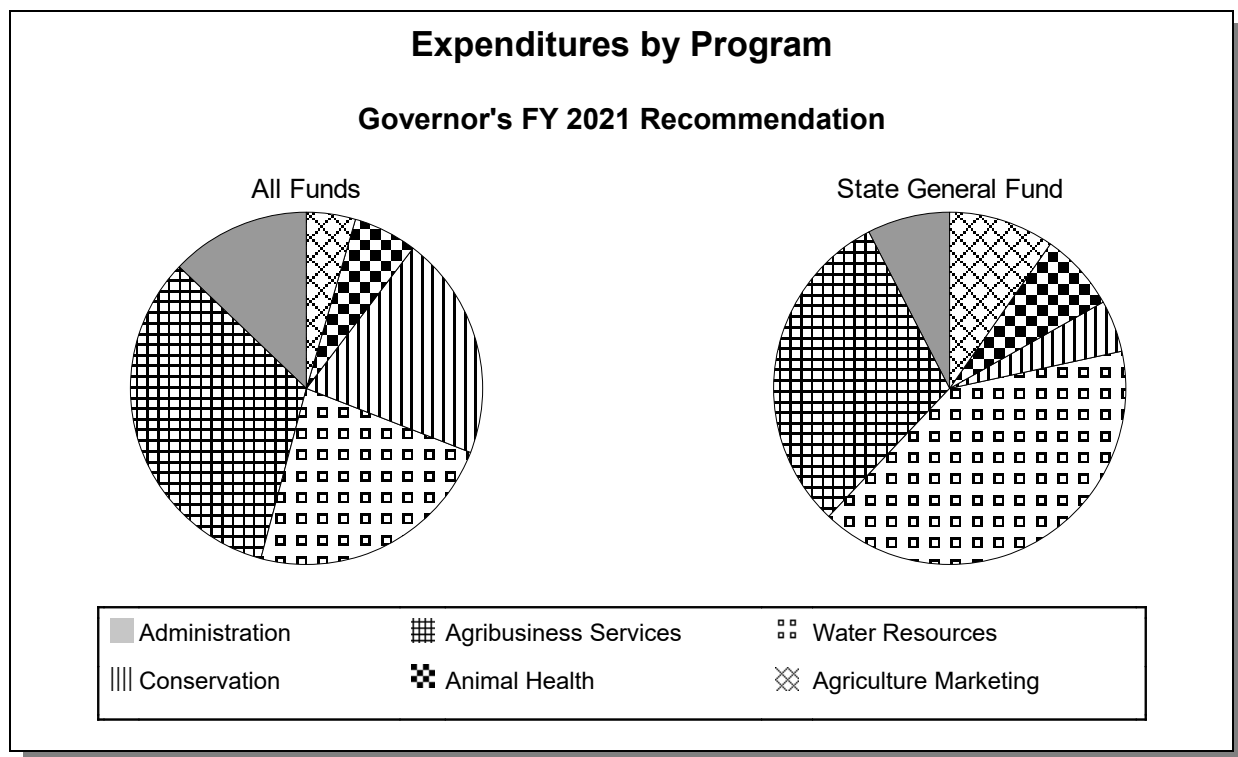
Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	19.3 %	20.0 %
Economic Development Initiatives Fund	1.9	0.8
State Water Plan Fund	23.0	19.4
Federal Funds	18.7	20.0
All Other Funds	37.0	39.7
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 6,513,181	12.9 %	\$ 769,310	7.6 %
Agribusiness Services	16,679,052	33.0	3,081,890	30.4
Division of Water Resources	11,772,320	23.3	4,103,921	40.4
Conservation	10,411,508	20.6	483,278	4.8
Animal Health	2,963,281	5.9	724,849	7.1
Agriculture Marketing	2,272,261	4.5	983,860	9.7
TOTAL	\$ 50,611,603	100.0 %	\$ 10,147,108	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	34.0	35.7	35.7	34.2	34.2
Agribusiness Services	172.0	173.9	173.9	174.0	174.0
Water Resources	71.0	69.5	69.5	75.0	68.0
Conservation	9.0	9.0	9.0	9.0	9.0
Animal Health	14.0	16.5	16.5	16.4	16.4
Agriculture Marketing	10.0	9.1	9.1	9.1	4.6
TOTAL	310.0	313.7	313.7	317.7	306.2
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The Administration program provides the general policy, outreach, coordination, and management functions for the agency.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.5	\$ 6.2	\$ 7.1	\$ 6.2	\$ 7.3	\$ 6.5
FTE Positions	35.5	35.4	35.4	34.0	35.7	34.2

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,765,878	\$ 3,269,121	\$ 3,269,121	\$ 3,177,203	\$ 3,177,203
Contractual Services	1,898,382	2,215,956	2,215,956	1,880,878	1,880,878
Commodities	199,759	269,058	269,058	73,600	73,600
Capital Outlay	347,970	276,900	276,900	81,500	81,500
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 5,211,989</i>	<i>\$ 6,031,035</i>	<i>\$ 6,031,035</i>	<i>\$ 5,213,181</i>	<i>\$ 5,213,181</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	947,885	1,300,000	1,300,000	1,300,000	1,300,000
TOTAL	\$ 6,159,874	\$ 7,331,035	\$ 7,331,035	\$ 6,513,181	\$ 6,513,181
Financing:					
State General Fund	\$ 889,750	\$ 1,050,084	\$ 1,050,084	\$ 769,310	\$ 769,310
All Other Funds	5,270,124	6,280,951	6,280,951	5,743,871	5,743,871
TOTAL	\$ 6,159,874	\$ 7,331,035	\$ 7,331,035	\$ 6,513,181	\$ 6,513,181
FTE Positions	34.0	35.7	35.7	34.2	34.2

The **agency** requests FY 2021 expenditures for the Administration program of \$6.5 million, including \$769,310 from the State General Fund. This is an all funds decrease of \$817,854, or 11.2 percent, and a State General Fund decrease of \$280,774, or 26.7 percent, below the FY 2020 revised estimate. These decreases are primarily due to the completion of the CattleTrace program in FY 2020 and paying off the Master Lease payments for the Manhattan headquarters in FY 2020. Major expenditures changes are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$3.2 million, including \$759,310 from the State General Fund. This is an all funds decrease of \$91,918, or 2.8 percent, and a State General Fund increase of \$105,557, or 16.1 percent, from the FY 2020 revised estimate. This decrease is due to re-categorizing funding for some positions to different programs;
- **Contractual Services.** The agency requests contractual services expenditures of \$1.9 million, including \$10,000 from the State General Fund. This is an all funds decrease of \$335,078, or 15.1 percent, and a State General Fund decrease of \$359,788, or 97.3 percent, below the FY 2020 revised estimate. The decrease is primarily due to the completion of the CattleTrace program in FY 2020;
- **Commodities.** The agency requests commodities expenditures of \$73,600, all from special revenue funds. This is an all funds decrease of \$195,458, or 72.6 percent, and a State General Fund decrease of \$26,543, or 100.0 percent, below the FY 2020 revised estimate. The decrease is due to the completion of the CattleTrace program in FY 2020; and
- **Capital Outlay.** The agency requests capital outlay expenditures of \$81,500, all from special revenue funds. This is a decrease of \$195,400, or 70.6 percent,

below the FY 2020 revised estimate. This decrease is due to the Master Lease payments on equipment and furniture for the Manhattan office being paid off in FY 2020.

The **Governor** concurs with the agency's FY 2021 request.

B. Agribusiness Services

Agribusiness Services consists of the Meat and Poultry, Food Safety, Dairy and Feed Safety, Weights and Measures, Grain Warehouse, Agricultural Laboratories, Plant Protection and Seed, and Pesticide and Fertilizer programs.

The Meat and Poultry program conducts inspections to ensure safe and wholesome meat and poultry products and to detect and eliminate those items that pose a health threat, are mislabeled, or serve as a source of economic fraud to the consumer. The Food Safety program conducts food safety inspections of food establishments, food processors, and lodging establishments. The Dairy and Feed Safety program regulates the milk production, transportation, processing, and distribution industry in Kansas. The Weights and Measures program is responsible for ensuring devices involving weight, measurement, or price scanning in commerce are accurate. The Grain Warehouse program ensures depositors of grain in public warehouses are protected from fraud. The Agricultural Laboratories program provides sample analysis in order to enforce the regulatory functions of the agency. The Plant Protection and Seed program protects the state's natural and cultivated plant resources from pests, diseases, and weeds. The Pesticide and Fertilizer program regulates pesticide and fertilizer products and chemical applicators.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Kansas Food Establishments Inspected Annually	100.0 %	93.3 %	97.5 %	92.3 %	97.5 %	97.5 %
Percent of Undermeasurements of Equal or Greater to 0.2% (1/5 of 1%) and 500 Bushels Adjusted	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Licensed Warehouses Inspected Annually	N/A	73.0 %	90.0 %	98.0 %	100.0 %	100.0 %
Percent Sampling of RTE Products Accomplished According to Established Goals	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent Sampling of Raw Meat Products Accomplished According to Established Goal	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Official Establishment Inventory Improvements Completed Per Fiscal Year	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent in Compliance with FDA Guidelines and National Standards	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Lab Staff Completing Proficiency Testing	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of pesticide/fertilizer field inspections completed within established time frames	N/A	98.0 %	95.0 %	97.0 %	95.0 %	95.0 %
Percent of Administrative Reviews Completed within Established Time Frame	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Corrective Action Completed on Issued Rejection Notices	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Licensees Whose Paperwork is Reviewed Annually	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Staff Completing 480 Hours of Professional Training	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 14.2	\$ 14.3	\$ 16.1	\$ 15.2	\$ 16.8	\$ 16.7
FTE Positions	174.0	183.5	186.3	172.0	173.9	174.0

AGRIBUSINESS SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 11,369,416	\$ 12,384,936	\$ 12,384,936	\$ 12,490,687	\$ 12,490,687
Contractual Services	2,727,343	2,835,173	2,835,173	2,776,481	2,776,481
Commodities	567,385	650,353	650,353	657,201	657,201
Capital Outlay	559,170	977,187	977,187	754,683	754,683
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 15,223,314</i>	<i>\$ 16,847,649</i>	<i>\$ 16,847,649</i>	<i>\$ 16,679,052</i>	<i>\$ 16,679,052</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 15,223,314</u>	<u>\$ 16,847,649</u>	<u>\$ 16,847,649</u>	<u>\$ 16,679,052</u>	<u>\$ 16,679,052</u>
Financing:					
State General Fund	\$ 3,040,781	\$ 3,024,787	\$ 3,024,787	\$ 3,081,890	\$ 3,081,890
All Other Funds	12,182,533	13,822,862	13,822,862	13,597,162	13,597,162
TOTAL	<u>\$ 15,223,314</u>	<u>\$ 16,847,649</u>	<u>\$ 16,847,649</u>	<u>\$ 16,679,052</u>	<u>\$ 16,679,052</u>
FTE Positions	172.0	173.9	173.9	174.0	174.0

The **agency** requests FY 2021 Agribusiness Services expenditures of \$16.7 million, including \$3.1 million from the State General Fund. This is an all funds decrease of \$168,597, or 1.0 percent, and a State General Fund increase of \$57,103 or 1.9 percent, from the FY 2020 revised estimate. The State General Fund increase is due to increased expenditures on salaries and wages and capital outlay. The all funds decrease is due to decreased expenditures on contractual services and capital outlay. Major expenditures changes are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$12.5 million, including \$2.6 million from the State General Fund. This is an all funds increase of \$105,751, or 0.9 percent, and a State General Fund increase of \$24,111, or 0.9 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$2.8 million, including \$245,704 from the State General Fund. This is an all funds decrease of \$58,692, or 2.1 percent, and a State General Fund increase of \$146, or 0.1 percent, from the FY 2020 revised estimate. The all funds decrease is due to one-time expenditures in FY 2020 for moving costs to relocate to the new laboratory; and
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$754,683, including \$87,898 from the State General Fund. This is an all funds decrease of \$222,504, or 22.8 percent, and a State General Fund increase of \$32,618, or 59.0 percent, from the FY 2020 revised estimate. The all funds decrease is due to one-time expenditures in FY 2020 to outfit and equip the new laboratory.

The **Governor** concurs with the agency's FY 2021 request.

C. Animal Health

The Animal Health program ensures the public health, safety, and welfare of Kansas' citizens and enhances the economic viability of the state's livestock production through livestock identification, animal health planning and preparedness, disease prevention, and control and eradication of infectious and contagious livestock and domestic animal disease in Kansas. The program also regulates facilities that produce, sell, board, train, rescue, offer for adoption, or harbor companion animals and enforces the laws governing such facilities. The program directs a Brand Registration and Inspection program, identifies ownership of lost or stolen livestock, informs the public of the status of the health of livestock in the state, and promotes understanding and gains public assistance in achieving this mission. The Animal Health program was transferred to the Department of Agriculture in FY 2012 as part of Executive Reorganization Order No. 40.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Pet Animal Complaints Responded to within Five Days	N/A	60.0 %	70.0 %	60.0 %	80.0 %	85.0 %
Percent of Kansas Livestock Markets Inspected per Six-month Period	N/A	95.0 %	98.0 %	95.3 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.5	\$ 2.6	\$ 2.9	\$ 2.8	\$ 3.1	\$ 3.0
FTE Positions	17.5	17.5	19.1	14.0	16.5	16.4

ANIMAL HEALTH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,393,362	\$ 1,589,648	\$ 1,589,648	\$ 1,584,514	\$ 1,584,514
Contractual Services	1,286,651	1,343,763	1,343,763	1,312,926	1,312,926
Commodities	101,044	71,318	71,318	41,941	41,941
Capital Outlay	34,016	51,200	51,200	23,900	23,900
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,815,073	\$ 3,055,929	\$ 3,055,929	\$ 2,963,281	\$ 2,963,281
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,815,073	\$ 3,055,929	\$ 3,055,929	\$ 2,963,281	\$ 2,963,281
Financing:					
State General Fund	\$ 703,301	\$ 696,427	\$ 696,427	\$ 724,849	\$ 724,849
All Other Funds	2,111,772	2,359,502	2,359,502	2,238,432	2,238,432
TOTAL	\$ 2,815,073	\$ 3,055,929	\$ 3,055,929	\$ 2,963,281	\$ 2,963,281
FTE Positions	14.0	16.5	16.5	16.4	16.4

The **agency** requests FY 2021 Animal Health expenditures of \$3.0 million, including \$724,849 from the State General Fund. This is an all funds decrease of \$92,648, or 3.0 percent, and a State General Fund increase of \$28,422, or 4.1 percent, from the FY 2020 revised

estimate. The State General Fund increase is due to increased expenditures on salaries and wages. The all funds decrease is due to decreased expenditures on contractual services, commodities, and capital outlay. Major expenditure changes are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$1.6 million, including \$549,849 from the State General Fund. This is an all funds decrease of \$5,134, or 0.3 percent, and a State General Fund increase of \$28,422, or 5.5 percent, from the FY 2020 revised estimate. The decrease is due to decreased expenditures on temporary employees and KPERS, partially offset by increased employer contributions to group health insurance;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$1.3 million, including \$175,000 from the State General Fund. This is a decrease of \$30,837, or 2.3 percent, all from special revenue funds, below the FY 2020 revised estimate. This decrease is due to decreased livestock market and back tagging payments and decreased expenditures on travel;
- **Commodities.** The agency requests FY 2021 commodities expenditures of \$41,941, all from special revenue funds. This is a decrease of \$29,377, or 41.2 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on radio-frequency identification (RFID) ear tags; and
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$23,900, all from special revenue funds. This is a decrease of \$27,300, or 53.3 percent, below the FY 2020 revised estimate. This decrease is due to the purchase of trucks in FY 2020.

The **Governor** concurs with the agency's FY 2021 request.

D. Conservation

Prior to FY 2012, the State Conservation Commission was a separate agency that was established in 1937 to promote soil and water conservation. The mission of the Commission was to administer conservation programs designed to enable local entities and individuals to protect and enhance Kansas' natural resources. The Conservation program operates eight subprograms, including: Aid to Conservation Districts, Watershed Dam Construction, Water Resource Cost-Share, Water Supply Restoration, Non-point Source Pollution, Riparian and Wetland Protection, Land Reclamation, and Water Quality Buffer Initiatives. The Conservation program was transferred to the Kansas Department of Agriculture as part of Executive Reorganization Order No. 40.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Total Number of Streambanks Designated for Protection Completed per Fiscal Year	N/A	80.0 %	80.0 %	15.0 %	85.0 %	85.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.6	\$ 6.2	\$ 11.6	\$ 8.1	\$ 13.2	\$ 10.4
FTE Positions	9.0	9.0	9.0	9.0	9.0	9.0

CONSERVATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 782,821	\$ 821,922	\$ 821,922	\$ 824,481	\$ 824,481
Contractual Services	2,269,579	3,020,019	3,020,019	3,145,344	2,180,344
Commodities	8,327	10,900	10,900	10,900	10,900
Capital Outlay	959	11,350	11,350	1,350	1,350
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,061,686	\$ 3,864,191	\$ 3,864,191	\$ 3,982,075	\$ 3,017,075
Aid to Local Units	2,096,884	2,192,637	2,192,637	2,492,637	2,192,637
Other Assistance	2,988,950	7,115,815	7,115,815	6,599,495	5,201,796
TOTAL	\$ 8,147,520	\$ 13,172,643	\$ 13,172,643	\$ 13,074,207	\$ 10,411,508
Financing:					
State General Fund	\$ 482,999	\$ 482,468	\$ 782,468	\$ 483,278	\$ 483,278
All Other Funds	7,664,521	12,690,175	12,690,175	12,590,929	9,928,230
TOTAL	\$ 8,147,520	\$ 13,172,643	\$ 13,472,643	\$ 13,074,207	\$ 10,411,508
FTE Positions	9.0	9.0	9.0	9.0	9.0

The **agency** requests FY 2021 Conservation expenditures of \$13.1 million, including \$483,278 from the State General Fund. This is an all funds decrease of \$98,436, or 0.7 percent, and a State General Fund increase of \$810, or 0.2 percent, from the FY 2020 revised estimate. The all funds decrease is due to decreased expenditures on other assistance, partially offset by increased expenditures on contractual services and aid to local units of government. Major expenditure changes are detailed below:

- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$3.1 million, all from special revenue funds. This is an increase of \$125,325, or 4.1 percent, above the FY 2020 revised estimate. This increase is due to the agency's water supply restoration enhancement request, partially offset by decreased buffer incentive program payments;
- **Aid to Local Units of Government.** The agency requests FY 2021 aid to local units of government expenditures of \$2.5 million, all from special revenue funds. This is an increase of \$300,000, or 13.7 percent, above the FY 2020 revised

estimate. This increase is due to the agency's aid to conservation districts enhancement request; and

- **Other Assistance.** The agency requests FY 2021 other assistance expenditures of \$6.6 million, all from special revenue funds. This is a decrease of \$516,320, or 7.3 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on the nonpoint source, riparian and wetland, and water quality buffer initiative programs, partially offset by the agency's watershed dam construction, Conservation Reserve Enhancement Program (CREP), irrigation technology, and water resource cost-share enhancements.

The **Governor** recommends FY 2021 expenditures of \$10.4 million, including \$483,278 from the State General Fund. This is decrease of \$2.7 million, or 20.4 percent, all from special revenue funds, below the agency's request. This decrease is due to the Governor not recommending the agency's streambank stabilization, water supply restoration, conservation reserve enhancement program (CREP), irrigation technology, watershed dam construction, water resources cost share, or aid to conservation districts enhancements.

E. Agriculture Marketing

Agriculture Marketing was transferred to the Department of Agriculture in FY 2011 as part of Executive Reorganization Order No. 40. This program is focused on growing the agricultural industry in Kansas through loan programs, marketing, and agricultural initiatives. The Agricultural Marketing, Advocacy, and Outreach team identifies with the following team goals: retain and serve current farms, ranches, and agribusinesses in Kansas; grow current farms, ranches, and agribusinesses in Kansas; expand the Kansas agriculture industry; assist in maintaining/growing rural Kansas communities; raise awareness of agriculture; and create appreciation for agriculture.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Annual Percent Growth in Kansas Dairy Industry	N/A	6.7 %	6.0 %	2.0 %	6.0 %	6.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.5	\$ 2.4	\$ 2.7	\$ 2.6	\$ 2.8	\$ 2.3
FTE Positions	10.5	13.0	13.0	10.0	9.1	4.6

AGRICULTURE MARKETING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,057,432	\$ 1,243,196	\$ 1,243,196	\$ 1,242,161	\$ 845,825
Contractual Services	1,126,776	1,233,533	1,233,533	1,182,121	1,185,457
Commodities	42,572	42,205	42,205	42,205	42,205
Capital Outlay	1,018	1,200	1,200	1,200	1,200
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,227,798	\$ 2,520,134	\$ 2,520,134	\$ 2,467,687	\$ 2,074,687
Aid to Local Units	0	0	0	0	0
Other Assistance	351,629	250,570	250,570	197,574	197,574
TOTAL	\$ 2,579,427	\$ 2,770,704	\$ 2,770,704	\$ 2,665,261	\$ 2,272,261
Financing:					
State General Fund	\$ 725,904	\$ 725,877	\$ 725,877	\$ 726,860	\$ 983,860
All Other Funds	1,853,523	2,044,827	2,044,827	1,938,261	1,288,401
TOTAL	\$ 2,579,427	\$ 2,770,704	\$ 2,770,704	\$ 2,665,121	\$ 2,272,261
FTE Positions	10.0	9.1	9.1	9.1	4.6

The **agency** requests FY 2021 Agriculture Marketing expenditures of \$2.7 million, including \$726,860 from the State General Fund. This is an all funds decrease of \$105,443, or 3.8 percent, and a State General Fund increase of \$983, or 0.1 percent, from the FY 2020 revised estimate. The decrease is due to decreased expenditures on contractual services and other assistance. Major expenditure changes are detailed below:

- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$1.2 million, including \$565,031 from the State General Fund. This is an all funds decrease of \$51,412 or 4.2 percent, and a State General Fund decrease \$26,586, or 4.5 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on partnerships with Kansas State University and travel; and
- **Other Assistance.** The agency requests FY 2021 other assistance expenditures of \$197,574, all from special revenue funds. This is a decrease of \$52,996, or 21.2 percent, below the FY 2020 revised estimate. The decrease is due to a decrease in federal funds received for occupational training to veterans with an interest in farming enterprises.

The **Governor** recommends FY 2021 expenditures of \$2.3 million, including \$983,860 from the State General Fund. This is an all funds decrease of \$393,000, or 14.7 percent, and a State General Fund increase of \$257,000, or 35.4 percent, from the agency's request. The State General Fund increase is due to the Governor recommending an additional \$257,000 in State General Fund moneys to offset the transfer of the Agriculture Marketing program to the Department of Commerce. The all funds decrease is due to the \$650,000 in Economic Development Initiatives Fund moneys that will be transferred to the Department of Commerce as part of the move of the Agriculture Marketing program.

The Governor also recommends 4.6 FTE positions, which is a decrease of 4.5 FTE positions below the agency's request. The Governor recommends transferring 6.5 FTE positions to the Department of Commerce as part of the move and also recommends adding 2.0 FTE positions to offset this transfer.

F. Water Resources

Division of Water Resources programs include Water Management, Water Appropriations, and Water Structures. The Water Management Services program is responsible for administrative, fiscal, legal, and legislative functions, in addition to supervising water conservation issues, data entry for the Water Rights Information System, management of the Geographic Information System, hydrologic studies, and coordination with other water-related agencies and facilitating the stakeholder process in the state. The Water Appropriations program administers the Kansas Water Appropriation Act and rules and regulations pertaining to the management of water resources. The Water Structures program regulates human activities that affect the flow of rivers and streams to ensure such activities are properly planned, constructed, operated, and maintained.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Completed Stream Obstruction, Levee, Floodplain Fill and Channel Change Permits within Established Time Frame	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Completed Dam Permits Processed within Established Time Frame	N/A	76.0 %	100.0 %	82.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 9.9	\$ 12.5	\$ 13.1	\$ 15.4	\$ 12.2	\$ 11.8
FTE Positions	71.0	70.8	71.8	71.0	69.5	69.5

WATER RESOURCES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,138,611	\$ 5,830,262	\$ 5,830,262	\$ 6,340,159	\$ 5,742,634
Contractual Services	10,200,896	6,116,261	6,116,261	5,930,372	5,930,372
Commodities	41,629	42,757	42,757	42,307	42,307
Capital Outlay	15,725	198,484	198,484	99,647	54,647
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 15,396,861	\$ 12,187,764	\$ 12,187,764	\$ 12,412,485	\$ 11,769,960
Aid to Local Units	0	0	0	0	0
Other Assistance	0	5,260	5,260	2,360	2,360
TOTAL	\$ 15,396,861	\$ 12,193,024	\$ 12,193,024	\$ 12,414,845	\$ 11,772,320
Financing:					
State General Fund	\$ 4,013,363	\$ 4,126,335	\$ 4,126,335	\$ 4,721,446	\$ 4,103,921
All Other Funds	11,383,498	8,066,689	8,066,689	7,693,399	7,668,399
TOTAL	\$ 15,396,861	\$ 12,193,024	\$ 12,193,024	\$ 12,414,845	\$ 11,772,320
FTE Positions	71.0	69.5	69.5	75.0	68.0

The **agency** requests FY 2021 Water Resources expenditures of \$12.4 million, including \$4.7 million from the State General Fund. This is an all funds increase of \$221,821, or 1.8 percent, and a State General Fund increase of \$595,111, or 14.4 percent, above the FY 2020 revised estimate. The State General Fund increase is due to the agency's enhancement

requests for several positions. The all funds decrease is due to decreased expenditures on contractual services and capital outlay. Major expenditure changes are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$6.3 million, including \$4.4 million from the State General Fund. This is an all funds increase of \$509,897, or 8.7 percent, and a State General Fund increase of \$510,844, or 13.0 percent, above the FY 2020 revised estimate. This increase is due to the agency's enhancement requests for several positions;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$5.9 million, including \$234,538 from the State General Fund. This is an all funds decrease of \$185,889, or 3.0 percent, and a State General Fund increase of \$54,538, or 30.4 percent, from the FY 2020 revised estimate. This decrease is due to decreased expenditures on architects and engineers for water-related projects and rent; and
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$99,647, including \$44,698 from the State General Fund. This is an all funds decrease of \$98,837, or 49.8 percent, and a State General Fund increase of \$29,729, or 198.6 percent, from the FY 2020 revised estimate. The State General Fund increase is primarily due to the agency's vehicle enhancement request. The all funds decrease is due to decreased expenditures on hydrologic testing equipment and flowmeters, partially offset by the agency's telemetry enhancement request.

The **Governor** recommends FY 2021 expenditures of \$11.8 million, including \$4.1 million from the State General Fund. This is an all funds decrease of \$642,525, or 5.2 percent, and a State General Fund decrease of \$617,525, or 13.1 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's enhancement requests for several positions. The all funds decrease is due to the Governor not recommending the agency's telemetry enhancement request.

The Governor recommends 68.0 FTE positions for FY 2021. This is a decrease of 7.0 FTE positions below the agency's request. This decrease is due to the Governor not recommending the agency's enhancement requests for several positions.

DEPARTMENT OF WILDLIFE, PARKS AND TOURISM

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	73,892,751	74,843,056	74,123,705	75,236,295	74,516,944
Subtotal	\$ 73,892,751	\$ 74,843,056	\$ 74,123,705	\$ 75,236,295	\$ 74,516,944
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 2,000,000	\$ 0	\$ 0
Other Funds	12,748,259	17,177,660	17,177,660	14,940,500	14,940,500
Subtotal	\$ 12,748,259	\$ 17,177,660	\$ 19,177,660	\$ 14,940,500	\$ 14,940,500
TOTAL	\$ 86,641,010	\$ 92,020,716	\$ 93,301,365	\$ 90,176,795	\$ 89,457,444
Percentage Change:					
Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	4.0	1.3	0.3	0.5	0.5
FTE Positions	462.0	462.0	462.0	462.0	462.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department of Wildlife, Parks and Tourism is a cabinet-level agency administered by the Secretary of Wildlife, Parks and Tourism. The Secretary is appointed by the Governor, subject to confirmation by the Kansas Senate. The Kansas Wildlife, Parks and Tourism Commission, a seven-member board appointed by the Governor, serves in an advisory role to the Secretary. The Commission has the authority to approve the agency's rules and regulations. The Secretary of Wildlife, Parks and Tourism and Assistant Secretary for Administration are located in the Topeka administrative offices, while the Assistant Secretary for Operations is located in Pratt. The agency is administered by staff in the Topeka office while field operations are managed from the Pratt office.

The agency was created through the merger of the Park and Resources Authority (located in Topeka) and the Fish and Game Commission (located in Pratt). The Department of Wildlife and Parks was created by Executive Reorganization Order No. 22, which was issued by Governor Hayden on February 10, 1987, and approved by the 1987 Legislature. In 2011, Governor Brownback issued Executive Reorganization Order No. 36, which transferred the Division of Travel and Tourism Development from the Department of Commerce to the Department of Wildlife and Parks and renamed the agency the Department of Wildlife, Parks and Tourism.

MAJOR ISSUES FROM PRIOR YEARS

The **2011 Legislature** approved Executive Reorganization Order No. 36, which transferred the Division of Travel and Tourism Development from the Department of Commerce to the Department of Wildlife and Parks and renamed the agency the Department of Wildlife, Parks and Tourism. The 2011 Legislature also added \$1.7 million, all from the special revenue funds, for public fishing areas, the Rocky Ford Wildlife Area study, zebra mussel prevention, dam repair, and walk-in hunting access. Those increases were offset by reductions totaling \$2.2 million, including \$133,994 from the State General Fund, for land acquisition, bottled water, office supplies, and cell phone expenditures; a 5.0 percent information technology reduction; an administration activities reduction; a death and disability contribution moratorium; and an across-the-board reduction.

The **2012 Legislature** eliminated State General Fund support for the agency, which was primarily replaced with Economic Development Initiatives Fund dollars. The Legislature also approved \$1.8 million in Expanded Lottery Act Revenues Fund dollars to retire debt associated with building cabins in state parks. Additionally, the 2012 Legislature passed HB 2729, which allows an owner of a vehicle to purchase a nontransferable park and recreation motor vehicle permit during the vehicle registration process. The 2012 Legislature also provided \$800,000 in supplemental funding due to a shortage in fee fund revenue caused by the extreme weather and the blue-green algae problem.

The **2013 Legislature** added \$2.1 million from the Wildlife Fee Fund for FY 2014 to allow the agency to lease land for walk-in hunting. The 2013 Legislature also added \$800,000 from special revenue funds for FY 2014 and FY 2015 for vehicle replacements, and added language to allow the agency to purchase 824 acres of land in Jefferson County. The Legislature also deleted a total of \$2.0 million, including \$893,394 from the Economic Development Initiatives Fund, for FY 2014 and \$1.4 million, including \$234,017 from the Economic Development Initiatives Fund, for FY 2015 for reductions to the Parks program and to reflect reduced funding for salaries and wages. The Legislature also reduced the transfer from the State Highway Fund to the Department Access Roads Fund by \$350,000 for FY 2014.

The **2014 Legislature** added \$3.0 million, including \$2.3 million from the Wildlife Restoration Fund and \$750,000 from the Wildlife Fee Fund, to restore the Neosho Wildlife Area for FY 2015.

The **2016 Legislature** added \$100,000 in FY 2016 and for FY 2017, all from the Wildlife Fee Fund, for a fish habitat enhancement project. Additionally, the Legislature added \$120,000, all from special revenue funds, in FY 2016 to move a water line for the Region 2 office.

The **2016 Legislature** also transferred \$118,860 from the Bridge Maintenance Fund to the State General Fund and \$381,140 from the Department Access Roads Fund to the State General Fund for the Governor's July 30, 2015, allotment in FY 2016.

The **2017 Legislature** added \$360,000, all from the Wildlife Fee Fund, for dam repairs at the Woodson County State Fishing Lake in FY 2017. The Legislature also added \$2.8 million, all from the Wildlife Fee Fund, for dam repairs at the Woodson County State Fishing Lake and the Clark State Fishing Lake for FY 2018.

The **2017 Legislature** also added \$200,000, all from special revenue funds, for the development of recovery plans for state-threatened and -endangered species, pursuant to 2016 Senate Sub. for HB 2156, for FY 2018 and FY 2019. Additionally, the 2017 Legislature added

\$140,000 for FY 2018 and \$70,000 for FY 2019, all from special revenue funds, for the purchase of heavy duty truck replacements for fish stocking; added \$311,000, all from special revenue funds, for three new game warden positions within the Law Enforcement Division for FY 2018 and FY 2019; and added \$440,000 for FY 2018 and \$220,000 for FY 2019, all from special revenue funds, for vehicle replacements.

The **2018 Legislature** added language allowing the agency to progress within the existing pay structure without the requirement to transfer to unclassified service for FY 2019. The Legislature also added language to allow the agency to expend funds to issue senior lifetime hunting and fishing licenses to disabled veteran Kansans aged 65 and older for FY 2019.

The **2018 Legislature** also added \$550,000 for Clark State Fishing Lake dam repair, \$790,000 for a law enforcement records management system, \$1,500,000 for the walk-in hunting access program, and \$200,000 for park vehicles and equipment, all from special revenue funds, for FY 2019.

The **2019 Legislature** added \$1.0 million, all from special revenue funds, in FY 2019 and added \$1.1 million, all from special revenue funds, in FY 2020 for salary adjustments for law enforcement officers. The Legislature also added \$769,500, all from special revenue funds, to repair the Crawford County Dam in FY 2019 and \$30,000, all from the Economic Development Initiatives Fund, for Disabled Veterans Hunting and Fishing Licenses for FY 2020.

The **2019 Legislature** also deleted funds for trails development in FY 2019 (\$700,000), wetland acquisition and development in FY 2019 and FY 2020 (\$325,000 per year), land acquisition in FY 2019 and FY 2020 (\$100,000 per year), and river access in FY 2019 (\$50,000) and FY 2020 (\$75,000).

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** estimates FY 2020 revised operating expenditures of \$74.8 million, all from special revenue funds. This is an increase of \$721,172, or 1.0 percent, above the FY 2020 approved amount. The increase is due to the agency's supplemental request to move its law enforcement officers into the Kansas Police and Firemen's Retirement System. The agency estimates 462.0 FTE positions in FY 2020, which is an increase of 3.2 FTE positions above the FY 2020 approved number.

The agency estimates FY 2020 revised capital improvement expenditures of \$17.2 million, all from special revenue funds, which is no change from the FY 2020 approved amount.

The **Governor** recommends FY 2020 revised operating expenditures of \$74.1 million, all from special revenue funds. This is a decrease of \$719,351, or 1.0 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request to move its law enforcement officers into the Kansas Police and Firemen's Retirement System.

The Governor recommends FY 2020 revised capital improvement expenditures of \$19.2 million, including \$2.0 million from the State General Fund. This is an increase of \$2.0 million, all from the State General Fund, above the agency's revised estimate. The increase is due to the Governor recommending the addition of \$2.0 million for park repairs caused by the Spring 2019 flooding.

FY 2021 – Budget Year. The **agency** requests FY 2021 operating expenditures of \$75.2 million, all from special revenue funds. This is an all funds increase of \$393,239, or 0.5 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on group health insurance, communication services, and supplies such as first aid kits in the Law Enforcement Division. The agency requests 462.0 FTE positions for FY 2021, which is the same as the FY 2020 revised estimate.

The agency estimates FY 2021 capital improvement expenditures of \$14.9 million, all from special revenue funds. This is a decrease of \$2.2 million, or 13.0 percent, below the FY 2020 revised estimate.

The **Governor** recommends FY 2021 operating expenditures of \$74.5 million, all from special revenue funds. This is an all funds decrease of \$719,351, or 1.0 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to move its law enforcement officers into the Kansas Police and Firemen's Retirement System.

The Governor recommends FY 2021 capital improvement expenditures of \$14.9 million, all from special revenue funds. This is no change from the agency's request.

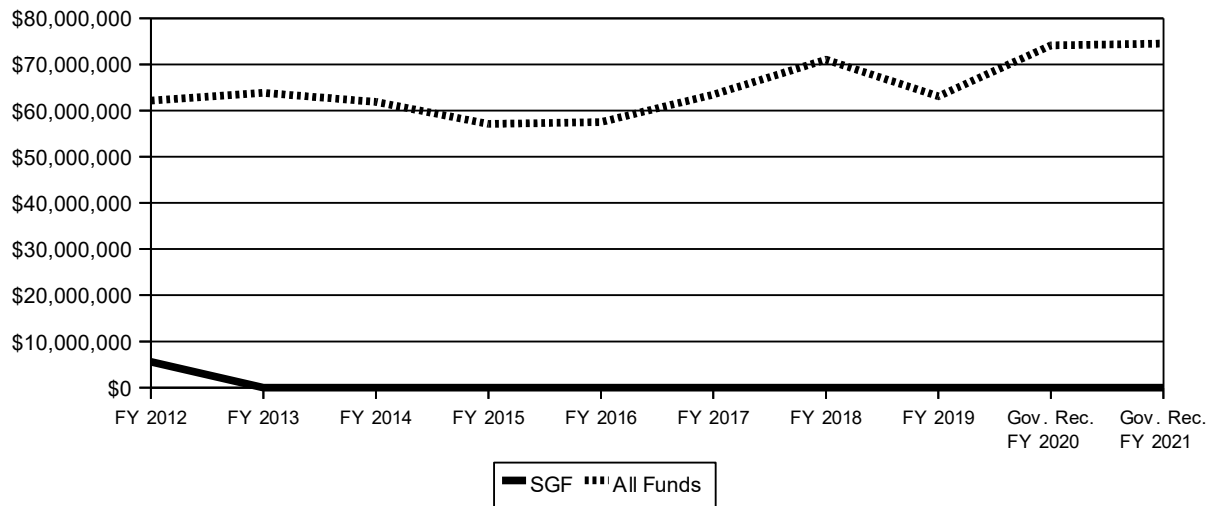
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Annual Park Vehicle Permits Sold	144,530	150,208	155,000	174,561	175,000	175,000
State Park Revenue (Park Fee Fund and Cabin Fee Fund, Dollars in Millions)	\$ 9.6	\$ 10.7	\$ 10.7	\$ 9.6	\$ 12.8	\$ 13.0
Number of Acres Enrolled in the Walk-In Hunting Access Program (In Millions)	1.0	1.1	1.2	1.2	1.3	1.3
Number of iSportsman Accounts Registered	7,233	6,687	6,500	7,343	7,400	7,500
Number of Visitors at Education Centers	260,450	257,885	260,000	248,820	250,000	250,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 72.8	\$ 91.1	\$ 87.9	\$ 86.6	\$ 93.3	\$ 89.5
FTE Positions	445.0	445.0	458.8	462.0	462.0	462.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 5,552,494	11.2 %	\$ 62,158,934	16.6 %	452.5
2013	0	(100.0)	63,857,062	2.7	415.0
2014	0	--	61,884,991	(3.1)	370.0
2015	0	--	57,108,974	(7.7)	341.0
2016	0	--	57,511,003	0.7	422.0
2017	0	--	63,480,620	10.4	445.0
2018	0	--	71,032,716	11.9	445.0
2019	0	--	73,892,751	4.0	462.0
2020 Gov. Rec.	0	--	74,123,705	0.3	462.0
2021 Gov. Rec.	0	--	74,516,944	0.5	462.0
Ten-Year Change Dollars/Percent	\$ (5,552,494)	(100.0)%	\$ 12,358,010	19.9 %	9.5

Summary of Operating Budget FY 2019 - FY 2021

Department of Wildlife, Parks and Tourism

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	Agency Estimate					Governor's Recommendation				
	Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20	
\$ 9,957,285	\$ 11,056,661	\$ 11,061,709	\$ 5,048	0.0 %	\$ 11,056,661	\$ 11,061,709	\$ 5,048	0.0 %		
4,746,733	4,591,770	4,591,856	86	0.0	4,591,770	4,591,856	86	0.0		
7,873,363	8,314,915	8,321,681	6,766	0.1	8,314,915	8,321,681	6,766	0.1		
2,270,796	2,666,445	2,667,409	964	0.0	2,666,445	2,667,409	964	0.0		
2,077,651	2,331,319	2,332,813	1,494	0.1	2,331,319	2,332,813	1,494	0.1		
7,923,031	8,957,037	9,087,270	130,233	1.5	8,597,362	8,727,595	130,233	1.5		
13,992,100	14,584,448	14,831,500	247,052	1.7	14,368,643	14,615,695	247,052	1.7		
12,620,014	11,175,867	11,180,136	4,269	0.0	11,031,996	11,036,265	4,269	0.0		
11,147,979	9,858,378	9,862,330	3,952	0.0	1,195,000	1,195,000	0	0.0		
1,166,208	1,195,000	1,195,000	0	0.0	9,858,378	9,862,330	3,952	0.0		
117,591	111,216	104,591	(6,625)	(6.0)	111,216	104,591	(6,625)	(6.0)		
\$ 73,892,751	\$ 74,843,056	\$ 75,236,295	\$ 393,239	0.5 %	\$ 74,123,705	\$ 74,516,944	\$ 393,239	0.5 %		
Expenditure:										
\$ 32,808,956	\$ 36,164,144	\$ 36,443,165	\$ 279,021	0.8 %	\$ 35,444,793	\$ 35,723,814	\$ 279,021	0.8 %		
25,896,386	24,298,291	24,358,301	60,010	0.2	24,298,291	24,358,301	60,010	0.2		
7,793,275	9,210,055	9,289,295	79,240	0.9	9,210,055	9,289,295	79,240	0.9		
6,287,313	3,476,950	3,458,543	(18,407)	(0.5)	3,476,950	3,458,543	(18,407)	(0.5)		
117,591	111,216	104,591	(6,625)	(6.0)	111,216	104,591	(6,625)	(6.0)		
\$ 72,903,521	\$ 73,260,656	\$ 73,653,895	\$ 393,239	0.5 %	\$ 72,541,305	\$ 72,934,544	\$ 393,239	0.5 %		
875,378	1,512,400	1,512,400	0	0.0	1,512,400	1,512,400	0	0.0		
113,852	70,000	70,000	0	0.0	70,000	70,000	0	0.0		
\$ 73,892,751	\$ 74,843,056	\$ 75,236,295	\$ 393,239	0.5 %	\$ 74,123,705	\$ 74,516,944	\$ 393,239	0.5 %		
Financing:										
\$ 0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %		
5,013,514	5,168,520	5,166,699	(1,821)	(0.0)	5,168,520	5,166,699	(1,821)	(0.0)		
28,516,294	34,939,513	35,041,599	102,086	0.3	34,479,402	34,581,488	102,086	0.3		
8,950,629	10,753,695	10,999,712	246,017	2.3	10,537,890	10,783,907	246,017	2.3		
20,629,123	15,992,381	16,034,809	42,428	0.3	15,948,946	15,991,374	42,428	0.3		
10,783,191	7,988,947	7,993,476	4,529	0.1	7,988,947	7,993,476	4,529	0.1		
\$ 73,892,751	\$ 74,843,056	\$ 75,236,295	\$ 393,239	0.5 %	\$ 74,123,705	\$ 74,516,944	\$ 393,239	0.5 %		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000
All Other Funds	91,299,544	92,020,716	721,172	91,301,365	1,821
TOTAL	\$ 91,299,544	\$ 92,020,716	\$ 721,172	\$ 93,301,365	\$ 2,001,821
FTE Positions	458.8	462.0	3.2	462.0	3.2

The **agency** estimates FY 2020 revised total expenditures of \$92.0 million, all from special revenue funds, including \$74.8 million in operating expenditures and \$17.2 million in capital improvement expenditures. This is a total increase of \$721,172, or 0.8 percent, above the FY 2020 approved amount.

The agency requests FY 2020 revised operating expenditures of \$74.8 million, all from special revenue funds. This is an increase of \$721,172, or 1.0 percent, above the FY 2020 approved amount. The increase is due to the agency's supplemental request to move its law enforcement officers into the Kansas Police and Firemen's Retirement System and \$1,821 in reappropriations from the Economic Development Initiatives Fund. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2020 revised salaries and wages expenditures of \$36.2 million, all from special revenue funds. This is an all funds increase of \$719,351, or 2.0 percent, above the FY 2020 approved amount. This increase is due to the agency's supplemental request to move the agency's law enforcement officers to the Kansas Police and Firemen's Retirement System.

The agency estimates 462.0 FTE positions in FY 2020, which is an increase of 3.2 FTE positions above the FY 2020 approved amount. This increase is due to 3.2 additional positions in the Law Enforcement program.

The **Governor** recommends FY 2020 revised total expenditures of \$93.3 million, including \$2.0 million from the State General Fund. This is an increase of \$1.3 million, or 1.4 percent, above the agency's revised estimate.

The Governor recommends FY 2020 revised operating expenditures of \$74.1 million, all from special revenue funds. This is an all funds decrease of \$719,351, or 1.0 percent, below the agency's FY 2020 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request to move its law enforcement officers to the Kansas Police and Firemen's Retirement System.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Law Enforcement Retirement System	\$ 0	\$ 719,351	0.0	\$ 0	\$ 0	0.0

The **agency** requests FY 2020 supplemental expenditures of \$719,351, all from special revenue funds, to convert the agency's law enforcement officers from the KPERS system to the Kansas Police and Firemen's Retirement System. The agency states this change in affiliation will be only for future service. This supplemental is contingent on the Legislature passing legislation authorizing this change.

The **Governor** does not recommend the agency's supplemental request.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 75,236,295	\$ 74,516,944	\$	(719,351)
FTE Positions	462.0	462.0		0.0
Change from FY 2020:				
Dollar Change:				
State General Fund	\$ 0	\$ 0		
All Other Funds	393,239	393,239		
TOTAL	\$ 393,239	\$ 393,239		
Percent Change:				
State General Fund	0.0 %	0.0 %		
All Other Funds	0.5	0.5		
TOTAL	0.5 %	0.5 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests FY 2021 operating expenditures of \$75.2 million, all from special revenue funds, which is an increase of \$393,239, or 0.5 percent, above the FY 2020 revised estimate. This change is due to increased expenditures on salaries and wages, contractual services, and commodities. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$36.4 million, all from special revenue funds. This is an increase

of \$279,021, or 0.8 percent, above the FY 2020 revised estimate. The increase is due to increased employer contributions to group health insurance and increased expenditures on seasonal workers in the Parks program;

- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$24.4 million, all from special revenue funds. This is an increase of \$60,010, or 0.2 percent, above the FY 2020 revised estimate. This increase is primarily due to increased expenditures on communication services in the Law Enforcement program; and
- **Commodities.** The agency requests FY 2021 commodities expenditures of \$9.3 million, all from special revenue funds. This is an increase of \$79,240, or 0.9 percent, above the FY 2020 revised estimate. This increase is primarily due to increased expenditures on tires and supplies, such as first aid kits, flashlights, and battery chargers in the Law Enforcement program.

The **Governor** recommends FY 2021 operating expenditures of \$74.5 million, all from special revenue funds. This is an all funds decrease of \$719,351, or 1.0 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to move its law enforcement officers to the Kansas Police and Firemen's Retirement System.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Law Enforcement Retirement System	\$ 0	\$ 719,351	0.0	\$ 0	\$ 0	0.0

The **agency** requests FY 2021 enhancement expenditures of \$719,351, all from special revenue funds, to convert the agency's law enforcement officers from the KPERS system to the Kansas Police and Firemen's Retirement System. The agency states this change in affiliation will be only for future service. This enhancement is contingent on the Legislature passing legislation authorizing this change.

The **Governor** does not recommend the agency's enhancement request.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$569,273, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **This agency has no longevity payments for FY 2020 or FY 2021.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	0.0 %	0.0 %
Economic Development Initiatives Fund	6.9	6.9
Wildlife Fee Fund	46.6	46.4
Parks Fee Fund	14.6	14.5
Federal Funds	21.3	21.3
All Other Funds	10.6	10.7
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Wildlife Fee Fund Analysis

The major sources of receipts to the Wildlife Fee Fund are from the sale of hunting, fishing, and trapping licenses. The fees to be collected from the issuance of such licenses are established by the Kansas Wildlife, Parks and Tourism Commission through the approval of rules and regulations submitted by the Secretary of Wildlife, Parks and Tourism.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 16,836,080	\$ 14,453,190	\$ 14,453,190	\$ 8,218,369	\$ 8,678,480
Revenue	29,916,945	32,605,000	32,605,000	32,605,000	32,605,000
Transfers in	3,483	0	0	0	0
Funds Available	\$ 46,756,508	\$ 47,058,190	\$ 47,058,190	\$ 40,823,369	\$ 41,283,480
Less:					
Expenditures	\$ 32,302,740	\$ 38,839,821	\$ 38,379,710	\$ 38,577,337	\$ 38,117,226
Transfers Out	0	0	0	0	0
Off Budget Expenditures	578	0	0	0	0
Ending Balance	\$ 14,453,190	\$ 8,218,369	\$ 8,678,480	\$ 2,246,032	\$ 3,166,254
Ending Balance as Percent of Expenditures	44.7%	21.2%	22.6%	5.8%	8.3%
Month Highest Ending Balance	April \$ 15,599,867	April \$ 13,391,944	April \$ 13,391,944	April \$ 7,614,924	April \$ 8,041,250
Month Lowest Ending Balance	March \$ 6,236,564	March \$ 5,353,873	March \$ 5,353,873	March \$ 3,044,318	March \$ 3,214,756

Parks Fee Fund Analysis

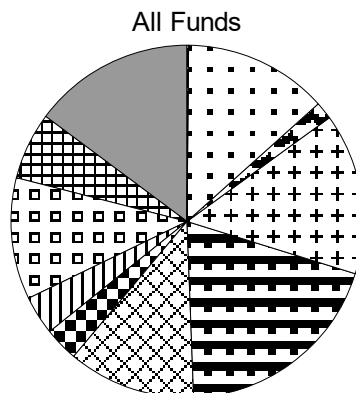
The Parks Fee Fund is the depository for moneys received from state park permit fees, tolls, rentals, and charges derived from the use, lease, or operation of state parks. The Department establishes fees for the use of state parks by rules and regulations and upon review by the Kansas Wildlife, Parks and Tourism Commission.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 3,296,466	\$ 879,629	\$ 879,629	\$ 900,094	\$ 1,115,899
Revenue	8,306,638	12,022,000	12,022,000	12,022,000	12,022,000
Transfers in	0	0	0	0	0
<i>Funds Available</i>	<u>\$ 11,603,104</u>	<u>\$ 12,901,629</u>	<u>\$ 12,901,629</u>	<u>\$ 12,922,094</u>	<u>\$ 13,137,899</u>
Less:					
Expenditures	\$ 10,723,419	\$ 12,001,535	\$ 11,785,730	\$ 12,204,712	\$ 11,988,907
Transfers Out	0	0	0	0	0
Off Budget Expenditures	56	0	0	0	0
Ending Balance	<u>\$ 879,629</u>	<u>\$ 900,094</u>	<u>\$ 1,115,899</u>	<u>\$ 717,382</u>	<u>\$ 1,148,992</u>
Ending Balance as Percent of Expenditures	8.2%	7.5%	9.5%	5.9%	9.6%
Month Highest Ending Balance	November <u>\$ 4,535,824</u>	November <u>\$ 1,210,339</u>	November <u>\$ 1,210,339</u>	November <u>\$ 1,238,498</u>	November <u>\$ 1,535,439</u>
Month Lowest Ending Balance	June \$ 879,629	May \$ 888,590	May \$ 888,590	May \$ 909,263	May \$ 1,127,267

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Administration	Tourism	Fish	Ecological Services
Education	Law Enforcement	Parks	Public Lands
Grants	Wildlife	Debt Service	

Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 11,061,709	14.8 %	\$ 0	-- %
Tourism	4,591,856	6.2	0	--
Ecological Services	2,667,409	3.6	0	--
Education	2,332,813	3.1	0	--
Law Enforcement	8,727,595	11.7	0	--
Parks	14,615,695	19.6	0	--
Fish	8,321,681	11.2	0	--
Public Lands	11,036,265	14.8	0	--
Wildlife	9,862,330	13.2	0	--
Grants	1,195,000	1.6	0	--
Debt Service	104,591	0.1	0	--
TOTAL	\$ 74,516,944	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	69.0	69.0	69.0	69.0	69.0
Tourism	12.0	12.0	12.0	12.0	12.0
Fish	50.0	50.0	50.0	50.0	50.0
Ecological Services	12.0	12.0	12.0	12.0	12.0
Education	14.0	14.0	14.0	14.0	14.0
Law Enforcement	90.0	90.0	90.0	90.0	90.0
Parks	115.0	115.0	115.0	115.0	115.0
Public Lands	54.0	54.0	54.0	54.0	54.0
Wildlife	46.0	46.0	46.0	46.0	46.0
Grants	0.0	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	462.0	462.0	462.0	462.0	462.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The Administration program includes the Office of the Secretary and is divided between Topeka and Pratt, with each location supervised by an assistant secretary. The Topeka office includes planning, legal, budget, and engineering sections. The Pratt office includes operations, environmental services, human resources, information technology, and education sections. The program also includes the Kansas Wildlife, Parks and Tourism Commission. The Pratt office also includes support services of aircraft operations, accounting, business management, licensing and permitting, purchasing, and facility maintenance operations.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Permits and Licenses Issued:						
Deer Permits	218,407	190,121	220,000	184,655	190,000	190,000
Fishing Licenses (Resident and Non-resident)	226,215	210,519	215,000	179,378	180,000	180,000
Hunting Licenses (Resident and Non-resident)	133,521	142,749	144,000	127,080	130,000	130,000
Turkey Permits	N/A	67,566	N/A	62,504	63,000	63,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.9	\$ 9.6	\$ 11.2	\$ 10.0	\$ 11.1	\$ 11.1
FTE Positions	69.0	69.0	69.0	69.0	69.0	69.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,132,111	\$ 5,476,692	\$ 5,476,692	\$ 5,481,740	\$ 5,481,740
Contractual Services	3,338,764	3,758,474	3,758,474	3,760,088	3,760,088
Commodities	731,755	319,305	319,305	371,098	371,098
Capital Outlay	754,655	1,502,190	1,502,190	1,448,783	1,448,783
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 9,957,285</i>	<i>\$ 11,056,661</i>	<i>\$ 11,056,661</i>	<i>\$ 11,061,709</i>	<i>\$ 11,061,709</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 9,957,285	\$ 11,056,661	\$ 11,056,661	\$ 11,061,709	\$ 11,061,709
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	9,957,285	11,056,661	11,056,661	11,061,709	11,061,709
TOTAL	\$ 9,957,285	\$ 11,056,661	\$ 11,056,661	\$ 11,061,709	\$ 11,061,709
FTE Positions	69.0	69.0	69.0	69.0	69.0

The **agency** requests FY 2021 expenditures for the Administration program of \$11.1 million, all from special revenue funds. This is an increase of \$5,048, or less than 0.1 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on salaries and wages. The majority of expenditures in this program are spent on salaries and wages for employees who handle the agency's licensing, permitting, and purchasing tasks. Also included in the administration program are the agency's executive positions. Contractual services expenditures include communication services, information technology expenditures, and travel expenses. Expenditure changes are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$5.5 million, which is an increase of \$5,048, or 0.1 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance.

The **Governor** concurs with the agency's FY 2021 request.

B. Tourism

The Tourism Division promotes Kansas to travel media, groups, tour market, leisure travelers, and the international travel community. The Division uses marketing initiatives, creates opportunities for leveraging limited marketing dollars, and supports numerous state and local tourism promotion efforts. This is all done in an effort to increase Kansas tourism and travel. The tourism division administers the Belle Plaine and Goodland Travel Information Centers. This division operates the Attraction Development Grant program and Marketing Grant program. The Division also has worked extensively with group and international tour operators to attract tours to Kansas and has created the Flint Hills Development Initiative to help realize the tourism potential of the Flint Hills. The Division maintains the official State of Kansas tourism website, and produces the Kansas Visitor's Guide, Calendar of Events, and *KANSAS!* magazine.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Statewide Transient Guest Tax (in millions)	N/A	\$ 46.7	N/A	\$ 48.3	\$ 49.7	\$ 50.7
Number of Hotel Night Demands (in millions)	N/A	9.3	N/A	9.6	9.8	10.0
Visitors to Kansas per Calendar Year (in millions)	0.0	35.6	N/A	37.5	38.0	39.0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4.0	\$ 3.9	\$ 4.7	\$ 4.7	\$ 4.6	\$ 4.6
FTE Positions	12.0	12.0	11.8	12.0	12.0	12.0

TOURISM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 664,823	\$ 861,793	\$ 861,793	\$ 861,879	\$ 861,879
Contractual Services	4,065,824	3,542,155	3,542,155	3,542,155	3,542,155
Commodities	13,553	39,822	39,822	39,822	39,822
Capital Outlay	2,533	5,000	5,000	5,000	5,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,746,733	\$ 4,448,770	\$ 4,448,770	\$ 4,448,856	\$ 4,448,856
Aid to Local Units	0	143,000	143,000	143,000	143,000
Other Assistance	0	0	0	0	0
TOTAL	\$ 4,746,733	\$ 4,591,770	\$ 4,591,770	\$ 4,591,856	\$ 4,591,856
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	4,746,733	4,591,770	4,591,770	4,591,856	4,591,856
TOTAL	\$ 4,746,733	\$ 4,591,770	\$ 4,591,770	\$ 4,591,856	\$ 4,591,856
FTE Positions	12.0	12.0	12.0	12.0	12.0

The **agency** requests FY 2021 expenditures for the Tourism program of \$4.6 million, all from special revenue funds. This is an increase of \$86, or less than 0.1 percent, above the FY 2020 revised amount. The entirety of the increase is due to increased expenditures on salaries and wages, specifically increased employer contributions to group health insurance. The majority of expenditures in this program are spent on advertising and marketing.

The **Governor** concurs with the agency's FY 2021 request.

C. Ecological Services

The Ecological Services program is responsible for the protection, research, management, and recovery of all non-game species in the state, representing approximately 98.0 percent of aquatic and terrestrial fauna in Kansas.

Prior to FY 2017, the Ecological Services program was budgeted within the Fish and Wildlife program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.8	\$ 2.1	\$ 2.2	\$ 2.3	\$ 2.7	\$ 2.7
FTE Positions	12.0	12.0	12.0	12.0	12.0	12.0

ECOLOGICAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 919,807	\$ 1,028,413	\$ 1,028,413	\$ 1,029,377	\$ 1,029,377
Contractual Services	1,171,374	1,572,769	1,572,769	1,572,769	1,572,769
Commodities	87,780	51,563	51,563	51,563	51,563
Capital Outlay	91,835	13,700	13,700	13,700	13,700
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,270,796	\$ 2,666,445	\$ 2,666,445	\$ 2,667,409	\$ 2,667,409
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,270,796	\$ 2,666,445	\$ 2,666,445	\$ 2,667,409	\$ 2,667,409
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,270,796	2,666,445	2,666,445	2,667,409	2,667,409
TOTAL	\$ 2,270,796	\$ 2,666,445	\$ 2,666,445	\$ 2,667,409	\$ 2,667,409
FTE Positions	12.0	12.0	12.0	12.0	12.0

The **agency** requests FY 2021 expenditures for the Ecological Services program of \$2.7 million, all from special revenue funds. This is an increase of \$964, or less than 0.1 percent, above the FY 2020 approved amount. The entirety of this increase is due to increased expenditures on salaries and wages, specifically increased employer contributions to group health insurance. The majority of expenditures in this program are spent on employed and contracted biologists who provide technical assistance on projects. Projects cover topics ranging from pollution to endangered species.

The **Governor** concurs with the agency's FY 2021 request.

D. Education

The education program is responsible for outdoor-related educational programs that help citizens learn about, use, and enjoy the Kansas outdoors and Kansas fish and wildlife resources. The program offers outdoor skills workshops, training, and activities. In addition, the program operates five nature centers and offers environmental education programs and

outreach designed to enhance knowledge, understanding, and appreciation of Kansas natural resources. The program is divided into three components: Wildlife Education, Hunter Education, and Boating Education.

Prior to FY 2017, the Education program was budgeted within the Fish and Wildlife program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Visitors at Education Centers	260,450	257,885	260,000	248,820	250,000	250,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.8	\$ 1.9	\$ 2.1	\$ 2.1	\$ 2.3	\$ 2.3
FTE Positions	13.0	13.0	14.0	14.0	14.0	14.0

EDUCATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,110,908	\$ 1,053,532	\$ 1,053,532	\$ 1,055,026	\$ 1,055,026
Contractual Services	673,677	691,809	691,809	691,809	691,809
Commodities	261,058	410,834	410,834	410,834	410,834
Capital Outlay	32,008	155,744	155,744	155,744	155,744
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,077,651	\$ 2,311,919	\$ 2,311,919	\$ 2,313,413	\$ 2,313,413
Aid to Local Units	0	19,400	19,400	19,400	19,400
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,077,651	\$ 2,331,319	\$ 2,331,319	\$ 2,332,813	\$ 2,332,813
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,077,651	2,331,319	2,331,319	2,332,813	2,332,813
TOTAL	\$ 2,077,651	\$ 2,331,319	\$ 2,331,319	\$ 2,332,813	\$ 2,332,813
FTE Positions	14.0	14.0	14.0	14.0	14.0

The **agency** requests FY 2021 expenditures for the Education program of \$2.3 million, all from special revenue funds. This is an increase of \$1,494, or 0.1 percent, above the FY 2020 revised estimate. The entirety of this increase is due to increased expenditures on salaries and wages, specifically increased employer contributions to group health insurance. The majority of expenditures in this program are spent on salaries and wages for education officers and on advertising the program's events.

The **Governor** concurs with the agency's FY 2021 request.

E. Law Enforcement

The Law Enforcement program is responsible for statewide enforcement of both state and federal fish and wildlife laws, boating laws, and regulation of public lands. The program is composed of Natural Resource Officers who are sworn law enforcement personnel with jurisdiction on public and private lands. These officers also provide assistance to other federal, state, and local law enforcement agencies when requested.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 6.8	\$ 7.3	\$ 8.2	\$ 7.9	\$ 8.6	\$ 8.7
FTE Positions	83.0	83.0	87.0	90.0	90.0	90.0

LAW ENFORCEMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,970,677	\$ 6,997,176	\$ 6,637,501	\$ 7,004,745	\$ 6,645,070
Contractual Services	656,488	601,361	601,361	654,361	654,361
Commodities	804,256	859,000	859,000	893,664	893,664
Capital Outlay	491,610	499,500	499,500	534,500	534,500
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 7,923,031	\$ 8,957,037	\$ 8,597,362	\$ 9,087,270	\$ 8,727,595
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 7,923,031	\$ 8,957,037	\$ 8,597,362	\$ 9,087,270	\$ 8,727,595
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	7,923,031	8,957,037	8,597,362	9,087,270	8,727,595
TOTAL	\$ 7,923,031	\$ 8,957,037	\$ 8,597,362	\$ 9,087,270	\$ 8,727,595
FTE Positions	90.0	90.0	90.0	90.0	90.0

The **agency** requests FY 2021 expenditures for the Law Enforcement program of \$9.1 million, all from special revenue funds. This is an increase of \$130,233, or 1.5 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on contractual services, commodities, and capital outlay. Major expenditures are detailed below:

- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$654,361, which is an increase of \$53,000, or 8.8 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on communication services;

- **Commodities.** The agency requests FY 2021 commodities expenditures of \$893,664, which is an increase of \$34,664, or 4.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on tires and supplies, such as first aid kits, flashlights, and battery chargers; and
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$534,500, which is an increase of \$35,000, or 7.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on vehicles for new positions.

The **Governor** recommends Law Enforcement program expenditures of \$8.7 million, all from special revenue funds, for FY 2021. This is a decrease of \$359,675, or 4.0 percent, below the agency request. The decrease is due to the Governor not recommending the agency's enhancement request.

F. Parks

The State Parks program manages the 27 state parks and the Prairie Spirit Rail Trail. The following 27 parks have been designated as part of the state park system: Cedar Bluff State Park (Trego Co.); Cheney State Park (Kingman Co. and Reno Co.); Clinton State Park (Douglas Co.); Cross Timbers State Park at Toronto Lake (Woodson Co.); Eisenhower State Park (Osage Co.); El Dorado State Park (Butler Co.); Elk City State Park (Montgomery Co.); Fall River State Park (Greenwood Co.); Flint Hills Trail State Park; Glen Elder State Park (Mitchell Co.); Hillsdale State Park (Miami Co.); Kanopolis State Park (Ellsworth Co.); Kaw River State Park (Shawnee Co.); Lake Crawford State Park (Crawford Co.); Lake Meade State Park (Meade Co.); Lake Scott State Park (Scott Co.); Little Jerusalem Badlands State Park (Logan Co.); Lovewell State Park (Jewell Co.); Milford State Park (Geary Co.); Mushroom Rock State Park (Ellsworth Co.); Perry State Park (Jefferson Co.); Pomona State Park (Osage Co.); Prairie Dog State Park (Norton Co.); Sand Hills State Park (Reno Co.); Tuttle Creek State Park (Pottawatomie Co. and Riley Co.); Webster State Park (Rooks Co.); and Wilson State Park (Russell Co.).

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Annual Park Vehicle Permits Sold	144,530	150,208	155,000	174,561	175,000	175,000
State Park Revenue (Park Fee Fund and Cabin Fee Fund, Dollars in Millions)	\$ 9.6	\$ 10.7	\$ 10.7	\$ 9.6	\$ 12.8	\$ 13.0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 13.4	\$ 14.0	\$ 13.5	\$ 14.0	\$ 14.4	\$ 14.6
FTE Positions	112.0	112.0	114.0	115.0	115.0	115.0

PARKS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,631,981	\$ 8,779,723	\$ 8,563,918	\$ 9,028,596	\$ 8,812,791
Contractual Services	3,866,213	3,574,967	3,574,967	3,573,146	3,573,146
Commodities	1,545,334	1,689,758	1,689,758	1,689,758	1,689,758
Capital Outlay	948,262	540,000	540,000	540,000	540,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 13,991,790</i>	<i>\$ 14,584,448</i>	<i>\$ 14,368,643</i>	<i>\$ 14,831,500</i>	<i>\$ 14,615,695</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	310	0	0	0	0
TOTAL	<u>\$ 13,992,100</u>	<u>\$ 14,584,448</u>	<u>\$ 14,368,643</u>	<u>\$ 14,831,500</u>	<u>\$ 14,615,695</u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	13,992,100	14,584,448	14,368,643	14,831,500	14,615,695
TOTAL	<u>\$ 13,992,100</u>	<u>\$ 14,584,448</u>	<u>\$ 14,368,643</u>	<u>\$ 14,831,500</u>	<u>\$ 14,615,695</u>
FTE Positions	115.0	115.0	115.0	115.0	115.0

The **agency** requests FY 2021 expenditures of \$14.8 million, all from special revenue funds, for the Parks program. This is an increase of \$247,052, or 1.7 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on salaries and wages. The majority of expenditures in this program are used for salaries and wages for park rangers and for operation and maintenance of park buildings. Expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$9.0 million, which is an increase of \$248,873, or 2.8 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on seasonal workers and increased employer contributions to group health insurance.

The **Governor** recommends Parks program expenditures of \$14.6 million, all from special revenue funds, for FY 2021. This is a decrease of \$215,805, or 1.5 percent, below the agency request. The decrease is due to the Governor not recommending the agency's enhancement request.

G. Fisheries

The Fisheries section is responsible for maintaining and creating fishing opportunity and improving fish quality across the state. It is also responsible for conserving and enhancing fisheries' resources. The program is organized into three sections: management, research, and fish culture.

Prior to FY 2019, the Fisheries program was included with the Public Lands and Wildlife programs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ N/A	\$ N/A	\$ 7.9	\$ 8.3	\$ 8.3
FTE Positions	N/A	N/A	N/A	50.0	50.0	50.0

FISHERIES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,746,941	\$ 3,859,227	\$ 3,859,227	\$ 3,865,993	\$ 3,865,993
Contractual Services	2,017,800	2,438,083	2,438,083	2,438,083	2,438,083
Commodities	1,520,978	1,576,789	1,576,789	1,576,789	1,576,789
Capital Outlay	587,258	215,816	215,816	215,816	215,816
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 7,872,977	\$ 8,089,915	\$ 8,089,915	\$ 8,096,681	\$ 8,096,681
Aid to Local Units	0	225,000	225,000	225,000	225,000
Other Assistance	386	0	0	0	0
TOTAL	\$ 7,873,363	\$ 8,314,915	\$ 8,314,915	\$ 8,321,681	\$ 8,321,681
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	7,873,363	8,314,915	8,314,915	8,321,681	8,321,681
TOTAL	\$ 7,873,363	\$ 8,314,915	\$ 8,314,915	\$ 8,321,681	\$ 8,321,681
FTE Positions	50.0	50.0	50.0	50.0	50.0

The **agency** requests FY 2021 expenditures of \$8.3 million, all from special revenue funds, for the Fisheries program. This is an increase of \$6,766, or 0.1 percent, above the FY 2020 revised estimate. The entirety of this increase is due to increased expenditures on salaries and wages, specifically for increased employer contributions to group health insurance. The majority of expenditures in this program are spent on salaries and wages for biologists and on lease payments for private or municipal lakes.

The **Governor** concurs with the agency's FY 2021 request.

H. Public Lands

The Public Land program is responsible for the habitat management of 412,000 acres of land and water. The primary responsibility is to provide a multitude of diverse habitats for wildlife species of Kansas.

Prior to FY 2019, the Public Lands program was included with the Fisheries and Wildlife programs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of iSportsman Check-Ins	N/A	43,520	N/A	53,613	54,000	54,500
Number of iSportsman Accounts Registered	7,233	6,687	6,500	7,343	7,400	7,500
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ N/A	\$ N/A	\$ 12.6	\$ 11.0	\$ 11.0
FTE Positions	N/A	N/A	N/A	54.0	54.0	54.0

PUBLIC LANDS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,474,159	\$ 4,786,123	\$ 4,642,252	\$ 4,790,392	\$ 4,646,521
Contractual Services	2,861,655	2,092,394	2,092,394	2,092,394	2,092,394
Commodities	2,449,725	3,863,850	3,863,850	3,863,850	3,863,850
Capital Outlay	2,834,475	433,500	433,500	433,500	433,500
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 12,620,014	\$ 11,175,867	\$ 11,031,996	\$ 11,180,136	\$ 11,036,265
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 12,620,014	\$ 11,175,867	\$ 11,031,996	\$ 11,180,136	\$ 11,036,265
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	12,620,014	11,175,867	11,031,996	11,180,136	11,036,265
TOTAL	\$ 12,620,014	\$ 11,175,867	\$ 11,031,996	\$ 11,180,136	\$ 11,036,265
FTE Positions	54.0	54.0	54.0	54.0	54.0

The **agency** requests FY 2021 expenditures of \$11.2 million, all from special revenue funds, for the Public Lands program. This is an increase of \$4,269, or less than 0.1 percent, above the FY 2020 revised estimate. The entirety of this increase is due to increased expenditures on salaries and wages, specifically for increased employer contributions to group health insurance. The majority of expenditures in this program are spent on salaries and wages for biologists who monitor and manage wildlife habitats. Other major expenditures include maintenance of lands and buildings.

The **Governor** recommends Public Lands program expenditures of \$11.0 million, all from special revenue funds, for FY 2021. This is a decrease of \$143,871, or 1.3 percent, below the agency request. The decrease is due to the Governor not recommending the agency's enhancement request.

I. Wildlife

The Wildlife program conducts research, surveys, and wildlife management. The Wildlife program is funded from the Wildlife Fee Fund with most projects qualifying for 75 percent

reimbursement through the U.S. Fish and Wildlife Service federal aid to the Wildlife Restoration Program. The research and survey sections provide projects that measure trends in big game, upland game birds, migratory game birds, and furbearers. The wildlife management section provides for a statewide initiative to improve upland game populations by improving habitats.

Prior to FY 2019, the Wildlife program was included with the Fisheries and Public Lands programs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Acres Enrolled in the Walk-In Hunting Access Program (In Millions)	1.0	1.1	1.2	1.2	1.3	1.3
Number of Wildlife Population Surveys Conducted	12	14	13	15	15	16
Number of Hunter and Landowner Surveys Conducted	12	11	11	12	11	12
Number of Hunter Education Students Certified	8,244	7,152	8,000	7,659	8,000	8,000
Number of Acres Affected by Wildlife Habitat Improvement Programs	146,750	243,633	250,000	120,000	250,000	250,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ N/A	\$ N/A	\$ 11.1	\$ 9.9	\$ 9.9
FTE Positions	N/A	N/A	N/A	46.0	46.0	46.0

WILDLIFE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,157,549	\$ 3,321,465	\$ 3,321,465	\$ 3,325,417	\$ 3,325,417
Contractual Services	7,066,917	6,026,279	6,026,279	6,033,496	6,033,496
Commodities	378,836	399,134	399,134	391,917	391,917
Capital Outlay	544,677	111,500	111,500	111,500	111,500
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 11,147,979	\$ 9,858,378	\$ 9,858,378	\$ 9,862,330	\$ 9,862,330
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 11,147,979	\$ 9,858,378	\$ 9,858,378	\$ 9,862,330	\$ 9,862,330
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	11,147,979	9,858,378	9,858,378	9,862,330	9,862,330
TOTAL	\$ 11,147,979	\$ 9,858,378	\$ 9,858,378	\$ 9,862,330	\$ 9,862,330
FTE Positions	46.0	46.0	46.0	46.0	46.0

The **agency** requests FY 2021 expenditures of \$9.9 million, all from special revenue funds, for the Wildlife program. This is an increase of \$3,952, or less than 0.1 percent, above the FY 2020 revised amount. The entirety of this increase is due to increased expenditures on salaries and wages, specifically for increased employer contributions to group health insurance.

The majority of expenditures in this program are used for rents for the Walk-In Hunting Access (WIHA) program and professional fees for consultants for surveys.

The **Governor** concurs with the agency's FY 2021 request.

J. Grants

The Grants program administers a number of local aid and assistance programs to encourage local units of government to improve outdoor recreation opportunities. There are two federal grant programs: the National Rails to Trails Grant program and the Land and Water Conservation Fund Grant program. The Grants program also administers four state grant programs: Community Lake Assistance, Outdoor Wildlife Learning Sites, Shooting Ranges, and Boating Access. The Grants program includes funding for projects and programs for local units of government and for organizations. The agency serves as the entity administering the distribution of state and federal funds related to wildlife, parks, and recreation.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.6	\$ 2.0	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

GRANTS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	177,674	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 177,674</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
Aid to Local Units	875,378	1,125,000	1,125,000	1,125,000	1,125,000
Other Assistance	113,156	70,000	70,000	70,000	70,000
TOTAL	\$ 1,166,208	\$ 1,195,000	\$ 1,195,000	\$ 1,195,000	\$ 1,195,000
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,166,208	1,195,000	1,195,000	1,195,000	1,195,000
TOTAL	\$ 1,166,208	\$ 1,195,000	\$ 1,195,000	\$ 1,195,000	\$ 1,195,000
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2021 expenditures for the Grants program of \$1.2 million, all from special revenue funds. This is no change from the FY 2020 revised amount.

The **Governor** concurs with the agency's FY 2021 request.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Parks Major Maintenance	\$ 2,215,000	\$ 2,215,000	\$ 1,390,000	\$ 1,390,000
Public Land Maintenance	107,000	107,000	112,500	112,500
Fish/Wildlife Maintenance	3,893,000	3,893,000	2,131,000	2,131,000
Bridge Maintenance	200,000	200,000	200,000	200,000
Road Maintenance	1,700,000	1,700,000	1,700,000	1,700,000
Dam Maintenance	1,000,000	1,000,000	1,000,000	1,000,000
Wetlands	325,000	325,000	650,000	650,000
Acquisition/Development				
Land Acquisition	400,000	400,000	400,000	400,000
Land & Water Conservation	700,000	700,000	700,000	700,000
Development				
Cabin Site Preparation	300,000	300,000	300,000	300,000
Federally-Mandated	906,660	906,660	967,000	967,000
Boating Access				
Trails Development	700,000	700,000	700,000	700,000
Coast Guard	200,000	200,000	200,000	200,000
River Access	75,000	75,000	150,000	150,000
Shooting Range	1,200,000	1,200,000	1,200,000	1,200,000
Development				
Cheyenne Bottoms	3,000,000	3,000,000	3,000,000	3,000,000
Region 2 Office Repair	126,000	126,000	0	0
Debt Service	130,000	130,000	140,000	140,000
Flood Repairs	0	2,000,000	0	0
TOTAL	\$ 17,177,660	\$ 19,177,660	\$ 14,940,500	\$ 14,940,500
Financing:				
State General Fund	\$ 0	\$ 2,000,000	\$ 0	\$ 0
All Other Funds	17,177,660	17,177,660	14,940,500	14,940,500
TOTAL	\$ 17,177,660	\$ 19,177,660	\$ 14,940,500	\$ 14,940,500

FY 2020 – Current Year. The **agency** estimates FY 2020 revised capital improvement expenditures of \$17.2 million, all from special revenue funds. This is no change from the FY 2020 approved amount. Of these total expenditures, \$9.1 million, or 53.2 percent, are federal funds. Expenditures include rehabilitation and repair projects totaling \$12.2 million, including all maintenance projects, Cheyenne Bottoms renovation, and Region 2 office repair. Other projects include land acquisition (\$400,000), land/water conservation development (\$700,000), cabin site preparation (\$300,000), federally mandated boating access (\$906,660), trails development (\$700,000), coast guard projects (\$200,000), river access projects (\$75,000), and shooting range development (\$1.2 million).

The **Governor** recommends FY 2020 revised capital improvement expenditures of \$19.2 million, including \$2.0 million from the State General Fund. This is an increase of \$2.0 million, all from the State General Fund, above the FY 2020 revised estimate. The increase is due to the Governor recommending the addition of \$2.0 million for park repairs from the Spring 2019 flooding.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvement expenditures of \$14.9 million, all from special revenue funds. This is a decrease of \$2.2 million, or 13.0 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on parks and fish/wildlife maintenance. Of these total expenditures, \$7.4 million, or 49.8 percent, are federal funds. Expenditures include rehabilitation and repair projects totaling \$9.5 million, including all maintenance projects and the Cheyenne Bottoms renovation. Other projects include land acquisition (\$400,000), land/water conservation development (\$700,000), cabin site preparation (\$300,000), federally mandated boating access (\$967,000), trails development (\$700,000), coast guard projects (\$200,000), river access projects (\$150,000), and shooting range development (\$1.2 million).

The **Governor** concurs with the agency's FY 2021 capital improvement request.

KANSAS STATE FAIR

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 365,725	\$ 333,750	\$ 333,750	\$ 300,500	\$ 300,500
Other Funds	5,879,526	5,156,639	5,156,639	5,620,151	5,620,151
<i>Subtotal</i>	<i>\$ 6,245,251</i>	<i>\$ 5,490,389</i>	<i>\$ 5,490,389</i>	<i>\$ 5,920,651</i>	<i>\$ 5,920,651</i>
Capital Improvements:					
State General Fund	\$ 640,000	\$ 665,000	\$ 665,000	\$ 700,000	\$ 700,000
Other Funds	469,492	603,217	603,217	603,217	603,217
<i>Subtotal</i>	<i>\$ 1,109,492</i>	<i>\$ 1,268,217</i>	<i>\$ 1,268,217</i>	<i>\$ 1,303,217</i>	<i>\$ 1,303,217</i>
TOTAL	\$ 7,354,743	\$ 6,758,606	\$ 6,758,606	\$ 7,223,868	\$ 7,223,868
Percentage Change:					
Operating Expenditures					
State General Fund	(6.3) %	(8.7) %	(8.7) %	(10.0) %	(10.0) %
All Funds	26.6	(12.1)	(12.1)	7.8	7.8
FTE Positions	26.0	26.0	26.0	26.0	26.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The mission of the Kansas State Fair is to promote and showcase Kansas agriculture, industry, and culture; create opportunity for commercial activity; and provide an educational and entertaining experience that is the pride of all Kansans. The annual State Fair is organized and administered by the 13-member State Fair Board. The State Fairgrounds is located in Reno County within the City of Hutchinson. The fairgrounds consist of approximately 280 acres, with 75 buildings and nearly 24 covered acres. The State Fair starts on the Friday following Labor Day in September and runs for 10 days. This makes the State Fair the state's largest single event, attracting more than 350,000 people, plus an estimated 200,000 people to the nearly 400 non-Fair events held throughout the year on the fairgrounds. The agency operates with 26 full-time employees and 551 part-time and temporary employees, in addition to contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted the transfer of \$300,000 from the State General Fund to the State Fair Capital Improvements Fund in FY 2010 and for FY 2011. The Legislature also transferred an additional \$50,000 from the State Fair Fee Fund to the State Fair Capital Improvements Fund for FY 2011 and made the transfer on or before March 1, 2011.

The **2011 Legislature** added 1.0 FTE position and \$39,749, all from special revenue funds, for an administrative assistant position in the Competitive Exhibits department and also added \$376,950, all from special revenue funds, for roof replacement projects. The Legislature also made reductions totaling \$23,130, all from special revenue funds, for cell phone expenditures, information technology expenditures, a death and disability moratorium, and an across-the-board reduction.

The **2012 Legislature** added \$25,000, all from the Economic Development Initiatives Fund, for FY 2013 for enhanced marketing of the State Fair's centennial celebration, which was subsequently vetoed by the Governor. The Legislature also approved adding \$11,182,256, all from the Expanded Lottery Act Revenues Fund, for increasing debt service payments to call the bonds for debt service for FY 2013 to reduce future payments for future debt service.

The **2013 Legislature** added \$250,000, all from the State General Fund, for the State's statutorily required match to the State Fair Capital Improvements Fund for FY 2014. The match was not to be made for FY 2015.

The **2014 Legislature** added \$400,000, all from the State Fair Capital Improvements Fund, for capital improvement projects.

The **2015 Legislature** transferred \$100,000 for both FY 2016 and FY 2017, all from the State General Fund, to the State Fair Capital Improvements Fund to match a portion of the agency's contribution.

The **2017 Legislature** transferred \$100,000, all from the State General Fund, to the State Fair Capital Improvements Fund for FY 2018 and FY 2019. The Legislature also added \$150,000, all from the State General Fund, for utility expenditures for FY 2018 and FY 2019.

The **2018 Legislature** added \$165,643, all from special revenue funds, for rehabilitation and repair of the fairgrounds, including replacement of the Pride of Kansas building roof.

The **2018 Legislature** also added language giving the State Fair bonding authority up to \$1.7 million for Bison Arena renovations for FY 2019, and passed SB 415, which repeals the \$300,000 statutory transfer from the State General Fund to the State Fair Capital Improvement Fee Fund and permits the State Fair to retain 86.846 percent of the state sales tax collected from retail sales on the state fairgrounds.

The **2019 Legislature** approved HB 2215, which authorizes the Kansas State Fair Board to establish a 501(c)(3) nonprofit corporation in order to receive gifts, donations, grants, and other moneys and to engage in fund raising projects.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests revised FY 2020 operating expenditures of \$5.5 million, including \$333,750 from the State General Fund. This is an all funds increase of \$33,210, or 0.6 percent, with no change in the State General Fund amount, from the FY 2020 approved amount. The all funds increase is primarily due to the agency's supplemental request and re-categorizing expenditures from capital improvements to operations, partially offset by a decrease in maintenance and repairs.

The agency requests revised FY 2020 capital improvement expenditures of \$1.3 million, including \$665,000 from the State General Fund. This is an all funds decrease of \$40,043, or 3.1 percent, with no change in the State General Fund amount, below the FY 2020 approved amount. The all funds decrease is due to decreased expenditures on rehabilitation and repair.

The agency estimates 26.0 positions in FY 2020, which is no change from the FY 2020 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests FY 2021 operating expenditures of \$5.9 million, including \$300,500 from the State General Fund. This is an all funds increase of \$430,262, or 7.8 percent, and a State General Fund decrease of \$33,250, or 10.0 percent, from the FY 2020 revised estimate. The all funds increase is due to increased expenditures on advertising, electricity, honorariums, and maintenance costs and equipment.

The agency requests FY 2021 capital improvement expenditures of \$1.3 million, including \$700,000 from the State General Fund. This is all funds increase of \$35,000, or 2.8 percent, and a State General Fund increase of \$35,000, or 5.3 percent, above the FY 2020 revised estimate. The increase is due to increased expenditures on debt service principal.

The **Governor** concurs with the agency's FY 2021 request.

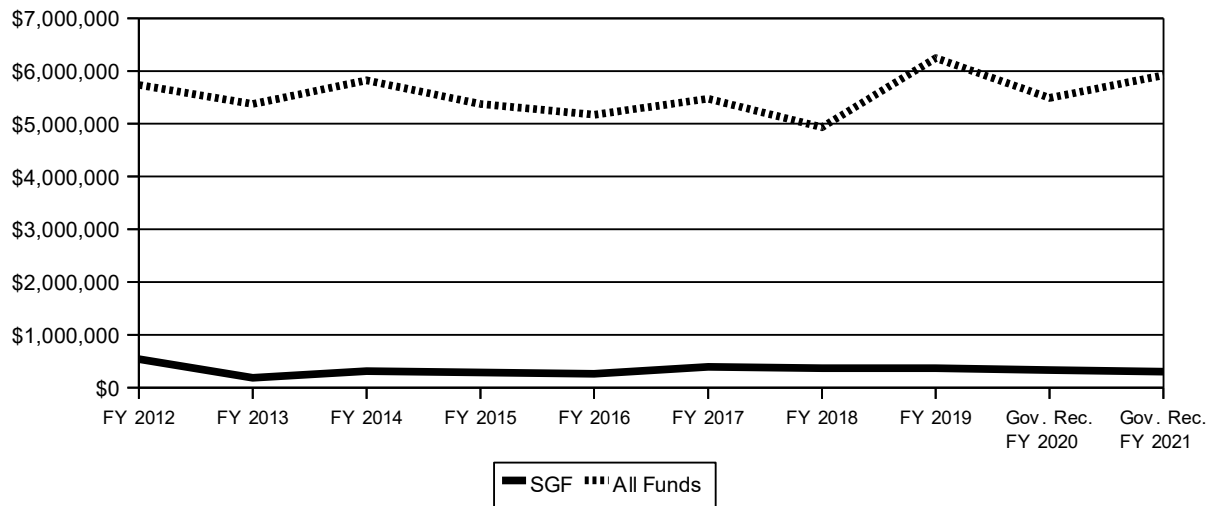
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Cost of Grandstand Acts as a Percent of Grandstand Ticket Sales	93.0 %	101.0 %	110.0 %	110.0 %	95.0 %	95.0 %
Percent of Fair Attendees Also Attending Grandstand Event	7.0 %	7.3 %	8.5 %	8.5 %	8.5 %	10.0 %
Percent of Counties with Kansas Youth Participation	59.0 %	60.0 %	68.0 %	68.0 %	64.0 %	72.0 %
Percent of School Districts with Kansas Youth Participation	41.0 %	42.0 %	46.0 %	46.4 %	46.4 %	47.8 %
Percent of Returning Exhibitors	91.0 %	92.0 %	85.0 %	85.0 %	87.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 6.7	\$ 6.2	\$ 7.0	\$ 7.4	\$ 6.8	\$ 7.2
FTE Positions	24.0	25.0	26.0	26.0	26.0	26.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 540,422	(29.3)%	\$ 5,736,223	3.6 %	25.0
2013	182,165	(66.3)	5,374,945	(6.3)	25.0
2014	247,751	36.0	5,824,490	8.4	25.0
2015	309,566	25.0	5,375,425	(7.7)	25.0
2016	285,942	(7.6)	5,171,847	(3.8)	25.0
2017	263,533	(7.8)	5,474,038	5.8	24.0
2018	390,127	48.0	4,934,542	(9.9)	25.0
2019	365,725	(6.3)	6,245,251	26.6	26.0
2020 Gov. Rec.	333,750	(8.7)	5,490,389	(12.1)	26.0
2021 Gov. Rec.	300,500	(10.0)	5,920,651	7.8	26.0
Ten-Year Change Dollars/Percent	\$ (239,922)	(44.4)%	\$ 184,428	3.2 %	1.0

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 4,354,581	\$ 3,492,628	\$ 3,790,700	\$ 298,072	8.5 %	\$ 3,492,628	\$ 3,790,700	\$ 298,072	8.5 %
Facilities Management	1,674,945	1,789,061	1,954,501	165,440	9.2	1,789,061	1,954,501	165,440	9.2
Debt Service	215,725	208,700	175,450	(33,250)	(15.9)	208,700	175,450	(33,250)	(15.9)
TOTAL	\$ 6,245,251	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 2,042,151	\$ 2,159,689	\$ 2,165,901	\$ 6,212	0.3 %	\$ 2,159,689	\$ 2,165,901	\$ 6,212	0.3 %
Contractual Services	3,567,169	2,737,000	3,107,600	370,600	13.5	2,737,000	3,107,600	370,600	13.5
Commodities	297,981	325,000	316,000	(9,000)	(2.8)	325,000	316,000	(9,000)	(2.8)
Capital Outlay	122,225	60,000	155,700	95,700	159.5	60,000	155,700	95,700	159.5
Debt Service	215,725	208,700	175,450	(33,250)	(15.9)	208,700	175,450	(33,250)	(15.9)
<i>Subtotal - Operations</i>	<i>\$ 6,245,251</i>	<i>\$ 5,490,389</i>	<i>\$ 5,920,651</i>	<i>\$ 430,262</i>	<i>7.8 %</i>	<i>\$ 5,490,389</i>	<i>\$ 5,920,651</i>	<i>\$ 430,262</i>	<i>7.8 %</i>
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 6,245,251	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %
Financing:									
State General Fund	\$ 365,725	\$ 333,750	\$ 300,500	\$ (33,250)	(10.0) %	\$ 333,750	\$ 300,500	\$ (33,250)	(10.0) %
State Fair Capital Improvements Fund	811	24,950	24,950	0	0.0	24,950	24,950	0	0.0
State Fair Fee Fund	5,878,715	5,131,689	5,595,201	463,512	9.0	5,131,689	5,595,201	463,512	9.0
TOTAL	\$ 6,245,251	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %	\$ 5,490,389	\$ 5,920,651	\$ 430,262	7.8 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$998,750 for the Kansas State Fair in FY 2020. No subsequent adjustments have been made to this amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 998,750	\$ 998,750	\$ 0	\$ 998,750	\$ 0
All Other Funds	5,766,689	5,759,856	(6,833)	5,759,856	(6,833)
TOTAL	\$ 6,765,439	\$ 6,758,606	\$ (6,833)	\$ 6,758,606	\$ (6,833)
FTE Positions	26.0	26.0	0.0	26.0	0.0

The **agency** requests revised FY 2020 total expenditures of \$6.8 million, including \$998,750 from the State General Fund. This is an all funds decrease of \$6,833, or 0.1 percent, below the FY 2020 approved amount.

The agency requests revised FY 2020 operating expenditures of \$5.5 million, including \$333,750, from the State General Fund. This is an all funds increase of \$33,210, or 0.6 percent, with no change to the State General Fund amount, from the FY 2020 approved amount. This increase is due to increased expenditures on commodities and capital outlay, partially offset by decreased expenditures on contractual services. Major expenditures are detailed below:

- **Contractual Services.** The agency requests revised contractual services expenditures of \$2.7 million, including \$150,000 from the State General Fund. This is an all funds decrease of \$76,740, or 2.7 percent, with no change to the State General Fund amount, from the FY 2020 approved amount. This decrease is primarily due to decreased expenditures on maintenance and repairs, partially offset by re-categorizing some expenditures from capital improvements to operations;
- **Commodities.** The agency requests revised commodities expenditures of \$325,000, all from special revenue funds. This is an increase of \$25,000, or 8.3 percent, above the FY 2020 approved amount. This increase is due to re-categorizing some expenditures from capital improvements to operations;
- **Capital Outlay.** The agency requests revised capital outlay expenditures of \$60,000, all from special revenue funds. This is an increase of \$60,000, or 100.0 percent, above the FY 2020 approved amount. This increase is due to re-categorizing some expenditures from capital improvements to operations; and

- **Debt Service.** The agency requests revised debt service expenditures of \$208,700, including \$183,750 from the State General Fund. This is an increase of \$24,950, or 13.6 percent, all from special revenue funds, above the FY 2020 approved amount. This increase is due to the agency's supplemental request.

The agency requests revised FY 2020 capital improvement expenditures of \$1.3 million, including \$665,000 from the State General Fund. This is an all funds decrease of \$40,043, or 3.1 percent, with no change to the State General Fund amount, below the FY 2020 approved amount. Capital improvements expenditures are detailed in the capital improvements section later in this budget analysis.

The **Governor** concurs with the agency's FY 2020 revised estimate.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
EXPO Center Repair	\$ 0	\$ 203,167	0.0	\$ 0	\$ 203,167	0.0

The **agency** requests an FY 2020 supplement request of \$203,167, all from special revenue funds, for the EXPO Center renovation debt service. The agency states part of the sales tax revenue will be dedicated to pay the debt service.

The **Governor** concurs with the agency's FY 2020 supplemental request.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 5,920,651	\$ 5,920,651	\$	0
FTE Positions	26.0	26.0		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ (33,250)	\$ (33,250)		
All Other Funds	463,512	463,512		
TOTAL	\$ 430,262	\$ 430,262		
<i>Percent Change:</i>				
State General Fund	(10.0) %	(10.0) %		
All Other Funds	9.0	9.0		
TOTAL	7.8 %	7.8 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests FY 2021 operating expenditures of \$5.9 million, including \$300,500 from the State General Fund. This is an all funds increase of \$430,262, or 7.8 percent, and a State General Fund decrease of \$33,250, or 10.0 percent, from the FY 2020 revised estimate. The all funds increase is due to increased expenditures on contractual services and capital outlay. The State General Fund decrease is due to decreased expenditures on debt service interest. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$2.2 million, all from special revenue funds. This is an increase of \$6,212, or 0.3 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$3.1 million, including \$150,000 from the State General Fund. This is an all funds increase of \$370,600, or 13.5 percent, with no change to the State General Fund amount, above the FY 2020 revised estimate. This all funds increase is due to increased expenditures on advertising, electricity, equipment rental, and maintenance costs;
- **Commodities.** The agency request FY 2021 commodities expenditures of \$316,000, all from special revenue funds, which is a decrease of \$9,000, or 2.8 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on building supplies;
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$155,700, all from special revenue funds, which is an increase of \$95,700, or

159.5 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on maintenance equipment and software; and

- **Debt Service.** The agency requests FY 2021 debt service expenditures of \$175,450, including \$150,550 from the State General Fund. This decrease, all from the State General Fund, is a decrease of \$33,250, or 15.9 percent, below the FY 2020 revised estimate. This decrease is due to a shift to principal payments as debt is retired.

The agency requests FY 2021 capital improvement expenditures of \$1.3 million, including \$700,000 from the State General Fund. This is all funds increase of \$35,000, or 2.8 percent, and a State General Fund increase of \$35,000, or 5.3 percent, above the FY 2020 revised estimate. The increase is due to increased expenditures on debt service principal.

The **Governor** concurs with the agency's FY 2021 request.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$37,519, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$1,960, all from special revenue funds, and FY 2021 longevity payments total \$2,080, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	5.1 %	5.1 %
State Fair Capital Improvement Fund	0.4	0.4
State Fair Fee Fund (including official hospitality)	94.5	94.5
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

State Fair Fee Fund

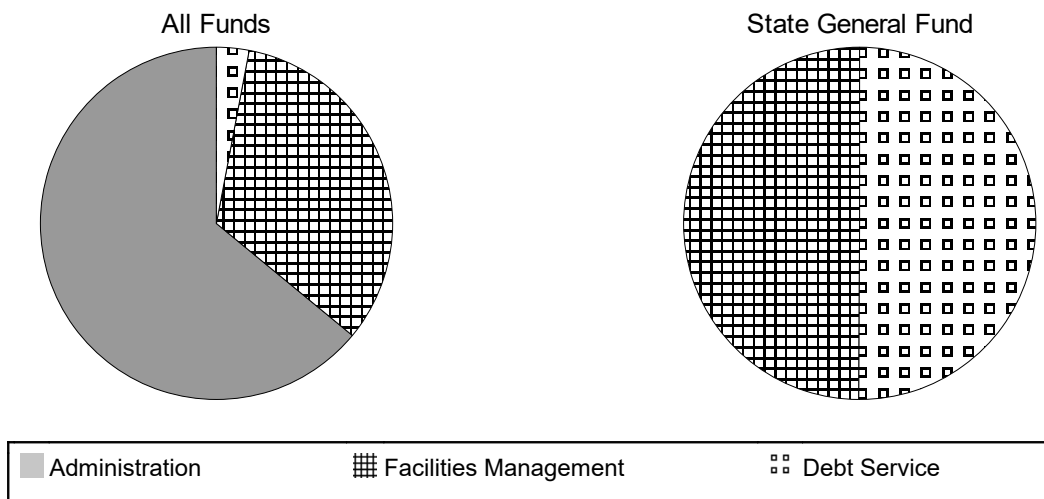
Revenues for the agency come from both State Fair and non-State Fair activities on the State Fairgrounds and are deposited into the State Fair Fee Fund. Revenue sources include admission fees to the State Fair and grandstand entertainment, premium book advertising, building rentals, sales and concessions, and parking fees. The State estimates total non-Fair use of the State Fairgrounds at nearly 500 events throughout the year.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 1,219,097	\$ 589,560	\$ 589,560	\$ 594,371	\$ 594,371
Revenue	5,433,667	5,596,500	5,596,500	5,706,878	5,706,878
Transfers in	0	14,775	14,775	10,000	10,000
Funds Available	\$ 6,652,764	\$ 6,200,835	\$ 6,200,835	\$ 6,311,249	\$ 6,311,249
Less:					
Expenditures	\$ 5,882,139	\$ 5,131,689	\$ 5,131,689	\$ 5,595,201	\$ 5,595,201
Transfers Out	300,000	314,775	314,775	310,000	310,000
Off Budget Expenditures	(118,935)	160,000	160,000	160,000	160,000
Ending Balance	\$ 589,560	\$ 594,371	\$ 594,371	\$ 246,048	\$ 246,048
Ending Balance as Percent of Expenditures	10.0%	11.6%	11.6%	4.4%	4.4%
Month Highest Ending Balance	September \$ 1,498,338	October \$ 1,183,249	October \$ 1,183,249	October \$ 1,062,846	October \$ 1,062,846
Month Lowest Ending Balance	January \$ 176,927	May \$ 504,414	May \$ 504,414	May \$ 213,753	May \$ 213,753

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 3,790,700	64.0 %	\$ 0	0.0 %
Facilities Management	1,954,501	33.0	150,000	49.9
Debt Service	175,450	3.0	150,500	50.1
TOTAL	\$ 5,920,651	100.0 %	\$ 300,500	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	13.0	15.0	15.0	15.0	15.0
Facilities Management	13.0	11.0	11.0	11.0	11.0
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	26.0	26.0	26.0	26.0	26.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The Administration program of the Kansas State Fair provides for the administration of the agency as well as the planning, marketing, and advertising of the State Fair. The Administration program also markets non-Fair use of the State Fairgrounds in Hutchinson.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Cost of Grandstand Acts as a Percent of Grandstand Ticket Sales	93.0 %	101.0 %	110.0 %	110.0 %	95.0 %	95.0 %
Percent of Fair Attendees Also Attending Grandstand Event	7.0 %	7.3 %	8.5 %	8.5 %	8.5 %	10.0 %
Percent of Counties with Kansas Youth Participation	59.0 %	60.0 %	68.0 %	68.0 %	64.0 %	72.0 %
Percent of Available Spaces Occupied	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of School Districts with Kansas Youth Participation	41.0 %	42.0 %	46.0 %	46.4 %	46.4 %	47.8 %
Percent of Returning Exhibitors	91.0 %	92.0 %	85.0 %	85.0 %	87.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.5	\$ 3.2	\$ 3.5	\$ 4.4	\$ 3.5	\$ 3.8
FTE Positions	12.0	14.0	15.0	13.0	15.0	15.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,415,583	\$ 1,446,128	\$ 1,446,128	\$ 1,450,000	\$ 1,450,000
Contractual Services	2,600,689	1,822,000	1,822,000	2,110,350	2,110,350
Commodities	223,934	224,500	224,500	230,350	230,350
Capital Outlay	114,375	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 4,354,581</i>	<i>\$ 3,492,628</i>	<i>\$ 3,492,628</i>	<i>\$ 3,790,700</i>	<i>\$ 3,790,700</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 4,354,581	\$ 3,492,628	\$ 3,492,628	\$ 3,790,700	\$ 3,790,700
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	4,354,581	3,492,628	3,492,628	3,790,700	3,790,700
TOTAL	\$ 4,354,581	\$ 3,492,628	\$ 3,492,628	\$ 3,790,700	\$ 3,790,700
FTE Positions	13.0	15.0	15.0	15.0	15.0

The **agency** requests FY 2021 Administration expenditures of \$3.8 million, all from special revenue funds. This is an increase of \$298,072, or 8.5 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on contractual services, salaries and wages, and commodities. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$1.5 million, all from special revenue funds. This is an increase of \$3,872, or 0.3 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance, partially offset by decreased contributions to KPERS;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$2.1 million, all from special revenue funds. This is an increase of \$288,350, or 15.8 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on advertising, honorariums, and equipment rental; and
- **Commodities.** The agency requests FY 2021 commodities expenditures of \$230,350, all from special revenue funds. This is an increase of \$5,850, or 2.6 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on building supplies.

The **Governor** concurs with the agency's request for FY 2021.

B. Facilities Management

The Facilities Management program, previously named the Physical Plant and Central Services program, of the Kansas State Fair works to provide convenient, safe, and attractive buildings and grounds to patrons of the State Fair and non-Fair activities on the State Fairgrounds. The Facilities Management program is staffed by 11.0 FTE positions, along with contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility, whose work includes painting, cleaning, mowing, carpentry projects, and other maintenance jobs.

PERFORMANCE MEASURES							
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021	
There were no performance measures submitted for this program.							
Agency Expenditures							
All Funds (Dollars in Millions)	\$ 1.7	\$ 1.5	\$ 1.6	\$ 1.7	\$ 1.8	\$ 2.0	
FTE Positions	12.0	11.0	11.0	13.0	11.0	11.0	

FACILITIES MANAGEMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 626,568	\$ 713,561	\$ 713,561	\$ 715,901	\$ 715,901
Contractual Services	966,480	915,000	915,000	997,250	997,250
Commodities	74,047	100,500	100,500	85,650	85,650
Capital Outlay	7,850	60,000	60,000	155,700	155,700
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,674,945</i>	<i>\$ 1,789,061</i>	<i>\$ 1,789,061</i>	<i>\$ 1,954,501</i>	<i>\$ 1,954,501</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,674,945	\$ 1,789,061	\$ 1,789,061	\$ 1,954,501	\$ 1,954,501
Financing:					
State General Fund	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
All Other Funds	1,524,945	1,639,061	1,639,061	1,804,501	1,804,501
TOTAL	\$ 1,674,945	\$ 1,789,061	\$ 1,789,061	\$ 1,954,501	\$ 1,954,501
FTE Positions	13.0	11.0	11.0	11.0	11.0

The **agency** requests FY 2021 Facilities Management expenditures of \$1.8 million, including \$150,000 from the State General Fund. This is an all funds increase of \$165,440, or 9.2 percent, with no change to the State General Fund amount, from the FY 2020 revised estimate. This all funds increase is due to increased expenditures on contractual services and capital outlay, partially offset by decreased expenditures on commodities. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$715,901, all from special revenue funds. This is an increase of \$2,340, or 0.3 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance;
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$997,250, including \$150,000 from the State General Fund. This is an all funds increase of \$82,250, or 9.0 percent, with no change to the State General Fund amount, above the FY 2020 revised estimate. This increase is due to increased expenditures on electricity and gas, partially offset by decreased expenditures on maintenance and repairs;
- **Commodities.** The agency requests FY 2021 commodities expenditures of \$85,650, all from special revenue funds. This is a decrease of \$14,850, or 14.8 percent, below the FY 2020 revised estimate. This decrease is due to decreased expenditures on building supplies and vehicle parts; and
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$155,700, all from special revenue funds. This is an increase of \$95,700, or 159.5 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on maintenance equipment.

The **Governor** concurs with the agency's FY 2021 request.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Rehabilitation and Repair	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Asphalt Repair Work	125,000	125,000	125,000	125,000
EXPO Center Repair	178,217	178,217	178,217	178,217
Debt Service Principal	665,000	665,000	700,000	700,000
TOTAL	\$ 1,268,217	\$ 1,268,217	\$ 1,303,217	\$ 1,303,217
Financing:				
State General Fund	\$ 665,000	\$ 665,000	\$ 700,000	\$ 700,000
All Other Funds	603,217	603,217	603,217	603,217
TOTAL	\$ 1,268,217	\$ 1,268,217	\$ 1,303,217	\$ 1,303,217

FY 2020 – Current Year. The **agency** requests FY 2020 revised capital improvement expenditures of \$1.3 million, including \$665,000 from the State General Fund. This is an all funds decrease of \$40,043, or 3.1 percent, with no change to the State General Fund amount, below the approved amount. This decrease is due to re-categorization of funds from capital improvements expenditures to operations expenditures.

The **Governor** concurs with the agency's FY 2020 capital improvement revised estimate.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvement expenditures of \$1.3 million, including \$700,000 from the State General Fund. This is an increase of \$35,000, all from the State General Fund, above the FY 2020 revised estimate. This increase is due to an increase in debt service principal.

The **Governor** concurs with the agency's FY 2021 capital improvement request.

KANSAS WATER OFFICE

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 896,722	\$ 1,020,024	\$ 1,020,024	\$ 1,366,578	\$ 1,023,178
Other Funds	7,870,389	10,124,016	10,192,016	12,685,989	11,455,889
<i>Subtotal</i>	<i>\$ 8,767,111</i>	<i>\$ 11,144,040</i>	<i>\$ 11,212,040</i>	<i>\$ 14,052,567</i>	<i>\$ 12,479,067</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	\$ 8,767,111	\$ 11,144,040	\$ 11,212,040	\$ 14,052,567	\$ 12,479,067
Percentage Change:					
Operating Expenditures					
State General Fund	2.6 %	13.8 %	13.8 %	34.0 %	0.3 %
All Funds	(7.8)	27.1	27.9	26.1	11.3
FTE Positions	20.0	21.0	21.0	21.0	21.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Water Office is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority, develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw water marketing program to ensure an adequate supply for the citizens, municipalities, environment, and industries in the state.

Through the agency's operations and the guidance of the Kansas Water Authority, the Kansas Water Office focuses on water policy planning, including developing the State Water Plan, which details the management, conservation, and development of water resources for the state. Working with the 12 major river basins, the agency develops basin planning sections for the State Water Plan, which documents objectives and critical issues occurring in each of the basins. Additionally, the agency provides the coordination function in focusing action on priority issues as identified in the basin sections of the Kansas Water Plan.

In addition, the agency administers the following programs and acts: Assessment and Evaluation program, Water Marketing program, Water Assurance program, Water Conservation program, the public water supply component of the Multipurpose Small Lakes program, the Kansas Water Planning Act, State Water Plan Storage Act, Kansas Weather Modification Act,

portions of the Water Appropriations Act, and the Water Transfer Act. The agency also negotiates with the federal government for water supply storage in federal lakes.

The Kansas Water Authority provides water policy advice to the Governor, Legislature, and the Director of the Kansas Water Office. Its 24-member board is responsible for approving water storage sales, the State Water Plan, federal contracts, and regulations and legislation proposed by the Kansas Water Office.

MAJOR ISSUES FROM PRIOR YEARS

The **2009 Legislature** approved the transfer of \$2.0 million from the State General Fund to the State Water Plan Fund for FY 2009 and suspended the \$6.0 million statutory transfer from the State General Fund to the State Water Plan Fund for both FY 2009 and FY 2010. For FY 2010, the Legislature approved the transfer of \$3.3 million from the State General Fund to the State Water Plan Fund. The agency's FY 2010 State Water Plan Fund expenditures were increased by \$825,487. The Governor's July 2009 allotments eliminated the FY 2010 transfer approved by the Legislature and expenditures based on the increased transfer were reduced accordingly.

The **2010 Legislature** approved the transfer of \$1.3 million from the State General Fund to the State Water Plan Fund for FY 2011 and appropriated the transfer to be used by four specific programs: Contamination Remediation (\$226,161), Treece Superfund Buyout (\$350,000), Interstate Water Issues (\$137,945), and Aid to Conservation Districts (\$634,138). The 2010 Legislature also changed the expenditure limitation for the State Conservation Storage Water Supply Fund from \$0 to no limit for FY 2011.

The **2011 Legislature** suspended the \$6.0 million demand transfer to the State Water Plan Fund and added funding for the Wichita Aquifer Storage and Recovery Project (\$11,390) and the memorandum of understanding with the Army Corps of Engineers (\$80,702). Those additions were offset by reductions for technical assistance for water users (\$25,000), assessment evaluation (\$16,702), and several universal reductions (\$72,274).

The **2012 Legislature** added \$500,000, all from the Expanded Lottery Act Revenues Fund, for FY 2013 for the Wichita Aquifer Storage and Recovery project and \$40,000, all from the State Water Plan Fund, for Water Resource Education. The funding was subsequently vetoed by the Governor. The Legislature also added \$200,000, all from the State Water Plan Fund, for FY 2013 for the weather modification program contingent upon ten counties participating in the project. The 2012 Legislature suspended the \$6.0 million transfer from the State Water Plan Fund.

The **2013 Legislature** added \$100,000, all from the State Water Plan Fund, for the Weather Modification program in FY 2014.

Also in **2013**, the Governor charged the agency with leading the development of a 50-year vision for water in Kansas. The vision was to be incorporated into the Kansas Water Plan. The agency was to conduct multiple meetings with stakeholders through March 2014 and produce a first draft of the 50-year vision in the summer of that year. The vision was to be completed by November 2014.

The **2014 Legislature** deleted \$419,000, all from the Water Marketing Fund, to reduce FY 2015 bond payments for the John Redmond Reservoir dredging project from \$2,109,400 to \$1,690,400.

The **2015 Legislature** added \$400,000 for both FY 2016 and FY 2017, all from the State Water Plan Fund, for streambank stabilization.

The **Governor's May 2016 allotment** deleted \$250,000, all from the State General Fund, and added \$250,000, all from the Water Marketing Fund, for FY 2017.

The **2016 Legislature** deleted \$8,262, including \$5,731 from the State General Fund, to eliminate the remaining three quarters of Death and Disability payments for FY 2017.

The **2017 Legislature** transferred \$1.2 million, all from the State General Fund, to the State Water Plan Fund for FY 2018. The Legislature also added \$1.0 million, all from the State Water Plan Fund, for streambank stabilization for FY 2018. It also added \$100,000, all from the State Water Plan Fund, for a Kansas River Alluvial aquifer observation well network and \$100,000, all from the State Water Plan Fund, for reservoir bathymetric surveys and biological research, for FY 2018.

The **2018 Legislature** transferred \$200,000 in FY 2018 and \$2.8 million for FY 2019, all from the State General Fund, to the State Water Plan Fund and transferred \$500,000 from the Economic Development Initiatives Fund to the State Water Plan Fund for FY 2019.

The **2018 Legislature** also added \$1.8 million from the State Water Plan to the Kansas Water Office for water-related projects for FY 2019. Projects include the Equus Beds chloride plume (\$50,000), water technology farms (\$75,000), the Milford Lake Watershed Regional Conservation Partnership Program project (\$200,000), harmful algae bloom research (\$100,000), streambank stabilization effectiveness research (\$100,000), Kansas river alluvial monitoring research (\$50,000), bathymetric research (\$100,000), Water Vision education (\$100,000), watershed conservation best practices implementation (\$900,000), and \$100,000 to fund 1.0 FTE position for a water resource planner.

The **2019 Legislature** transferred \$1.3 million from the State General Fund to the State Water Plan Fund for FY 2020. The Legislature also added \$100,000, all from the State General Fund, for a 1.0 FTE Water Resource Planner position for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests FY 2020 revised expenditures of \$11.1 million, including \$1.0 million from the State General Fund. This is an all funds increase of \$972,801, or 9.6 percent, all from special revenue funds, above the FY 2020 approved amount. This increase is due to the State Water Plan Fund reappropriation (\$219,741); increased federal funds (\$164,000); increased state matches for water projects (\$194,000); and increased operating expenditures, such as rent, information technology costs, vehicles, and travel (\$500,000). The agency requests 21.0 FTE positions, which is no change from the approved number.

The **Governor** recommends FY 2020 revised expenditures of \$11.2 million, including \$1.0 million from the State General Fund. This is an all funds increase of \$68,000, or 0.6 percent, all from the State Water Plan Fund, above the agency's revised estimate. This increase

is due to the Governor recommending \$68,000 for a study of the Arbuckle formation. The Governor also recommends taking \$100,000 from the Assessment and Evaluation account of the State Water Plan Fund and allocating it for a study of flood response.

FY 2021 – Budget Year. The **agency** requests FY 2021 expenditures of \$14.1 million, including \$1.4 million from the State General Fund. This is an all funds increase of \$2.9 million, or 26.1 percent, and a State General Fund increase of \$346,554, or 34.0 percent, above the FY 2020 revised estimate. The State General Fund increase is due to the agency's enhancement request. The all funds increase is due to the agency's enhancement requests (\$1.6 million) and increased expenditures on Republican River water conservation projects (\$1.2 million). The agency requests 21.0 FTE positions, which is no change from the FY 2020 revised estimate.

The **Governor** recommends FY 2021 expenditures of \$12.5 million, including \$1.0 million from the State General Fund. This is an all funds decrease of \$1.6 million, or 11.2 percent, and a State General Fund decrease of \$343,400, or 25.1 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's enhancement requests for information technology services, salaries and wages, and operating expenditures. The all funds decrease is due to the Governor not recommending the agency's State Water Plan Fund enhancements.

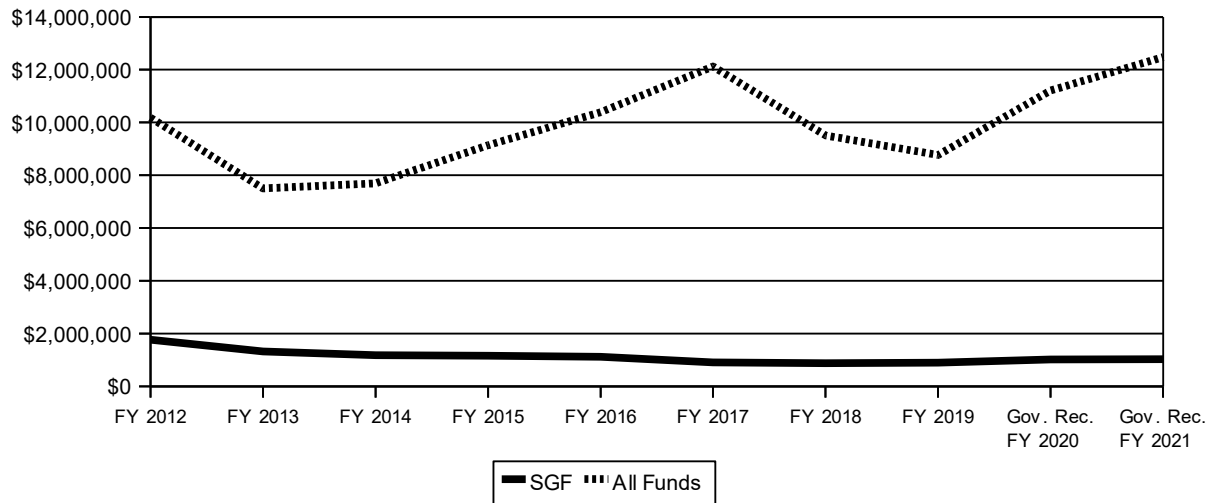
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
<i>Vision</i> Action Items Underway or Completed	N/A	65.0 %	81.0 %	83.6 %	97.0 %	100.0 %
Percent of Time Streamflow Target Flows Met	N/A	99.3 %	N/A	100.0 %	100.0 %	100.0 %
Percent Decrease in Estimated Reservoir Sedimentation Rate Due to Upstream BMP Implementation	N/A	9.5 %	10.0 %	10.0 %	11.0 %	12.0 %
Percent of Public Water Supply Systems Receiving Assistance with Water Concerns	N/A	52.0 %	53.0 %	43.0 %	50.0 %	50.0 %
Percent of Time Water Demands Are Met by Public Water Supply Program	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 12.1	\$ 9.5	\$ 9.9	\$ 8.8	\$ 11.2	\$ 12.5
FTE Positions	16.0	19.0	21.0	20.0	21.0	21.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 1,762,575	(6.2)%	\$ 10,182,947	21.5 %	22.0
2013	1,319,859	(25.1)	7,500,801	(26.3)	19.0
2014	1,182,230	(10.4)	7,694,691	2.6	21.0
2015	1,158,682	(2.0)	9,136,814	18.7	18.0
2016	1,120,859	(3.3)	10,389,076	13.7	20.5
2017	904,576	(19.3)	12,124,647	16.7	16.0
2018	874,376	(3.3)	9,506,982	(21.6)	19.0
2019	896,722	2.6	8,767,111	(7.8)	20.0
2020 Gov. Rec.	1,020,024	13.8	11,212,040	27.9	21.0
2021 Gov. Rec.	1,023,178	0.3	12,479,067	11.3	21.0
Ten-Year Change Dollars/Percent	\$ (739,397)	(41.9)%	\$ 2,296,120	22.5 %	(1.0)

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Water Planning and Implementation	\$ 4,645,292	\$ 5,829,452	\$ 7,995,432	\$ 2,165,980	37.2 %	\$ 5,897,452	\$ 6,421,932	\$ 524,480	8.9 %
Public Water Supply	4,105,199	5,314,588	6,057,135	742,547	14.0	5,314,588	6,057,135	742,547	14.0
Kansas Water Authority	16,620	0	0	0	--	0	0	0	--
TOTAL	\$ 8,767,111	\$ 11,144,040	\$ 14,052,567	\$ 2,908,527	26.1 %	\$ 11,212,040	\$ 12,479,067	\$ 1,267,027	11.3 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 1,525,079	\$ 1,728,641	\$ 1,967,313	\$ 238,672	13.8 %	\$ 1,728,641	\$ 1,730,641	\$ 2,000	0.1 %
Contractual Services	5,625,618	8,286,889	10,632,402	2,345,513	28.3	8,354,889	9,630,574	1,275,685	15.3
Commodities	138,692	118,810	125,243	6,433	5.4	118,810	125,243	6,433	5.4
Capital Outlay	96,494	36,700	62,609	25,909	70.6	36,700	27,609	(9,091)	(24.8)
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 7,385,883</i>	<i>\$ 10,171,040</i>	<i>\$ 12,787,567</i>	<i>\$ 2,616,527</i>	<i>25.7 %</i>	<i>\$ 10,239,040</i>	<i>\$ 11,514,067</i>	<i>\$ 1,275,027</i>	<i>12.5 %</i>
Aid to Local Units	16,000	8,000	0	(8,000)	(100.0)	8,000	0	(8,000)	(100.0)
Other Assistance	1,365,228	965,000	1,265,000	300,000	31.1	965,000	965,000	0	0.0
TOTAL	\$ 8,767,111	\$ 11,144,040	\$ 14,052,567	\$ 2,908,527	26.1 %	\$ 11,212,040	\$ 12,479,067	\$ 1,267,027	11.3 %
Financing:									
State General Fund	\$ 896,722	\$ 1,020,024	\$ 1,366,578	\$ 346,554	34.0 %	\$ 1,020,024	\$ 1,023,178	\$ 3,154	0.3 %
State Water Plan Fund	3,600,527	3,552,871	4,563,230	1,010,359	28.4	3,620,871	3,333,130	(287,741)	(7.9)
Federal Funds	106,497	313,457	114,965	(198,492)	(63.3)	313,457	114,965	(198,492)	(63.3)
All Other Funds	4,163,365	6,257,688	8,007,794	1,750,106	28.0	6,257,688	8,007,794	1,750,106	28.0
TOTAL	\$ 8,767,111	\$ 11,144,040	\$ 14,052,567	\$ 2,908,527	26.1 %	\$ 11,212,040	\$ 12,479,067	\$ 1,267,027	11.3 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$1.0 million for the Kansas Water Office in FY 2020. No subsequent adjustments have been made to this amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 1,020,024	\$ 1,020,024	\$ 0	\$ 1,020,024	\$ 0
All Other Funds	9,151,215	10,124,016	972,801	10,192,016	1,040,801
TOTAL	\$ 10,171,239	\$ 11,144,040	\$ 972,801	\$ 11,212,040	\$ 1,040,801
FTE Positions	21.0	21.0	0.0	21.0	0.0

The **agency** requests a FY 2020 revised estimate of \$11.1 million, including \$1.0 million from the State General Fund. This is an all funds increase of \$972,801, or 9.6 percent, all from special revenue funds, above the FY 2020 approved amount. The increase includes \$219,741 in reappropriation moneys from the State Water Plan Fund. This increase is due to increased expenditures on commodities, aid to local units of government, and other assistance, partially offset by decreases in contractual services. Major expenditure changes are detailed below:

- **Contractual Services.** The agency requests revised contractual services expenditures of \$8.3 million, including \$220,435 from the State General Fund. This is an all funds decrease of \$63,302, or 0.8 percent, and a State General Fund increase of \$150,414, or 214.8 percent, from the FY 2020 approved amount. This decrease is due to re-categorizing some expenditures from contractual services to other assistance, partially offset by the reappropriation from the State Water Plan Fund, increased receipt of federal funds, and increased expenditures on state match for water projects;
- **Commodities.** The agency requests revised commodities expenditures of \$118,810, including \$8,210 from the State General Fund. This is an all funds increase of \$37,510, or 46.1 percent, and a State General Fund increase of \$8,210 above the FY 2020 approved amount. This increase is due to increased expenditures on gasoline and office supplies;
- **Aid to Local Units of Government.** The agency requests revised aid to local units of government expenditures of \$8,000, all from special revenue funds. This is an increase of \$8,000 above the FY 2020 approved amount. This increase is due to increased cost match for Geographic Information System (GIS) Mapping Grants; and

- **Other Assistance.** The agency requests revised other assistance expenditures of \$965,000, all from special revenue funds. This is an increase of \$965,000 above the FY 2020 approved amount. This increase is due to re-categorizing some expenditures from contractual services to other assistance.

The **Governor** recommends FY 2020 revised expenditures of \$11.2 million, including \$1.0 million from the State General Fund. This is an all funds increase of \$68,000, or 0.6 percent, all from the State Water Plan Fund, above the agency's revised estimate. This increase is due to the Governor recommending \$68,000 for a study of the Arbuckle formation. The Governor also recommends taking \$100,000 from the Assessment and Evaluation account of the State Water Plan Fund and allocating it for a study of flood response.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 14,052,567	\$ 12,479,067	\$	(1,573,500)
FTE Positions	21.0	21.0		0.0
Change from FY 2020:				
Dollar Change:				
State General Fund	\$ 346,554	\$ 3,154		
All Other Funds	2,561,973	1,263,873		
TOTAL	\$ 2,908,527	\$ 1,267,027		
Percent Change:				
State General Fund	34.0 %	0.3 %		
All Other Funds	25.3	12.4		
TOTAL	26.1 %	11.3 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests FY 2021 expenditures of \$14.1 million, including \$1.4 million from the State General Fund. This is an all funds increase of \$2.9 million, or 26.1 percent, and a State General Fund increase of \$346,554, or 34.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on contractual services and other assistance. Major expenditure changes are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$2.0 million, including \$1.0 million from the State General Fund. This is an all funds increase of \$238,672, or 13.8 percent, and a State General Fund increase of \$237,340, or 30.2 percent, above the revised FY 2020 estimate. The increase is due to the agency's enhancement request;
- **Contractual Services.** The agency requests contractual services expenditures of \$10.6 million, including \$295,416 from the State General Fund. This is an all

funds increase of \$2.3 million, or 28.3 percent, and a State General Fund increase of \$74,981, or 34.0 percent, above the FY 2020 revised estimate. This State General Fund increase is primarily due to the agency's information technology storage and operating expenses enhancements. The all funds increase is due to the agency's enhancement requests and increased expenditures on Republican River water conservation projects;

- **Commodities.** The agency requests commodities expenditures of \$125,243, including \$7,943 from the State General Fund. This is an all funds increase of \$6,433, or 5.4 percent, and a State General Fund decrease of \$267, or 3.3 percent, from the FY 2020 revised estimate. This increase is due to increased expenditures on computer equipment and gasoline;
- **Capital Outlay.** The agency requests capital outlay expenditures of \$62,609, including \$39,000 from the State General Fund. This is an all funds increase of \$25,909, or 70.6 percent, and a State General Fund increase of \$34,500, or 766.7 percent, above the FY 2020 revised estimate. The State General Fund and the all funds increases are due to the agency's information technology equipment enhancement request; and
- **Other Assistance.** The agency requests other assistance expenditures of \$1.3 million, all from special revenue funds. This is an increase of \$300,000, or 31.1 percent, above the FY 2020 revised estimate. This increase is due to the agency's watershed conservation practices enhancements.

The **Governor** recommends FY 2021 expenditures of \$12.5 million, including \$1.0 million from the State General Fund. This is an all funds decrease of \$1.6 million, or 11.2 percent, and a State General Fund decrease of \$343,400, or 25.1 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's enhancement requests for information technology services, salaries and wages, and operating expenditures. The all funds decrease is due to the Governor not recommending the agency's State Water Plan Fund enhancements.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
IT Storage and Equipment	\$ 55,000	\$ 55,000	0.0	\$ 0	\$ 0	0.0
Salaries and Wages	236,672	236,672	0.0	0	0	0.0
Operating Expenditures	51,728	51,728				
Water Injection Dredging	0	660,000	0.0	0	0	0.0
MOU Storage	0	70,100	0.0	0	0	0.0
Technical Assistance to Water Users	0	100,000	0.0	0	0	0.0
Watershed Conservation Practices	0	300,000	0.0	0	0	0.0
Arbuckle Study	0	100,000	0.0	0	0	0.0
TOTAL	\$ 343,400	\$ 1,573,500	0.0	\$ 0	\$ 0	0.0

The **agency** requests eight enhancements for a total of \$1.6 million, including \$343,400 from the State General Fund for FY 2021. The agency states that due to an annually decreasing State General Fund allocation, it has been necessary for the agency to rely on its Water Marketing Fund to fund operating expenditures. The State General Fund enhancements would be used to shift these expenses from the Water Marketing Fund back to the State General Fund (\$288,400). The agency has also requested a State General Fund enhancement of \$55,000 to cover increased information technology costs due to the agency changing data storage facilities. Data storage facilities are no longer offered by OITS. The State Water Plan Fund requests include:

- \$660,000 for water injection dredging at Tuttle Creek Lake to promote reservoir sediment management;
- \$70,100 for Memorandum of Understanding (MOU) storage to pay annual operation and maintenance costs of water storage space at reservoirs;
- \$100,000 for technical assistance to water users to provide technical assistance to municipalities implementing conservation practices on public water supply systems;
- \$300,000 for watershed conservation practices to implement best management practices within reservoir watersheds; and
- \$100,000 for study of the Arbuckle Group to identify critical areas within the formation.

The Kansas Water Authority also requests the reinstatement of the demand transfers from the State General Fund (\$6.0 million) and the Economic Development Initiatives Fund (\$2.0 million) to the State Water Plan Fund for FY 2021.

The **Governor** does not recommend any enhancement requests for FY 2021. Although the agency requests funds in FY 2021 for the Arbuckle study, the Governor does recommend \$68,000 in FY 2020 for the Arbuckle study.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$34,865, including \$23,492 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$720, including \$328 from the State General Fund, and FY 2021 longevity payments total \$760, including \$346 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	9.7 %	8.2 %
State Water Plan Fund	32.5	26.7
Water Marketing Fund	39.4	44.4
Federal Funds	0.8	0.9
All Other Funds	17.6	19.8
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Water Marketing Fund Analysis

Under the federal Water Supply Act of 1958, federal reservoirs constructed in Kansas for the purpose of flood control were authorized to include storage space for municipal and industrial water supplies. In 1961, the Legislature provided financial assurance for inclusion of water storage in the federal reservoirs constructed in the state. In 1974, the Legislature passed the State Water Plan Storage Act, which authorizes the agency to contract with water purchasers for sale of water from any reservoir included in the Kansas Water Marketing program. The Water Marketing Fund was created by the 1991 Legislature.

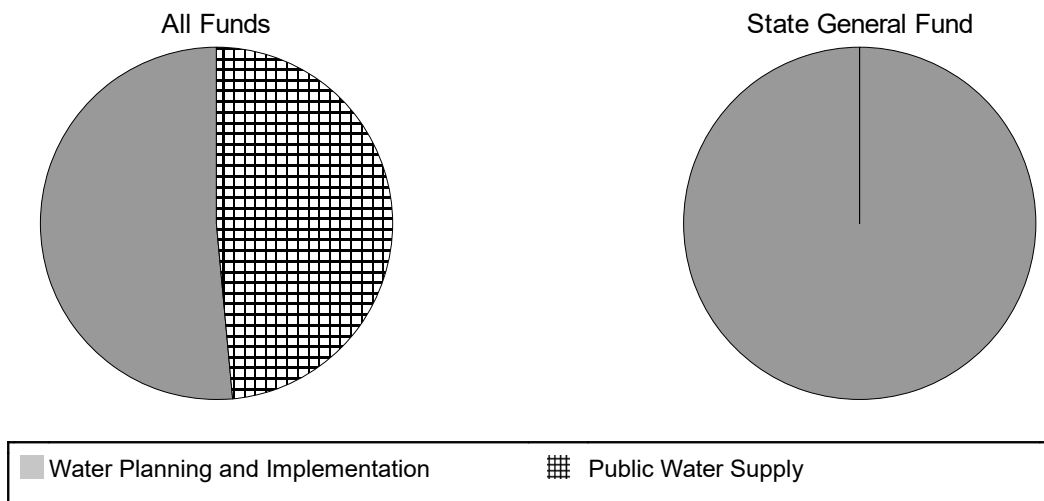
Revenue for the Water Marketing program is generated by the sale of water supplied under contracts with public water suppliers and industries from State-owned storage in federal lakes purchased from the U.S. Army Corps of Engineers. The price for water is set annually according to an established formula and is not negotiable. The Fund is then used to meet the State's contractual water storage obligations to the federal government through transfers to the State Conservation Storage Water Supply Fund. The table below summarizes receipts, expenditures, and transfers for the Water Marketing Fund as requested by the agency and as recommended by the Governor.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 3,729,184	\$ 6,272,431	\$ 6,272,431	\$ 5,587,612	\$ 5,587,712
Revenue	6,337,848	4,651,581	4,651,581	5,654,895	5,654,895
Transfers in	98,803	0	0	0	0
<i>Funds Available</i>	<u>\$ 10,165,835</u>	<u>\$ 10,924,012</u>	<u>\$ 10,924,012</u>	<u>\$ 11,242,507</u>	<u>\$ 11,242,607</u>
Less:					
Expenditures	\$ 3,482,330	\$ 4,914,076	\$ 4,914,076	\$ 5,537,875	\$ 5,537,875
Transfers Out	411,074	422,324	422,224	418,324	418,224
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 6,272,431</u>	<u>\$ 5,587,612</u>	<u>\$ 5,587,712</u>	<u>\$ 5,286,308</u>	<u>\$ 5,286,508</u>
Ending Balance as Percent of Expenditures	180.1%	113.7%	113.7%	95.5%	95.5%
Month Highest Ending Balance	March <u>\$ 6,539,917</u>	March <u>\$ 11,000,041</u>	March <u>\$ 11,000,041</u>	March <u>\$ 9,799,065</u>	March <u>\$ 9,799,065</u>
Month Lowest Ending Balance	December \$ 430,372	December \$ 723,878	December \$ 723,878	December \$ 644,846	December \$ 644,846

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Water Planning and Implementation	\$ 6,421,932	51.5 %	\$ 1,023,178	100.0 %
Public Water Supply	6,057,135	48.5	0	0.0
TOTAL	\$ 12,479,067	100.0 %	\$ 1,023,178	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Water Planning and Implementation	9.5	10.0	10.0	10.0	10.0
Public Water Supply	10.5	11.0	11.0	11.0	11.0
Kansas Water Authority	0.0	0.0	0.0	0.0	0.0
TOTAL	20.0	21.0	21.0	21.0	21.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Water Planning and Implementation

The Water Planning and Implementation program covers the major agency responsibility for the development of the Kansas Water Plan. The administration of the Kansas Water Planning Act, Kansas Weather Modification Act, and portions of the Water Appropriations and Water Transfer acts are housed in this program.

The Water Planning and Implementation program also houses the Kansas Water Authority, which is statutorily within the Kansas Water Office. The Authority is responsible for advising the Governor, Legislature, and the Director of the Kansas Water Office on water policy issues; approving the Kansas Water Plan; accounting for and making recommendations on the expenditures of State Water Plan Funds; and approving water storage sales, water marketing rate setting, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office. The Authority is composed of 24 members that represent stakeholder groups and are informed of water-related issues representing water users, water interests, environmental interests, and the general public.

PERFORMANCE MEASURES							
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021	
Vision Action Items Underway or Completed	N/A	65.0 %	81.0 %	83.6 %	97.0 %	100.0 %	
Percent of Time Streamflow Target Flows Met	N/A	99.3 %	N/A	100.0 %	100.0 %	100.0 %	
Percent Decrease in Estimated Reservoir Sedimentation Rate Due to Upstream BMP Implementation	N/A	9.5 %	10.0 %	10.0 %	11.0 %	12.0 %	
Agency Expenditures							
All Funds (Dollars in Millions)	\$ 4.0	\$ 5.4	\$ 5.9	\$ 4.6	\$ 5.9	\$ 6.4	
FTE Positions	12.5	10.0	11.5	9.5	10.0	10.0	

WATER PLANNING AND IMPLEMENTATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 766,648	\$ 786,879	\$ 786,879	\$ 1,024,219	\$ 787,547
Contractual Services	2,267,657	3,922,363	3,990,363	5,526,661	4,524,833
Commodities	134,433	114,510	114,510	120,943	120,943
Capital Outlay	95,554	32,700	32,700	58,609	23,609
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 3,264,292</i>	<i>\$ 4,856,452</i>	<i>\$ 4,924,452</i>	<i>\$ 6,730,432</i>	<i>\$ 5,456,932</i>
Aid to Local Units	16,000	8,000	8,000	0	0
Other Assistance	1,365,000	965,000	965,000	1,265,000	965,000
TOTAL	\$ 4,645,292	\$ 5,829,452	\$ 5,897,452	\$ 7,995,432	\$ 6,421,932
Financing:					
State General Fund	\$ 880,102	\$ 1,020,024	\$ 1,020,024	\$ 1,366,578	\$ 1,023,178
All Other Funds	3,765,190	4,809,428	4,877,428	6,628,854	5,398,754
TOTAL	\$ 4,645,292	\$ 5,829,452	\$ 5,897,452	\$ 7,995,432	\$ 6,421,932
FTE Positions	9.5	10.0	10.0	10.0	10.0

The **agency** requests FY 2021 expenditures for the Water Planning and Implementation program of \$8.0 million, including \$1.4 million from the State General Fund. This is an all funds increase of \$2.2 million, or 37.2 percent, and a State General Fund increase of \$346,554, or 34.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on salaries and wages, contractual services, capital outlay, and other assistance. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$1.0 million, all from the State General Fund. This is an increase of \$237,340, or 30.2 percent, above the FY 2020 revised estimate. The increase is due to the agency's salaries and wages enhancement request;
- **Contractual Services.** The agency requests contractual services expenditures of \$5.5 million, including \$295,416 from the State General Fund. This is an all funds increase of \$1.6 million, or 40.9 percent, and a State General Fund increase of \$74,981, or 34.0 percent, above the FY 2020 revised estimate. This State General Fund increase is primarily due to the agency's information technology storage and operating expenses enhancements. This all funds increase is due to the agency's enhancement requests and increased expenditures on Republican River water conservation projects;
- **Commodities.** The agency requests commodities expenditures of \$120,943, including \$7,943 from the State General Fund. This is an all funds increase of \$6,433, or 5.6 percent, and a State General Fund decrease of \$267, or 3.3 percent, from the FY 2020 revised estimate. This increase is due to increased expenditures on computer equipment and gasoline;
- **Capital Outlay.** The agency requests capital outlay expenditures of \$58,609, including \$39,000 from the State General Fund. This is an all funds increase of

\$25,909, or 79.2 percent, and a State General Fund increase of \$34,500, or 766.7 percent, above the FY 2020 revised estimate. The State General Fund and the all funds increases are due to the agency's information technology equipment enhancement request; and

- **Other Assistance.** The agency requests other assistance expenditures of \$1.3 million, all from special revenue funds. This is an increase of \$300,000, or 31.1 percent, above the FY 2020 revised estimate. This increase is due to the agency's watershed conservation practices enhancements.

The **Governor** recommends FY 2021 expenditures of \$6.4 million, including \$1.0 million from the State General Fund. This is an all funds decrease of \$1.6 million, or 11.2 percent, and a State General Fund decrease of \$343,400, or 25.1 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's enhancement requests for information technology services, salaries and wages, and operating expenditures. The all funds decrease is due to the Governor not recommending the agency's State Water Plan Fund enhancements.

B. Public Water Supply

The Public Water Supply program administers supply programs to ensure an adequate supply of water for Kansans receiving water from State-owned storage in federal and state reservoirs. These programs include the water marketing, water assurance, Lower Smoky Hill access district, and the public water supply components of the Multipurpose Small Lakes program (KSA 82a-1601 *et seq.*). The Kansas Water Office negotiates with the federal government for water supply storage in federal lakes and coordinated reservoir operations to meet multiple uses, primarily benefiting municipal and industrial customers.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Public Water Supply Systems Receiving Assistance with Water Concerns	N/A	52.0 %	53.0 %	43.0 %	50.0 %	50.0 %
Percent of Time Water Demands Are Met by Public Water Supply Program	N/A	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.4	\$ 4.1	\$ 4.0	\$ 4.1	\$ 5.3	\$ 6.1
FTE Positions	5.5	9.0	9.5	10.5	11.0	11.0

PUBLIC WATER SUPPLY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 757,139	\$ 941,762	\$ 941,762	\$ 943,094	\$ 943,094
Contractual Services	3,342,693	4,364,526	4,364,526	5,105,741	5,105,741
Commodities	4,199	4,300	4,300	4,300	4,300
Capital Outlay	940	4,000	4,000	4,000	4,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,104,971	\$ 5,314,588	\$ 5,314,588	\$ 6,057,135	\$ 6,057,135
Aid to Local Units	0	0	0	0	0
Other Assistance	228	0	0	0	0
TOTAL	\$ 4,105,199	\$ 5,314,588	\$ 5,314,588	\$ 6,057,135	\$ 6,057,135
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	4,105,199	5,314,588	5,314,588	6,057,135	6,057,135
TOTAL	\$ 4,105,199	\$ 5,314,588	\$ 5,314,588	\$ 6,057,135	\$ 6,057,135
FTE Positions	10.5	11.0	11.0	11.0	11.0

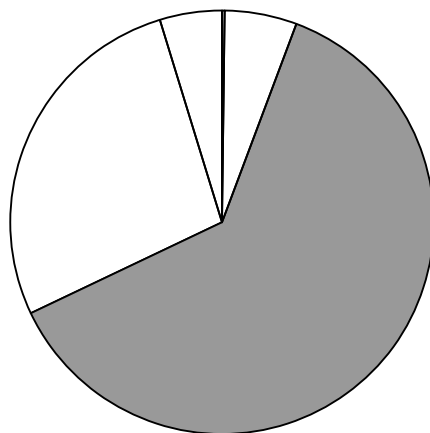
The **agency** requests FY 2021 expenditures for the Public Water Supply program of \$6.1 million, all from special revenue funds. This is an increase of \$742,547, or 14.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures for salaries and wages and contractual services. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$943,094, all from special revenue funds, which is an increase of \$1,332, or 0.1 percent, above the FY 2020 revised estimate. This increase is due to increased employer contributions to group health insurance; and
- **Contractual Services.** The agency requests contractual services expenditures of \$5.1 million, all from special revenue funds, which is an increase of \$741,215, or 17.0 percent, above the FY 2020 revised estimate. This increase is due to increased expenditures on operation and maintenance costs of reservoirs.

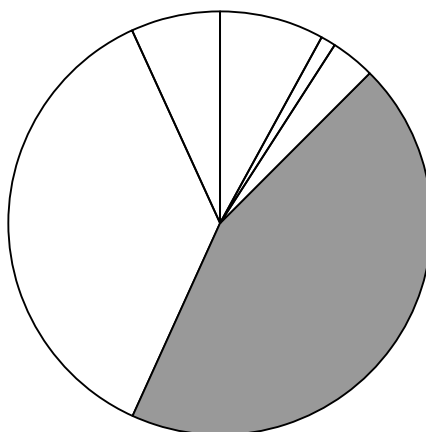
The **Governor** concurs with the agency's request for FY 2021.

EDUCATION

State General Fund



All Funds



Education provides educational services to Kansans through agencies under the supervision of the State Board of Education and the State Board of Regents, as well indirect services provided by the State Historical Society and the State Library. This function includes the following agencies under the authority of the State Board of Education: the Kansas State Department of Education, the Kansas State School for the Blind, and the Kansas State School for the Deaf. The function also includes the State-funded universities under the supervision of the State Board of Regents.

The Governor's FY 2021 recommendation for the Education function totals \$8.8 billion from all funding sources, including \$5.0 billion from the State General Fund.

Agencies in this Function:	
<i>Department of Education.....</i>	<i>117</i>
<i>Postsecondary Education Systemwide.....</i>	<i>148</i>
<i>Kansas State School for the Blind.....</i>	<i>185</i>
<i>Kansas State School for the Deaf.....</i>	<i>206</i>
<i>State Historical Society.....</i>	<i>227</i>
<i>State Library.....</i>	<i>252</i>

The FY 2021 recommendation represents a State General Fund increase of 2.2 percent, or \$107.8 million, above FY 2020. Expenditures from all funds increase by 1.0 percent, or \$85.8 million, above FY 2020.

A total of 19,658.1 FTE positions are recommended by the Governor for the Education function for FY 2021, which is the same number as FY 2020. Of all state FTE positions, 48.3 percent are in this function.

Agencies in this function comprise 63.2 percent of the total State General Fund budget for FY 2021, which is an increase of 1.1 percent above FY 2020. They comprise 44.6 percent of expenditures from all funding sources in FY 2021, which is a decrease of 2.1 percent below FY 2020.

DEPARTMENT OF EDUCATION

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 3,494,997,693	\$ 4,016,838,036	\$ 3,984,016,563	\$ 4,137,704,106	\$ 4,071,899,827
Other Funds	1,561,381,442	1,553,046,018	1,552,397,919	1,578,382,472	1,569,504,948
<i>Subtotal</i>	<i>\$5,056,379,135</i>	<i>\$ 5,569,884,054</i>	<i>\$5,536,414,482</i>	<i>\$ 5,716,086,578</i>	<i>\$5,641,404,775</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 5,056,379,135</u>	<u>\$ 5,569,884,054</u>	<u>\$ 5,536,414,482</u>	<u>\$ 5,716,086,578</u>	<u>\$ 5,641,404,775</u>

Percentage Change:

Operating Expenditures					
State General Fund	12.8 %	14.9 %	14.0 %	3.0 %	2.2 %
All Funds	9.9	10.2	9.5	2.6	1.9
FTE Positions	267.3	264.2	264.2	267.2	264.2

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Department of Education (KSDE) is overseen by the ten-member elected State Board of Education (State Board), which is established by the *Kansas Constitution*. The State Board is responsible for the general supervision of public schools and educational interests of the State not under the jurisdiction of the State Board of Regents. Its duties include accrediting elementary and secondary schools, establishing standard courses of study in the public schools, certifying teachers and administrators, approving public and private teacher education programs, and administering a variety of state and federal aid programs.

The State Board appoints a Commissioner of Education who is responsible for the administration of the Department of Education and serves at the pleasure of the State Board. KSDE consists of three main offices:

- The **Office of the Commissioner** oversees those agency functions that provide services to the entire agency, including human resources and legal services;
- The **Division of Fiscal and Administrative Services** supervises the financial aspects of the agency including preparation of the budget for KSDE and the distribution and audit of state aid payments to schools; and

- The **Division of Learning Services** oversees the State's assessed and non-assessed curricular standards; state assessments; planning, research, data analysis, and reporting requirements; educator licensure; and the review of educator training programs at all Kansas institutions of higher education.

MAJOR ISSUES FROM PRIOR YEARS

The **2014 Legislature** passed Senate Sub. for HB 2506 in response to the Kansas Supreme Court's ruling in *Gannon I* that the State's school finance system was constitutionally inequitable. Senate Sub. for HB 2506 appropriated an additional \$109.3 million, all from the State General Fund, for Supplemental General State Aid (local option budget, or LOB, equalization aid). Additionally, the bill made a revenue transfer of \$25.2 million from the State General Fund to the Capital Outlay Fund to fully fund Capital Outlay State Aid.

In addition, Senate Sub. for HB 2506 made several changes to the school finance formula, which resulted in a decrease in various weightings taking effect for FY 2015. These changes were:

- A phase-out of the school facilities weighting that limited its use to only those districts that have a LOB of at least 15.0 percent of the amount of state financial aid for which the contractual bond obligations incurred by the district were approved by voters on or before July 1, 2014;
- Non-proficient at-risk weighting was eliminated;
- Virtual weighting was eliminated from the LOB calculation; and
- At-risk weighting was eliminated for part-time students (grades 1 through 12) and students older than 19 years of age (excluding students with Individualized Education Plans [IEPs]).

The **2015 Legislature** passed House Sub. for SB 7, which repealed the School District Finance and Quality Performance Act (SDFQPA) and replaced it with the Classroom Learning Assuring Student Success (CLASS) Act. The CLASS Act provided a block grant form of funding to each school district for school years 2015-2016 and 2016-2017. Each district's block grant was based in part on, and was at least equal to, the total state financial support as provided in school year 2014-2015. The CLASS Act also changed the formulas for Supplemental General State Aid (LOB State Aid) and Capital Outlay State Aid and provided funding for the new formulas. The CLASS Act was given a sunset date of June 30, 2017.

Because the block grant froze state aid at the 2014-2015 amount, the Extraordinary Need Fund (ENF) was to be used for the following:

- Extraordinary increase in enrollment;
- Extraordinary decrease in the district's assessed valuation; and
- Other unforeseen acts or circumstances substantially impacting a district's general fund.

Districts could apply to the State Finance Council for payments from the ENF.

During the **2016 Session**, the Kansas Supreme Court's ruling in *Gannon II* held that 2015 House Sub. for SB 7 failed to cure the inequities in the school finance system and ordered the State to satisfactorily demonstrate legislative compliance with the equity standard by June 30, 2016.

In response, the **2016 Legislature** passed Senate Sub. for HB 2655. The bill reinstated the Capital Outlay State Aid formula that was in effect prior to the enactment of the CLASS Act. The bill also amended the formula for determining Supplemental General State Aid. The equalization factor would be 25.0 percent of the median assessed valuation per pupil (AVPP).

During the **2016 Session**, the Kansas Supreme Court's ruling in *Gannon III* held that Senate Sub. for HB 2655 corrected the inequities related to Capital Outlay State Aid, but also ruled that the new LOB State Aid formula was unconstitutional.

In response to the Court's ruling in *Gannon III*, in the **2016 Special Session**, the Legislature passed Sub. for HB 2001, which reinstated the previous LOB State Aid formula. Supplemental General State Aid was again equalized to the 81.2 percentile of AVPP. Administration of the ENF was given to the State Board of Education and a \$13.0 million limit of expenditures from the ENF was established. The Kansas Supreme Court then found that HB 2001 brought the State into compliance with the equity standard and retained jurisdiction over the issue.

During the **2017 Session**, the Kansas Supreme Court's ruling in *Gannon IV* held the State's school finance system established by the CLASS Act (2015 House Sub. for SB 7) was constitutionally inadequate, both in its structure and implementation.

In response, the **2017 Legislature** passed SB 19, which created the Kansas School Equity and Enhancement Act (KSEEA) and amended statutes related to Capital Improvement State Aid and capital outlay. KSEEA is structurally similar to the former SDFQPA, determining State Foundation Aid (what used to be known as General State Aid) by multiplying a district's weighted FTE enrollment by the base aid for student excellence (BASE). The BASE was set at \$4,006 for school year 2017-2018, \$4,128 for school year 2018-2019, and adjusted each year thereafter according to the average percentage increase in the Consumer Price Index (CPI) for all urban consumers in the Midwest region during the three immediately preceding years.

KSEEA included weightings for at-risk students, bilingual students, low enrollment, high enrollment, high-density at-risk, transportation, career and technical education, new school facilities, cost-of-living, ancillary school facilities, declining enrollment (which expired July 1, 2018), and special education. SB 19 expanded the authorized uses of capital outlay funds to include utilities and property and casualty insurance. The bill also amended the calculation of LOB State Aid to use the AVPP of the prior year during the 2017-2018 school year. Beginning in the 2018-2019 school year, the AVPP used would be an average of the three immediately preceding school years.

On **October 2, 2017**, the Kansas Supreme Court's ruling in *Gannon V* held that SB 19 was constitutionally inadequate in its implementation, but not its basic structure. In addition, the Court identified four specific points of inequity:

- The expansion of the authorized uses of capital outlay funds;
- The differing procedures for certain districts to raise their maximum LOB;
- The use of a district's prior year LOB to determine the amount of LOB State Aid;
and
- The inclusion of a 10.0 percent floor for the at-risk weighting.

The **2018 Legislature**, in response, passed Sub. for SB 423 and House Sub. for SB 61. The bills phased in approximately \$522.0 million in additional school funding across a five-year period ending in school year 2022-2023. The BASE was scheduled to increase from \$4,165 in school year 2018-2019 (it was set at \$4,128 in 2017 SB 19) to \$4,713 by school year 2022-2023, after which inflationary increases will take effect.

The bills required each school district to adopt a LOB of at least 15.0 percent and to transfer the portion of the LOB attributable to the at-risk and bilingual weightings to the district's at-risk and bilingual funds. The bills changed the process for calculating LOB State Aid to use of the district's current-year LOB, but required districts intending to raise their LOB during the upcoming school year to notify the State Board by April 1 of the current school year.

The bills eliminated the 10.0 percent floor for the at-risk weighting, provided for the transportation weighting to be calculated using a static cost-density curve, and made smaller changes to the high-density at-risk, career and technical education, and bilingual weightings.

The bills also eliminated the provision in 2017 SB 19 that allow school districts to expend capital outlay funds on utilities and property and casualty insurance, and amended provisions related to approval of school district capital improvement bonds by the State Board.

Finally, the bills created the Mental Health Intervention Team pilot program for FY 2019. Participating school districts were required to enter into agreements with community mental health centers for clinical therapists, case managers, and school liaisons to provide mental health services in Abilene, Garden City, Kansas City, Parsons, Topeka, and Wichita.

On **June 25, 2018**, the Kansas Supreme Court issued its *Gannon VI* ruling. The Court held the Legislature had corrected the four equity issues identified in *Gannon V* and created no additional inequities. In addition, the Court ruled the school finance system remained constitutionally inadequate, determining the Legislature failed to consistently implement its plan to meet the threshold for adequacy identified in the *Montoy* litigation. The Court extended its stay to June 30, 2019, or until further order of the Court, to allow the Legislature to address the remaining adequacy issues during the 2019 Session.

The **2019 Legislature** passed House Sub. for SB 16 in response to the Kansas Supreme Court's ruling in *Gannon VI*. The bill amends the BASE for school years 2019-2020, 2020-2021, 2021-2022, and 2022-2023. The BASE for school year 2019-2020 is now \$4,436, with scheduled increases to \$4,846 by school year 2022-2023. Beginning in school year 2023-2024, inflationary increases will take effect. The bill also amends other components of the KSEEA, including at-risk education and various accountability reports.

In addition to amendments to the KSEEA, the bill also changes the definition of "public school" for the purposes of the Low-income Student Scholarship Program from the 100 lowest performing schools to the 100 lowest performing elementary schools.

On **June 14, 2019**, the Kansas Supreme Court issued its *Gannon VII* ruling. The court held the Legislature had substantially complied with the Court's *Gannon VI* mandate to address inflation-related issues. Therefore, the State's school finance system was constitutionally adequate. The Supreme Court retained jurisdiction of the case to ensure continued implementation of the scheduled funding.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$5.6 billion, including \$4.0 billion from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$8.4 million, or 0.1 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$1.5 million, or less than 0.1 percent, and a special revenue fund decrease of \$6.8 million, or 0.4 percent, below the amount approved by the 2019 Legislature. The revised estimate includes 264.2 FTE positions, which is a decrease of 3.1 FTE positions below the approved number. The State General Fund decrease is primarily attributable to the agency lapsing unused funds for the Mental Health Intervention Team pilot program. The special revenue fund decrease is primarily attributable to decreased expenditures for Capital Improvement State Aid.

The **Governor** recommends expenditures of \$5.5 billion, including \$4.0 billion from the State General Fund, in FY 2020. The recommendation is an all funds decrease of \$33.5 million, or 0.6 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund decrease of \$32.8 million, or 0.8 percent, and a special revenue fund decrease of \$648,099, or less than 0.1 percent, below the agency's revised estimate. The State General Fund and special revenue fund decreases are primarily attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates. The recommendation includes 264.2 FTE positions, which is the same number as the agency's revised estimate.

FY 2021 – Budget Year. The **agency** requests expenditures of \$5.7 billion, including \$4.1 billion from the State General Fund, for FY 2021. The request is an all funds increase of \$146.2 million, or 2.6 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$120.9 million, or 3.0 percent, and a special revenue fund increase of \$25.3 million, or 1.6 percent, above the revised estimate. The request includes 267.2 FTE positions, which is an increase of 3.0 FTE positions above the number in the FY 2020 revised estimate. The State General Fund and special revenue fund increases are primarily attributable to the increases in school funding included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16.

The **Governor** recommends expenditures of \$5.6 billion, including \$4.1 billion from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$74.7 million, or 1.3 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$65.8 million, or 1.6 percent, and a special revenue fund decrease of \$8.9 million, or 0.6 percent, below the agency's request. The State General Fund and special revenue fund decreases are primarily attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates. The State General Fund decrease is also attributable to the Governor's recommendation to eliminate the KPERS layering payments by paying back the remaining portion of the FY 2017 and FY 2019 delayed payments to KPERS–School in FY 2021. The recommendation includes 264.2 FTE positions, which is a decrease of 3.0 positions from the agency's request. This is due to the Governor not recommending the agency's enhancement requests for additional FTE positions.

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Meals and Snacks Served through Child Nutrition and Wellness Program (In Millions)	98.1	102.2	104.4	102.0	103.2	105.3
Average Statewide ACT Composite Score	21.7	21.6	21.2	21.2	19.5	20.0
Statewide High School Graduation Rate	86.9 %	87.5 %	N/A	87.5 %	88.6 %	89.1 %
Number of Families Served Through Parents as Teachers	8,275	8,596	9,900	8,792	9,000	9,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4,599.7	\$ 4,943.6	\$ 5,097.5	\$ 5,056.4	\$ 5,536.4	\$ 5,641.4
FTE Positions	247.4	257.5	267.3	267.3	264.2	264.2

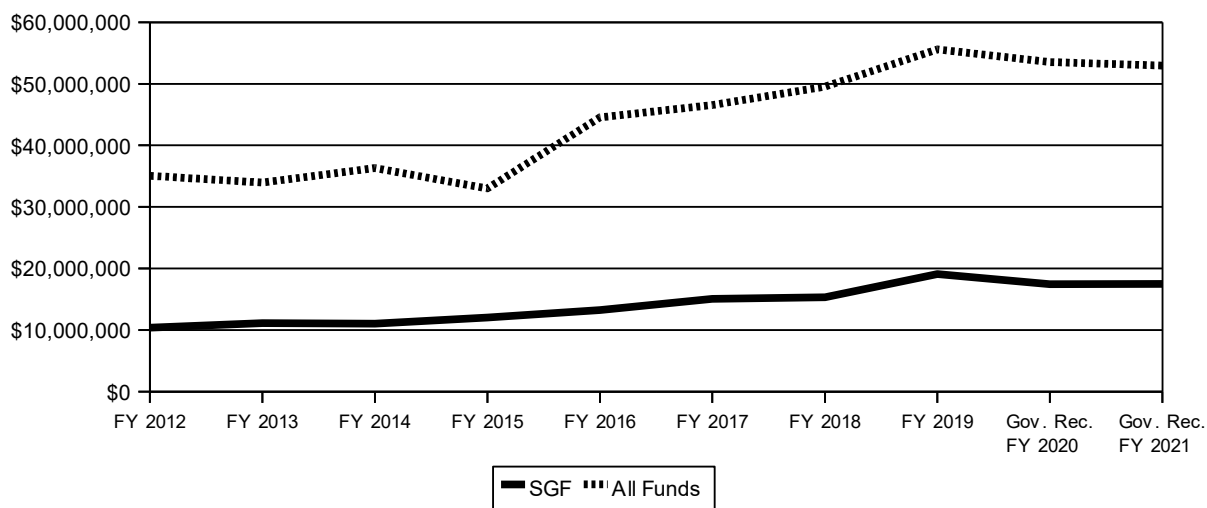
The statewide high school graduation rate is now identified as a key performance measure. Since this measure was not included as key performance measure during the 2019 Session, there was no Governor's recommendation for FY 2019.

The amount of state aid savings found by the fiscal audit team was previously identified as a key performance measure. Since it is no longer identified as a key agency-wide performance measure, it is no longer included in this table. However, the measure is included in the performance measure table under the Agency Operating Budget section.

The average statewide ACT composite score decreased in FY 2019 and is projected to decrease slightly in FY 2020 due to significantly more students taking the ACT now that the Legislature has appropriated funding to pay for each high school student to take the ACT one time for free. As a result, more lower performing students are now taking the ACT than prior to FY 2019.

BUDGET TRENDS

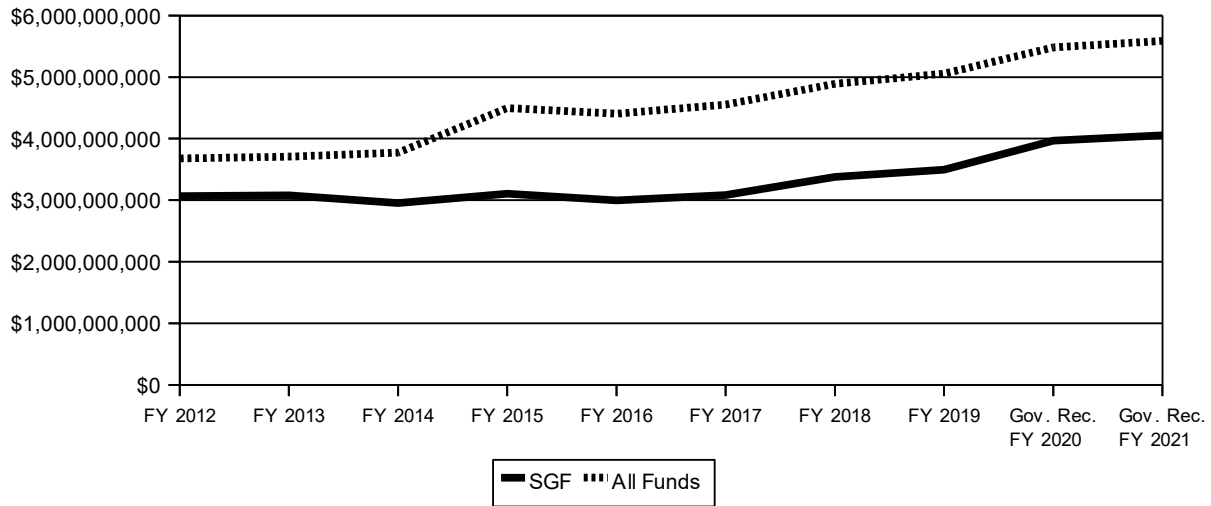
AGENCY OPERATING EXPENDITURES (INCLUDING CHILDREN'S CABINET) FY 2012 – FY 2021



AGENCY OPERATING EXPENDITURES (INCLUDING CHILDREN'S CABINET) FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 10,361,045	(4.7)%	\$ 35,064,224	(19.3)%	284.6
2013	11,132,026	7.4	33,956,966	(3.2)	264.5
2014	11,050,938	(0.7)	36,308,792	6.9	273.0
2015	12,011,002	8.7	32,997,169	(9.1)	255.0
2016	13,220,867	10.1	44,536,694	35.0	246.4
2017	15,039,455	13.8	46,552,420	4.5	244.4
2018	15,332,057	1.9	49,536,746	6.4	257.5
2019	19,086,525	24.5	55,595,806	12.2	267.3
2020 Gov. Rec.	17,434,077	(8.7)	53,531,426	(3.7)	264.2
2021 Gov. Rec.	17,475,305	0.2	52,969,499	(1.0)	264.2
Ten-Year Change Dollars/Percent	\$ 7,114,260	68.7 %	\$ 17,905,275	51.1 %	(20.5)

AID AND OTHER ASSISTANCE EXPENDITURES FY 2012 – FY 2021



AID AND OTHER ASSISTANCE EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 3,066,459,334	3.6 %	\$ 3,678,685,623	(3.8)%	284.6
2013	3,080,705,948	0.5	3,707,586,052	0.8	264.5
2014	2,952,153,298	(4.2)	3,772,323,727	1.7	273.0
2015	3,105,426,306	5.2	4,496,737,571	19.2	255.0
2016	2,996,140,141	(3.5)	4,404,997,971	(2.0)	246.4
2017*	3,082,195,457	2.9	4,553,183,367	3.4	244.4
2018*	3,375,525,207	9.5	4,891,792,777	7.4	257.5
2019	3,475,911,168	3.0	5,000,783,329	2.2	267.3
2020 Gov. Rec.	3,966,582,486	14.1	5,482,883,056	9.6	264.2
2021 Gov. Rec.	4,054,424,522	2.2	5,588,435,276	1.9	264.2
Ten-Year Change Dollars/Percent	\$ 987,965,188	32.2 %	\$ 1,909,749,653	51.9 %	(20.5)

*Previously included some operating expenditures, which have now been removed.

Summary of Operating Budget FY 2019 - FY 2021

Department of Education

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		Agency Estimate					Governor's Recommendation			
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20		Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$ 16,053,509	\$ 17,010,685	\$ 16,839,770	\$ (170,915)	(1.0) %	\$	17,078,385	\$ 16,907,470	\$ (170,915)	(1.0) %
Governance of Ed.	373,290	400,638	407,883	7,245	1.8		400,638	407,883	7,245	1.8
Child Nutrition & Wellness	3,720,647	3,944,244	3,821,944	(122,300)	(3.1)		3,944,244	3,821,944	(122,300)	(3.1)
Standards & Assessments	10,253,613	9,701,278	9,493,848	(207,430)	(2.1)		9,701,278	9,299,860	(401,418)	(4.1)
Special Ed. Services	14,397,564	12,418,447	12,549,190	130,743	1.1		12,418,447	12,452,196	33,749	0.3
Title Progs. & Services	4,101,024	5,259,684	5,265,981	6,297	0.1		5,259,684	5,265,981	6,297	0.1
Career & Tech. Ed.	2,017,914	2,023,723	2,036,563	12,840	0.6		2,023,723	2,036,563	12,840	0.6
Financial Aid	4,984,404,522	5,497,871,276	5,644,523,129	146,651,853	2.7		5,464,334,004	5,570,064,608	105,730,604	1.9
Children's Cabinet	21,057,052	21,254,079	21,148,270	(105,809)	(0.5)		21,254,079	21,148,270	(105,809)	(0.5)
TOTAL	\$ 5,056,379,135	\$ 5,569,884,054	\$ 5,716,086,578	\$ 146,202,524	2.6 %		\$ 5,536,414,482	\$ 5,641,404,775	\$ 104,990,293	1.9 %
By Major Object of Expenditure:										
Salaries and Wages	\$ 19,518,867	\$ 21,336,679	\$ 21,668,092	\$ 331,413	1.6 %	\$	21,336,679	\$ 21,425,689	\$ 89,010	0.4 %
Contractual Services	35,391,175	31,464,004	30,867,171	(596,833)	(1.9)		31,531,704	30,903,401	(628,303)	(2.0)
Commodities	458,340	494,642	497,083	2,441	0.5		494,642	495,583	941	0.2
Capital Outlay	227,424	168,401	160,435	(7,966)	(4.7)		168,401	144,826	(23,575)	(14.0)
Debt Service	0	0	0	0	--		0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 55,595,806</i>	<i>\$ 53,463,726</i>	<i>\$ 53,192,781</i>	<i>\$ (270,945)</i>	<i>(0.5) %</i>		<i>\$ 53,531,426</i>	<i>\$ 52,969,499</i>	<i>\$ (561,927)</i>	<i>(1.0) %</i>
Aid to Local Units	4,942,722,839	5,455,469,736	5,601,652,817	146,183,081	2.7		5,421,932,464	5,527,214,296	105,281,832	1.9
Other Assistance	58,060,490	60,950,592	61,240,980	290,388	0.5		60,950,592	61,220,980	270,388	0.4
TOTAL	\$ 5,056,379,135	\$ 5,569,884,054	\$ 5,716,086,578	\$ 146,202,524	2.6 %		\$ 5,536,414,482	\$ 5,641,404,775	\$ 104,990,293	1.9 %
Financing:										
State General Fund	\$ 3,494,997,693	\$ 4,016,838,036	\$ 4,137,704,106	\$ 120,866,070	3.0 %	\$	3,984,016,563	\$ 4,071,899,827	\$ 87,883,264	2.2 %
Children's Initiatives Fund	32,218,829	32,860,477	32,692,483	(167,994)	(0.5)		32,860,477	32,692,483	(167,994)	(0.5)
20 Mill Property Tax	677,464,910	711,953,488	738,735,088	26,781,600	3.8		710,718,389	732,980,564	22,262,175	3.1
Federal Funds	485,737,645	484,422,149	483,046,755	(1,375,394)	(0.3)		484,422,149	483,046,755	(1,375,394)	(0.3)
All Other Funds	365,960,058	323,809,904	323,908,146	98,242	0.0		324,396,904	320,785,146	(3,611,758)	(1.1)
TOTAL	\$ 5,056,379,135	\$ 5,569,884,054	\$ 5,716,086,578	\$ 146,202,524	2.6 %		\$ 5,536,414,482	\$ 5,641,404,775	\$ 104,990,293	1.9 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$4,014,540,804 for the Kansas State Department of Education in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$3,842,775, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

These adjustments change the FY 2020 approved State General Fund amount to \$4,018,383,579. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 4,018,383,579	\$ 4,016,838,036	\$ (1,545,543)	\$ 3,984,016,563	\$ (34,367,016)
All Other Funds	1,559,864,941	1,553,046,018	(6,818,923)	1,552,397,919	(7,467,022)
TOTAL	\$ 5,578,248,520	\$ 5,569,884,054	\$ (8,364,466)	\$ 5,536,414,482	\$ (41,834,038)
FTE Positions	267.3	264.2	(3.1)	264.2	(3.1)

The **agency** requests a revised estimate of \$5.6 billion, including \$4.0 billion from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$8.4 million, or 0.1 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$1.5 million, or less than 0.1 percent, and a special revenue fund decrease of \$6.8 million, or 0.4 percent, below the approved amount. The revised estimate includes 264.2 FTE positions, which is a decrease of 3.1 FTE positions below the approved number.

The State General Fund decrease is primarily attributable to the agency lapsing unused funds for the Mental Health Intervention Team (MHIT) pilot program. The 2019 Legislature appropriated \$8.0 million, all from the State General Fund, to continue the MHIT pilot program during FY 2020. In addition, the Legislature also made several adjustments to the program, reappropriating unused funds for the pilot program from FY 2019 to FY 2020, requiring a 25.0 percent local match by participating school districts, and providing the State Board of Education with the authority to expand the program to additional school districts during FY 2020. The agency reappropriated \$2.6 million in unused funds for the program from FY 2019 to FY 2020, providing \$10.6 million in available funds for FY 2020. Of the total amount, the agency plans to expend \$9.0 million in FY 2020. The agency is proposing to lapse the remaining \$1.5 million.

The special revenue fund decrease is primarily attributable to decreased expenditures for Capital Improvement State Aid, which provides equalization aid to school districts for capital improvements projects. The approved FY 2020 budget included \$215.0 million for Capital Improvement State Aid. The agency's revised estimate includes \$208.0 million in expenditures for Capital Improvement State Aid. This is a decrease of \$7.0 million, or 3.3 percent, below the approved amount. Capital Improvement State Aid is funded by a revenue transfer from the State General Fund. Therefore, expenditures are classified as special revenue funds, but the transfer is an obligation on the State General Fund.

The decrease in FTE positions is attributable to the agency decreasing the number of FTE positions to fund other priorities and to offset increases in employer contributions for KPERS and health insurance, rent, and travel.

Finally, the agency requests a technical adjustment in FY 2020. As part of the state employee pay plan approved by the 2019 Legislature, the State Finance Council certification for KSDE included \$4,076 from the Kansas Endowment for Youth (KEY) Fund to finance salary increases for two Children's Cabinet employees. This funding was therefore included in the agency's approved budget. The authorizing language, however, was inadvertently omitted from the final appropriation bill. The agency requests a technical adjustment to appropriate the intended amount in FY 2020.

The **Governor** recommends expenditures of \$5.5 billion, including \$4.0 billion from the State General Fund, in FY 2020. The recommendation is an all funds decrease of \$33.5 million, or 0.6 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund decrease of \$32.8 million, or 0.8 percent, and a special revenue fund decrease of \$648,099, or less than 0.1 percent, below the revised estimate. The decrease is primarily attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates, described below. The recommendation includes 264.2 FTE positions, which is the same number as the agency's revised estimate.

Fall 2019 Education Consensus Estimates

The Governor recommends adoption of the Fall 2019 Education Consensus Estimates in FY 2020. For school finance, the Governor recommends decreased expenditures of \$37.8 million, including \$30.2 million from the State General Fund, below the approved amount. For KPERS, the Governor recommends decreased expenditures of \$2.7 million, all from the State General Fund, below the approved amount.

Compared to the agency's request, the Governor recommends decreased expenditures of \$30.8 million, including \$30.2 million from the State General Fund, for school finance. Additionally, the recommendation is a decrease of \$2.7 million, all from the State General Fund, below the agency's request for KPERS.

The individual components of the Fall 2019 Education Consensus Estimates are described below. Unless otherwise noted, all changes from the approved number are also the change from the agency's FY 2020 revised estimate.

School Finance—State Foundation Aid. The Governor recommends expenditures of \$3.1 billion, including \$2.3 billion from the State General Fund, for State Foundation Aid in FY 2020. This is a decrease of \$36.3 million, including \$35.6 million from the State General Fund, below the FY 2020 approved number. The all funds decrease includes decreased expenditures of \$1.2 million from the statewide 20-mill property tax and increased expenditures of \$587,000 from the Mineral Production Education Fund. The School District Finance Fund (optional local

property taxes) number is the same as the approved number. The all funds decrease is primarily attributable to a decrease in weighted FTE enrollment from the Fall 2018 Estimates. This is due to the new facilities weighting being phased out and to decreased estimates for growth in weighted FTE enrollment.

School Finance–Supplemental State Aid. The Governor recommends expenditures of \$503.3 million, all from the State General Fund, for Supplemental State Aid in FY 2020. This is the same as the approved budget. Supplemental State Aid provides equalization aid for school districts' Local Option Budgets.

School Finance–Special Education State Aid. The Governor recommends expenditures of \$497.9 million, all from the State General Fund, for Special Education State Aid in FY 2020. This is the same as the approved amount. The Fall 2019 Education Consensus Estimates project Special Education State Aid will cover 75.3 percent of excess costs in FY 2020. This is a decrease from the Fall 2018 Estimates, which projected state aid to cover 78.2 percent of excess costs. (*Note:* The education consensus estimating group did not issue revised estimates in April 2019.)

School Finance–Capital Outlay State Aid. The Governor recommends expenditures of \$73.2 million, all from the State General Fund, for Capital Outlay State Aid in FY 2020. This is an increase of \$5.5 million above the FY 2020 approved amount. Capital Outlay State Aid provides equalization aid for school districts' optional capital outlay property taxes, which may not exceed eight mills. Expenditures for Capital Outlay State Aid are a demand transfer from the State General Fund. As such, they are considered normal State General Fund expenditures, but there is no line-item appropriation in the appropriations bill.

School Finance–Capital Improvement State Aid. The Governor recommends expenditures of \$208.0 million, all from special revenue funds, for Capital Improvement State Aid in FY 2020. This is a decrease of \$7.0 million below the FY 2020 approved amount. This also concurs with the agency's FY 2020 revised estimate, which projected decreased expenditures of \$7.0 million in FY 2020. Capital Improvement State Aid provides equalization aid for school districts' bonded indebtedness incurred for capital construction projects. Also known as Bond and Interest State Aid, expenditures are made from a special revenue fund, but is funded through a revenue transfer from the State General Fund. Therefore, Capital Improvement State Aid is not classified as a State General Fund expenditure, but is still a State General Fund obligation.

KPERS–USDs. The Governor recommends expenditures of \$516.4 million, all from the State General Fund, for KPERS–USDs in FY 2020. This is a decrease of \$1.8 million below the FY 2020 approved amount. The Fall 2019 Estimates projected growth in covered payroll of 6.0 percent during FY 2020.

KPERS–Non-USDs. The Governor recommends expenditures of \$80.2 million, including \$38.5 million from the State General Fund, for KPERS–Non-USDs in FY 2020. This is a decrease of \$950,493, all from the State General Fund, below the FY 2020 approved amount. The Fall 2019 Estimates projected growth in covered payroll of 6.0 percent during FY 2020.

Other Recommendations

The Governor recommends increased funding of \$67,700, all from the State General Fund, in FY 2020 to pay dues to the Education Commission of the State (ECS). Kansas joined ECS in 1972 when the State joined the Compact on Education through the enactment of KSA 72-8261. Kansas last paid dues to ECS in FY 2009.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 5,716,086,578	\$ 5,641,404,775	\$	(74,681,803)
FTE Positions	267.2	264.2		(3.0)
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 120,866,070	\$ 87,883,264		
All Other Funds	25,336,454	17,107,029		
TOTAL	\$ 146,202,524	\$ 104,990,293		
<i>Percent Change:</i>				
State General Fund	3.0 %	2.2 %		
All Other Funds	1.6	1.1		
TOTAL	2.6 %	1.9 %		
Change in FTE Positions	3.0	0.0		

The **agency** requests expenditures of \$5.7 billion, including \$4.1 billion from the State General Fund, for FY 2021. The request is an all funds increase of \$146.2 million, or 2.6 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$120.9 million, or 3.0 percent, and a special revenue fund increase of \$25.3 million, or 1.6 percent, above the approved amount. The request includes 267.2 FTE positions, which is an increase of 3.0 FTE positions above the number in the FY 2020 revised estimate.

The State General Fund and special revenue fund increases are primarily attributable to the increases in school funding included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16. This includes the following:

- Increased expenditures of \$103.6 million, including \$77.6 million from the State General Fund, for increased State Foundation Aid payments, which is primarily due to the Base Aid for Student Excellence (BASE) increasing from \$4,436 to \$4,569 for FY 2021;
- Increased expenditures of \$16.0 million, all from the State General Fund, for increased Supplemental State Aid payments;
- Increased expenditures of \$7.5 million, all from the State General Fund, for increased Special Education State Aid payments;
- Increased expenditures of \$17.6 million, all from the State General Fund, for increased employer contributions to KPERS–USDs; and
- Increased expenditures of \$2.3 million, including \$2.3 million from the State General Fund, for increased employer contributions to KPERS–Non-USDs.

The State General Fund increase and the FTE increase are also attributable to the agency's enhancement requests, which are described below.

As part of the agency's budget request, the State Board of Education indicated its belief that Special Education State Aid should be funded at 92.0 percent of excess costs, as required by KSA 72-3422. According to the State Board of Education, the percentage of excess costs not funded by the State must be financed by school districts from other sources of state aid, thereby reducing the amount of resources available for general education. Additionally, the State Board recommended the Legislature and Governor explore additional funding for transporting students, including reducing the current mileage threshold for state aid.

Finally, the agency makes the following recommendation and requests:

- The agency recommends the sunset provision for the high-density at-risk weighting be repealed. The high-density at-risk weighting is currently scheduled to expire at the end of FY 2020;
- The agency requests continued authority to allow the Director of the Budget to transfer funds between the agency's State General Fund accounts for FY 2021. The 2019 Legislature provided this authority for FY 2020; and
- The agency requests proviso language allowing the agency to distribute state aid from the State Safety Fund whenever funds are available, instead of by November 1, 2020, for FY 2021.

The **Governor** recommends expenditures of \$5.6 billion, including \$4.1 billion from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$74.7 million, or 1.3 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$65.8 million, or 1.6 percent, and a special revenue fund decrease of \$8.9 million, or 0.6 percent, below the agency's request. The decrease is partially attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates, described below. It is also attributable to the Governor's recommendation to eliminate the KPERS layering payments by paying off the remaining balance of the FY 2017 and FY 2019 delayed payments in FY 2020. The recommendation includes 264.2 FTE positions, which is a decrease of 3.0 FTE positions below the agency's request due to the Governor not recommending the agency's enhancement requests.

Fall 2019 Education Consensus Estimates

The Governor recommends adoption of the Fall 2019 Education Consensus Estimates for FY 2021. The 2019 Legislature appropriated moneys for the major categories of state aid included in the Fall 2019 Estimates; as a result, the new estimates are described as a change from the approved amount. For school finance, the Governor recommends decreased expenditures of \$61.5 million, including \$32.6 million from the State General Fund, below the approved amount. For KPERS, the Governor recommends decreased expenditures of \$6.0 million, all from the State General Fund, below the approved amount.

Compared to the agency's request, the Governor recommends decreased expenditures of \$41.5 million, including \$32.6 million from the State General Fund, for school finance. Additionally, the recommendation is a decrease of \$6.0 million, all from the State General Fund, below the agency's request for KPERS.

The individual components of the Fall 2019 Education Consensus Estimates are described below. Unless otherwise noted, all changes from the approved number are also the change from the agency's FY 2021 request.

School Finance–State Foundation Aid. The Governor recommends expenditures of \$3.2 billion, including \$2.4 billion from the State General Fund, for State Foundation Aid for FY 2021. This is a decrease of \$44.4 million, including \$32.5 million from the State General Fund, below the FY 2021 approved amount. The all funds decrease includes decreased expenditures of \$5.8 million from the statewide 20-mill property tax, decreased expenditures of \$4.0 million from the School District Finance Fund (optional local property taxes), and decreased expenditures of \$2.1 million from the Mineral Production Education Fund. The all funds decrease is primarily attributable to a decrease in weighted FTE enrollment from the Fall 2018 Estimates. This is due to the new facilities weighting being phased out and to decreased estimates for growth in weighted FTE enrollment.

School Finance–Supplemental State Aid. The Governor recommends expenditures of \$513.4 million, all from the State General Fund, for Supplemental State Aid for FY 2021. This is a decrease of \$5.9 million below the approved amount. Supplemental State Aid provides equalization aid for school districts' Local Option Budgets.

School Finance–Special Education State Aid. The Governor recommends expenditures of \$505.4 million, all from the State General Fund, for Special Education State Aid for FY 2021. This is the same as the approved amount. The Fall 2019 Education Consensus Estimates project Special Education State Aid will cover 72.0 percent of excess costs in FY 2021. This is a decrease from the Fall 2018 Estimates, which projected state aid to cover 75.3 percent of excess costs. (*Note:* The education consensus estimating group did not issue revised estimates in April 2019.)

School Finance–Capital Outlay State Aid. The Governor recommends expenditures of \$75.8 million, all from the State General Fund, for Capital Outlay State Aid for FY 2021. This is an increase of \$5.8 million above the FY 2021 approved amount. Capital Outlay State Aid provides equalization aid for school districts' optional capital outlay property taxes, which may not exceed eight mills. Expenditures for Capital Outlay State Aid are a demand transfer from the State General Fund. As such, they are considered normal State General Fund expenditures, but there is no line-item appropriation in the appropriations bill.

School Finance–Capital Improvement State Aid. The Governor recommends expenditures of \$213.0 million, all from special revenue funds, for Capital Improvement State Aid for FY 2021. This is a decrease of \$17.0 million below the FY 2021 approved amount. This is also an increase of \$3.0 million above the agency's request, which projected expenditures of \$210.0 million for FY 2021. Capital Improvement State Aid provides equalization aid for school districts' bonded indebtedness incurred for capital construction projects. Also known as Bond and Interest State Aid, expenditures are made from a special revenue fund, but is funded through a revenue transfer from the State General Fund. Therefore, Capital Improvement State Aid is not classified as a State General Fund expenditure, but is still a State General Fund obligation.

KPERS–USDs. The Governor recommends expenditures of \$530.8 million, all from the State General Fund, for KPERS–USDs for FY 2021. This is a decrease of \$5.0 million below the FY 2020 approved amount. The Fall 2019 Estimates projected growth in covered payroll of 4.0 percent during FY 2021.

KPERS–Non-USDs. The Governor recommends expenditures of \$82.4 million, including \$40.7 million from the State General Fund, for KPERS–Non-USDs for FY 2021. This is a decrease of \$976,965, all from the State General Fund, below the FY 2020 approved amount. The Fall 2019 Estimates projected growth in covered payroll of 4.0 percent during FY 2021.

Other Recommendations

In addition to recommending the adoption of the Fall 2019 Education Consensus Estimates, the Governor recommends the following:

- Delete \$25.8 million, all from the State General Fund, to eliminate the KPERS layering payments for FY 2021. The Governor recommends a single payment of \$268.4 million be made in FY 2020 as a transfer from the State General Fund to the KPERS Trust Fund to pay off the remaining balance of the FY 2017 and FY 2019 delayed payments to KPERS–School. The Governor estimates the State will save approximately \$209.0 million in interest payments by paying off the remaining balance in FY 2020;
- Add \$5.0 million, all from the State General Fund, to expand the Mental Health Intervention Team pilot program for FY 2021. The Governor recommends the pilot program be administered by Kansas State Department of Education as a competitive grant program. This would allow additional mental health organizations to provide services to students. The recommendation includes the consolidation of the separate line item appropriations into one appropriation. The Governor's recommends total funding for the pilot program of \$13.0 million, all from the State General Fund, for FY 2021. This includes \$12.7 million for the competitive grant and \$280,000 for the agency to administer the program;
- Delete \$5.0 million, all from the State General Fund, to eliminate funding for the Safe and Secure Schools Grants for FY 2021. The Governor recommends elimination of this program to fund the expansion of the Mental Health Intervention Team pilot program;
- Delete \$1.4 million, all from the State General Fund, to not recommend the agency's enhancement requests for FY 2021;
- Add \$67,700, all from the State General Fund, to pay dues to the Education Commission of the State (ECS). Kansas joined ECS in 1972 when the State joined the Compact on Education through the enactment of KSA 72-8261. Kansas last paid dues to ECS in FY 2009; and
- Delete \$20,000, all from the State General Fund, to transfer the Governor's Scholar program from the Kansas State Department of Education to the Kansas Board of Regents.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
CTE Transportation	\$ 1,157,118	\$ 1,157,118	0.0	\$ 0	\$ 0	0.0
Early Childhood Position	96,994	96,994	1.0	0	0	0.0
Dyslexia/Early Literacy Position	96,994	96,994	1.0	0	0	0.0
Computer Science Position	96,994	96,994	1.0	0	0	0.0
TOTAL	\$ 1,448,100	\$ 1,448,100	3.0	\$ 0	\$ 0	0.0

The **agency** requests enhancement funding of \$1.4 million, all from the State General Fund, for FY 2021. The enhancement requests are detailed below.

Career and Technical Education (CTE) Transportation. The agency requests \$1.2 million, all from the State General Fund, to fully fund CTE transportation reimbursements to school districts. State law provides for a formula to reimburse school districts for a portion of the costs to transport 11th and 12th grade students to postsecondary CTE programs. Without additional funding, the agency estimates the formula will be prorated at 47 percent for FY 2021.

Early Childhood Education Program Consultant Position. The agency requests \$96,994, all from the State General Fund, and 1.0 FTE position for a new position to focus on early childhood education. According to the agency, additional staff capacity is needed to provide technical assistance and ensure accountability for the delivery of high-quality state-funded early childhood services.

Dyslexia/Early Literacy Education Program Consultant Position. The agency requests \$96,994, all from the State General Fund, and 1.0 FTE position for a new position to direct and implement statewide dyslexia and early literacy initiatives. The Legislative Task Force on Dyslexia included a statewide dyslexia coordinator in its recommendations to the 2019 Legislature. According to the agency, adding a dyslexia/early literacy position will allow for coordinated technical assistance between and among the Early Childhood Team, the Special Education and Title Services Team, and the Career Standards and Assessment Services Team. This would ensure the effectiveness of early literacy initiatives and dyslexia services used statewide and provide a range of professional development.

Computer Science Standards Education Program Consultant Position. The agency requests \$96,994, all from the State General Fund, and 1.0 FTE position for a new position to direct and implement statewide strategies for improving instruction in computer science. According to the agency, adding a computer science position will allow the agency to provide both off- and on-site technical assistance unique to computer science and to provide instructional resources and professional learning with a focus on student postsecondary success.

Without the enhancement requests, the agency requests expenditures of \$5.7 billion, including \$4.1 million from the State General Fund, for FY 2021.

The **Governor** does not recommend the agency's enhancement requests for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$462,425, including \$225,972 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$5,360, including \$2,453 from the State General Fund, and FY 2021 longevity payments total \$5,440, including \$2,491 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

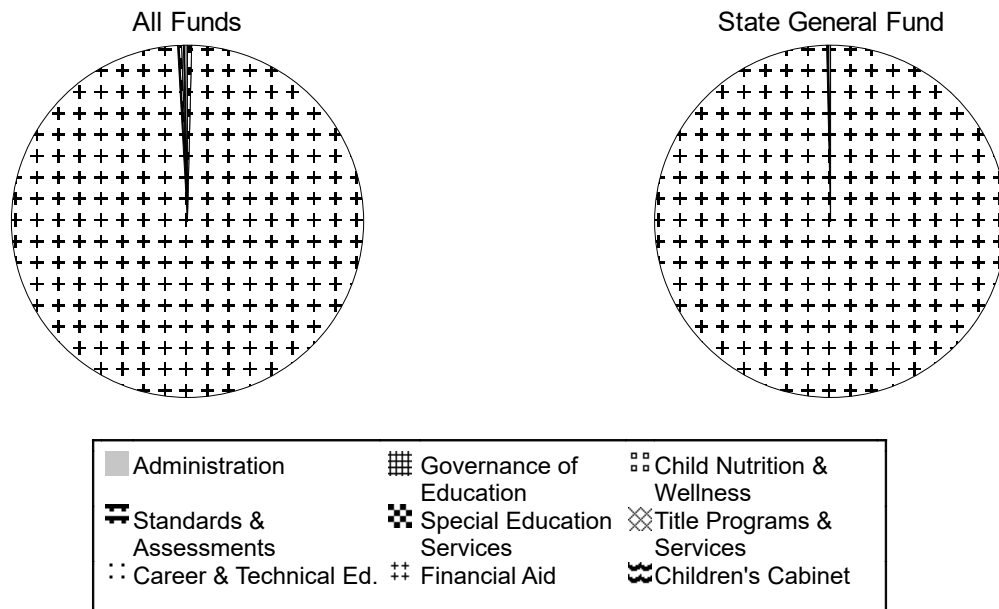
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	72.4 %	72.2 %
Children's Initiatives Fund	0.6	0.6
20 Mill Property Tax	12.9	13.0
Federal Funds	8.5	8.6
All Other Funds	5.7	5.7
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 16,907,470	0.3 %	\$ 9,444,535	0.2 %
Governance of Education	407,883	0.0	407,883	0.0
Child Nutrition & Wellness	3,821,944	0.1	337,241	0.0
Standards & Assessments	9,299,860	0.2	2,803,876	0.1
Special Education Services	12,452,196	0.2	545,290	0.0
Title Programs & Services	5,265,981	0.1	49,526	0.0
Career & Technical Education	2,036,563	0.0	1,131,997	0.0
Financial Aid	5,570,064,608	98.7	4,057,179,479	99.6
Children's Cabinet	21,148,270	0.4	0	0.0
TOTAL	\$ 5,641,404,775	100.0 %	\$ 4,071,899,827	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	145.5	145.4	145.4	145.4	145.4
Governance of Education	1.0	1.0	1.0	1.0	1.0
Child Nutrition & Wellness	35.5	35.4	35.4	35.4	35.4
Standards & Assessments	27.0	25.1	25.1	27.1	25.1
Special Education Services	25.5	25.3	25.3	26.3	25.3
Title Programs & Services	15.0	15.0	15.0	15.0	15.0
Career & Technical Ed.	14.9	14.0	14.0	14.0	14.0
Financial Aid	0.0	0.0	0.0	0.0	0.0
Children's Cabinet	3.0	3.0	3.0	3.0	3.0
TOTAL	267.3	264.2	264.2	267.2	264.2
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Agency Operating Budget (Excluding Children's Cabinet)

This includes all expenditures for state operations within the Department of Education, with the exception of expenditures for the Kansas Children's Cabinet. Expenditures for the Children's Cabinet are detailed in a subsequent table.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of School Finance Printouts Accurately Prepared for Lawmakers within Requested Time Frames	235	108	N/A	64	55	60
Amount of State Aid Savings Found by Fiscal Audit Team (In Thousands)	\$ 6,476	\$ 14,440	\$ 14,500	\$ 17,761	\$ 17,500	\$ 17,500
Number of USD Field Audits Completed	286	286	286	286	286	286
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 45.0	\$ 48.1	\$ 49.8	\$ 54.0	\$ 51.9	\$ 51.3
FTE Positions	244.4	254.5	264.3	264.3	261.2	261.2

AGENCY OPERATING BUDGET (EXCLUDING CHILDREN'S CABINET) SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 19,239,742	\$ 21,053,359	\$ 21,053,359	\$ 21,384,159	\$ 21,141,756
Contractual Services	34,107,704	30,106,948	30,174,648	29,520,051	29,556,281
Commodities	455,101	491,880	491,880	494,423	492,923
Capital Outlay	215,527	168,401	168,401	160,435	144,826
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 54,018,074</i>	<i>\$ 51,820,588</i>	<i>\$ 51,888,288</i>	<i>\$ 51,559,068</i>	<i>\$ 51,335,786</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 54,018,074	\$ 51,820,588	\$ 51,888,288	\$ 51,559,068	\$ 51,335,786
Financing:					
State General Fund	\$ 19,086,525	\$ 17,366,377	\$ 17,434,077	\$ 17,698,587	\$ 17,475,305
All Other Funds	34,931,549	34,454,211	34,454,211	33,860,481	33,860,481
TOTAL	\$ 54,018,074	\$ 51,820,588	\$ 51,888,288	\$ 51,559,068	\$ 51,335,786
FTE Positions	264.3	261.2	261.2	264.2	261.2

The **agency** estimates expenditures of \$51.8 million, including \$17.4 million from the State General Fund, for agency operations in FY 2020. The revised estimate is an all funds decrease of \$219,387, or 0.4 percent, below the FY 2020 amount approved by the 2019 Legislature. This includes a State General Fund decrease of \$240,000, or 1.4 percent, and a special revenue fund increase of \$20,613, or 0.1 percent, from the approved amount. The revised estimate includes 261.2 FTE positions, which is a decrease of 3.1 FTE positions below the approved number.

The State General Fund decrease is primarily attributable to decreased expenditures of \$380,368, or 4.8 percent, for contractual services. This is due to the agency decreasing expenditures for the database constructed for the Mental Health Intervention Team (MHIT) pilot program. The approved budget included \$500,000 for the operation and maintenance of the database. The agency now estimates database expenditures of \$139,632 in FY 2020. The decrease is also attributable to the agency reclassifying expenditures for the Governor's Scholar Program from contractual services to other assistance expenditures. The State General Fund decrease is partially offset by increased salaries and wages expenditures of \$140,368, or 1.5 percent, above the approved amount. This increase is for salaries and fringe benefits for personnel who assist in the implementation of the MHIT pilot program. To fund these positions, the agency, with the approval of the Director of the Budget, transferred reappropriated funds from one of the pilot program's State General Fund accounts to the agency's account for operating expenditures.

The decrease in FTE positions is attributable to the agency decreasing the number of FTE positions to fund other priorities and to offset increases in employer contributions for KPERS and health insurance, rent, and travel.

The agency's operating budget includes the following:

- Salaries and wages expenditures of \$21.1 million, including \$9.8 million from the State General Fund. According to the agency, this includes a shrinkage rate of 7.2 percent in FY 2020;
- Contractual services expenditures of \$30.1 million, including \$7.5 million from the State General Fund. This includes \$6.0 million to fund a contract with the University of Kansas to administer the state assessments and \$2.8 million for a contract to provide the Pre-ACT (for 9th graders) and the ACT and WorkKeys assessments (for 11th graders) free of charge. Contractual services expenditures also include contracts to support Title I schools identified for comprehensive or targeted support and to provide training to teachers, administrators, and food service employees;
- Commodities expenditures of \$491,880, including \$83,620 from the State General Fund. This includes training materials, office supplies, and other consumables required to operate the agency; and
- Capital outlay expenditures of \$168,401, all from special revenue funds. This includes \$43,900 to replace two state-owned vehicles. According to the agency, it is anticipated the vehicles' odometers will reach an average of more than 127,000 by June 30, 2020. The cost for these vehicles will be paid from the agency's Service Clearing Fund and the Conversion of Materials and Equipment Fund. Additionally, the agency's revised estimate includes \$94,501 to replace outdated laptop and desktop computers. The agency replaces computers on a five-year schedule.

The **Governor** recommends expenditures of \$51.9 million, including \$17.4 million from the State General Fund, for agency operations in FY 2020. The recommendation is an increase of \$67,700, or 0.1 percent, above the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$67,700, or 0.4 percent, above the revised estimate. The increase is attributable to the Governor's recommendation for increased funding to pay dues to the Education Commission of the States. The recommendation includes 261.2 FTE positions, which is the same number as the agency's revised estimate.

The **agency** requests expenditures of \$51.6 million, including \$17.7 million from the State General Fund, for agency operations for FY 2021. The request is an all funds decrease of \$261,520, or 0.5 percent, below the FY 2020 revised estimate. This includes a State General Fund increase of \$332,210, or 1.9 percent, and a special revenue fund decrease of \$593,730, or 1.7 percent, from the FY 2020 revised estimate. The request includes 264.2 FTE positions, which is an increase of 3.0 FTE positions above the number in the FY 2020 revised estimate.

The State General Fund increase is primarily attributable to the agency's enhancement requests for 3.0 FTE positions, including 1.0 FTE position for early childhood education, 1.0 FTE position for dyslexia and early literacy, and 1.0 FTE position for computer science. (*Note:* More information on these requests can be found in FY 2021 Enhancement Detail section.) The increase in FTE positions is also due to the agency's enhancement requests. The State General Fund increase is also attributable to increased employer contribution rates, particularly for group health insurance.

The special revenue fund decrease is primarily attributable to decreased contractual services expenditures due to decreased revenue from a variety of federal and private grants.

The agency's operating budget includes the following:

- Salaries and wages expenditures of \$21.4 million, including \$10.1 million from the State General Fund. According to the agency, this includes a shrinkage rate of 7.1 percent;
- Contractual services expenditures of \$29.5 million, including \$7.5 million from the State General Fund;
- Commodities expenditures of \$494,423, including \$86,712 from the State General Fund; and
- Capital outlay expenditures of \$160,435, including \$15,609 from the State General Fund. This includes the replacement of two State-owned vehicles, along with several desktop, laptop, and tablet computers.

The **Governor** recommends expenditures of \$51.3 million, including \$17.5 million from the State General Fund, for agency operations for FY 2021. The recommendation is an all funds decrease of \$223,282, or 0.4 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$223,282, or 1.3 percent, below the agency's request. The recommendation includes 261.2 FTE positions, which is a decrease of 3.0 positions below the agency's request.

The State General Fund and FTE decreases are primarily attributable to the Governor not recommending the agency's enhancement request for 3.0 new FTE positions. The State General Fund decrease is partially offset by the Governor's recommendation to include funding to pay dues to the Education Commission of the States.

B. State Aid and Other Assistance

The agency's Financial Aid program includes all state aid to school districts, as well as most grants provided to local agencies and individuals.

Measure	PERFORMANCE MEASURES					
	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Five-year Postsecondary Success Rate*	52.0 %	54.0 %	N/A	55.0 %	58.0 %	60.0 %
Five-year Postsecondary Effectiveness Rate*	44.0 %	46.0 %	N/A	48.0 %	50.0 %	52.0 %
Number of Teaching Assignments Filled by Unlicensed or Licensed Unqualified Educators (One position May Have Multiple Assignments)*	4,852	4,358	N/A	5,873	5,000	4,000
Percent of Students with Disabilities Who Graduated from High School	76.1 %	77.3 %	83.0 %	77.5 %	84.0 %	85.8 %
Percent of Students with Disabilities Enrolled in Higher Education or Some Other Postsecondary Education Program, or Employed within One Year of Graduation*	77.1 %	67.8 %	N/A	73.0 %	81.1 %	83.3 %
Number of Technical Assistance Resources Available for Teachers to Improve Academic Performance	884	1,718	1,750	1,829	1,900	2,000
Percent of English Language Learners Scoring at Proficient on the Kansas Math Assessment	16.8 %	10.8 %	N/A	9.4 %	11.0 %	12.5 %
Percent of English Language Learners Scoring at Proficient on the Kansas ELA Assessment	16.1 %	8.5 %	N/A	7.5 %	9.0 %	11.0 %
Number of Students in Career and Technical Education Organizations in Kansas	23,400	24,329	24,350	23,555	23,560	23,565
Number of High School Students Enrolled in Tuition-free College, Career, and Technical Education Courses	10,666	10,600	11,800	11,690	11,700	11,710
Percent of Students Served by Mental Health Pilot Program with Improved Academic Performance*	N/A	N/A	N/A	61.3 %	65.0 %	70.0 %
Number of FTE Students Enrolled in K-12 (In Thousands)	457.9	469.9	473.9	473.7	473.7	474.1
Weighted FTE Students in School Finance Formula (In Thousands)	680.8	693.5	692.0	688.7	685.9	686.5
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4,553.2	\$ 4,891.8	\$ 5,046.0	\$ 5,000.8	\$ 5,482.9	\$ 5,588.4
FTE Positions	244.4	257.5	267.3	267.3	264.2	264.2
*The Governor's Office does not utilize this measure for evaluation purposes.						

**STATE AID AND OTHER ASSISTANCE
SUMMARY OF EXPENDITURES, FY 2019 – FY 2021**

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021
State General Fund					
State Foundation Aid	\$ 2,109,651,451	\$ 2,317,774,923	\$ 2,282,148,871	\$ 2,395,359,946	\$ 2,362,835,777
Supplemental State Aid	494,300,000	503,300,000	503,300,000	519,300,000	513,400,000
Special Education State Aid	490,366,856	497,894,780	497,894,780	505,380,818	505,380,818
Capital Outlay State Aid	64,961,024	67,750,000	73,200,000	70,000,000	75,800,000
KPERS–USDs	260,116,315	518,149,778	516,387,150	535,772,332	530,769,587
KPERS–Non-USDs	30,472,228	39,472,519	38,522,026	41,724,330	40,747,365
KPERS Layering Payment (FY 2017)	6,400,000	6,400,000	6,400,000	6,400,000	0
KPERS Layering Payment (FY 2019)	0	19,400,000	19,400,000	19,400,000	0
Mental Health Pilot Program	7,130,676	8,749,726	8,749,726	7,673,886	12,673,886
Juvenile Detention Grants	3,975,243	5,060,528	5,060,528	5,060,528	5,060,528
School Safety & Security Grants*	33,746	5,000,000	5,000,000	5,000,000	0
School Food Assistance	2,510,486	2,510,486	2,510,486	2,510,486	2,510,486
Evidence-Based Reading Programs	0	1,200,000	1,200,000	0	0
Professional Development	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Mentor Teacher Program	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Technical Ed. Transportation	650,000	1,851,844	1,851,844	2,200,000	1,042,882
Teach for America	270,000	261,000	261,000	0	0
Teacher Excellence Grant/Scholarships	244,125	360,693	360,693	360,693	360,693
Technical Ed. Incentive	799,520	80,000	80,000	0	0
Education SuperHighway	300,000	512,882	512,882	120,000	120,000
Juvenile Transitional Crisis Center Pilot	300,000	300,000	300,000	300,000	300,000
Deaf-Blind Program Aid	109,970	110,000	110,000	110,000	110,000
JAG-K Pilot Program	7,028	0	0	0	0
Governor's Scholar Program	0	20,000	20,000	20,000	0
Discretionary Grants	312,500	312,500	312,500	312,500	312,500
Subtotal–State General Fund	\$ 3,475,911,168	\$ 3,999,471,659	\$ 3,966,582,486	\$ 4,120,005,519	\$ 4,054,424,522
Other State Funds					
20-Mill Local Property Tax	\$ 677,464,910	\$ 711,953,488	\$ 710,718,389	\$ 738,735,088	\$ 732,980,564
School District Finance Fund	58,279,277	56,000,000	56,000,000	56,000,000	52,000,000
KPERS–ELARF	40,084,000	41,632,883	41,632,883	41,640,023	41,640,023
Capital Improvement State Aid	202,100,232	208,000,000	208,000,000	210,000,000	213,000,000
Mineral Production Fund	9,233,202	11,100,000	11,687,000	10,326,000	8,203,000
State Highway Fund	45,000,000	0	0	0	0
School Safety & Security Grants*	5,000,000	0	0	0	0
Communities in Schools	50,000	50,000	50,000	50,000	50,000
Driver Education Aid	1,672,132	1,607,000	1,607,000	832,000	832,000
USD Checkoff Fund	44,590	50,000	50,000	50,000	50,000
Private Gifts and Grants	156,107	0	0	0	0
Children's Cabinet–Family & Children Investment Fund	10,000	25,000	25,000	25,000	25,000
Subtotal–Other State Funds	\$ 1,039,094,450	\$ 1,030,418,371	\$ 1,029,770,272	\$ 1,057,658,111	\$ 1,048,780,587

*The 2018 Legislature transferred \$5.0 million from the State General Fund to a special revenue fund for the School Safety and Security Grants. To provide grants to all school districts that applied in FY 2019, KSDE supplemented this special revenue fund with some State General Fund moneys from the agency's operations account. Beginning in FY 2020, funding for the program was appropriated directly from the State General Fund.

Note: The table previously included some contractual services expenditures because the primary beneficiaries of the contracts were local education agencies. These items have now been removed from the table. The table only shows those expenditures categorized as state aid to local units of government or other assistance.

STATE AID AND OTHER ASSISTANCE SUMMARY OF EXPENDITURES, FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021
Children's Initiatives Fund					
Parent Education (Parents as Teachers)	\$ 8,162,592	\$ 8,512,678	\$ 8,512,678	\$ 8,437,635	\$ 8,437,635
Kansas Preschool Program (Pre-K Pilot)	4,078,583	4,200,000	4,200,000	4,200,000	4,200,000
Children's Cabinet–Early Childhood Block Grant	17,098,426	17,315,941	17,315,941	17,219,557	17,219,557
Children's Cabinet–Child Care Quality Initiative	500,000	500,000	500,000	500,000	500,000
Children's Cabinet–Autism Diagnosis Program	50,000	50,000	50,000	50,000	50,000
Children's Cabinet–Communities Aligned in Early Dev. & Ed.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<i>Subtotal-Children's Initiatives Fund</i>	<i>\$ 30,889,601</i>	<i>\$ 31,578,619</i>	<i>\$ 31,578,619</i>	<i>\$ 31,407,192</i>	<i>\$ 31,407,192</i>
Selected Federal Funds					
Special Education	\$ 106,799,121	\$ 101,757,250	\$ 101,757,250	\$ 101,757,250	\$ 101,757,250
School Food Assistance	190,412,415	198,119,679	198,119,679	203,312,373	203,312,373
Elementary and Secondary Education Act (ESEA) Prog.	115,554,741	109,461,892	109,461,892	103,011,892	103,011,892
TANF Children's Programs	3,053,003	4,132,317	4,132,317	4,132,317	4,132,317
Children's Cabinet–Community-Based Child Abuse Prevention	820,894	720,000	720,000	720,000	720,000
All Other Federal Funding	38,247,936	40,760,541	40,760,541	40,889,143	40,889,143
<i>Subtotal-Federal Funds</i>	<i>\$ 454,888,110</i>	<i>\$ 454,951,679</i>	<i>\$ 454,951,679</i>	<i>\$ 453,822,975</i>	<i>\$ 453,822,975</i>
Total-All Other Funds	<u>\$ 1,524,872,161</u>	<u>\$ 1,516,948,669</u>	<u>\$ 1,516,300,570</u>	<u>\$ 1,542,888,278</u>	<u>\$ 1,534,010,754</u>
GRAND TOTAL	<u>\$ 5,000,783,329</u>	<u>\$ 5,516,420,328</u>	<u>\$ 5,482,883,056</u>	<u>\$ 5,662,893,797</u>	<u>\$ 5,588,435,276</u>

STATE FOUNDATION AID SUMMARY OF EXPENDITURES, FY 2019 – FY 2021					
Funding Source	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021
State General Fund	\$ 2,109,651,451	\$ 2,317,774,923	\$ 2,282,148,871	\$ 2,395,359,946	\$ 2,362,835,777
20-Mill Local Property Tax	677,464,910	711,953,488	710,718,389	738,735,088	732,980,564
School District Finance Fund	58,279,277	56,000,000	56,000,000	56,000,000	52,000,000
Mineral Production Fund	9,233,202	11,100,000	11,687,000	10,326,000	8,203,000
State Highway Fund	45,000,000	0	0	0	0
TOTAL	<u>\$ 2,899,628,840</u>	<u>\$ 3,096,828,411</u>	<u>\$ 3,060,554,260</u>	<u>\$ 3,200,421,034</u>	<u>\$ 3,156,019,341</u>

BASE AID FOR STUDENT EXCELLENCE (BASE) FY 2019 – FY 2023			
Fiscal Year	Current Law	Agency Request	Governor's Rec.
2019	\$ 4,165	\$ 4,165	\$ 4,165
2020	4,436	4,436	4,436
2021	4,569	4,569	4,569
2022	4,706	4,706	4,706
2023	4,846	4,846	4,846

The **agency** estimates \$5.5 billion, including \$4.0 billion from the State General Fund, for state aid and other assistance expenditures in FY 2020. This is an all funds decrease of \$4.3 million, or 0.1 percent, and a State General Fund increase of \$2.5 million, or 0.1 percent, from the FY 2020 budget approved by the 2019 Legislature.

The all funds decrease is primarily attributable to decreased expenditures for Capital Improvement State Aid, which provides equalization aid to school districts for capital improvements projects. The approved FY 2020 budget included \$215.0 million for Capital Improvement State Aid. The agency's revised estimate includes \$208.0 million in expenditures for Capital Improvement State Aid. This is a decrease of \$7.0 million, or 3.3 percent, below the approved amount.

This all funds decrease is partially offset by increased State General Fund expenditures for the Mental Health Intervention Team pilot program (\$1.3 million) and for Career and Technical Education (CTE) transportation (\$1.2 million). These increases are due to the reappropriation of unused funds from FY 2019 to FY 2020.

The **Governor** recommends expenditures of \$5.5 billion, including \$4.0 billion from the State General Fund, for state aid and other assistance expenditures in FY 2020. This is an all funds decrease of \$33.5 million, or 0.6 percent, and a State General Fund decrease of \$32.9 million, or 0.8 percent, below the agency's FY 2020 revised estimate. The all funds and State General Fund decreases are attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates.

The Governor's recommendation is an all funds increase of \$482.1 million, or 9.6 percent, and a State General Fund increase of \$490.7 million, or 14.1 percent, above the FY 2019 actual expenditures. The all funds and State General Fund increases are partially attributable to the school funding increases included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16. The increases are also attributable to increased expenditures for KPERS–USDs due to a return to the statutory employer contribution amount after the delay of \$194.0 million in employer contributions during FY 2019.

The **agency** requests \$5.7 billion, including \$4.1 billion from the State General Fund, for state aid and other assistance expenditures for FY 2021. This is an all funds increase of \$146.5 million, or 2.7 percent, and a State General Fund increase of \$120.5 million, or 3.0 percent, above the FY 2020 revised estimate.

The State General Fund and special revenue fund increases are primarily attributable to the increases in school funding included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16. This includes the following:

- Increased expenditures of \$103.6 million, including \$77.6 million from the State General Fund, for increased State Foundation Aid payments, which is primarily

due to the Base Aid for Student Excellence (BASE) increasing from \$4,436 to \$4,569 for FY 2021;

- Increased expenditures of \$16.0 million, all from the State General Fund, for increased Supplemental State Aid payments;
- Increased expenditures of \$7.5 million, all from the State General Fund, for increased Special Education State Aid payments;
- Increased expenditures of \$17.6 million, all from the State General Fund, for increased employer contributions to KPERS–USDs; and
- Increased expenditures of \$2.3 million, including \$2.3 million from the State General Fund, for increased employer contributions to KPERS–Non-USDs.

The State General Fund increase is also attributable to the agency's enhancement request to fully fund CTE transportation for FY 2021.

The **Governor** recommends expenditures of \$5.6 billion, including \$4.1 billion from the State General Fund, for state aid and other assistance expenditures for FY 2021. This is an all funds decrease of \$74.5 million, or 1.3 percent, and a State General Fund decrease of \$65.6 million, or 1.6 percent, below the agency's FY 2021 request. The decreases are partially attributable to the Governor's recommendation to adopt the Fall 2019 Education Consensus Estimates. They are also attributable to the recommendation to eliminate the KPERS layering payments for FY 2021. The Governor recommends a single payment of \$268.4 million be made in FY 2020 as a transfer from the State General Fund to the KPERS Trust Fund to pay off the remaining balance of the FY 2017 and FY 2019 delayed payments to KPERS–School.

The Governor's recommendation for FY 2021 is an all funds increase of \$105.6 million, or 1.9 percent, and a State General Fund increase of \$87.8 million, or 2.2 percent, above the Governor's FY 2020 recommendation. The increases are primarily attributable to the school funding increases included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16. These increase are partially offset by the Governor's recommendation to eliminate the KPERS layering payments for FY 2021.

C. Kansas Children's Cabinet

The Kansas Children's Cabinet is established pursuant to KSA 38-1901. Its responsibilities include:

- Assisting the Governor in developing and implementing a coordinated, comprehensive delivery system to improve the health and well-being of families and children in Kansas;
- Evaluating programs funding through the Children's Initiatives Fund; and
- Making recommendations to the Legislature and the Governor on how best to allocate funds to achieve the Cabinet's charge.

Effective July 1, 2016, the Department of Education became the fiscal and administrative agency for the Kansas Children's Cabinet.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Children Served through Early Childhood Block Grant Programs*	8,707	7,102	N/A	7,457	N/A	N/A
Number of Professionals Receiving Training or Professional Development through the Child Care Quality Initiative*	309	452	N/A	267	N/A	N/A
Number of Children Receiving Direct Services through the Autism Diagnosis Program*	92	44	N/A	63	N/A	N/A
Percent of Programs that Report Annual Outcomes with Data Supported by Cabinet-approved Plans	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 17.9	\$ 18.0	\$ 21.3	\$ 21.1	\$ 21.3	\$ 21.1
FTE Positions	3.0	3.0	3.0	3.0	3.0	3.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

KANSAS CHILDREN'S CABINET SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 279,125	\$ 283,320	\$ 283,320	\$ 283,933	\$ 283,933
Contractual Services	1,283,471	1,357,056	1,357,056	1,347,120	1,347,120
Commodities	3,239	2,762	2,762	2,660	2,660
Capital Outlay	11,897	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,577,732	\$ 1,643,138	\$ 1,643,138	\$ 1,633,713	\$ 1,633,713
Aid to Local Units	0	0	0	0	0
Other Assistance	19,479,320	19,610,941	19,610,941	19,514,557	19,514,557
TOTAL	\$ 21,057,052	\$ 21,254,079	\$ 21,254,079	\$ 21,148,270	\$ 21,148,270
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	21,057,052	21,254,079	21,254,079	21,148,270	21,148,270
TOTAL	\$ 21,057,052	\$ 21,254,079	\$ 21,254,079	\$ 21,148,270	\$ 21,148,270
FTE Positions	3.0	3.0	3.0	3.0	3.0

The **agency** estimates expenditures of \$21.3 million, including \$20.1 million from the Children's Initiatives Fund, for the Kansas Children's Cabinet in FY 2020. This is an all funds increase of \$85,421, or 0.4 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a Children's Initiatives Fund increase of \$92,951, or 0.5 percent, above the approved amount. The revised estimate includes 3.0 FTE positions, which is the same as the approved number. The all funds and Children's Initiatives Fund increases are partially attributable to increased Children's Initiatives Fund expenditures for other assistance

due to the agency reappropriating \$74,692 from FY 2019 to FY 2020 for the Early Childhood Block Grant.

The **Governor** concurs with the agency's revised estimate for the Kansas Children's Cabinet in FY 2020.

The **agency** requests expenditures of \$21.1 million, including \$20.1 million from the Children's Initiatives Fund, for the Kansas Children's Cabinet for FY 2021. This is an all funds decrease of \$105,809, or 0.5 percent, below the FY 2020 revised estimate. This includes a Children's Initiatives Fund decrease of \$92,951, or 0.5 percent, below the FY 2020 revised estimate. The request includes 3.0 FTE positions, which is the same as the FY 2020 number. The decrease is primarily attributable to decreased other assistance expenditures of \$96,384, all from the Children's Initiatives Fund, for the Early Childhood Block Grant. It is also attributable to decreased expenditures for contractual services, which include contracts with the University of Kansas and Wichita State University to provide evaluation and accountability services, technical support, and assistance in administering grants.

The **Governor** concurs with the agency's request for the Kansas Children's Cabinet for FY 2021.

POSTSECONDARY EDUCATION SYSTEMWIDE

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 789,369,446	\$ 836,016,045	\$ 840,516,045	\$ 932,979,847	\$ 864,953,417
Other Funds	2,053,714,988	2,138,716,015	2,138,716,015	2,146,942,247	2,146,942,247
Subtotal	\$2,843,084,434	\$ 2,974,732,060	\$2,979,232,060	\$3,079,922,094	\$ 3,011,895,664
Capital Improvements:					
State General Fund	\$ 4,686,261	\$ 7,574,270	\$ 7,574,270	\$ 2,352,350	\$ 2,352,350
Other Funds	133,578,125	168,458,818	168,458,818	122,236,300	122,236,300
Subtotal	\$ 138,264,386	\$ 176,033,088	\$ 176,033,088	\$ 124,588,650	\$ 124,588,650
TOTAL	\$2,981,348,820	\$ 3,150,765,148	\$3,155,265,148	\$ 3,204,510,744	\$ 3,136,484,314
Percentage Change:					
Operating Expenditures					
State General Fund	4.2 %	5.9 %	6.5 %	11.6 %	2.9 %
All Funds	5.7	4.6	4.8	3.5	1.1
FTE Positions	18,943.1	19,054.4	19,054.4	19,054.4	19,054.4

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Postsecondary Education Systemwide summarizes state expenditures for higher education. The State operates six state universities under the control of the Board of Regents. The state universities are divided into nine budget units. Separate analysis for each of these units follow this overview. The State also provides financial assistance to local postsecondary educational institutions and student financial aid through the budget of the Board of Regents. Only the State's share of the local postsecondary educational institutions' budgets are reflected in the state budget.

MAJOR ISSUES FROM PRIOR YEARS

The **1999 Legislature** passed the Higher Education Coordination Act (SB 345), which transferred supervision of community colleges, area vocational schools, technical colleges, adult education programs, and proprietary schools from the Department of Education to the Board of Regents. The responsibilities of the Board of Regents also changed to include coordination of all postsecondary education in the state including Washburn University and private colleges and universities.

The legislation outlined several funding components designed to be adjusted annually over four years:

- An operating grant formula was established to provide state funding for the community colleges and Washburn University beginning in FY 2001. The grant amount would be calculated based upon the State General Fund appropriations at the regional Regents' universities (Emporia, Fort Hays, or Pittsburg) and the institutions' FTE enrollment and would increase incrementally over four years. County out-district tuition would be phased out over the four years and would be replaced by state aid, which would be added to the operating grant. Only the first three years of this provision have been implemented;
- An amount equal to the increase in the community college operating grant would be given to the Regents' institutions for faculty salary increases; and
- A performance funding mechanism was established through which an institution could receive up to an additional 2.0 percent of its State General Fund appropriation based upon its performance as compared to pre-specified indicators. This provision has not been implemented at any funding level.

The **2007 Legislature** passed legislation establishing the Postsecondary Technical Education Authority, which would be composed of the following 12 members: four appointed by the Board of Regents; three appointed by the Governor, including the chairperson; one appointed by the President of the Senate; and one appointed by the Speaker of the House of Representatives. There also are three ex officio members: the Commissioner of Education, the Secretary of Commerce, and the Secretary of Labor.

The legislation required the governing bodies of Northeast Kansas Technical College, Kansas City Area Technical School, Kaw Area Technical School, Salina Area Technical School, and Southwest Kansas Technical School to submit a plan to merge or affiliate with a postsecondary education institution or become an accredited technical college with an independent governing board by July 1, 2008. Salina Area Technical School became Salina Area Technical College, Southwest Kansas Technical School merged with Seward Community College, Northeast Kansas Technical School merged with Highland Community College, Kansas City Area Technical School merged with Kansas City Kansas Community College, and Kaw Area Technical School merged with Washburn University. The legislation originally set a sunset date of June 30, 2014, but the 2013 Legislature amended the sunset to June 30, 2017. The 2017 Legislature amended the sunset to June 30, 2019.

The **2010 Legislature** passed legislation amending the Private and Out-of-State Postsecondary Educational Institutions Act. Under previous law, each institution would have to apply to the State Board of Regents for a certificate of approval but would not have to obtain additional approval for a branch campus. The legislation requires institutions notify the State Board of Regents about the existence of the branch campus. The branch campus is subject to fees and review by the Board to ensure it is in compliance with laws and regulations. Other provisions of the legislation include new definitions of regulated institutions, changes to the application and renewal process for branch campuses, clarification of the types of degrees requiring a certificate of approval, and greater penalties for violations of the Act. The legislation also establishes a broad range of fees for degree and non-degree granting institutions. The fee increases are in effect for one year only, FY 2011. Finally, the legislation requires any faculty member employed by a state educational institution who receives an annual salary of \$150,000 or more, other than an adjunct faculty member, file a statement of substantial interests with the Kansas Governmental Ethics Commission.

The **2011 Legislature** passed legislation making technical corrections and updates related to postsecondary technical education. The bill updated terminology, removed definitions for terms no longer used, eliminated vocational school references, added individual institution specific references, updated and removed obsolete sections of identified statutes, and repealed statutes no longer needed.

The bill created the Postsecondary Tiered Technical Education State Aid Act, which replaced the current funding structure. Beginning for FY 2012, and in each fiscal year thereafter, each community college and technical college and the Washburn Institute of Technology is eligible for postsecondary tiered technical education state aid from the State General Fund for credit hours approved by the State Board of Regents using a credit hour cost calculation model. This model includes all of the following concepts:

- Arrange technical education programs into categories or tiers by recognizing cost differentials (e.g., programs with similar costs comprise one of six tiers);
- Consider target industries critical to the Kansas economy;
- Respond to program growth;
- Consider local taxing authority for credit hours generated by in-district students; and
- Include other factors and considerations determined necessary by the State Board of Regents.

The bill provides that each community college and technical college is eligible for a grant from the State General Fund in an amount determined by the State Board of Regents for non-tiered course credit hours approved by the Board of Regents after dialogue with community college and technical college presidents.

The **2011 Legislature** also passed legislation designating 50 counties as Rural Opportunity Zones (ROZs), effectively providing an income tax exemption for certain out-of-state taxpayers who relocate to those counties and authorizing the counties to participate in a state-matching program to repay student loans of up to \$15,000 for certain students who establish domicile in ROZ counties.

The counties receiving the ROZ designation are: Barber, Chautauqua, Cheyenne, Clark, Cloud, Comanche, Decatur, Edwards, Elk, Gove, Graham, Greeley, Greenwood, Hamilton, Harper, Hodgeman, Jewell, Kearny, Kingman, Kiowa, Lane, Lincoln, Logan, Marion, Mitchell, Morton, Ness, Norton, Osborne, Pawnee, Phillips, Pratt, Rawlins, Republic, Rooks, Rush, Russell, Scott, Sheridan, Sherman, Smith, Stafford, Stanton, Trego, Thomas, Wallace, Washington, Wichita, Wilson, and Woodson.

ROZ counties are authorized to adopt resolutions prior to January 1, 2012 (and every subsequent year through January 1, 2016), irrevocably obligating the counties to pay half of certain extant student loan costs, up to a maximum of \$15,000, in equal increments over a five-year period. A state-matching program, subject to appropriations, will provide for matching payments. If the maximum \$15,000 amount were to be adopted in a ROZ county resolution, the state and the county would each repay \$7,500 in equal increments over a five-year period or \$1,500 per year per governmental entity.

Resident individuals are entitled to apply for the loan repayments relative to payments made to attend institutions of higher learning where they obtained an associate, bachelor, or post-graduate degree provided they have established domicile in a ROZ county on or after the

date such county commenced participation in the program and prior to July 1, 2016. Eligibility for the loan repayment program terminates upon relocation outside of the ROZ county from which initial eligibility was obtained.

The **2014 Legislature** created the GED Accelerating Opportunity program. This program allows the funds from the tuition for technical education fund to be used for adult students to enroll in technical education classes while obtaining a GED.

The **2014 Legislature** also created a performance-based incentive program to award individuals receiving a GED or technical certification from a postsecondary educational institution. In 2015 the Governor vetoed the Performance Incentive Grant from House Sub. for SB 112 and for FY 2016, transferred \$1.9 million to the State General Fund.

The **2014 Legislature** also added \$500,000 to the Board of Regents to create information technology educational opportunities in cooperation with the Department of Education. This funding is now in the Department of Education budget.

The **Governor's December 2014 State General Fund allotment** reduced approved expenditures by \$895,434, and the **February 2015 State General Fund allotment** reduced approved expenditures by \$16.2 million for FY 2015.

The **Governor's March 2015 State General Fund allotment** reduced approved expenditures by \$17.3 million for FY 2016.

The **Governor's May 2016 State General Fund allotment** reduced approved expenditures by \$30.7 million for FY 2017.

The **2017 Legislature** passed SB 32, which amended the Medical Student Loan Act to add general psychiatry and child psychiatry to the approved postgraduate residency training program. The bill also amended the Kansas Medical Residency Bridging Program, which allows the University of Kansas Medical Center to enter into residency bridging loan agreements with three medical residents in training in general or child psychiatry. Two new funds were appropriated for these programs with an appropriation of \$1.0 million, all from the State General Fund, to fund these new programs for FY 2018 and FY 2019.

The **2017 Legislature** also passed SB 174, which affiliates the Wichita Area Technical College (WATC) with Wichita State University (WSU). The bill changes the governing board of WATC to an industry advisory board to the President of WSU.

The **2017 Legislature** also passed HB 2213, which amends laws concerning postsecondary education. The law specifically extends the provisions establishing the Postsecondary Technical Education Authority from June 30, 2017, to June 30, 2019. Additionally, the law amends the Kansas Private and Out-of-State Postsecondary Educational Institution Act to extend a June 30, 2017, sunset to June 30, 2018, for a statute authorizing the Kansas Board of Regents to fix, charge, and collect fees for such institutions.

The **2018 Legislature** passed HB 2541, which amended the Kansas National Guard Educational Assistance Act to provide educational assistance each semester in an amount equal to the tuition and fees for not more than 15 credit hours. The legislation amended the definition of "eligible guard member."

The **2018 Legislature** also passed HB 2542, which exempted postsecondary educational institutions that have implemented performance agreements with the Kansas Board of Regents from the performance-based budgeting requirements. The legislation also amended statutes for fees collected by the Kansas Board of Regents and removed the June 30, 2018, sunset on the statute authorizing the Kansas Board of Regents to fix, charge, and collect fees for state institutions and institutions domiciled or having their principal place of business outside the state of Kansas.

The **2019 Legislature** passed HB 2144, which amends the law related to community college student fees and enacts the Community College Taxpayer Transparency Act. The bill requires any student fees to be charged have a specific purpose and that purpose to be specified on the community college's website. The bill also requires community colleges to identify the courses that are fully transferable to four-year colleges governed by the Board of Regents and display those on the college's website. The bill also requires community colleges to publish certain information to the community college's website under an easily identifiable link titled "taxpayer and student transparency data."

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agencies** requests \$3.2 billion, including \$843.6 million from the State General Fund, in FY 2020. This is an all funds increase of \$120.6 million, or 4.0 percent, and a State General Fund decrease of \$624,671, or 0.1 percent, from the approved amount. The increase is due to increased expenditures from special revenue funds, primarily for capital improvements. The State General Fund decrease is due to a lapse of \$916,342 from the University of Kansas for the debt service payments on the School of Pharmacy, which were transferred to the Department of Administration, partially offset by an increase of \$291,670 in a supplemental request by Kansas State University for a technical adjustment to the salary plan implemented by the 2019 Legislature.

The **Governor** concurs with the agencies' revised estimates and adds \$4.5 million for the Excel in Career Technical Education program in FY 2020 to fully fund the program.

The Governor concurs with the agencies' revised estimates for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agencies** request an operating budget of \$3.1 billion, including \$933.0 million from the State General Fund, for FY 2021. This is an all funds increase of \$105.2 million, or 3.5 percent, and a State General Fund increase of \$97.0 million, or 11.6 percent, above the FY 2020 revised estimate. The increase is primarily due to an enhancement request for \$96.3 million, all from the State General Fund, for FY 2021.

The agencies request capital improvement expenditures of \$124.6 million, including \$2.4 million from the State General Fund. This is an all funds decrease of \$51.4 million, or 29.2 percent, and a State General Fund decrease of \$5.2 million, or 68.9 percent, below the FY 2020 revised estimate. The decrease is due to an overall decrease in capital improvement projects. However, Fort Hays State University has three new projects for FY 2021, including Forsyth Library renovations, the South Campus Drive renovation, and Rarick Hall renovations. The expenditures for Kansas State University–Extension Systems and Agricultural Research Programs and Kansas State University–Veterinary Medical Center are for lease payments.

The **Governor** recommends \$3.0 billion, including \$865.0 million from the State General Fund. This is an all funds decrease of \$68.0 million, or 2.2 percent, and a State General Fund decrease of \$68.0 million, or 7.3 percent, below the agencies' requests. The Governor's recommendation does not include \$68.0 million of the enhancement requests.

The Governor concurs with the agencies' requests for capital improvements for FY 2021.

PERFORMANCE MEASURES

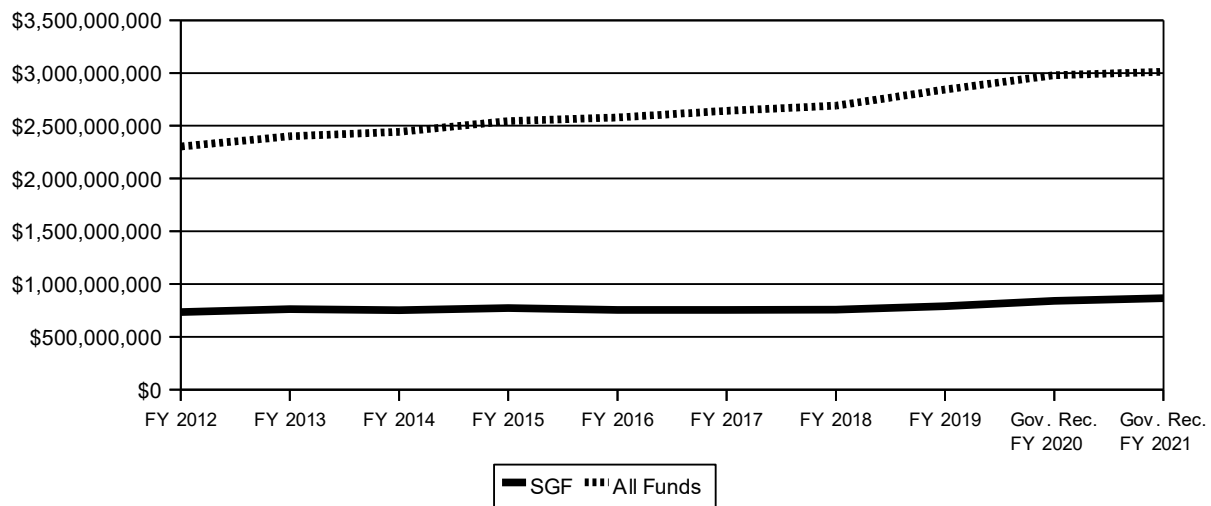
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections. The table below provides draft information that has not been approved by the Board of Regents.

PERFORMANCE MEASURES					
Measure	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Administration Program					
Percentage of Agency Administrative Costs of Total Budget	3.4 %	N/A	3.1 %	3.2 %	3.3 %
Percentage of Board Goals Completed or Made Progress towards Completion	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Postsecondary Education Institutions Program					
Attainment: Number of Certificates and Degrees Awarded (Washburn University, Community and Technical Colleges)	21,358	N/A	22,440	25,515	25,515
First-to-second Year Retention Rates					
Washburn University	70.1 %	N/A	68.9 %	69.0 %	69.0 %
Community Colleges	58.0 %	N/A	58.6 %	59.0 %	59.0 %
Technical Colleges	62.3 %	N/A	61.2 %	62.0 %	62.0 %
Student Success Index Rates					
Washburn University	64.8 %	N/A	65.0 %	65.0 %	65.0 %
Community Colleges	56.0 %	N/A	57.0 %	57.0 %	57.0 %
Technical Colleges	69.4 %	N/A	70.0 %	70.0 %	70.0 %
Excel in Career Technical Education (CTE) Initiative					
Participating Headcount	11,690	N/A	13,675	14,000	14,000
College Credit Hours Generated	92,092	N/A	105,084	110,000	110,000
Student Financial Assistance Program					
Initially Eligible Applicants	31,018	N/A	31,472	31,500	31,500
State Scholarship Award Recipients	10,995	N/A	12,021	12,000	12,000
Agency Expenditures					
All Funds (Dollars in Millions)	\$ 196.8	\$ 226.5	\$ 223.1	\$ 236.1	\$ 256.2
FTE Positions	62.5	62.5	62.5	64.5	64.5

The Board of Regents is the only agency within the Postsecondary Education Systemwide with performance measures pursuant to HB 2739. The state universities each have performance agreements with the Board of Regents and are exempted from the performance-based budgeting requirements.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 734,513,248	(1.5)%	\$ 2,304,122,481	(0.9)%	17,198.1
2013	762,051,658	3.7	2,400,661,542	4.2	18,025.3
2014	753,699,829	(1.1)	2,443,086,258	1.8	17,974.5
2015	772,589,439	2.5	2,544,838,605	4.2	17,959.2
2016	754,115,709	(2.4)	2,578,925,307	1.3	18,513.7
2017	755,472,863	0.2	2,642,304,641	2.5	18,812.8
2018	757,625,825	0.3	2,690,758,631	1.8	18,732.3
2019	789,369,446	4.2	2,843,084,434	5.7	18,943.1
2020 Gov. Rec.	840,516,045	6.5	2,979,232,060	4.8	19,054.4
2021 Gov. Rec.	864,953,417	2.9	3,011,895,664	1.1	19,054.4
Ten-Year Change Dollars/Percent	\$ 130,440,169	17.8 %	\$ 707,773,183	30.7 %	1,856.3

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Board of Regents	\$ 223,091,676	\$ 231,645,366	\$ 324,260,621	\$ 92,615,255	40.0 %	\$ 236,145,366	\$ 256,234,191	\$ 20,088,825	8.5 %
Emporia State	86,987,009	95,358,812	94,096,294	(1,262,518)	(1.3)	95,358,812	94,096,294	(1,262,518)	(1.3)
Fort Hays State	140,350,818	139,835,024	144,801,679	4,966,655	3.6	139,835,024	144,801,679	4,966,655	3.6
Kansas State	550,518,058	582,864,597	583,497,392	632,795	0.1	582,864,597	583,497,392	632,795	0.1
KSU-ESARP	146,720,826	154,343,975	154,707,201	363,226	0.2	154,343,975	154,707,201	363,226	0.2
KSU-VMC	62,568,656	68,215,513	68,368,687	153,174	0.2	68,215,513	68,368,687	153,174	0.2
Pittsburg State	99,393,584	106,577,804	106,183,948	(393,856)	(0.4)	106,577,804	106,183,948	(393,856)	(0.4)
University of Kansas	766,884,313	782,902,056	788,545,682	5,643,626	0.7	782,902,056	788,545,682	5,643,626	0.7
KUMC	395,274,876	417,950,492	418,131,597	181,105	0.0	417,950,492	418,131,597	181,105	0.0
Wichita State	371,294,618	395,038,421	397,328,993	2,290,572	0.6	395,038,421	397,328,993	2,290,572	0.6
TOTAL	\$ 2,843,084,434	\$ 2,974,732,060	\$ 3,079,922,094	\$ 105,190,034	3.5 %	\$ 2,979,232,060	\$ 3,011,895,664	\$ 32,663,604	1.1 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 1,681,475,822	\$ 1,789,435,712	\$ 1,801,626,127	\$ 12,190,415	0.7 %	\$ 1,789,435,712	\$ 1,801,626,127	\$ 12,190,415	0.7 %
Contractual Services	468,844,755	473,923,257	470,829,881	(3,093,376)	(0.7)	473,923,257	470,829,881	(3,093,376)	(0.7)
Commodities	94,023,658	103,138,035	104,056,918	918,883	0.9	103,138,035	104,056,918	918,883	0.9
Capital Outlay	74,340,431	68,675,212	69,572,870	897,658	1.3	68,675,212	69,572,870	897,658	1.3
Debt Service	33,561,265	34,964,162	33,772,018	(1,192,144)	(3.4)	34,964,162	33,772,018	(1,192,144)	(3.4)
<i>Subtotal - Operations</i>	<i>\$ 2,352,245,931</i>	<i>\$ 2,470,136,378</i>	<i>\$ 2,479,857,814</i>	<i>\$ 9,721,436</i>	<i>0.4 %</i>	<i>\$ 2,470,136,378</i>	<i>\$ 2,479,857,814</i>	<i>\$ 9,721,436</i>	<i>0.4 %</i>
Aid to Local Units	192,049,695	196,728,723	195,166,675	(1,562,048)	(0.8)	201,228,723	206,527,089	5,298,366	2.6
Other Assistance	298,788,808	307,866,959	404,897,605	97,030,646	31.5	307,866,959	325,510,761	17,643,802	5.7
TOTAL	\$ 2,843,084,434	\$ 2,974,732,060	\$ 3,079,922,094	\$ 105,190,034	3.5 %	\$ 2,979,232,060	\$ 3,011,895,664	\$ 32,663,604	1.1 %
Financing:									
State General Fund	\$ 789,369,446	\$ 836,016,045	\$ 932,979,847	\$ 96,963,802	11.6 %	\$ 840,516,045	\$ 864,953,417	\$ 24,437,372	2.9 %
General Fees Fund	766,659,615	777,715,726	785,440,709	7,724,983	1.0	777,715,726	785,440,709	7,724,983	1.0
Restricted Fees Fund	612,502,071	625,820,030	631,451,627	5,631,597	0.9	625,820,030	631,451,627	5,631,597	0.9
All Other Funds	674,553,302	735,180,259	730,049,911	(5,130,348)	(0.7)	735,180,259	730,049,911	(5,130,348)	(0.7)
TOTAL	\$ 2,843,084,434	\$ 2,974,732,060	\$ 3,079,922,094	\$ 105,190,034	3.5 %	\$ 2,979,232,060	\$ 3,011,895,664	\$ 32,663,604	1.1 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$839,125,830 for the Postsecondary Education Systemwide in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$5,089,156 based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$844,214,986. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 844,214,986	\$ 843,590,315	\$ (624,671)	\$ 848,090,315	\$ 3,875,329
All Other Funds	2,185,963,000	2,307,174,833	121,211,833	2,307,174,833	121,211,833
TOTAL	\$ 3,030,177,986	\$ 3,150,765,148	\$ 120,587,162	\$ 3,155,265,148	\$ 125,087,162
FTE Positions	19,016.7	19,054.4	37.7	19,054.4	37.7

The **agencies** request \$3.2 billion, including \$843.6 million from the State General Fund. This is an all funds increase of \$120.6 million, or 4.0 percent, and a State General Fund decrease of \$624,671, or 0.1 percent, from the approved amount. The increase is due to increased expenditures from special revenue funds, for state operations (\$75.9 million) and capital improvements (\$44.6 million). State operation increases include salaries and wages (\$59.2 million), contractual services \$31.0 million, and capital outlay (\$5.4 million), with offsetting decreases of commodities (\$3.8 million) and other assistance (\$17.9 million). The State General Fund decrease is due to a lapse of \$916,342 from the University of Kansas for the debt service payments on the School of Pharmacy, which were transferred to the Department of Administration, partially offset by an increase of \$291,670 in a supplemental request by Kansas State University for a technical adjustment to the salary plan implemented by the 2019 Legislature.

The **Governor** concurs with the agencies' revised estimates and adds \$4.5 million for the Excel in Career Technical Education program in FY 2020 to fully fund the program.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Kansas State University Pay Plan Technical Adjustment	\$ 291,670	\$ 291,670	0.0	\$ 291,670	\$ 291,670	0.0
Excel in CTE	0	0	0.0	4,500,000	4,500,000	0.0
TOTAL	\$ 291,670	\$ 291,670	0.0	\$ 4,791,670	\$ 4,791,670	0.0

Kansas State University requests a technical adjustment to the amount received to fund the salary adjustment implemented by the 2019 Legislature.

The **Governor** concurs with the Kansas State University request and adds an additional \$4.5 million, all from the State General Fund, for the Excel in Career Technical Education program in FY 2020 to fully fund the program.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 3,079,922,094	\$ 3,011,895,664	\$	(68,026,430)
FTE Positions	19,054.4	19,054.4		0.0
Change from FY 2020:				
Dollar Change:				
State General Fund	\$ 96,963,802	\$ 24,437,372		
All Other Funds	8,226,232	8,226,232		
TOTAL	\$ 105,190,034	\$ 32,663,604		
Percent Change:				
State General Fund	11.6 %	2.9 %		
All Other Funds	0.4	0.4		
TOTAL	3.5 %	1.1 %		
Change in FTE Positions	0.0	0.0		

The **agencies** request an FY 2021 operating budget of \$3.1 billion, including \$933.0 million from the State General Fund. This is an all funds increase of \$105.2 million, or 3.5 percent, and a State General Fund increase of \$97.0 million, or 11.6 percent, above the FY 2020 revised estimate. The increase is primarily due to an enhancement request for \$96.3 million, as detailed in the following enhancement detail section.

The **Governor** recommends \$3.0 billion, including \$865.0 million from the State General Fund. This is an all funds decrease of \$68.0 million, or 2.2 percent, and a State General Fund decrease of \$68.0 million, or 7.3 percent, below the agencies' requests. The Governor's recommendation does not include \$68.0 million of the enhancement requests.

Enhancement Detail

Enhancements	FY 2021 ENHANCEMENTS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
KSU - Technical Pay Plan Adjustment	\$ 291,670	\$ 291,670	0.0	\$ 291,670	\$ 291,670	0.0
Investment in State Universities	\$ 50,000,000	\$ 50,000,000	0.0	\$ 11,893,156	\$ 11,893,156	0.0
Deferred Maintenance for State Universities	10,000,000	10,000,000	0.0	0	0	0.0
Washburn University	1,000,000	1,000,000	0.0	232,065	232,065	0.0
Excel in CTE	8,500,000	8,500,000	0.0	8,500,000	8,500,000	0.0
Contingency for Excel in CTE	5,000,000	5,000,000	0.0	0	0	0.0
Tiered Technical State Aid	5,000,000	5,000,000	0.0	1,136,783	1,136,783	0.0
Nontiered Operating Grant	0	0	0.0	1,491,566	1,491,566	0.0
Need-based Aid - Kansas Access Partnership	10,000,000	10,000,000	0.0	5,000,000	5,000,000	0.0
CEP Pilot Program	5,610,000	5,610,000	0.0	0	0	0.0
Outreach to Promote Strategic Plan, Degree Stats, and Military Articulation	50,000	50,000	0.0	0	0	0.0
College Participation in National Community College Cost and Productivity Project	25,000	25,000	0.0	0	0	0.0
KBOR-based Coordinator for Apply Kansas	85,000	85,000	0.0	0	0	0.0
National Guard Scholarship	1,000,000	1,000,000	0.0	0	0	0.0
Governor's Scholarship Program	0	0	0.0	20,000	20,000	0.0
TOTAL	\$ 96,561,670	\$ 96,561,670	0.0	\$ 28,565,240	\$ 28,565,240	0.0

The **agencies** request \$96.6 million, all from the State General Fund, to fund 13 enhancements for FY 2021. The enhancements are described below.

Technical Adjustment for Pay Plan. Kansas State University requests \$291,670, all from the State General Fund, for a technical adjustment to the amount received to fund the salary adjustment implemented by the 2019 Legislature.

The **Governor** concurs with this enhancement request.

Investment in State Universities. The Board of Regents (Board) requests \$50.0 million, all from the State General Fund, for FY 2021 to assist the Board and state universities' progress toward the goals and metrics outlined in the Foresight 2020 Strategic Plan. According to the Board, the additional state investment will assist universities in increasing attainment among Kansans of certificates and degrees awarded to meet the goal of 53,000 per year and produce enough graduates to meet the projected workforce demand.

The **Governor's** recommendation includes \$11.9 million, all from the State General Fund, for the universities.

Deferred Maintenance for State Universities. The Board requests \$10.0 million, all from the State General Fund, for FY 2021. This would help make bond payments for a system-wide bond issuance to reduce the deferred maintenance needs at the state universities.

The **Governor** does not recommend this enhancement request. After the Board of Regents submitted this enhancement request, they withdrew it before the Governor made a budget recommendation.

State Aid Washburn University. The Board requests \$1.0 million, all from the State General Fund, for FY 2021 to mirror what the other coordinated institutions would receive with the budget enhancement requests.

The **Governor** recommends \$232,065, all from the State General Fund, for Washburn University for FY 2021.

Excel in Career Technical Education. The Board and the Technical Education Authority requests \$8.5 million, all from the State General Fund, for FY 2021 to ensure there are sufficient funds to meet student demand.

The **Governor** recommends this enhancement request.

Contingency for Excel in CTE. The Board requests \$5.0 million, all from the State General Fund, contingent on the future demand of the program for FY 2021.

The **Governor** does not recommend this enhancement request.

Tiered Technical State Aid. The Board requests \$5.0 million, all from the State General Fund, for FY 2021 to bring the fund closer to closing the gap on fully funding the formula for community and technical colleges.

The **Governor** recommends \$1.1 million for Tiered Technical State Aid, all from the State General Fund, for FY 2021.

The Governor recommends \$1.5 million, all from the State General Fund for the Non-tiered Course Credit Hour Grant for FY 2021.

Need-based Aid–Kansas Access Partnership. The Board requests \$10.0 million, all from the State General Fund, for FY 2021 to create a new state grant that includes a requirement that the funding be matched with new, qualifying matching gifts from the universities. This program would help address the growing cost of attendance at a state university.

The **Governor** recommends \$5.0 million, all from the State General Fund, for this new program.

Concurrent Enrollment Partnership Pilot Program. The Board requests \$5,610,000, all from the State General Fund, for FY 2021 to create a Concurrent Enrollment Partnership (CEP) so that high school students can take classes that would receive both high school and college credit. This pilot program would be for Composition I class.

The **Governor** does not recommend this enhancement request.

Outreach to Promote Strategic Plan, Degree Stats, and Military Articulation. The Board requests \$50,000, all from the State General Fund, for FY 2021 to increase the data collection and use of the DegreeStats tool and make it available to all high school and military students as part of their individual plan of study.

The **Governor** does not recommend this enhancement request.

College Participation in National Community College Cost and Productivity Project. The Board requests \$25,000, all from the State General Fund, for FY 2021 to allow greater participation in the Cost and Productivity Project. For colleges to participate in the project, there is a \$1,450 fee to cover the Institute's operating costs. It would be of benefit for the system to have greater participation in this project, and it is proposed that the State subsidize this fee to promote wider participation.

The **Governor** does not recommend this enhancement request.

Board of Regents-based Coordinator for Apply Kansas. The Board requests \$85,000, all from the State General Fund, for FY 2021 to create a new position to oversee the current Apply Kansas Initiative, which is a program to ensure that at least 60.0 percent of all Kansas residents have a college degree or credential. Apply Kansas is currently coordinated by a committee of the Kansas Association of College Registrars and Admissions Officers, with the committee chair serving as the state coordinator. The agency indicates this model is not sustainable. This new position would promote and oversee the program at the state system level and provide the capacity to expand the scope of the Apply Kansas Initiative and ultimately scale it statewide.

The **Governor** does not recommend this enhancement request.

State Tuition Assistance–Air and Army National Guard. The Board requests \$1.0 million, all from the State General Fund, for FY 2021 to continue full funding of the Kansas National Guard Educational Assistance Act.

The **Governor** does not recommend this enhancement request.

In addition, the **Governor** recommends the addition of \$20,000, all from the State General Fund, for a new scholarship program within the Board of Regents for FY 2021. This program was previously funded from the Department of Education.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For these agencies, FY 2020 salary adjustments total \$38,307,150, including \$11,943,375 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For these agencies, there are no longevity bonuses.**

Kansas Public Employees Retirement System (KPERS). The employer retirement contribution rate including death and disability for KPERS State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERS State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERS State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in these agencies budgets.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	29.2 %	28.7 %
General Fees Fund	24.5	26.1
Restricted Fees Fund	19.7	21.0
All Other Funds	26.6	24.2
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

STATE GENERAL FUND OPERATING BUDGET

	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
University of Kansas	\$ 133,775,045	\$ 141,036,810	\$ 141,036,810	\$ 141,467,895	\$ 141,467,895
University of Kansas Medical Center	108,650,304	113,017,727	113,017,727	114,710,232	114,710,232
Kansas State University	100,146,208	110,831,780	110,831,780	111,092,685	111,092,685
Kansas State University–ESARP	46,746,576	50,274,227	50,274,227	50,437,081	50,437,081
Kansas State University–Veterinary Medical Center	14,673,567	15,543,398	15,543,398	15,589,790	15,589,790
Emporia State University	31,637,584	33,617,024	33,617,024	33,774,705	33,774,705
Fort Hays State University	33,559,544	35,653,962	35,653,962	35,827,041	35,827,041
Pittsburg State University	34,807,413	37,461,872	37,461,872	37,143,376	37,143,376
Wichita State University	77,806,696	82,651,769	82,651,769	84,368,962	84,368,962
Subtotal	\$ 581,802,937	\$ 620,088,569	\$ 620,088,569	\$ 624,411,767	\$ 624,411,767
Technical Colleges Capital Outlay	\$ 70,518	\$ 71,585	\$ 71,585	\$ 71,585	\$ 71,585
Washburn University	11,767,826	12,213,922	12,213,922	13,213,922	12,445,987
Non-Tiered Course Credit Hour Grant	75,458,328	78,503,473	78,503,473	78,503,473	79,995,039
Postsecondary Tiered Technical Education State Aid	57,509,965	59,830,665	59,830,665	64,830,665	60,967,448
Postsecondary Operating Grant	0	0	0	50,000,000	11,893,156
TOTAL	\$ 726,609,574	\$ 770,708,214	\$ 770,708,214	\$ 831,031,412	\$ 777,891,826

The **postsecondary educational institutions**, which include the state universities, community colleges, technical colleges, and Washburn University, request \$831.0 million from the State General Fund for operating budgets for FY 2021. This is an increase of \$60.3 million, or 7.8 percent, above the FY 2020 revised estimate. The increase is primarily due to enhancement requests.

The **Governor** recommends \$777.9 million, all from the State General Fund, for the postsecondary educational institutions. This is a decrease of \$53.1 million, or 6.4 percent, below the FY 2021 agencies' requests. The decrease is attributable to the Governor recommending only some of the operating enhancements the Board of Regents requested.

Community and Technical College Operating Grants. The **Board** requests \$78.5 million from the State General Fund for FY 2021 for non-tiered course credit hour grants for general education and \$64.8 million for postsecondary tiered technical education state aid for technical education courses to support the 19 community colleges and 7 technical colleges in the state. The request for non-tiered course credit hour grants is the same as the FY 2020

revised estimate. The request for postsecondary tiered technical education state aid for technical education courses is an increase of \$5.0 million, or 8.4 percent, above the FY 2020 revised estimate. The increase is due to an enhancement request to close the gap on the funding model.

The **Governor** recommends \$80.0 million from the State General Fund for FY 2021 for non-tiered course credit hour grants for general education and \$61.0 million for postsecondary tiered technical education state aid.

Municipal University Operating Grant. The **Board** requests \$13.2 million for FY 2021 for the Municipal University Operating Grant. SB 345 (1999) applies the same funding formula for state support for Washburn University as is used for community colleges. The request is an increase of \$1.0 million, or 8.2 percent, from the State General Fund, above the FY 2020 revised estimate due to the enhancement request to mirror what the other coordinated institutions would receive with the budget enhancement requests.

The **Governor** recommends \$12.4 million, all from the State General Fund, which is \$767,935, or 5.8 percent, below the agency's request for FY 2021.

Adult Basic Education. The **Board** requests \$5.1 million, including \$1.5 million from the State General Fund, to support the 30 adult education centers in the state for FY 2021. The request is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

Other State Funding

The **Board** and **universities** request \$4.6 million from the other centrally appropriated state funds for the benefit of the universities from the Economic Development Initiatives Fund and the State Water Plan Fund for FY 2021.

Economic Development Initiatives Fund

The following are the budgeted expenditures from the Economic Development Initiatives Fund for the Board of Regents:

- \$2.5 million for technical education capital outlay;
- \$179,284 for the Technology Innovation and Internship program;
- \$993,265 for the Experimental Program to Stimulate Competitive Research;
- \$500,000 for community college comparative grants; and
- \$307,939 for research at Kansas State University–Extension Systems and Agricultural Research Programs.

State Water Plan Fund

The following is the budgeted expenditures from the State Water Plan Fund for the University of Kansas:

- \$26,841 for the geological survey at the University of Kansas.

The **Governor** concurs with the agencies' requests for FY 2021.

State Universities

Faculty of Distinction Program. The Faculty of Distinction program provides a transfer of the equivalent of interest earnings on designated donations to public postsecondary institutions. FY 2003 was the first year of the program. Beginning in FY 2004, the transfers were treated under the Governor's recommendation as a revenue transfer instead of a State General Fund demand transfer. The agency and the Governor estimate transfers will total \$3.4 million in FY 2020.

Tuition and General Fees. State university tuition and fees are set with the approval of the State Board of Regents. With the exception of certain designated fees credited to restricted use funds, tuition, and general fees are credited to the General Fees Fund of each institution. Although subject to appropriation, under the State University Operating Grant Plan, the General Fees Fund moneys are appropriated to the institutions without an expenditure limit, permitting maximum flexibility in the use of those funds. For FY 2020, the Board of Regents set tuition rates after the adjournment of the 2019 Session and the same schedule is anticipated for FY 2021. The budgets submitted by the universities assume no increase in tuition rates in FY 2020. The following compares estimated General Fees Fund expenditures for the current year as presented to the 2019 Legislature, the revised current year estimate, and the current estimate for FY 2020.

STATE UNIVERSITY GENERAL FEE FUND EXPENDITURES

Institution	Original Estimate FY 2020	Revised Est./		Gov. Rec. for FY 2021
		Gov. Rec FY 2020	Difference	
University of Kansas	\$ 320,358,000	\$ 319,300,000	\$ (1,058,000)	\$ 322,058,714
KU—Medical Center	48,122,146	50,913,475	2,791,329	52,169,453
Kansas State University	216,042,494	208,264,364	(7,778,130)	208,264,364
KSU—Veterinary Medical Center	18,800,811	19,470,009	669,198	19,470,009
KSU—ESARP	0	0	0	0
Emporia State University	29,278,830	30,129,842	851,012	29,389,085
Fort Hays State University	46,297,256	44,396,094	(1,901,162)	52,823,201
Pittsburg State University	35,050,000	33,500,000	(1,550,000)	33,500,000
Wichita State University	89,199,236	89,117,707	(81,529)	89,117,707
TOTAL	\$ 803,148,773	\$ 795,091,491	\$ (8,057,282)	\$ 806,792,533

Student Financial Aid

Student Financial Aid. The **Board of Regents** administers a number of student financial aid programs as well as other special programs. The agency requests \$24.9 million, all from the State General Fund, to support State-sponsored student financial aid programs for FY 2021. Absent the reappropriation, the FY 2021 request is the same as the FY 2020 request except for the enhancement request of \$1.0 million, all from the State General Fund, for the National Guard scholarship and the new need-based aid "Kansas Access Partnership" of \$10.0 million, all from the State General Fund.

The **Governor** recommends \$28.9 million, all from the State General Fund, for FY 2021. This is an increase of \$5.0 million, all from the State General Fund. The Governor recommends an additional \$5.0 million for the Kansas Access Partnership Grant and \$20,000 for the Governor's Scholarship Program for FY 2021.

Need-Based Aid

Kansas Comprehensive Grant Program (KSA 74-32,120). Created by the 1998 Legislature, the Comprehensive Grant program provides grants to financially needy students. The program provides need-based grants to full-time (12 hours) undergraduate students with no previous baccalaureate degrees who have submitted the federal student financial aid application by the priority deadline and who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. However, it is subject to available appropriations. The maximum annual award is \$1,500 for a student enrolled at a state educational institution or municipal university and \$3,500 for a student enrolled at an independent institution.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 16,258,338	\$ 16,258,338	9,500	\$ 16,258,338	\$ 16,258,338	9,500

Kansas State Scholarship Program (KSA 72-6810). The State Scholarship program was enacted in 1963 and is the oldest State-supported financial aid program. State scholars are selected on the basis of merit (high school seniors who complete the Kansas Scholars Curriculum based on an index number utilizing ACT composite score and seventh semester GPA). Recipients must be financially needy undergraduate Kansas residents with no previous baccalaureate degree, enrolled full-time, and have submitted the federal student financial aid application and state application. Recipients must maintain a 3.0 college GPA measured at the end of each spring semester.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,035,919	\$ 1,035,919	1,000	\$ 1,035,919	\$ 1,035,919	1,000

Kansas Ethnic Minority Scholarship (KSA 74-3284). The Kansas Ethnic Minority Scholarship program was enacted in 1989 to increase the enrollment in Kansas colleges and universities of academically able ethnic and minority Kansas residents. The program assists financially needy Native American, Asian, Pacific Islander, Black, and Hispanic scholars who desire to become full-time students at an accredited Kansas institution. Students may attend Regents institutions, Washburn University, public community colleges, and accredited private colleges and universities for undergraduate studies. The program provides a maximum grant of \$1,850 to graduating high school seniors who complete the Kansas Scholars Curriculum and who are competitive in test scores, GPA, and class rank.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 296,498	\$ 296,498	160	\$ 296,498	\$ 296,498	160

Kansas Career Work-Study Program (KSA 74-3274). The purpose of the Kansas Work-Study program is to provide work-related experiences to Kansas residents enrolled at Regents institutions and Washburn University. The program provides that at least one-half of a student's wages are paid by the employer and up to one-half are paid by the educational institution. Students work 15 to 20 hours per week and must be enrolled at least half-time. Funding is allocated among the institutions by the Board of Regents based on historical award

patterns and recommendations by the participating schools. Approximately 13.0 percent of the funds are earmarked for students providing tutoring to elementary and secondary students at the school site and do not require matching funds.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 546,813	\$ 546,813	300	\$ 546,813	\$ 546,813	300

Deceased Public Safety Officer/Military Personnel/Prisoner of War Tuition Waiver (KSA 75-4364). HB 2072 (2005) greatly expanded the number of tuition waivers available to certain students. Under current law, the following Kansas residents are eligible for enrollment without charge for tuition or fees for ten semesters at a Kansas educational institution: spouses or dependents of public safety officers killed in the line of duty; spouses or dependents of military personnel who died as a result of military service after September 11, 2001; and military personnel declared to be a prisoner of war after July 1, 1960. The statute also requires the Board of Regents to reimburse the educational institutions for the amount of the tuition and fees of the individuals.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 134,657	\$ 134,657	14	\$ 134,657	\$ 134,657	14

Kansas Nurse Educator Scholarship Program (2006 HB 2968). The purpose of the Kansas Nurse Educator program is to increase the number of qualified nursing faculty in Kansas. The program was established by proviso during the 2006 Session to encourage registered nurses to pursue graduate education in order to enable them to become full-time nursing faculty. Scholarship recipients must be Kansas residents who are registered nurses and enrolled in an accredited program leading to a master of science degree in nursing or a doctorate degree in nursing at a state educational institution or another institution of higher education located in Kansas. The scholarship award shall not exceed 70.0 percent of the cost of attendance for an individual enrolled at a state educational institution. These grants shall be matched on the basis of \$2 from the nurse educator scholarship program account for every \$1 from the state educational institution located in Kansas.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 188,126	\$ 188,126	80	\$ 188,126	\$ 188,126	80

Service-Based Aid

Kansas Teacher Service Scholarship Program (KSA 74-32,100). The Kansas Teacher Scholarship program was established in 1990 and provides financial assistance to students who plan to teach in a discipline or an underserved geographic area where there is a critical shortage of teachers, as determined by the State Board of Education. Up to 80.0 percent of the scholarships are typically awarded to students majoring in special education. Recipients of the award must teach in a hard-to-fill discipline or underserved geographic area for one year for each year they receive a scholarship, or repay the scholarship with interest. Students must be Kansas residents and priority goes to upper class students, followed by high school students who demonstrate high achievement on the ACT with high GPA and class rank. The maximum award for the program is \$5,100 annually, with an average award of \$4,000 annually.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,082,916	\$ 1,082,916	270	\$ 1,082,916	\$ 1,082,916	270

Nursing Service Scholarship Program (KSA 74-3291). The Nursing Scholarship program was established in 1989 for the purpose of providing financial assistance to nursing students in order to reduce the impact of nurse shortages, especially in rural areas of Kansas. Students seeking a nursing scholarship also must have a sponsor (a medical facility, a state agency that employs nurses, or a psychiatric hospital) that provides financial assistance to the student. Urban facilities must pay one-half of the \$2,500 (LPN) or \$3,500 (RN) annual scholarship. Rural and small approved facilities pay \$1,000. Students must be enrolled full-time in a Kansas nursing program and agree to provide one year of nursing service to the sponsor for each year of scholarship support. Recipients who do not serve must repay both the State and the sponsor with interest.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 417,255	\$ 502,255	170	\$ 417,255	\$ 502,255	170

Career Technical Workforce Grant (KSA 72-4460). The Career Technical Workforce Grant was created in 1986 to recognize, with financial assistance, students who receive high scores on a standardized vocational skills test and who enroll in one- or two-year vocational programs. The program provides for a maximum individual grant of \$1,000. Students must be undergraduate Kansas residents with no previous baccalaureate degree, enrolled full-time, and have taken the Differential Aptitude Test. Funding is allowed for a second year if the recipient is enrolled in a program longer than one academic year. During the 2012 Session, this scholarship program was revised to include students pursuing certificate programs and part-time enrollment with a focus on those who are pursuing studies that lead to jobs in high demand areas of the state's economy. Recipients must be Kansas residents attending Kansas postsecondary educational institutions that award associate and certificate degrees. The Differential Aptitude Test will no longer be given to determine eligibility.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 114,075	\$ 114,075	114	\$ 114,075	\$ 114,075	114

Osteopathic Medical Service Scholarship Program (KSA 74-3265). The Osteopathic Scholarship program was enacted in 1982 to provide financial assistance to Kansas residents who are enrolled in an accredited program leading to the degree of doctor of osteopathy. For each year the student receives a scholarship, the student must fulfill a service obligation by practicing in an underserved area or else pay back the scholarship with interest. The maximum award is \$15,000 per year and a maximum of 15 awards to first-time recipients may be made in any one year.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 0	\$ 45,000	3	\$ 0	\$ 45,000	3

Optometry Service Scholarship Program (KSA 76-721a). The Kansas Legislature authorized contracts between the Kansas Board of Regents and selected schools of optometry for approximately 40 students to attend out-of-state school at resident tuition rates. Depending on the school attended, the recipient may be required to practice optometry in Kansas one year for each year of financial assistance or repay the assistance at the interest rate under the federal Parent Loan for Undergraduate Students program at the time the student entered into the agreement plus five percentage points. Students are ranked academically by the optometry schools and are funded in that order.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 107,089	\$ 107,089	24	\$ 107,089	\$ 107,089	20

Reserve Officers' Training Corps (ROTC) Service Scholarship Program (KSA 74-3255). The ROTC Service Scholarship program was established in 1979 to provide for the payment of tuition for eligible ROTC students each year at state and municipal universities that have a ROTC program. There is a statutory maximum of 160 recipients. In exchange, scholarship recipients agree to serve four years in the Kansas National Guard to repay the benefits plus interest. The average award for the program is \$7,256.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 175,335	\$ 175,335	22	\$ 175,335	\$ 175,335	22

Kansas National Guard Educational Assistance Program (KSA 74-32,145). The Kansas National Guard Educational Assistance program was created in 1996 for the purpose of assisting students who are eligible National Guard members with tuition and fees for postsecondary education. The program provides 100.0 percent of the cost of tuition and fees for eligible guard members enrolled in an area vocational technical school, college, community college, municipal university, state educational institution, or accredited independent postsecondary institutions within Kansas. The students receiving assistance must agree to complete their current service obligation in the Kansas National Guard, plus three months service, for each semester of assistance they have received. Failure to do so results in the student repaying the State an amount equal to the total amount of assistance received. The annual award is projected to be \$3,300.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 4,000,434	\$ 4,000,434	500	\$ 3,000,434	\$ 3,000,434	410

Military Service Scholarship (2007 SB 357). The Kansas Military Service Scholarship was established by proviso during the 2007 Session to assist individuals who had served after September 11, 2001, in one or more of the following military operations: Enduring Freedom, Noble Eagle, or Iraqi Freedom. The scholarship provides payment of tuition and fees at eligible institutions, including technical schools, community colleges, the municipal university, and state universities.

Agency Request FY 2021			Governor's Recommendation FY 2021		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 500,314	\$ 500,314	160	\$ 500,314	\$ 500,314	160

Enrollment Trends. The Kansas Board of Regents changed the way students are counted starting Fall 2018. In the past, the agency used headcount, whereas now the agency is using full-time equivalent (FTE) students, which is calculated by taking the total credit hours enrolled and dividing by 30 hours (which is considered a full-time student). Full-time equivalent students enrolled at the public universities, private colleges and universities, community colleges, technical colleges, and other institutions in Fall 2019 totaled 145,237, which is a decrease of 2,804 FTE students, or 1.9 percent, below the Fall 2017 enrollment. Not included in this data are students enrolled in proprietary schools and vocational education students who are not attending a community college or technical college. The following table compares the full-time equivalent students for Fall 2017, 2018, and 2019.

Full-Time Equivalent Students					
Institution	Fall 2017	Fall 2018	Fall 2019	Change Fall 2017- Fall 2019	Percent
University of Kansas	21,610	21,505	21,329	(281)	(1.3)%
University of Kansas Medical Center	2,718	2,740	2,774	56	2.1
Kansas State University	18,710	18,093	17,528	(1,182)	(6.3)
KSU–Veterinary Medical Center	715	731	732	17	2.4
Emporia State University	4,467	4,493	4,416	(51)	(1.1)
Fort Hays State University	9,282	9,473	9,562	280	3.0
Pittsburg State University	6,236	5,988	5,844	(392)	(6.3)
Wichita State University	11,109	11,285	11,397	288	2.6
<i>Subtotal - Regents Institutions</i>	<i>74,847</i>	<i>73,577</i>	<i>73,582</i>	<i>(1,265)</i>	<i>(1.7)%</i>
Washburn University	5,028	4,931	4,710	(318)	(6.3)
Community Colleges	42,821	41,709	40,545	(2,276)	(5.3)
Technical Colleges	5,493	5,782	5,947	454	8.3
Washburn Institute of Technology	1,157	1,174	1,232	75	9.8
Independent Colleges and Universities	18,695	19,537	19,221	526	2.8
<i>Subtotal - Other Institutions</i>	<i>73,194</i>	<i>73,133</i>	<i>71,655</i>	<i>(1,539)</i>	<i>(2.1)%</i>
TOTAL	148,041	146,710	145,237	(2,804)	(1.9)%

Peer Comparisons. Regents institutions use a system of peer review based on comparisons to similar institutions, a method used by institutions and systems in many states. Peer institutions were first selected by a Regents task force in 1976 with the weighted basis for selection being similarity in degree programs (60.0 percent), enrollment levels (30.0 percent), and financial expenditures (10.0 percent). Beginning in FY 2014, the universities now have revised peer institutions. Peer comparisons are used for a number of purposes at the institutional and system level, including local program review and comparative references related to graduation and retention rates, research expenditures, and faculty awards, as well as salaries and degree production.

REGENTS PEER INSTITUTIONS

University of Kansas

Indiana University–Bloomington
University of Missouri–Columbia
University of Oregon
Michigan State University
University of Buffalo

Kansas State University

Colorado State University
Auburn University
Clemson University
Oklahoma State University
University of Massachusetts–Amherst

Wichita State University

New Mexico State University
University of Massachusetts–Lowell
University of Nevada–Reno
University of North Dakota
Wright State University

Emporia State University

Colorado State University–Pueblo
Northwest Missouri State University
Pittsburg State University
University of Nebraska–Kearney
West Texas A&M University

Fort Hays State University

Northwest Missouri State University
Colorado Mesa University
Northeastern State University–OK
Southeast Missouri State University
Tarleton State University

Pittsburg State University

Arkansas Tech University
Ferris State University
Indiana University of Pennsylvania
Northwest Missouri State University
Valdosta State University

Source: Table 4.35 State University Databook, January 2019

RELATIVE FUNDING OF SALARY BY INSTITUTION

Institution	Salaries FY 2014	Salaries FY 2018
KU	92.7 %	84.8 %
KSU	88.3	90.1
ESU	89.4	89.8
FHSU	98.7	101.0
PSU	88.4	77.8
WSU	86.4	75.4
Systemwide	91.1 %	83.8 %

Source: Table 4.35 State University Databook, January 2019

Peer comparisons also are made with regard to the level of both resident and nonresident tuition and fees charged to students during an academic year (AY) at the Regents institutions. Historically, tuition for both resident and nonresidents at Kansas schools has been less than that at the peer institutions.

TUITION AND FEES RELATIVE TO PEER INSTITUTIONS

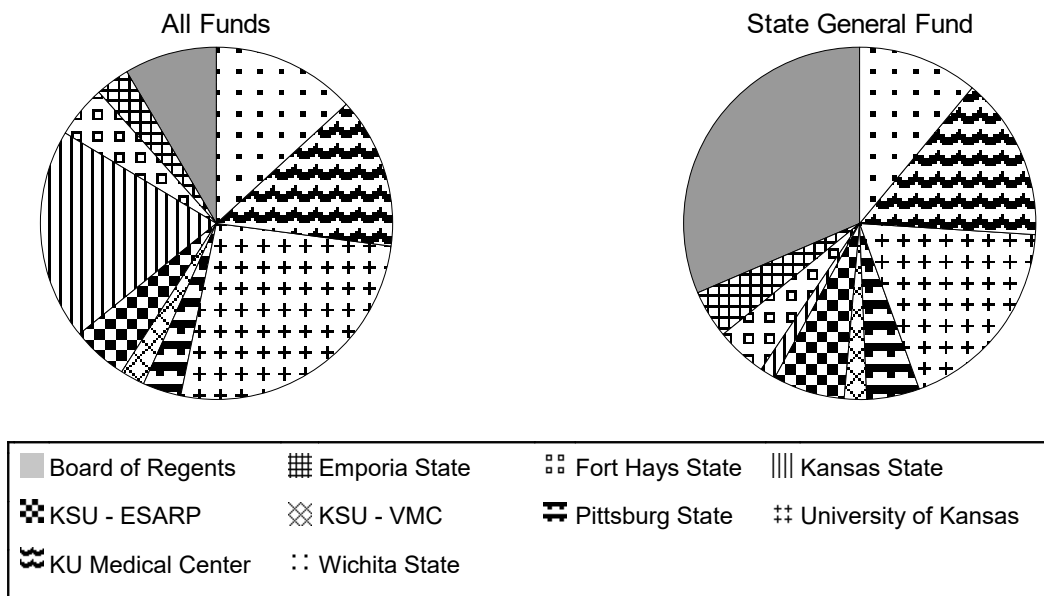
Institution	Resident Tuition AY 2013	Resident Tuition AY 2018	Nonresident Tuition AY 2013	Nonresident Tuition AY 2018
KU	90.3 %	94.9 %	80.7 %	81.6 %
KSU	77.9	82.2	80.2	83.9
ESU	82.7	79.3	129.6	126.2
FHSU	70.1	67.8	94.6	96.2
PSU	75.7	79.0	103.9	115.6
WSU	79.0	87.9	73.8	76.2

Source: Table 2.3 State University Databook, January 2019

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Board of Regents	\$ 256,234,191	8.5 %	\$ 240,541,650	27.8 %
Emporia State University	94,096,294	3.1	33,774,705	3.9
Fort Hays State University	144,801,679	4.8	35,827,041	4.1
Kansas State University	583,497,392	19.4	111,092,685	12.8
KSU-ESARP	154,707,201	5.1	50,437,081	5.8
KSU-Veterinary Medical Center	68,368,687	2.3	15,589,790	1.8
Pittsburg State University	106,183,948	3.5	37,143,376	4.3
University of Kansas	788,545,682	26.2	141,467,895	16.4
University of Kansas Medical Center	418,131,597	13.9	114,710,232	13.3
Wichita State University	397,328,993	13.2	84,368,962	9.8
TOTAL	\$ 3,011,895,664	100.0 %	\$ 864,953,417	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Board of Regents	62.5	64.5	64.5	64.5	64.5
Emporia State University	788.4	788.4	788.4	788.4	788.4
Fort Hays State University	990.8	999.3	999.3	999.3	999.3
Kansas State University	3,786.7	3,754.0	3,754.0	3,754.0	3,754.0
KSU-ESARP	1,121.1	1,159.2	1,159.2	1,159.2	1,159.2
KSU-Veterinary Medical Center	493.3	508.0	508.0	508.0	508.0
Pittsburg State University	1,036.8	917.7	917.7	917.7	917.7
University of Kansas	5,340.5	5,340.5	5,340.5	5,340.5	5,340.5
University of Kansas Medical Center	3,184.0	3,333.9	3,333.9	3,333.9	3,333.9
Wichita State University	2,139.0	2,188.9	2,188.9	2,188.9	2,188.9
TOTAL	18,943.1	19,054.4	19,054.4	19,054.4	19,054.4

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Board of Regents

Article 6 of the *Kansas Constitution* directs the Legislature to provide for a State Board of Regents composed of nine members appointed by the Governor and subject to confirmation by the Senate. One member is to be from each congressional district with the remaining members appointed at-large. The Board of Regents is responsible for coordination of all postsecondary education in the state and supervising the operation of the six state Regents universities. In carrying out this responsibility, the Board 1) appoints a chief executive officer to administer each university; 2) reviews the mission, role, and curriculum of each university; 3) sets tuition, fees, and charges to be collected at each university; 4) submits requests to the Legislature for funds to operate its universities and central office staff, and for funds to construct, maintain, and equip university buildings; 5) administers student financial aid programs; 6) determines the eligibility of private postsecondary Kansas institutions to confer academic or honorary degrees; 7) registers courses conducted in Kansas by postsecondary institutions located outside the state; and 8) administers state aid to Washburn University. The 1999 Legislature expanded the duties of the Board with the passage of the Higher Education Coordination Act (SB 345). Under the Act, the Board is charged with the coordination of all higher education and is responsible for state assistance in support of community colleges, vocational technical schools, and adult basic education.

PERFORMANCE MEASURES					
Measure	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Administration Program					
Percentage of Agency Administrative Costs of Total Budget	3.4 %	N/A	3.1 %	3.2 %	3.3 %
Percentage of Board Goals Completed or Made Progress towards Completion	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Postsecondary Education Institutions Program					
Attainment: Number of Certificates and Degrees Awarded (Washburn University, Community and Technical Colleges)	21,358	N/A	22,440	25,515	25,515
First-to-second Year Retention Rates					
Washburn University	70.1 %	N/A	68.9 %	69.0 %	69.0 %
Community Colleges	58.0 %	N/A	58.6 %	59.0 %	59.0 %
Technical Colleges	62.3 %	N/A	61.2 %	62.0 %	62.0 %
Student Success Index Rates					
Washburn University	64.8 %	N/A	65.0 %	65.0 %	65.0 %
Community Colleges	56.0 %	N/A	57.0 %	57.0 %	57.0 %
Technical Colleges	69.4 %	N/A	70.0 %	70.0 %	70.0 %
Excel in Career Technical Education (CTE) Initiative					
Participating Headcount	11,690	N/A	13,675	14,000	14,000
College Credit Hours Generated	92,092	N/A	105,084	110,000	110,000
Student Financial Assistance Program					
Initially Eligible Applicants	31,018	N/A	31,472	31,500	31,500
State Scholarship Award Recipients	10,995	N/A	12,021	12,000	12,000
Agency Expenditures					
All Funds (Dollars in Millions)	\$ 196.8	\$ 226.5	\$ 223.1	\$ 236.1	\$ 256.2
FTE Positions	62.5	62.5	62.5	64.5	64.5

BOARD OF REGENTS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,103,986	\$ 5,252,830	\$ 5,252,830	\$ 5,274,947	\$ 5,274,947
Contractual Services	1,815,169	1,822,805	1,822,805	1,820,950	1,820,950
Commodities	33,156	33,659	33,659	33,606	33,606
Capital Outlay	40,634	41,000	41,000	41,000	41,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 6,992,945	\$ 7,150,294	\$ 7,150,294	\$ 7,170,503	\$ 7,170,503
Aid to Local Units	190,934,475	195,625,925	200,125,925	194,063,877	205,424,291
Other Assistance	25,164,256	28,869,147	28,869,147	123,026,241	43,639,397
TOTAL	\$ 223,091,676	\$ 231,645,366	\$ 236,145,366	\$ 324,260,621	\$ 256,234,191
Financing:					
State General Fund	\$ 207,566,509	\$ 215,927,476	\$ 220,427,476	\$ 308,568,080	\$ 240,541,650
All Other Funds	15,525,167	15,717,890	15,717,890	15,692,541	15,692,541
TOTAL	\$ 223,091,676	\$ 231,645,366	\$ 236,145,366	\$ 324,260,621	\$ 256,234,191
FTE Positions	62.5	64.5	64.5	64.5	64.5

The **agency** requests an operating budget of \$324.3 million, including \$308.6 million from the State General Fund, in FY 2021. This is an all funds increase of \$92.6 million, or 40.0 percent, and a State General Fund increase of \$92.6 million, or 42.9 percent, above the FY 2020 revised estimate. The increase is primarily due to the enhancement requests to increase funding for the universities and colleges, fully fund the Excel in Career Technical Education Program, provide additional scholarships, and fund other programs according to the Board.

The **Governor** recommends \$256.2 million, including \$240.5 million from the State General Fund. This is an all funds decrease of \$68.0 million, or 21.0 percent, and a State General Fund decrease of \$68.0 million, or 22.0 percent, below the agency's request. The Governor's recommendation does not include \$68.0 million of the enhancement requests for FY 2021.

B. Emporia State University

Emporia State University (ESU) was originally established in 1863 as the Kansas State Normal School to provide teachers for Kansas. In 1970, ESU became a Regents institution under the direction of the Board of Regents. The institution received its present name in 1977. ESU instructional programs include both baccalaureate and advanced degree work, as well as specialized continuing education for professional practitioners. ESU offers arts and sciences disciplines, teacher education programs, business programs, and library and information management. In Fall 1993, ESU enrolled its first class of nine students pursuing the Ph.D. degree in library and information management. The William Allen White Library is a major source of academic support for the university. ESU fosters research and other forms of creative and scholarly activity, and also makes the expertise of its faculty available for public service to provide information, advice, and other services to the public. **The full-time equivalent students attending Emporia State University during the Fall 2019 semester is 4,416, which is a decrease of 77 FTE students, or 1.7 percent, below the Fall 2018 semester number.**

EMPORIA STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 59,669,764	\$ 65,219,591	\$ 65,219,591	\$ 65,541,966	\$ 65,541,966
Contractual Services	12,188,137	12,947,293	12,947,293	11,538,705	11,538,705
Commodities	2,056,363	2,341,463	2,341,463	2,336,230	2,336,230
Capital Outlay	1,959,183	2,216,502	2,216,502	2,216,502	2,216,502
Debt Service	601,630	1,726,493	1,726,493	1,610,918	1,610,918
<i>Subtotal - Operations</i>	<i>\$ 76,475,077</i>	<i>\$ 84,451,342</i>	<i>\$ 84,451,342</i>	<i>\$ 83,244,321</i>	<i>\$ 83,244,321</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	10,511,932	10,907,470	10,907,470	10,851,973	10,851,973
TOTAL	\$ 86,987,009	\$ 95,358,812	\$ 95,358,812	\$ 94,096,294	\$ 94,096,294
Financing:					
State General Fund	\$ 31,637,584	\$ 33,617,024	\$ 33,617,024	\$ 33,774,705	\$ 33,774,705
All Other Funds	55,349,425	61,741,788	61,741,788	60,321,589	60,321,589
TOTAL	\$ 86,987,009	\$ 95,358,812	\$ 95,358,812	\$ 94,096,294	\$ 94,096,294
FTE Positions	788.4	788.4	788.4	788.4	788.4

The **agency** requests an operating budget of \$94.1 million, including \$33.8 million from the State General Fund, for FY 2021. This is an all funds decrease of \$1.3 million, or 1.3 percent, and a State General Fund increase of \$157,681, or 0.5 percent, from the FY 2020 revised estimate. The decrease is primarily due to reduced expenditures in contractual services while the State General Fund increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

C. Fort Hays State University

Fort Hays State University (FHSU) is located on land that was once the Fort Hays Military Reservation. In March 1900, the U.S. Congress passed legislation granting the abandoned Fort Hays Military Reservation to the State of Kansas for the purpose of establishing an experiment station of the Kansas State Agricultural College, a western branch of the State Normal School, and a public park. The land grant was accepted by the 1901 Kansas Legislature. Over the years, the school has been termed the Fort Hays Kansas Normal School (1914); Kansas State Teachers College of Hays (1922); Fort Hays Kansas State College (1931); and Fort Hays State University (1977). The activities of FHSU are those generally found in liberal and applied arts universities. Liberal arts degrees are offered in most basic disciplines on the bachelor's and master's levels. Applied arts degrees are offered in agriculture, business, elementary education, home economics, industrial arts, physical education, and nursing. Teacher training is offered in all disciplines where applicable, and professional curricula also are available. **The full-time equivalent students attending Fort Hays State University during the Fall 2019 semester is 9,562, which is an increase of 89 FTE students, or 0.9 percent, above the Fall 2018 semester number.**

FORT HAYS STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 83,270,120	\$ 86,464,082	\$ 86,464,082	\$ 88,194,041	\$ 88,194,041
Contractual Services	17,774,001	17,855,342	17,855,342	17,890,582	17,890,582
Commodities	5,464,552	5,413,088	5,413,088	5,513,088	5,513,088
Capital Outlay	5,319,670	4,427,423	4,427,423	4,427,423	4,427,423
Debt Service	1,043,846	991,807	991,807	925,350	925,350
<i>Subtotal - Operations</i>	<i>\$ 112,872,189</i>	<i>\$ 115,151,742</i>	<i>\$ 115,151,742</i>	<i>\$ 116,950,484</i>	<i>\$ 116,950,484</i>
Aid to Local Units	827,583	835,000	835,000	835,000	835,000
Other Assistance	26,651,046	23,848,282	23,848,282	27,016,195	27,016,195
TOTAL	\$ 140,350,818	\$ 139,835,024	\$ 139,835,024	\$ 144,801,679	\$ 144,801,679
Financing:					
State General Fund	\$ 33,559,544	\$ 35,653,962	\$ 35,653,962	\$ 35,827,041	\$ 35,827,041
All Other Funds	106,791,274	104,181,062	104,181,062	108,974,638	108,974,638
TOTAL	\$ 140,350,818	\$ 139,835,024	\$ 139,835,024	\$ 144,801,679	\$ 144,801,679
FTE Positions	990.8	999.3	999.3	999.3	999.3

The **agency** requests an operating budget of \$144.8 million, including \$35.8 million from the State General Fund, for FY 2021. This is an all funds increase of \$5.0 million, or 3.6 percent,

and a State General Fund increase of \$173,079, or 0.5 percent, above the FY 2020 revised estimate. The increases are primarily in salaries and wages (\$1.7 million) and other assistance (\$3.2 million). The State General Fund increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

D. Kansas State University

Kansas State University (KSU) was established in 1863, becoming the first land grant institution under the provisions of the Morrill Act of 1862. KSU is a comprehensive research institution. KSU offers instruction in Agriculture, Architecture Planning and Design, Arts and Sciences, Business Administration, Education, Engineering, Health and Human Sciences, Technology, and Veterinary Medicine, and offers a full compliment of graduate studies. KSU's Veterinary Medical School in Manhattan and its Agricultural Research program are treated as separate agencies for budget preparation purposes. Separate budget analyses of these entities follow this analysis. KSU is fully accredited by the North Central Accrediting Association and by various professional accrediting agencies. **The full-time equivalent students attending Kansas State University during the Fall 2019 semester is 17,528, which is a decrease of 565 FTE students, or 3.1 percent, below the Fall 2018 semester number.**

KANSAS STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 333,926,749	\$ 348,863,667	\$ 348,863,667	\$ 350,677,572	\$ 350,677,572
Contractual Services	80,300,469	87,112,602	87,112,602	86,989,597	86,989,597
Commodities	20,069,729	26,768,067	26,768,067	26,747,067	26,747,067
Capital Outlay	11,932,691	8,916,579	8,916,579	8,916,579	8,916,579
Debt Service	14,054,624	14,204,485	14,204,485	13,386,968	13,386,968
<i>Subtotal - Operations</i>	<i>\$ 460,284,262</i>	<i>\$ 485,865,400</i>	<i>\$ 485,865,400</i>	<i>\$ 486,717,783</i>	<i>\$ 486,717,783</i>
Aid to Local Units	19,108	20,633	20,633	20,633	20,633
Other Assistance	90,214,688	96,978,564	96,978,564	96,758,976	96,758,976
TOTAL	\$ 550,518,058	\$ 582,864,597	\$ 582,864,597	\$ 583,497,392	\$ 583,497,392
Financing:					
State General Fund	\$ 100,146,208	\$ 110,831,780	\$ 110,831,780	\$ 111,092,685	\$ 111,092,685
All Other Funds	450,371,850	472,032,817	472,032,817	472,404,707	472,404,707
TOTAL	\$ 550,518,058	\$ 582,864,597	\$ 582,864,597	\$ 583,497,392	\$ 583,497,392
FTE Positions	3,786.7	3,754.0	3,754.0	3,754.0	3,754.0

The **agency** requests an operating budget of \$583.5 million, including \$111.1 million from the State General Fund, for FY 2021. The is an all funds increase of \$632,795, or 0.1 percent, and State General Fund increase of \$260,905, or 0.2 percent, above the FY 2020 revised estimate. The increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

E. KSU-Extension and Agriculture Research Programs

Kansas State University–Extension Systems and Agricultural Research Programs (ESARP) was established as a separate budget unit in FY 1993 by the merger of the Kansas Agricultural Experiment Station (KAES), the Cooperative Extension Service (CES), the International Grain, and the Meat and Livestock programs. All programs previously part of the KSU budget but under the jurisdiction of the Dean of Agriculture (except for the Office of Academic programs and Office of the Dean) are included in the separate agency administered by the Dean of Agriculture.

KAES and CES are mandated programs by both federal and state legislation. Involved in the systems are the land grant universities, including Kansas State University (KSU), and the U.S. Department of Agriculture (USDA). Base formula funds are provided by the USDA. KAES conducts research statewide at 2 research centers, 2 research-extension centers, and 11 experimental fields in addition to the main station at Manhattan. The research is conducted by KAES in 5 colleges of KSU: Agriculture, Health and Human Sciences, Engineering, Arts and Sciences, and Veterinary Medicine. CES is a research-based educational system with extension agents in each county and with specialists in 5 area offices and in 4 colleges on the KSU campus. Specialists are housed in the colleges of Agriculture, Health and Human Sciences, Engineering, and Veterinary Medicine.

KSU - EXTENSION AND AGRICULTURE RESEARCH PROGRAMS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 96,193,479	\$ 108,242,800	\$ 108,242,800	\$ 108,836,691	\$ 108,836,691
Contractual Services	19,453,134	17,472,276	17,472,276	17,269,087	17,269,087
Commodities	10,815,508	9,259,827	9,259,827	9,250,179	9,250,179
Capital Outlay	4,722,502	4,120,993	4,120,993	4,108,993	4,108,993
Debt Service	30,712	35,207	35,207	29,379	29,379
<i>Subtotal - Operations</i>	<i>\$ 131,215,335</i>	<i>\$ 139,131,103</i>	<i>\$ 139,131,103</i>	<i>\$ 139,494,329</i>	<i>\$ 139,494,329</i>
Aid to Local Units	268,529	247,165	247,165	247,165	247,165
Other Assistance	15,236,962	14,965,707	14,965,707	14,965,707	14,965,707
TOTAL	\$ 146,720,826	\$ 154,343,975	\$ 154,343,975	\$ 154,707,201	\$ 154,707,201
Financing:					
State General Fund	\$ 46,746,576	\$ 50,274,227	\$ 50,274,227	\$ 50,437,081	\$ 50,437,081
All Other Funds	99,974,250	104,069,748	104,069,748	104,270,120	104,270,120
TOTAL	\$ 146,720,826	\$ 154,343,975	\$ 154,343,975	\$ 154,707,201	\$ 154,707,201
FTE Positions	1,121.1	1,159.2	1,159.2	1,159.2	1,159.2

The **agency** requests an operating budget of \$154.7 million, including \$50.4 million from the State General Fund, for FY 2021. This is an all funds increase of \$363,226, or 0.2 percent, and a State General Fund increase of \$162,854, or 0.3 percent, above the FY 2020 revised estimate. The increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

F. KSU-Veterinary Medical Center

The Veterinary Medical Center was established at Kansas State University (KSU) in 1905. It was included within the main campus budget of KSU until 1978. The institution trains veterinarians, conducts broad-based interdisciplinary research, provides continuing education for veterinarians, and provides hospital and diagnostic services to the public. Its academic programs are fully accredited by the Council on Education of the American Veterinary Medical Association. **The full-time equivalent students attending KSU-Veterinary Medical Center during the Fall 2019 semester is 732, which is an increase of 1 FTE student, or 0.2 percent, above the Fall 2018 semester number.**

KSU-VETERINARY MEDICAL CENTER SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 43,293,283	\$ 50,671,780	\$ 50,671,780	\$ 50,914,155	\$ 50,914,155
Contractual Services	9,375,235	8,921,122	8,921,122	8,861,921	8,861,921
Commodities	5,590,705	5,324,944	5,324,944	5,324,944	5,324,944
Capital Outlay	3,206,393	2,346,779	2,346,779	2,316,779	2,316,779
Debt Service	18,129	89,371	89,371	89,371	89,371
<i>Subtotal - Operations</i>	<i>\$ 61,483,745</i>	<i>\$ 67,353,996</i>	<i>\$ 67,353,996</i>	<i>\$ 67,507,170</i>	<i>\$ 67,507,170</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	1,084,911	861,517	861,517	861,517	861,517
TOTAL	\$ 62,568,656	\$ 68,215,513	\$ 68,215,513	\$ 68,368,687	\$ 68,368,687
Financing:					
State General Fund	\$ 14,673,567	\$ 15,543,398	\$ 15,543,398	\$ 15,589,790	\$ 15,589,790
All Other Funds	47,895,089	52,672,115	52,672,115	52,778,897	52,778,897
TOTAL	\$ 62,568,656	\$ 68,215,513	\$ 68,215,513	\$ 68,368,687	\$ 68,368,687
FTE Positions	493.3	508.0	508.0	508.0	508.0

The **agency** requests an operating budget of \$68.4 million, including \$15.6 million from the State General Fund, for FY 2021. This is an all funds increase of \$153,174, or 0.2 percent, and a State General Fund increase of \$46,392, or 0.3 percent, above the FY 2020 revised estimate. The increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

G. Pittsburg State University

Pittsburg State University (PSU) was established in 1903 by the Kansas Legislature to serve the higher education needs of Southeast Kansas. In 1970, PSU became a Regents institution operating under the direction of the State Board of Regents. PSU functions as a comprehensive regional university, providing undergraduate and graduate programs and services primarily to the citizens of Southeast Kansas. This is accomplished through academic programs in Arts and Sciences, Business and Economics, Education, and Technology and Applied Science. PSU also is committed to fulfilling its statewide mission in technology and economic development. PSU seeks to fulfill the traditional academic missions of teaching, scholarship, and service. **The full-time equivalent students attending Pittsburg State University during the Fall 2018 semester is 5,844, which is a decrease of 144 FTE students, or 2.4 percent, below the Fall 2018 semester number.**

PITTSBURG STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 66,196,526	\$ 65,832,858	\$ 65,832,858	\$ 66,162,761	\$ 66,162,761
Contractual Services	12,207,760	17,812,393	17,812,393	17,516,136	17,516,136
Commodities	3,621,282	4,757,631	4,757,631	4,708,634	4,708,634
Capital Outlay	1,919,781	2,403,074	2,403,074	2,156,767	2,156,767
Debt Service	2,269,764	2,163,850	2,163,850	2,031,652	2,031,652
<i>Subtotal - Operations</i>	<i>\$ 86,215,113</i>	<i>\$ 92,969,806</i>	<i>\$ 92,969,806</i>	<i>\$ 92,575,950</i>	<i>\$ 92,575,950</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	13,178,471	13,607,998	13,607,998	13,607,998	13,607,998
TOTAL	\$ 99,393,584	\$ 106,577,804	\$ 106,577,804	\$ 106,183,948	\$ 106,183,948
Financing:					
State General Fund	\$ 34,807,413	\$ 37,461,872	\$ 37,461,872	\$ 37,143,376	\$ 37,143,376
All Other Funds	64,586,171	69,115,932	69,115,932	69,040,572	69,040,572
TOTAL	\$ 99,393,584	\$ 106,577,804	\$ 106,577,804	\$ 106,183,948	\$ 106,183,948
FTE Positions	1,036.8	917.7	917.7	917.7	917.7

The **agency** requests an operating budget of \$106.2 million, including \$37.1 million from the State General Fund, for FY 2021. This is an all funds decrease of \$393,856, or 0.4 percent, and a State General Fund decrease of \$318,496, or 0.9 percent, below the FY 2020 revised estimate. The decrease is due to decreases in expenditures in contractual services, commodities, capital outlay, and debt service with an offsetting increase in salaries and wages due to additional salaries and wages fringe benefit expenditures and the lack of reappropriated funds for FY 2021.

The **Governor** concurs with the agency's request for FY 2021.

H. University of Kansas

The University of Kansas (KU) was established in 1864 by the Kansas Legislature. KU is a major comprehensive research and teaching university. It is the only Kansas Regents university to hold membership in the Association of American Universities (AAU), a group of 62 public and private research universities that represent excellence in graduate and professional education and the highest achievements in research internationally. In addition to the main campus in Lawrence, KU includes medical centers in Kansas City and Wichita, the Regents Center in Overland Park, and other education and research facilities throughout the state. KU has 14 major academic divisions, including the Liberal Arts and Sciences, Graduate School, Allied Health, Architecture and Urban Design, Business, Education, Engineering, and Social Welfare. **The full-time equivalent students attending the University of Kansas during the Fall 2019 semester is 21,329, which is a decrease of 176 FTE students, or 0.8 percent, below the Fall 2018 semester number.** The University of Kansas Medical Center submits a separate budget and a separate analysis is prepared for that institution.

UNIVERSITY OF KANSAS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 488,600,733	\$ 500,051,782	\$ 500,051,782	\$ 505,087,431	\$ 505,087,431
Contractual Services	161,787,646	162,706,698	162,706,698	162,090,365	162,090,365
Commodities	21,515,686	24,253,046	24,253,046	24,998,148	24,998,148
Capital Outlay	22,549,204	24,760,701	24,760,701	25,777,593	25,777,593
Debt Service	9,242,044	7,924,231	7,924,231	7,416,682	7,416,682
<i>Subtotal - Operations</i>	<i>\$ 703,695,313</i>	<i>\$ 719,696,458</i>	<i>\$ 719,696,458</i>	<i>\$ 725,370,219</i>	<i>\$ 725,370,219</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	63,189,000	63,205,598	63,205,598	63,175,463	63,175,463
TOTAL	\$ 766,884,313	\$ 782,902,056	\$ 782,902,056	\$ 788,545,682	\$ 788,545,682
Financing:					
State General Fund	\$ 133,775,045	\$ 141,036,810	\$ 141,036,810	\$ 141,467,895	\$ 141,467,895
All Other Funds	633,109,268	641,865,246	641,865,246	647,077,787	647,077,787
TOTAL	\$ 766,884,313	\$ 782,902,056	\$ 782,902,056	\$ 788,545,682	\$ 788,545,682
FTE Positions	5,340.5	5,340.5	5,340.5	5,340.5	5,340.5

The **agency** requests an operating budget of \$788.5 million, including \$141.5 million from the State General Fund, for FY 2021. This is an all funds increase of \$5.6 million, or 0.7 percent, and a State General Fund increase of \$431,085, or 0.3 percent, above the FY 2020 revised estimate. The increase is due to increases in expenditures in salaries and wages (\$5.0 million), commodities (\$745,102), and capital outlay (\$1.0 million) with partially offsetting decreases in contractual services (\$616,333) and debt service (\$507,549). The increase in the State General Fund is due to additional salaries and wages fringe benefit expenditures.

The **Governor** concurs with the agency's request for FY 2021.

I. University of Kansas Medical Center

The University of Kansas Medical Center (KUMC) is under the jurisdiction of the University of Kansas. The Executive Vice-chancellor of KUMC reports directly to the Chancellor of the University of Kansas. KUMC is composed of the School of Medicine (located in Kansas City and Wichita), the School of Nursing, the School of Allied Health, and a graduate school. KUMC was established in 1905 through the merger of a number of proprietary medical schools; the first building on the present site was opened in 1924. **The full-time equivalent students attending the University of Kansas Medical Center during the Fall 2019 semester is 2,774, which is an increase of 34 FTE positions, or 1.3 percent, above the Fall 2018 semester.**

UNIVERSITY OF KANSAS MEDICAL CENTER SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 312,626,761	\$ 351,112,165	\$ 351,112,165	\$ 352,729,427	\$ 352,729,427
Contractual Services	51,830,863	40,363,041	40,363,041	38,842,030	38,842,030
Commodities	11,822,650	9,184,567	9,184,567	9,439,903	9,439,903
Capital Outlay	7,229,388	4,050,356	4,050,356	4,124,481	4,124,481
Debt Service	2,314,112	4,028,816	4,028,816	3,793,350	3,793,350
<i>Subtotal - Operations</i>	<i>\$ 385,823,774</i>	<i>\$ 408,738,945</i>	<i>\$ 408,738,945</i>	<i>\$ 408,929,191</i>	<i>\$ 408,929,191</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	9,451,102	9,211,547	9,211,547	9,202,406	9,202,406
TOTAL	\$ 395,274,876	\$ 417,950,492	\$ 417,950,492	\$ 418,131,597	\$ 418,131,597
Financing:					
State General Fund	\$ 108,650,304	\$ 113,017,727	\$ 113,017,727	\$ 114,710,232	\$ 114,710,232
All Other Funds	286,624,572	304,932,765	304,932,765	303,421,365	303,421,365
TOTAL	\$ 395,274,876	\$ 417,950,492	\$ 417,950,492	\$ 418,131,597	\$ 418,131,597
FTE Positions	3,184.0	3,333.9	3,333.9	3,333.9	3,333.9

The **agency** requests an operating budget of \$418.1 million, including \$114.7 million from the State General Fund, for FY 2021. This is an all funds increase of \$181,105, or less than 0.1 percent, and a State General Fund increase of \$1.7 million, or 1.5 percent, above the FY 2020 revised estimate. The increase is due to increases in expenditures in salaries and wages (\$1.6 million), commodities (\$255,336), and capital outlay (\$74,125) with partially offsetting decreases in contractual services (\$1.5 million) and debt service (\$235,466). The increase in the State General Fund moneys is due to additional salaries and wages fringe benefit expenditures and a change in the psychiatry scholarship and rural health psychiatry program from a transfer to a direct appropriation.

The **Governor** concurs with the agency's request for FY 2021.

J. Wichita State University

Wichita State University (WSU) was established as Fairmount College and was operated by the Congregational Church from 1895 to 1926. In 1926, it became a municipal university under the jurisdiction of the City of Wichita. Since July 1, 1964, the institution has been a part of the state Regents system of higher education under the auspices of the Kansas Board of Regents. As a metropolitan university located in the state's largest urban area, WSU serves a large number of nontraditional students. WSU has two distinct student bodies: one is composed of traditional students ages 18 to 23 who devote themselves full-time to school and campus activities, and the other is composed of older students who work on a part-time or full-time basis while in school. **The full-time equivalent students attending Wichita State University during the Fall 2019 semester is 11,397, which is an increase of 112 FTE students, or 1.0 percent, above the Fall 2018 semester.**

**WICHITA STATE UNIVERSITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 192,594,421	\$ 207,724,157	\$ 207,724,157	\$ 208,207,136	\$ 208,207,136
Contractual Services	102,112,341	106,909,685	106,909,685	108,010,508	108,010,508
Commodities	13,034,027	15,801,743	15,801,743	15,705,119	15,705,119
Capital Outlay	15,460,985	15,391,805	15,391,805	15,486,753	15,486,753
Debt Service	3,986,404	3,799,902	3,799,902	4,488,348	4,488,348
<i>Subtotal - Operations</i>	<i>\$ 327,188,178</i>	<i>\$ 349,627,292</i>	<i>\$ 349,627,292</i>	<i>\$ 351,897,864</i>	<i>\$ 351,897,864</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	44,106,440	45,411,129	45,411,129	45,431,129	45,431,129
TOTAL	<u>\$ 371,294,618</u>	<u>\$ 395,038,421</u>	<u>\$ 395,038,421</u>	<u>\$ 397,328,993</u>	<u>\$ 397,328,993</u>
Financing:					
State General Fund	\$ 77,806,696	\$ 82,651,769	\$ 82,651,769	\$ 84,368,962	\$ 84,368,962
All Other Funds	293,487,922	312,386,652	312,386,652	312,960,031	312,960,031
TOTAL	<u>\$ 371,294,618</u>	<u>\$ 395,038,421</u>	<u>\$ 395,038,421</u>	<u>\$ 397,328,993</u>	<u>\$ 397,328,993</u>
FTE Positions	2,139.0	2,188.9	2,188.9	2,188.9	2,188.9

The **agency** requests an operating budget of \$397.3 million, including \$84.4 million from the State General Fund, for FY 2021. This is an all funds increase of \$2.3 million, or 0.6 percent, and a State General Fund increase of \$1.7 million, or 2.1 percent, above the FY 2020 revised estimate. The increase is due to increases in expenditures in salaries and wages (\$482,979), contractual services (\$1.1 million), capital outlay (\$74,125), and debt service (\$688,446) with a partially offsetting decrease in commodities (\$96,624). The increase in the State General Fund is due to additional salaries and wages fringe benefit expenditures and more State General Fund operating expenditures in FY 2021 than in FY 2020.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Board of Regents	\$ 0	\$ 0	\$ 44,000,000	\$ 44,000,000
Emporia State University	13,404,683	13,404,683	4,940,000	4,940,000
Fort Hays State University	10,051,120	10,051,120	12,135,895	12,135,895
Kansas State University	41,639,679	41,639,679	21,095,744	21,095,744
KSU-ESARP	150,000	150,000	150,000	150,000
KSU-VMC	368,546	368,546	368,546	368,546
Pittsburg State University	13,490,569	13,490,569	5,016,482	5,016,482
University of Kansas	44,907,368	44,907,368	15,693,273	15,693,273
KUMC	23,965,876	23,965,876	9,081,888	9,081,888
Wichita State University	28,055,247	28,055,247	12,106,822	12,106,822
TOTAL	\$ 176,033,088	\$ 176,033,088	\$ 124,588,650	\$ 124,588,650
Financing:				
State General Fund	\$ 7,574,270	\$ 7,574,270	\$ 2,352,350	\$ 2,352,350
Educational Building Fund	71,273,127	71,273,127	44,000,000	44,000,000
All Other Funds	97,185,691	97,185,691	78,236,300	78,236,300
TOTAL	\$ 176,033,088	\$ 176,033,088	\$ 124,588,650	\$ 124,588,650

FY 2020 – Current Year. The **agencies** estimate a revised capital improvement budget of \$176.0 million, including \$7.6 million from the State General Fund, in FY 2020. This is an all funds increase of \$44.6 million, or 34.0 percent, above the approved amount and a State General Fund increase of \$5.4 million, or 248.2 percent, above the approved amount in FY 2020. The increase is primarily due to additional capital improvement projects including: Daisy Hill Piping at KU; Ice Hall, Willard Hall, and Polytechnic airport preservation at KSU; and the Crash Dynamics Lab at WSU. The State General Fund increase is primarily due to increased debt service principal payments and rehabilitation and repair projects at KU and KUMC.

The **Governor** concurs with the agencies' revised estimates.

FY 2021 – Budget Year. The **agencies** request capital improvement expenditures of \$124.6 million, including \$2.4 million from the State General Fund, for FY 2021. This is an all funds decrease of \$51.4 million, or 29.2 percent, and a State General Fund decrease of \$5.2 million, or 68.9 percent, below the FY 2020 revised estimate. The decrease is due to an overall decrease in capital improvement projects. However, FHSU has three new projects in FY 2021, including Forsyth Library renovations, the South Campus Drive renovation, and Rarick Hall renovations. The expenditures for KSU-ESARP and KSU-VMC are for lease payments.

The **Governor** concurs with the agencies' requests.

KANSAS STATE SCHOOL FOR THE BLIND

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 5,485,171	\$ 5,693,905	\$ 5,693,905	\$ 5,789,128	\$ 5,789,128
Other Funds	732,762	1,118,026	1,118,026	1,043,576	1,043,576
<i>Subtotal</i>	<i>\$ 6,217,933</i>	<i>\$ 6,811,931</i>	<i>\$ 6,811,931</i>	<i>\$ 6,832,704</i>	<i>\$ 6,832,704</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	558,230	1,133,804	1,133,804	940,443	940,443
<i>Subtotal</i>	<i>\$ 558,230</i>	<i>\$ 1,133,804</i>	<i>\$ 1,133,804</i>	<i>\$ 940,443</i>	<i>\$ 940,443</i>
TOTAL	<u>\$ 6,776,163</u>	<u>\$ 7,945,735</u>	<u>\$ 7,945,735</u>	<u>\$ 7,773,147</u>	<u>\$ 7,773,147</u>
Percentage Change:					
Operating Expenditures					
State General Fund	2.2 %	3.8 %	3.8 %	1.7 %	1.7 %
All Funds	0.2	9.6	9.6	0.3	0.3
FTE Positions	81.5	81.5	81.5	81.5	81.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Located in Kansas City, the mission of the Kansas State School for the Blind (KSSB) is to serve as a catalyst and leader in the development of exemplary programs and practices in vision services for students up to the age of 21. KSSB aims to build local capacity throughout the state *via* strategic partnerships with local schools, parents, and communities to ensure learners with visual impairments are able to assume responsible roles in society and lead fulfilling lives.

To fulfill its mission, KSSB established three programs: Administrative Services, Instructional Services, and Support Services. The school serves as the center for state-of-the-art education of Kansas children who are either blind or visually impaired, and as the training and support base for teachers across the state who work with children who have sensory impairments. Through its outreach program, KSSB also provides direct support in public schools by working with students, teachers, and parents to improve educational opportunities for students who are visually impaired.

KSSB is a state agency under the control and supervision of the State Board of Education. Residents of the state, up to the age of 21, who are unable to materially benefit from attendance in a public school because of a visual impairment, are entitled to free admission to

the school. Among the programs and services offered at KSSB are day/residential academic programming, consultation, mentoring, assessment services, short course (one to five days), extended school year (summer school), and transition services.

MAJOR ISSUES FROM PRIOR YEARS

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas State School for the Deaf, the Kansas State School for the Blind, the Beloit Juvenile Correctional Facility, state developmental disability hospitals, and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations to the Governor and the Legislature regarding these and any other facilities studied.

The Commission studied combining the Kansas State School for the Blind and the Kansas State School for the Deaf on one campus, specifically the Olathe campus for the School for the Deaf. Due to initial capital improvement expenditures required to meet the needs of the students from the School for the Blind, the Commission recommended the campuses not be co-located and the School for the Blind and the School for the Deaf maintain their respective campuses but share services where possible. This included sharing one administrative staff, including the superintendent position, food services, health services, and any other services possible in order to reduce expenditures.

Currently, the schools share administrative services, including one Director of Operations, one Food Service Manager, one Maintenance/Security Manager, one Human Resources Director, and one Financial Director.

The **2011 Legislature** deleted \$30,509, all from the State General Fund, in FY 2011 and \$31,979, all from the State General Fund, in FY 2012 for debt service principal payments on the Facilities Conservation Improvement Project. The funding was replaced with funding from the State Institutions Building Fund. In addition, the Legislature passed HB 2078, which allows the School for the Blind to conduct teacher training programs year round. Previously, training programs were only permitted to be conducted during the summer.

The **2012 Legislature** eliminated 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June 30, 2012. The Legislature also approved the addition of funding for undermarket pay for FY 2013.

The **2012 Legislature** passed HB 2777, which allowed the School for the Blind and the School for the Deaf to receive payment from school districts for providing services to students at each of the schools.

The **2013 Legislature** added language authorizing the superintendent of the School for the Blind and the School for the Deaf to transfer State General Fund appropriations between the two schools for FY 2013, FY 2014, and FY 2015.

During the **2014 Session**, a Governor's Executive Directive added \$202,674, all from the State General Fund, to alleviate problems with federal special education maintenance of effort issues, as well as eliminate the need to reduce staff for FY 2015. Additionally, \$36,938, all from the State General Fund, was added to provide statutorily required salary increases for educators for FY 2017.

The **2017 Legislature** added \$49,451, all from the State General Fund, for FY 2018 and \$50,143, all from the State General Fund, for FY 2019 to provide statutorily required salary increases for educators, pursuant to KSA 76-11a16. The Legislature also added \$29,266, all from the State General Fund, for FY 2018 and FY 2019 for non-educator salary increases pursuant to the state employee pay plan authorized by the 2017 Legislature.

The **2017 Legislature** also included language in Senate Sub. for HB 2002 requiring separate superintendents for the School for the Blind and the School for the Deaf during FY 2018 and FY 2019.

The **2018 Legislature** added \$21,513, including \$20,501 from the State General Fund, for non-educator salary increases pursuant to the state employee pay plan authorized by the 2018 Legislature.

The **2019 Legislature** added \$7,528, all from the State General Fund, for FY 2019 and \$86,517, all from the State General Fund, for FY 2020 to provide statutorily required salary increases for teachers pursuant to KSA 76-11a16. The Legislature also added \$52,119, including \$50,799, for non-educator salary increases pursuant to the FY 2020 state employee pay plan authorized by the 2019 Legislature.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$7.9 million, including \$5.7 million from the State General Fund, in FY 2020. The total revised estimate is an all funds increase of \$212,102, or 2.7 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund increase of \$212,102, or 10.4 percent. The State General Fund amount is the same as the approved amount. The revised estimate includes 81.5 FTE positions, which is the same as the approved number.

The revised estimate includes an operating budget of \$6.8 million, including \$5.7 million from the State General Fund. The revised operating budget is an all funds increase of \$206,298, or 3.1 percent, above the approved amount. This includes a special revenue fund increase of \$206,298, or 22.6 percent. The State General Fund amount is the same as the approved amount. The special revenue fund increase is primarily attributable to the agency now budgeting for capital outlay expenditures and for the agency shifting some contractual services expenditures from the State General Fund to special revenue funds.

The revised estimate includes a capital improvements expenditures of \$1.1 million, all from the State Institutions Building Fund. This is an increase of \$5,804, or 0.5 percent, above the approved amount. The increase is due to the agency carrying forward moneys from FY 2019 to FY 2020.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests total expenditures of \$7.8 million, including \$5.8 million from the State General Fund, for FY 2021. The total budget is an all funds decrease of \$172,588, or 2.2 percent, below the FY 2020 revised estimate. This includes a State General Fund increase of \$95,223, or 1.7 percent, and a special revenue fund decrease of \$267,811, or 11.9 percent, from the FY 2020 revised estimate. The request includes 81.5 FTE positions, which is the same as the approved number.

The request includes an operating budget of \$6.8 million, including \$5.8 million from the State General Fund. The operating budget is an all funds increase of \$20,773, or 0.3 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$95,223, or 1.7 percent, and a special revenue fund decrease of \$74,450, or 6.7 percent. The State General Fund increase is primarily attributable to teacher salary increases. The special revenue funds decrease is attributable to decreased expenditures for capital outlay and to the agency shifting some contractual services expenditures from special revenue funds to the State General Fund.

The request includes a capital improvements budget of \$940,443, all from the State Institutions Building Fund. This is a decrease of \$193,351, or 17.1 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the planned completion of several capital improvements projects.

The **Governor** concurs with the agency's request for FY 2021.

PERFORMANCE MEASURES

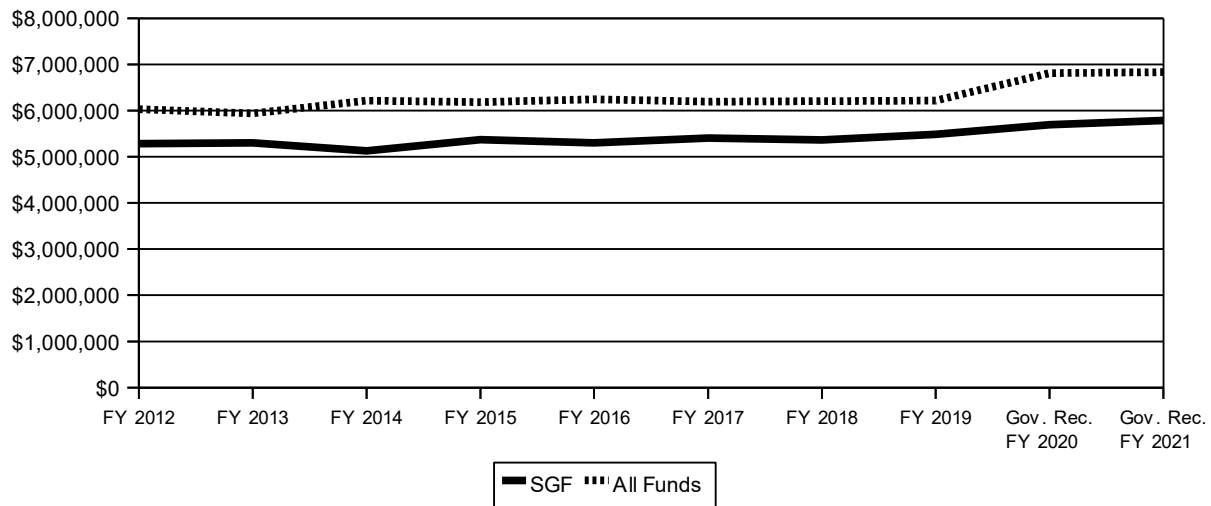
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Students Served Statewide	865	811	N/A	764	853	893
Number of Students Receiving Services on Campus	30	27	N/A	32	38	38
Percent of Students in the Transition Program (Aged 18-21) Who Have a Paid Job Experience before Exiting	N/A	N/A	N/A	25.0 %	40.0 %	50.0 %
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 6,928.7	\$ 6,901.7	\$ 6,971.9	\$ 6,776.2	\$ 7,945.7	\$ 7,773.1
FTE Positions	81.5	81.5	81.5	81.5	81.5	81.5

These key performance measures were selected by the Division of the Budget and the Legislative Research Department. Over the last few years, the agency has increasingly emphasized its role as a statewide resource center for the instruction of blind and visually impaired students. The agency has also focused on preparing students for postsecondary success. As a result, the agency has emphasized the statewide services it provides to school districts, parents, and communities, as well as programs that prepare students for life after secondary school. Since this focus of the agency is relatively new, the agency has just recently developed performance measures to track these goals.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 5,282,319	(2.7)%	\$ 6,030,346	0.6 %	82.5
2013	5,302,535	0.4	5,938,274	(1.5)	82.5
2014	5,125,021	(3.3)	6,215,991	4.7	81.5
2015	5,372,554	4.8	6,182,299	(0.5)	81.5
2016	5,303,531	(1.3)	6,244,932	1.0	81.5
2017	5,404,003	1.9	6,194,474	(0.8)	81.5
2018	5,364,515	(0.7)	6,203,799	0.2	81.5
2019	5,485,171	2.2	6,217,933	0.2	81.5
2020 Gov. Rec.	5,693,905	3.8	6,811,931	9.6	81.5
2021 Gov. Rec.	5,789,128	1.7	6,832,704	0.3	81.5
Ten-Year Change Dollars/Percent	\$ 506,809	9.6 %	\$ 802,358	13.3 %	(1.0)

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Administrative Services	\$ 256,042	\$ 281,071	\$ 279,501	\$ (1,570)	(0.6) %	\$ 281,071	\$ 279,501	\$ (1,570)	(0.6) %		
Instructional Services	4,539,884	5,000,688	5,031,285	30,597	0.6	5,000,688	5,031,285	30,597	0.6		
Support Services	1,422,007	1,530,172	1,521,918	(8,254)	(0.5)	1,530,172	1,521,918	(8,254)	(0.5)		
TOTAL	\$ 6,217,933	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %		
By Major Object of Expenditure:											
Salaries and Wages	\$ 4,766,882	\$ 5,443,858	\$ 5,484,681	\$ 40,823	0.7 %	\$ 5,443,858	\$ 5,484,681	\$ 40,823	0.7 %		
Contractual Services	954,323	968,748	985,698	16,950	1.7	968,748	985,698	16,950	1.7		
Commodities	229,447	220,125	216,125	(4,000)	(1.8)	220,125	216,125	(4,000)	(1.8)		
Capital Outlay	158,871	80,200	47,200	(33,000)	(41.1)	80,200	47,200	(33,000)	(41.1)		
Debt Service	0	0	0	0	--	0	0	0	--		
Subtotal - Operations	\$ 6,109,523	\$ 6,712,931	\$ 6,733,704	\$ 20,773	0.3 %	\$ 6,712,931	\$ 6,733,704	\$ 20,773	0.3 %		
Aid to Local Units	0	0	0	0	--	0	0	0	--		
Other Assistance	108,410	99,000	99,000	0	0.0	99,000	99,000	0	0.0		
TOTAL	\$ 6,217,933	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %		
Financing:											
State General Fund	\$ 5,485,171	\$ 5,693,905	\$ 5,789,128	\$ 95,223	1.7 %	\$ 5,693,905	\$ 5,789,128	\$ 95,223	1.7 %		
Federal Funds	597,200	571,937	537,809	(34,128)	(6.0)	571,937	537,809	(34,128)	(6.0)		
All Other Funds	135,562	546,089	505,767	(40,322)	(7.4)	546,089	505,767	(40,322)	(7.4)		
TOTAL	\$ 6,217,933	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %	\$ 6,811,931	\$ 6,832,704	\$ 20,773	0.3 %		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$5,693,543 for the Kansas State School for the Blind in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$362, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$5,693,905. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 5,693,905	\$ 5,693,905	\$ 0	\$ 5,693,905	\$ 0
All Other Funds	2,039,728	2,251,830	212,102	2,251,830	212,102
TOTAL	\$ 7,733,633	\$ 7,945,735	\$ 212,102	\$ 7,945,735	\$ 212,102
FTE Positions	81.5	81.5	0.0	81.5	0.0

The **agency** requests a revised estimate of \$7.9 million, including \$5.7 million from the State General Fund, in FY 2020. The total revised estimate is an all funds increase of \$212,102, or 2.7 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund increase of \$212,102, or 10.4 percent. The State General Fund amount is the same as the approved budget. The revised estimate includes 81.5 FTE positions, which is the same as the approved number.

The revised estimate includes an operating budget of \$6.8 million, including \$5.7 million from the State General Fund. The revised operating budget is an all funds increase of \$206,298, or 3.1 percent, above the approved amount. This includes a special revenue fund increase of \$206,298, or 22.6 percent. The State General Fund amount is the same as the approved budget. The special revenue fund increase is attributable to several factors. First, the agency is now budgeting for capital outlay expenditures during FY 2020. Those expenditures primarily include additional assistive technology and new STEM equipment. The special revenue fund increase is also due to increased contractual services expenditures from the agency's General Fees Fund to support the installation of a new playground on campus during both FY 2020 and FY 2021. According to the agency, this project will also be supported by private funding. This increase in expenditures is partially offset by a decrease in overall contractual services expenditures due to a decrease in estimated utilities expenditures from the approved budget and a decrease in occupational therapy and physical therapy services.

The agency's revised operating budget also includes an all funds increase of \$212,130, or 4.1 percent, for salaries and wages expenditures. This includes a State General Fund increase of \$208,201, or 4.2 percent, and a special revenue fund increase of \$3,929, or 1.7 percent. The all funds increase in salaries and wages is partially attributable to the agency filling two open field service positions to provide additional outreach services across the state. It is also due to the agency decreasing its shrinkage rate in FY 2020. The State General Fund increase is fully offset by the agency shifting some contractual services and commodities expenditures to special revenue funds.

The revised estimate includes a capital improvements budget of \$1.1 million, all from the State Institutions Building Fund. This is an increase of \$5,804, or 0.5 percent, above the approved amount. The increase is due to the agency carrying forward moneys from FY 2019 to FY 2020. This includes \$4,215 for rehabilitation and repair projects and \$1,589 for upgrades to the school's boilers and heating, ventilation, and air conditioning (HVAC) system.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 6,832,704	\$ 6,832,704	\$ 0
FTE Positions	81.5	81.5	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 95,223	\$ 95,223	
All Other Funds	(74,450)	(74,450)	
TOTAL	\$ 20,773	\$ 20,773	
<i>Percent Change:</i>			
State General Fund	1.7 %	1.7 %	
All Other Funds	(6.7)	(6.7)	
TOTAL	0.3 %	0.3 %	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$6.8 million, including \$5.8 million from the State General Fund, for FY 2021. The operating budget is an all funds increase of \$20,773, or 0.3 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$95,223, or 1.7 percent, and a special revenue fund decrease of \$74,450, or 6.7 percent, from the FY 2020 revised estimate. The request includes 81.5 FTE positions, which is the same as the FY 2020 estimated number.

The State General Fund increase is primarily attributable to an increase of \$72,212 to provide a 4.1 percent salary increase for teachers at the Kansas State School for the Blind. KSA 76-11a16 requires that the compensation of teachers at Kansas State School for the Blind equal

the previous year's salary of teachers employed in the Olathe School District. Therefore, this 4.1 percent increase for FY 2021 matches the 4.1 percent salary increase that Olathe School District teachers will receive in FY 2020. Since the teacher salary increases are required by statute, the agency was not required to submit an enhancement request for the increased funding. The State General Fund increase is also attributable to increased expenditures for contractual services, particularly furniture repair.

The special revenue fund decrease is primarily attributable to decreased capital outlay expenditures, including software for the Kansas Instructional Resource Center, which provides educational resources to students with visual disabilities who are enrolled at public or private schools. The decrease is also attributable to decreased special revenue fund expenditures for contractual services from the agency's General Fees Fund. This fund is being used to support the installation of the new playground on campus during both FY 2020 and FY 2021.

The **Governor** concurs with the agency's request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$52,119, including \$50,799 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$4,800, including \$4,587 from the State General Fund, and FY 2021 longevity payments total \$4,960, including \$4,743 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

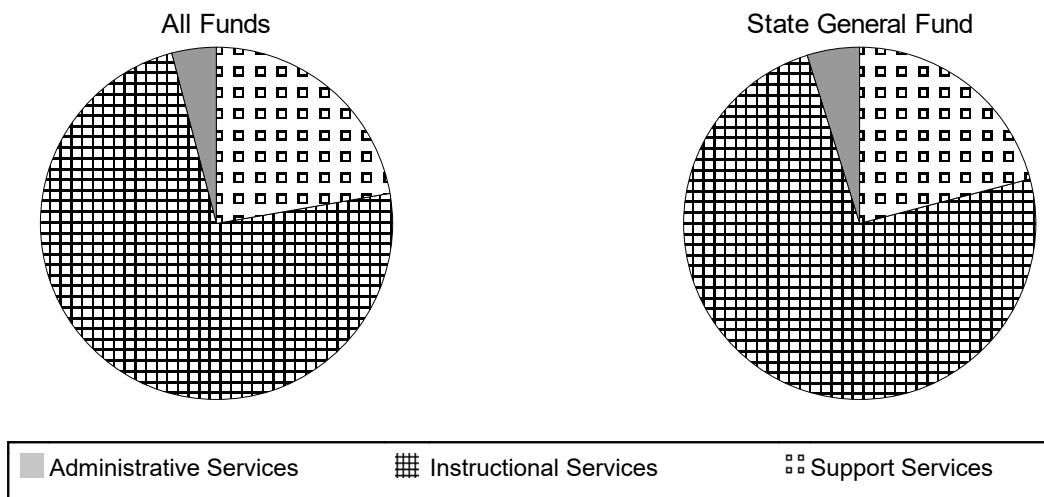
Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	84.7 %	84.7 %
Federal Funds	7.9	7.9
All Other Funds	7.4	7.4
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administrative Services	\$ 279,501	4.1 %	\$ 279,501	4.8 %
Instructional Services	5,031,285	73.6	4,297,508	74.2
Support Services	1,521,918	22.3	1,212,119	20.9
TOTAL	\$ 6,832,704	100.0 %	\$ 5,789,128	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administrative Services	2.0	2.0	2.0	2.0	2.0
Instructional Services	59.5	59.5	59.5	59.5	59.5
Support Services	20.0	20.0	20.0	20.0	20.0
TOTAL	81.5	81.5	81.5	81.5	81.5

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administrative Services

The Administrative Services program coordinates overall management and operations of the Kansas State School for the Blind. The program is responsible for the development and administration of educational and co-curricular programs, personnel procedures, and support services; appointment of classified and unclassified employees; budget preparations; and payroll.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Agency Budget Allocated to Instructional Services*	N/A	N/A	N/A	73.0 %	75.0 %	80.0 %
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 227.0	\$ 367.4	\$ 391.7	\$ 256.0	\$ 281.1	\$ 279.5
FTE Positions	1.4	2.4	2.4	2.0	2.0	2.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATIVE SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 190,230	\$ 216,421	\$ 216,421	\$ 214,851	\$ 214,851
Contractual Services	65,441	64,250	64,250	64,250	64,250
Commodities	371	400	400	400	400
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 256,042	\$ 281,071	\$ 281,071	\$ 279,501	\$ 279,501
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 256,042	\$ 281,071	\$ 281,071	\$ 279,501	\$ 279,501
Financing:					
State General Fund	\$ 249,182	\$ 281,071	\$ 281,071	\$ 279,501	\$ 279,501
All Other Funds	6,860	0	0	0	0
TOTAL	\$ 256,042	\$ 281,071	\$ 281,071	\$ 279,501	\$ 279,501
FTE Positions	2.0	2.0	2.0	2.0	2.0

The **agency** requests a revised estimate of \$281,071, all from the State General Fund, in FY 2020. This is a decrease of \$118,665, or 29.7 percent, below the amount approved by the 2019 Legislature. The revised estimate includes 2.0 FTE positions, which is a decrease of 0.4 FTE positions below the approved number. The State General Fund decrease is primarily attributable to the agency shifting the Accessible Arts contract from the Administrative Services program to the Instructional Services program. The decrease is partially offset by the agency decreasing the program's shrinkage rate in FY 2020. The change in FTE positions is due to the agency shifting 0.4 FTE positions from the Administrative Services program to the Instructional Services program.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$279,501, all from the State General Fund, for FY 2021. This is a decrease of \$1,570, or 0.6 percent, below the FY 2020 revised estimate. The request includes 2.0 FTE positions, which is the same as the FY 2020 number. The State General Fund decrease is primarily attributable to decreased expenditures for workers compensation.

The **Governor** concurs with the agency's request for FY 2021.

B. Instructional Services

The Instructional Services program is designed to meet both the academic and special skill needs of a student population with a wide range of cognitive abilities. The Kansas State School for the Blind seeks to make students independent learners and equip them with the special skills and knowledge to successfully return them to their home communities and schools. The Kansas State School for the Blind provides a fully accredited academic program and services for multiple disabilities. Instructional Services operates the following subprograms.

Day Program. This subprogram combines traditional academic subjects and classes for students with multiple disabilities and focuses on functional academics and the skills of daily living. Related services, such as speech therapy, orientation and mobility training, counseling, and physical and occupational therapies, which are required by a student's Individualized Education Plan (IEP), are scheduled throughout the day. Extracurricular activities are offered in the late afternoon and on some weekends.

Extended Day. The student residence subprogram is for students who are unable to return to their homes because of the distance from the Kansas State School for the Blind. A homelike environment is provided for students 6 to 21 years of age who have disabilities ranging from mild to severe. Many Extended Day students have medical problems and are provided 24-hour nursing coverage. The Extended Day instructors (dormitory teachers) teach the students daily living skills.

Extended School Year Program. This summer educational program provides access to curriculum that many students need to complete their IEP. Enrollment in this three-week program includes instruction in braille, orientation and mobility training, skills required for independent living, training in specialized assistive technology, career development training, and other blindness adaption skills.

Field-Based Instructional Services. Kansas State School for the Blind services are made available to more than 1,200 students in the state who have a visual impairment. This is accomplished through direct instruction, consultation, and distance learning experiences for students, parents, and school education teams. The Kansas State School for the Blind also provides services for children from birth through age three and their families through the statewide Infant Toddler Networks.

Kansas Instructional Resource Center. The Center provides textbooks and library materials in braille large print to all blind and visually impaired students in Kansas.

Accessible Arts, Inc. This subprogram provides outreach services statewide, as well as services to Kansas State School for the Blind students. Accessible Arts, Inc., developed a model

of using arts activities to promote learning across all curricular areas, and to promote the inclusion of children with disabilities with non-disabled children.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Students Served Statewide	865	811	N/A	764	853	893
Number of New Teachers with Visual Impairments (TVI) and Certified Orientation and Mobility Specialists (COMS) Receiving E-mentoring from KSSB Annually*	N/A	N/A	N/A	5	10	15
Percent of Students in the Transition Program (Aged 18-21) Who Have a Paid Job Experience before Exiting	N/A	N/A	N/A	25.0 %	40.0 %	50.0 %
Number of Professional Development Trainings Offered to All Teachers Who Work with Students Who Are Blind or Have a Visual Impairment Annually*	N/A	N/A	N/A	10	15	20
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 4,523.2	\$ 4,188.3	\$ 4,387.1	\$ 4,539.9	\$ 5,000.7	\$ 5,031.3
FTE Positions	60.1	58.1	58.1	59.5	59.5	59.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

INSTRUCTIONAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,602,683	\$ 4,144,248	\$ 4,144,248	\$ 4,194,645	\$ 4,194,645
Contractual Services	595,641	579,615	579,615	589,815	589,815
Commodities	94,681	106,125	106,125	106,125	106,125
Capital Outlay	138,469	71,700	71,700	41,700	41,700
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,431,474	\$ 4,901,688	\$ 4,901,688	\$ 4,932,285	\$ 4,932,285
Aid to Local Units	0	0	0	0	0
Other Assistance	108,410	99,000	99,000	99,000	99,000
TOTAL	\$ 4,539,884	\$ 5,000,688	\$ 5,000,688	\$ 5,031,285	\$ 5,031,285
Financing:					
State General Fund	\$ 3,906,859	\$ 4,239,062	\$ 4,239,062	\$ 4,297,508	\$ 4,297,508
All Other Funds	633,025	761,626	761,626	733,777	733,777
TOTAL	\$ 4,539,884	\$ 5,000,688	\$ 5,000,688	\$ 5,031,285	\$ 5,031,285
FTE Positions	59.5	59.5	59.5	59.5	59.5

The **agency** requests a revised estimate of \$5.0 million, including \$4.2 million from the State General Fund, for FY 2020. The revised estimate is an all funds increase of \$539,492, or 12.1 percent, above the amount approved by the 2019 Legislature. This includes a State General Fund increase of \$590,179, or 16.2 percent, and a special revenue fund decrease of \$50,687, or 6.2 percent, from the approved amount. The revised estimate includes 59.5 FTE positions, which is an increase of 1.4 FTE positions above the approved number.

The State General Fund increase is attributable to the following factors:

- Increased State General Fund expenditures of \$133,847 for contractual services due to the agency shifting the Accessible Arts contract from the Administrative Services program to the Instructional Services program, where it has historically been budgeted;
- Increased State General Fund expenditures of \$328,758 for salaries and wages, which is partially attributable to the agency filling two open field service positions to provide additional outreach services across the state. This is also due to the agency decreasing the program's shrinkage rate. Further, it is due to the agency shifting 1.0 FTE position from the Support Services program and 0.4 FTE position from the Administrative Services program to the Instructional Services program, which aligns the FY 2020 revised estimate with the FY 2019 actual distribution of FTE positions; and
- The agency shifting some contractual services expenditures from special revenue funds to the State General Fund.

The special revenue fund decrease is primarily attributable to the agency shifting some contractual services expenditures from special revenue funds to the State General Fund. This decrease is partially offset by increased capital outlay expenditures for additional assistive technology and new STEM equipment.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$5.0 million, including \$4.3 million from the State General Fund, for FY 2021. The request is an all funds increase of \$30,597, or 0.6 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$58,446, or 1.4 percent, and a special revenue fund decrease of \$27,849, or 3.7 percent, from the FY 2020 revised estimate. The request includes 59.5 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to an increase in salaries and wages to provide a 4.1 percent salary increase to teachers, as required by KSA 76-11a16. This State General Fund increase is partially offset by decreased expenditures for workers compensation. The special revenue fund decrease is primarily attributable to decreased capital outlay expenditures, including software for the Kansas Instructional Resource Center.

The **Governor** with the agency's request for FY 2021.

C. Support Services

The Support Services program maintains eight buildings on a 9.6 acre campus. Dietary and laundry services are provided to students attending the Kansas State School for the Blind. Housekeeping services maintain the dormitory, hospital, recreational facilities, and grounds. Maintenance services provide for the operation and repair of plan facilities, maintenance of vehicles, and security. Central receiving services distributes all materials that come into the Kansas State School for the Blind.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,440.8	\$ 1,646.6	\$ 1,632.8	\$ 1,422.0	\$ 1,530.2	\$ 1,521.9
FTE Positions	20.0	21.0	21.0	20.0	20.0	20.0

SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 973,969	\$ 1,083,189	\$ 1,083,189	\$ 1,075,185	\$ 1,075,185
Contractual Services	293,241	324,883	324,883	331,633	331,633
Commodities	134,395	113,600	113,600	109,600	109,600
Capital Outlay	20,402	8,500	8,500	5,500	5,500
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,422,007	\$ 1,530,172	\$ 1,530,172	\$ 1,521,918	\$ 1,521,918
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,422,007	\$ 1,530,172	\$ 1,530,172	\$ 1,521,918	\$ 1,521,918
Financing:					
State General Fund	\$ 1,329,130	\$ 1,173,772	\$ 1,173,772	\$ 1,212,119	\$ 1,212,119
All Other Funds	92,877	356,400	356,400	309,799	309,799
TOTAL	\$ 1,422,007	\$ 1,530,172	\$ 1,530,172	\$ 1,521,918	\$ 1,521,918
FTE Positions	20.0	20.0	20.0	20.0	20.0

The **agency** requests a revised estimate of \$1.5 million, including \$1.2 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$214,167, or 12.3 percent, below the amount approved by the 2019 Legislature. This includes a State General Fund decrease of \$471,152, or 28.6 percent, and a special revenue fund increase of \$256,985, or 258.5 percent. The revised estimate includes 20.0 FTE positions, which is a decrease of 1.0 FTE position below the approved number.

The State General Fund decrease is primarily attributable to the following factors:

- Decreased State General Fund expenditures of \$148,752 for salaries and wages due to the agency increasing the shrinkage rate for the Support Services program and to decreased expenditures for temporary housekeeping personnel. The decrease is also attributable to the agency shifting 1.0 FTE position from the Support Services program to the Instructional Services program, which aligns the FY 2020 revised estimate with the FY 2019 actual distribution of FTE positions;
- Decreased State General Fund expenditures of \$279,802 for contractual services due to the agency shifting some expenditures from the State General Fund to special revenue funds. The decrease in contractual services expenditures is also

due to a reduction in estimated utilities expenditures from the approved budget and to decreased expenditures for repairs to buildings and furniture; and

- Decreased State General Fund expenditures of \$42,598 for commodities due to the agency shifting some expenditures from the State General Fund to special revenue funds and to decreased expenditures for food.

The special revenue fund increase is primarily due to the agency shifting expenditures for contractual services and commodities from the State General Fund to special revenue funds. It is also attributable to increased capital outlay expenditures for maintenance equipment for the maintenance and security departments.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$1.5 million, including \$1.2 million from the State General Fund, for FY 2021. The request is an all funds decrease of \$8,254, or 0.5 percent, below the FY 2020 revised estimate. This includes a State General Fund increase of \$38,347, or 3.3 percent, and a special revenue fund decrease of \$46,601, or 13.1 percent, from the FY 2020 revised estimate. The request includes 20.0 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to the agency shifting some contractual services expenditures from special revenue funds to the State General Fund. This increase is partially offset by decreased expenditures for workers compensation.

The special revenue fund decrease is primarily attributable to the agency shifting some contractual services expenditures from special revenue funds to the State General Fund. It is also due to decreased expenditures for maintenance equipment, cleaning supplies, and building materials.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Safety & Security Systems	\$ 304,000	\$ 304,000	\$ 280,035	\$ 280,035
Campus Boilers & HVAC Upgrades	410,589	410,589	228,900	228,900
Rehabilitation & Repair	419,215	419,215	431,508	431,508
TOTAL	\$ 1,133,804	\$ 1,133,804	\$ 940,443	\$ 940,443
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	1,133,804	1,133,804	940,443	940,443
TOTAL	\$ 1,133,804	\$ 1,133,804	\$ 940,443	\$ 940,443

FY 2020 – Current Year. The agency estimates a revised capital improvements budget of \$1.1 million, all from the State Institutions Building Fund, in FY 2020. This is an all funds increase of \$5,804, or 0.5 percent, above the FY 2020 budget approved by the 2019 Legislature. The increase is attributable to the agency carrying forward moneys from FY 2019 to FY 2020. This includes \$4,215 for rehabilitation and repair projects and \$1,589 for upgrades to the school's boilers and heating, ventilation, and air conditioning (HVAC) system. Individual capital improvements projects are described below.

Safety and Security Systems. The agency estimates expenditures of \$304,000, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the Kansas State School for the Blind. This is the same amount approved for FY 2020 by the 2019 Legislature. Planned work in FY 2020 includes upgrading the fire emergency system of the Maxwell Building and upgrading the security windows in the Johnson Building.

Campus Boilers and HVAC. The agency estimates expenditures of \$410,589, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is an increase of \$1,589, or 0.4 percent, above the amount approved by the 2019 Legislature due to the agency carrying forward funds from FY 2019 to FY 2020. Agency officials indicate upgrades will allow energy savings and proactive measures will help avoid untimely and expensive emergency repairs. Additionally, the agency is working to minimize disruptions to staff and students. Planned work in FY 2020 includes replacement of the HVAC system in the Vogel Building and installation of new boilers in the Johnson Building.

Rehabilitation and Repair. The agency estimates expenditures of \$419,215, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is an increase of \$4,215, or 1.0 percent, above the amount approved by the 2019 Legislature due to the agency carrying forward funds from FY 2019 to FY 2020. Rehabilitation and repair projects include masonry and metal repair, drywall repairs, health and safety inspections, elevator repairs, and repairs to sidewalks and steps. Planned work for FY 2020 includes repairs to the utility tunnels leading to the Johnson Building.

The **Governor** concurs with the agency's capital improvements revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvements expenditures of \$940,443, all from the State Institutions Building Fund, for FY 2021. This is a decrease of \$193,361, or 17.1 percent, below the FY 2020 revised estimate. The decrease is attributable to decreased expenditures for safety and security system and HVAC upgrades. It is partially offset by increased expenditures for rehabilitation and repair projects. Individual capital improvements projects are described below.

Safety and Security Systems. The agency requests expenditures of \$280,035, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the Kansas State School for the Blind. This is a decrease of \$23,965, or 7.9 percent, below the FY 2020 revised estimate. Planned work for FY 2021 includes \$92,610 to upgrade the fire and mass notification systems on campus, along with \$187,425 for the construction of a secure breezeway between the main education building, the cafeteria, and the residential hall.

Campus Boilers and HVAC. The agency requests expenditures of \$228,900, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is a decrease of \$181,689, or 44.3 percent, below the FY 2020 revised estimate. Agency officials indicate upgrades will allow energy savings and proactive measures will help avoid untimely and expensive emergency repairs. Additionally, the agency is working to minimize disruptions to staff and students. Planned work for FY 2021 includes replacement of components of the HVAC system in Edlund Hall, which serves as the school's dormitory.

Rehabilitation and Repair. The agency requests expenditures of \$431,508, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is an increase of \$12,293, or 2.9 percent, above the FY 2020 revised estimate. Rehabilitation and repair projects include masonry and metal repair, drywall repairs, health and safety inspections, elevator repairs, and repairs to sidewalks and steps. Planned work for FY 2021 includes \$100,000 to complete repairs to the campus' utility tunnels, \$39,345 to ground all buildings on campus from lightning, and \$27,163 to increase the base budget for rehabilitation and repair projects.

The **Governor** concurs with the agency's capital improvements request for FY 2021.

KANSAS STATE SCHOOL FOR THE DEAF

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 9,021,541	\$ 9,345,387	\$ 9,345,387	\$ 9,986,573	\$ 9,519,915
Other Funds	1,723,959	1,132,366	1,132,366	1,151,546	1,151,546
<i>Subtotal</i>	<i>\$ 10,745,500</i>	<i>\$ 10,477,753</i>	<i>\$ 10,477,753</i>	<i>\$ 11,138,119</i>	<i>\$ 10,671,461</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	882,009	2,124,021	2,124,021	1,233,350	1,233,350
<i>Subtotal</i>	<i>\$ 882,009</i>	<i>\$ 2,124,021</i>	<i>\$ 2,124,021</i>	<i>\$ 1,233,350</i>	<i>\$ 1,233,350</i>
TOTAL	<u>\$ 11,627,509</u>	<u>\$ 12,601,774</u>	<u>\$ 12,601,774</u>	<u>\$ 12,371,469</u>	<u>\$ 11,904,811</u>
Percentage Change:					
Operating Expenditures					
State General Fund	2.2 %	3.6 %	3.6 %	6.9 %	1.9 %
All Funds	8.4	(2.5)	(2.5)	6.3	1.8
FTE Positions	143.5	143.5	143.5	143.5	143.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Located in Olathe, the mission of the Kansas State School for the Deaf (KSSD) is to ensure deaf and hard-of-hearing (D/HH) students achieve their full potential in a language-rich environment. The school established three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services. KSSD is a state agency under the control and supervision of the State Board of Education.

KSSD offers a comprehensive curriculum for D/HH students ages 21 and under. Both American Sign Language and English are integral parts of the total school program. KSSD provides related services to make educational programs available to students with additional disabilities, including health services, physical therapy, occupational therapy, and speech and language therapy. KSSD also provides sign language interpreting, audiological services, and community resource and family services. In addition, KSSD operates an outreach program to serve as a statewide resource center for D/HH students, their families, and their local school districts. This includes the Auditory Training Unit program, which provides equipment and consultative services for hearing impaired children in public school districts. The agency is responsible for the implementation of the statewide Language Assessment Program.

MAJOR ISSUES FROM PRIOR YEARS

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas State School for the Deaf, the Kansas State School for the Blind, the Beloit Juvenile Correctional Facilities, state developmental disability hospitals, and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations to the Governor and the Legislature regarding these and any other facilities studied.

The Commission studied combining the Kansas State School for the Blind and the Kansas State School for the Deaf on one campus, specifically the Olathe campus of the School for the Deaf. Due to initial capital improvement expenditures required to meet the needs of the students from the School for the Blind, the Commission recommended the campuses not be co-located and the School for the Blind and the School for the Deaf maintain their respective campuses but share services where possible. This included sharing one administrative staff, including the superintendent position, food services, health services, and any other services possible in order to reduce expenditures.

Currently the schools share administrative services, including one Director of Operations, one Food Service Manager, one Maintenance/Security Manager, one Human Resources Director, and one Financial Director.

The **2012 Legislature** eliminated 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June 30 2012, which resulted in the deletion of 7.0 FTE positions for KSSD. The Legislature also approved the addition of funding for undermarket pay for FY 2013.

The **2012 Legislature** also passed HB 2777, which allowed the School for the Blind and the School for the Deaf to receive payment from school districts for providing services to students at each of the schools.

The **2013 Legislature** added language authorizing the superintendent of the School for the Blind and the School for the Deaf to transfer State General Fund appropriations between the two schools for FY 2013, FY 2014, and FY 2015.

During the **2014 Session**, a Governor's Executive Directive added \$115,824, all from the State General Fund, to alleviate problems with federal special education maintenance of effort issues.

The **2016 Legislature** passed Sub. for SB 323, which created the Language Assessment Program to be coordinated by the Kansas Commission for the Deaf and Hard of Hearing. The Kansas State School for the Blind was then chosen to implement the program. The Language Assessment Program requires an annual language assessment be given to every child who is deaf or hard of hearing and who is younger than nine years of age.

The **2017 Legislature** added \$64,721, all from the State General Fund, for FY 2018 and \$63,170, all from the State General Fund, for FY 2019 to provide statutorily required salary increases for teachers, pursuant to KSA 76-11a17. The Legislature also added \$61,736, including \$60,886 from the State General Fund, for non-educator salary increases pursuant to

the state employee pay plan authorized by the 2017 Legislature. The Legislature added \$21,578, all from the State General Fund, to provide cybersecurity updates for the state.

The **2017 Legislature** also included language in Senate Sub. for HB 2002 requiring separate superintendents for the School for the Blind and the School for the Deaf during FY 2018 and FY 2019.

The **2018 Legislature** added \$37,746, including \$37,119 from the State General Fund, for FY 2019 for non-educator salary increases equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the pay plan authorized by the 2017 Legislature and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

During the **2018 Interim**, the Kansas State School for the Deaf began implementation of the Language Assessment Program, as required by KSA 75-5397e. The statute mandates every child (ages birth through eight) who is deaf or hard of hearing have their language assessed at least annually to ensure they are meeting linguistic milestones and developing language skills commensurate with their hearing peers. The agency will phase in implementation over five years, with full implementation occurring in FY 2023. During the first year of implementation (FY 2019), the agency planned to assess 50 children. The number of children assessed is planned to increase to 100 during FY 2020 and then to 250 during FY 2021.

The **2019 Legislature** added \$84,554, all from the State General Fund, for FY 2019 and \$175,022, all from the State General Fund, for FY 2020 to provide statutorily required salary increases for teachers pursuant to KSA 76-11a17. The Legislature also added \$100,631, including \$97,084, for non-educator salary increases pursuant to the FY 2020 state employee pay plan authorized by the 2019 Legislature. Finally, the Legislature added \$903,000, all from the State Institutions Building Fund, for FY 2020 for the renovation of the Roth Auditorium.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$12.6 million, including \$9.3 million from the State General Fund, in FY 2020. The total revised estimate is an all funds increase of \$198,460, or 1.6 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund increase of \$198,460, or 6.5 percent, above the approved amount. The State General Fund amount is the same as the approved amount. The revised estimate includes 143.5 FTE positions, which is the same as the approved number.

The revised estimate includes an operating budget of \$10.5 million, including \$9.3 million from the State General Fund. The revised operating budget is an all funds increase of \$173,429, or 1.7 percent, above the approved amount. This includes a special revenue fund increase of \$173,429, or 18.1 percent. The State General Fund amount is the same as the approved amount. The special revenue fund increase is attributable to increased revenue from federal funds, which is being used to implement the Language Assessment Program.

The revised estimate includes a capital improvements budget of \$2.1 million, all from the State Institutions Building Fund. This is an increase of \$25,031, or 1.2 percent, above the approved amount. The increase is due to the agency carrying forward moneys from FY 2019 to FY 2020.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests total expenditures of \$12.4 million, including \$10.0 million from the State General Fund, for FY 2021. The total request is an all funds decrease of \$230,305, or 1.8 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$641,186, or 6.9 percent, and a special revenue fund decrease of \$871,491, or 26.8 percent, from the FY 2020 revised estimate. The request includes 143.5 FTE positions, which is the same as the FY 2020 number.

The request includes an operating budget of \$11.1 million, including \$10.0 million from the State General Fund. The operating budget is an all funds increase of \$660,366, or 6.3 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$641,186, or 6.9 percent, and a special revenue fund increase of \$19,180, or 1.7 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the agency's enhancement request to fund the implementation of the Language Assessment Program.

The request includes a capital improvements budget of \$1.2 million, all from the State Institutions Building Fund. This is an all funds decrease of \$890,671, or 41.9 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the planned completion of several capital improvements projects during FY 2020.

The **Governor** recommends total expenditures of \$11.9 million, including \$9.5 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$466,658, or 3.8 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$466,658, or 4.7 percent, below the agency's request. The State General Fund decrease is attributable to the Governor not recommending the agency's enhancement request for additional funding for the implementation of the Language Assessment Program. The Governor concurs with the agency's capital improvements request for FY 2021. The recommendation includes 143.5 FTE positions, which is the same number as the agency's request.

PERFORMANCE MEASURES

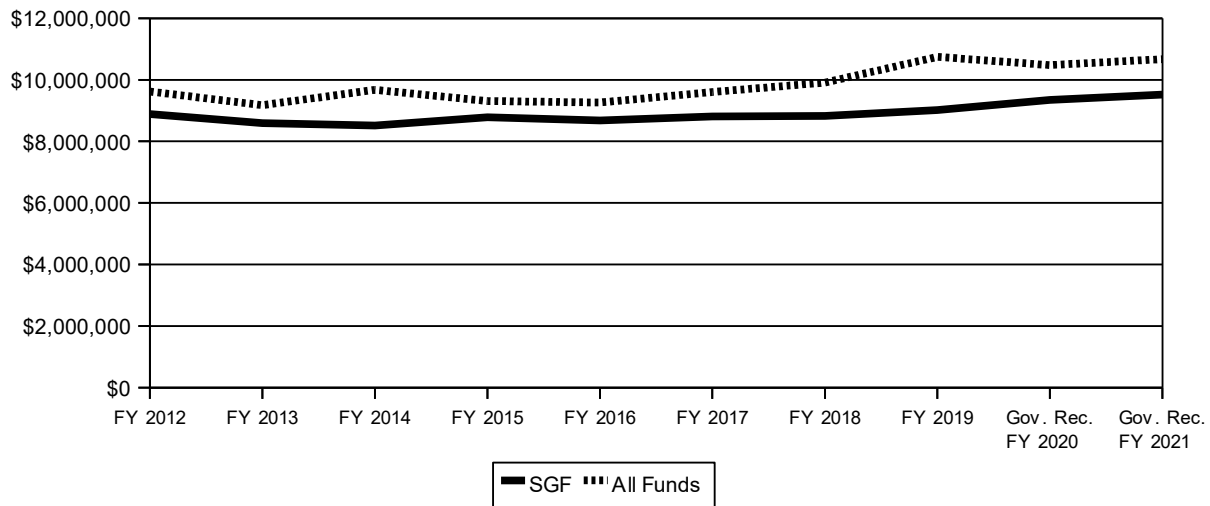
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of School Districts, Cooperatives, Service Centers, and Tiny-K Programs Receiving Technical Assistance from KSSD	30	92	N/A	106	114	124
Number of Students Enrolled in the Campus-based Program	133	141	146	146	151	155
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 10.6	\$ 11.0	\$ 10.9	\$ 11.6	\$ 12.6	\$ 11.9
FTE Positions	143.5	143.5	143.5	143.5	143.5	143.5

Over the last several years, the agency has placed greater emphasis on its goal to provide leadership and technical assistance to school districts, cooperatives, and other local education agencies, as well as to parents of deaf and hard-of-hearing students, so that deaf and hard-of-hearing students can receive appropriate instruction and interventions in their home communities. As a result, the agency has developed measures to better track the services provided to local education agencies and parents through its outreach program. At the same time, the agency still plans to grow its campus-based education programs so deaf and hard-of-hearing students have an option for more intensive instruction.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 8,883,378	4.7 %	\$ 9,620,594	3.8 %	150.5
2013	8,592,616	(3.3)	9,177,399	(4.6)	143.5
2014	8,516,871	(0.9)	9,676,080	5.4	143.5
2015	8,783,169	3.1	9,312,585	(3.8)	143.5
2016	8,682,249	(1.1)	9,262,130	(0.5)	143.5
2017	8,812,589	1.5	9,603,088	3.7	143.5
2018	8,826,705	0.2	9,911,693	3.2	143.5
2019	9,021,541	2.2	10,745,500	8.4	143.5
2020 Gov. Rec.	9,345,387	3.6	10,477,753	(2.5)	143.5
2021 Gov. Rec.	9,519,915	1.9	10,671,461	1.8	143.5
Ten-Year Change Dollars/Percent	\$ 636,537	7.2 %	\$ 1,050,867	10.9 %	(7.0)

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate				Governor's Recommendation				
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administrative Services	\$ 287,407	\$ 233,700	\$ 234,296	\$ 596	0.3 %	\$ 233,700	\$ 234,296	\$ 596	0.3 %	
Instructional Services	8,155,625	8,228,854	8,877,006	648,152	7.9	8,228,854	8,410,348	181,494	2.2	
Support Services	2,297,815	2,014,253	2,026,817	12,564	0.6	2,014,253	2,026,817	12,564	0.6	
Debt Service	4,653	946	0	(946)	(100.0)	946	0	(946)	(100.0)	
TOTAL	\$ 10,745,500	\$ 10,477,753	\$ 11,138,119	\$ 660,366	6.3 %	\$ 10,477,753	\$ 10,671,461	\$ 193,708	1.8 %	
By Major Object of Expenditure:										
Salaries and Wages	\$ 9,007,628	\$ 8,967,706	\$ 9,402,258	\$ 434,552	4.8 %	\$ 8,967,706	\$ 9,138,226	\$ 170,520	1.9 %	
Contractual Services	1,167,981	1,165,163	1,358,499	193,336	16.6	1,165,163	1,186,212	21,049	1.8	
Commodities	306,341	294,288	326,587	32,299	11.0	294,288	296,248	1,960	0.7	
Capital Outlay	257,706	49,650	50,775	1,125	2.3	49,650	50,775	1,125	2.3	
Debt Service	4,653	946	0	(946)	(100.0)	946	0	(946)	(100.0)	
Subtotal - Operations	\$ 10,744,309	\$ 10,477,753	\$ 11,138,119	\$ 660,366	6.3 %	\$ 10,477,753	\$ 10,671,461	\$ 193,708	1.8 %	
Aid to Local Units	0	0	0	0	--	0	0	0	--	
Other Assistance	1,191	0	0	0	--	0	0	0	--	
TOTAL	\$ 10,745,500	\$ 10,477,753	\$ 11,138,119	\$ 660,366	6.3 %	\$ 10,477,753	\$ 10,671,461	\$ 193,708	1.8 %	
Financing:										
State General Fund	\$ 9,021,541	\$ 9,345,387	\$ 9,986,573	\$ 641,186	6.9 %	\$ 9,345,387	\$ 9,519,915	\$ 174,528	1.9 %	
Federal Funds	334,738	416,126	291,753	(124,373)	(29.9)	416,126	291,753	(124,373)	(29.9)	
All Other Funds	1,389,221	716,240	859,793	143,553	20.0	716,240	859,793	143,553	20.0	
TOTAL	\$ 10,745,500	\$ 10,477,753	\$ 11,138,119	\$ 660,366	6.3 %	\$ 10,477,753	\$ 10,671,461	\$ 193,708	1.8 %	

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$9.3 million for the Kansas State School for the Deaf in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 9,345,387	\$ 9,345,387	\$ 0	\$ 9,345,387	\$ 0
All Other Funds	3,057,927	3,256,387	198,460	3,256,387	198,460
TOTAL	\$ 12,403,314	\$ 12,601,774	\$ 198,460	\$ 12,601,774	\$ 198,460
FTE Positions	143.5	143.5	0.0	143.5	0.0

The **agency** requests a revised estimate \$12.6 million, including \$9.3 million from the State General Fund, in FY 2020. The total revised estimate is an all funds increase of \$198,460, or 1.6 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund increase of \$198,460, or 6.5 percent, above the approved amount. The State General Fund amount is the same as the approved amount. The revised estimate includes 143.5 FTE positions, which is the same as the approved number.

The revised estimate includes an operating budget of \$10.5 million, including \$9.3 million from the State General Fund. The revised operating budget is an all funds increase of \$173,429, or 1.7 percent, above the approved amount. This includes a special revenue fund increase of \$173,429, or 18.1 percent, above the approved amount. The State General Fund amount is the same as the approved amount.

The special revenue fund increase is primarily attributable to increased expenditures from federal funds, which are being used to implement the Language Assessment Program (LAP). As required by KSA 75-5397e, the agency is implementing the LAP to assess the hearing of every child (ages birth through eight) who is deaf or hard of hearing at least once per year to ensure that such children are meeting linguistic milestones. The agency estimates total costs for the first two years of implementation (FY 2019 and FY 2020) at \$216,926. These expenditures have, in part, been absorbed within existing resources. Federal grants have also funded implementation of the program. The Sound Beginnings grant (\$102,387 in FY 2020) is primarily used for salaries and wages and contractual services expenditures related to implementation. The Early Hearing and Detection Intervention grant (\$62,500 in FY 2020) is being used to build a database of deaf and hard-of-hearing children in Kansas.

The revised operating budget also includes the following changes in objects of expenditure:

- Decreased salaries and wages expenditures of \$221,744, or 2.4 percent, including a State General Fund decrease of \$394,211, or 4.5 percent, below the approved amount. This decrease is attributable to the agency increasing its shrinkage rate and to leaving open several positions in the Support Services program. The savings from these decreases are being used to cover some of the costs associated with the LAP;
- Increased contractual services expenditures of \$348,712, or 42.7 percent, including a State General Fund increase of \$277,455, or 56.7 percent, above the approved amount. This increase is primarily attributable to costs associated with the LAP, increased travel of outreach staff due to a growing number of students across the state receiving services from the agency, increased repair services for hearing assistive technology, and contracts for temporary cleaning services; and
- Increased commodities expenditures of \$62,311, or 26.9 percent, including a State General Fund increase of \$182,256, or 5,975.6 percent, above the approved amount. The all funds increase is attributable to increased expenditures for janitorial supplies, classroom supplies, and food, which are used by the Kansas Student Transition and Academic Readiness program to teach independent living skills to students and by the school's growing preschool program. The State General Fund increase is also attributable to the agency shifting some expenditures from special revenue funds to the State General Fund.

The revised estimate includes a capital improvements budget of \$2.1 million, all from the State Institutions Building Fund. This is an increase of \$25,031, or 1.2 percent, above the approved amount. The increase is due to the agency carrying forward moneys from FY 2019 to FY 2020. This includes \$15,224 for rehabilitation and repair projects, \$9,516 for upgrades to the school's boilers and heating, ventilation, and air conditioning (HVAC) system, and \$291 for campus safety and security upgrades.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 11,138,119	\$ 10,671,461	\$ (466,658)
FTE Positions	143.5	143.5	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 641,186	\$ 174,528	
All Other Funds	19,180	19,180	
TOTAL	\$ 660,366	\$ 193,708	
<i>Percent Change:</i>			
State General Fund	6.9 %	1.9 %	
All Other Funds	1.7	1.7	
TOTAL	6.3 %	1.8 %	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$11.1 million, including \$10.0 million from the State General Fund, for FY 2021. The operating budget is an all funds increase of \$660,366, or 6.3 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$641,186, or 6.9 percent, and a special revenue fund increase of \$19,180, or 1.7 percent, above the FY 2020 revised estimate. The request includes 143.5 FTE positions, which is the same as the FY 2019 number.

The State General Fund increase is primarily attributable to two factors. The first is the agency's enhancement request of \$466,658, all from the State General Fund, for the implementation of the third year of the Language Assessment Program. For additional detail on the agency's enhancement request, please see the following Enhancement Detail section. The second factor is an increase of \$137,004, all from the State General Fund, for a 4.1 percent salary increase for teachers at the Kansas State School for the Deaf. KSA 76-11a17 requires that the compensation of teachers at the Kansas School for the Deaf equal the previous year's salary of teachers employed in the Olathe School District. Therefore, this 4.1 percent increase for FY 2021 matches the 4.1 percent salary increase that Olathe School District teachers will receive in FY 2020. Since the teacher salary increases are required by statute, the agency was not required to submit an enhancement request for the increased funding.

The special revenue fund increase is primarily attributable to increased contractual services expenditures, including utilities, repairs for buildings and furniture, and inflationary growth for other items of expenditure.

The **Governor** recommends an operating budget of \$10.7 million, including \$9.5 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$466,658, or 4.2 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$466,658, or 4.7 percent, below the requested amount. The decrease is attributable to the Governor not recommending the agency's enhancement request for

additional funding for the implementation of the Language Assessment Program. The Governor's recommendation does include the funding to provide a 4.1 percent salary increase for teachers, as required by KSA 76-11a17. The recommendation includes 143.5 FTE positions, which is the same number as the agency's request.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Language Assessment Program	\$ 466,658	\$ 466,658	0.0	\$ 0	\$ 0	0.0

The **agency** requests enhancement funding of \$466,658, all from the State General Fund, for FY 2021. The enhancement is to fund the third year of the Language Assessment Program (LAP), which is being phased in over a five-year period. The agency began implementation of the LAP in FY 2019 and expanded the program in FY 2020. As discussed above, the agency estimates costs for the first two years of implementation at \$216,926. These costs were funded by existing resources and federal grants. To expand the program for FY 2021, the agency requests enhancement funding. Of the total enhancement request, \$264,032 is for salaries and wages to hire additional staff, primarily to conduct evaluations of deaf and hard-of-hearing children, and \$128,096 is for in-state travel so staff can travel to various regions of the state to conduct evaluations. The remainder of the request is for other contractual services and commodities expenditures. The agency estimates at least 250 children will be served during FY 2021.

The agency plans to fully implement the LAP during FY 2023 and anticipates serving at least 650 children with full implementation. To do so, the agency has indicated it will request additional funding in both FY 2022 and FY 2023. Additionally, it should be noted the agency's enhancement request includes travel costs based on one assessment per child per year. If the agency conducted two assessments per child per year, which the agency indicated is the ultimate goal of the LAP, travel costs for the program would increase. Finally, the agency indicates there are many unknown factors that may influence future enhancement requests. In particular, the number of deaf and hard-of-hearing children aged birth through eight in the state, along with where they live, is not known. More accurate data about where these children are located could have an effect on the costs of implementing the LAP.

Without the enhancement request, the agency's FY 2021 operating budget totals \$10.7 million, including \$9.5 million from the State General Fund.

The **Governor** does not recommend the agency's enhancement request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$100,631, including \$97,084 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$7,200, including \$6,738 from the State General Fund, and FY 2021 longevity payments total \$7,600, including \$7,133 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

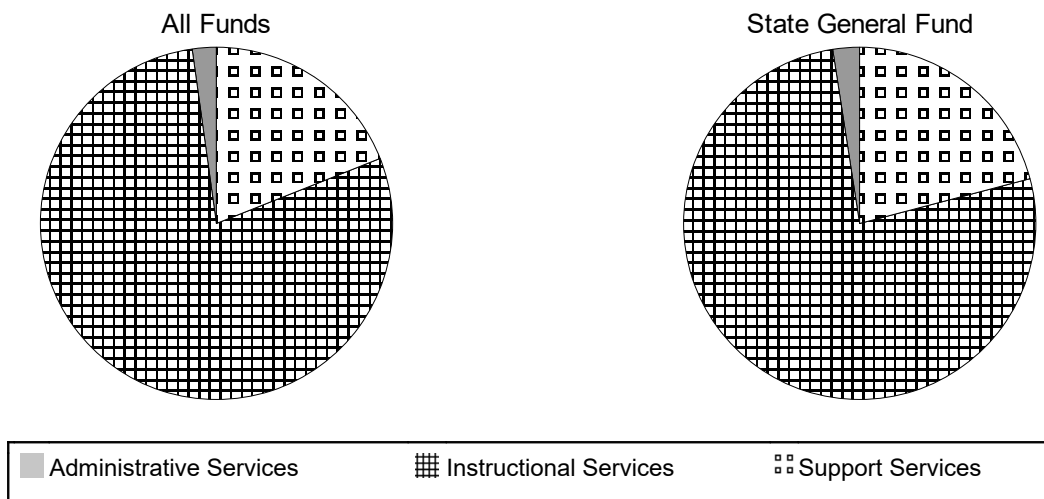
Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	89.7 %	89.2 %
Federal Funds	2.6	2.7
All Other Funds	7.7	8.1
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administrative Services	\$ 234,296	2.2 %	\$ 234,296	2.5 %
Instructional Services	8,410,348	78.8	7,294,642	76.6
Support Services	2,026,817	19.0	1,990,977	20.9
TOTAL	\$ 10,671,461	100.0 %	\$ 9,519,915	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administrative Services	2.0	2.0	2.0	2.0	2.0
Instructional Services	104.5	104.5	104.5	104.5	104.5
Support Services	37.0	37.0	37.0	37.0	37.0
TOTAL	143.5	143.5	143.5	143.5	143.5

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administrative Services

The Administrative Services program coordinates overall management and operations of the Kansas State School for the Deaf, including instructional, residential, and support services. The program also is responsible for coordinating programs and activities that impact the Kansas State Department of Education, AdvancED requirements, budget preparation, and implementation of the School Improvement Plan.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Qualified Employees Who Are Dually Licensed in content Areas and Deaf Education*	71	75	N/A	76	77	78
<u>Agency Expenditures</u>						
All Funds (Dollars in Thousands)	\$ 291.4	\$ 278.9	\$ 243.9	\$ 287.4	\$ 233.7	\$ 234.3
FTE Positions	2.0	2.0	2.0	2.0	2.0	2.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATIVE SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 268,633	\$ 221,040	\$ 221,040	\$ 221,513	\$ 221,513
Contractual Services	12,901	11,755	11,755	11,878	11,878
Commodities	5,873	905	905	905	905
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 287,407</i>	<i>\$ 233,700</i>	<i>\$ 233,700</i>	<i>\$ 234,296</i>	<i>\$ 234,296</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 287,407	\$ 233,700	\$ 233,700	\$ 234,296	\$ 234,296
Financing:					
State General Fund	\$ 287,407	\$ 233,700	\$ 233,700	\$ 234,296	\$ 234,296
All Other Funds	0	0	0	0	0
TOTAL	\$ 287,407	\$ 233,700	\$ 233,700	\$ 234,296	\$ 234,296
FTE Positions	2.0	2.0	2.0	2.0	2.0

The **agency** requests a revised estimate of \$233,700, all from the State General Fund, in FY 2020. This is a decrease of \$16,671, or 6.7 percent, below the FY 2020 amount approved by the 2019 Legislature. The revised estimate includes 2.0 FTE positions, which is the same as the approved number. The State General Fund decrease is primarily attributable to decreased expenditures for legal services, particularly attorneys.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$234,296, all from the State General Fund, for FY 2021. This is an increase of \$596, or 0.3 percent, above the FY 2020 revised estimate. The request includes 2.0 FTE positions, which is the same as the FY 2020 number. The State General Fund increase is primarily attributable to increased expenditures for group health insurance employer contributions.

The **Governor** concurs with the agency's request for FY 2021.

B. Instructional Services

The Instructional Services program is designed to focus on the unique needs of students who are deaf and hard of hearing (D/HH). The program is designed to deliver both the general academic and D/HH specific educational services required by this population of students. Below are some of the subprograms organized to meet these requirements.

Day Program. This subprogram includes the Early Childhood Education Center, the elementary program (grades K-6), and the secondary program (grades 7-12). Additionally, the post-high school program Kansas Student Transition and Academic Readiness provides services to students up to age 21. These programs are designed to meet each student's varying educational needs as well as postsecondary planning, including preparation for employment, advanced education, advanced skill training, and independent living skills.

Student Life Program. The Student Life program offers a variety of opportunities to participate in extracurricular activities and athletic teams.

Extended School Year Program. This three-week program is designed to help D/HH students maintain academic, social/behavioral, communication, or other skills. Over the past few years, the program has been expanded so more students from local school districts can attend.

Outreach Services. The Outreach Team strives to provide high-quality services, resources, and support to D/HH children throughout Kansas. The team provides comprehensive services that include consultation, on-site observation, professional development training, workshops for parents and professionals, a professional and family resource library, community presentations, and statewide parent support.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of School Districts, Cooperatives, Service Centers, and Tiny-K Programs Receiving Technical Assistance from KSSD	30	92	N/A	106	114	124
Number of Students Enrolled in the Campus-based Program	133	141	146	146	151	155
Number of Students Receiving Access to Deaf-appropriate Interventions Programs and Resources*	245	250	N/A	453	462	471
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 7,053.2	\$ 7,277.4	\$ 7,261.0	\$ 8,155.6	\$ 8,228.9	\$ 8,410.3
FTE Positions	106.5	104.5	104.5	104.5	104.5	104.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

INSTRUCTIONAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,364,507	\$ 7,549,184	\$ 7,549,184	\$ 7,980,543	\$ 7,716,511
Contractual Services	566,451	555,169	555,169	740,026	567,739
Commodities	83,164	74,851	74,851	105,662	75,323
Capital Outlay	141,503	49,650	49,650	50,775	50,775
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 8,155,625</i>	<i>\$ 8,228,854</i>	<i>\$ 8,228,854</i>	<i>\$ 8,877,006</i>	<i>\$ 8,410,348</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 8,155,625	\$ 8,228,854	\$ 8,228,854	\$ 8,877,006	\$ 8,410,348
Financing:					
State General Fund	\$ 6,761,249	\$ 7,130,619	\$ 7,130,619	\$ 7,761,300	\$ 7,294,642
All Other Funds	1,394,376	1,098,235	1,098,235	1,115,706	1,115,706
TOTAL	\$ 8,155,625	\$ 8,228,854	\$ 8,228,854	\$ 8,877,006	\$ 8,410,348
FTE Positions	104.5	104.5	104.5	104.5	104.5

The **agency** requests a revised estimate of \$8.2 million, including \$7.1 million from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$297,351, or 3.7 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a State General Fund decrease of \$102,938, or 1.4 percent, and a special revenue fund increase of \$400,289, or 57.4 percent, from the approved amount. The revised estimate includes 104.5 FTE positions, which is the same as the approved number.

The State General Fund decrease and special revenue fund increase is partially attributable to the agency shifting expenditures for salaries and wages and capital outlay from the State General Fund to special revenue funds. Increased expenditures for contractual services are also responsible for the special revenue increase and partially offset the State General Fund decrease. The increase in contractual services expenditures is partially attributable to the expansion of the Language Assessment Program (LAP), including the creation of a statewide database to track deaf and hard-of-hearing children ages birth through eight. The contractual services increase is also attributable to two additional factors: travel for outreach staff due to the growing number of students across the state receiving services from the agency and to increased repair services for hearing assistive technology units.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$8.9 million, including \$7.8 million from the State General Fund, for FY 2021. The request is an all funds increase of \$648,152, or 7.9 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$630,681, or 8.8 percent, and a special revenue fund increase of \$17,471, or 1.6 percent, above the FY 2020 revised estimate. The request includes 104.5 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to two factors. The first is the agency's enhancement request for additional funding to implement the third year of the LAP.

The second is an increase in salaries and wages to provide a 4.1 percent salary increase to teachers, as required by KSA 76-11a17.

The special revenue fund increase is primarily attributable to increased contractual services expenditures for items not related to the implementation of the LAP, including repairs to buildings, furniture, and professional fees.

The **Governor** recommends expenditures of \$8.4 million, including \$7.3 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$466,658, or 5.3 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$466,658, or 6.0 percent, below the requested amount. The decrease is attributable to the Governor not recommending the agency's enhancement request for additional funding for the implementation of the Language Assessment Program. The Governor's recommendation does include the funding to provide a 4.1 percent salary increase to teachers, as required by KSA 76-11a17. The recommendation includes 104.5 FTE positions, which is the same number as the agency's request.

C. Support Services

The Support Services program is responsible for ensuring that students have safe and secure facilities to enable the delivery of high-quality educational services. The program is responsible for human resources, capital budgets, maintenance, groundskeeping, housekeeping, food service, and security. The Kansas State School for the Deaf shares these services with the Kansas State School for the Blind.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 2,244.1	\$ 2,340.7	\$ 2,153.1	\$ 2,297.8	\$ 2,014.3	\$ 2,026.8
FTE Positions	35.0	37.0	37.0	37.0	37.0	37.0

SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,374,488	\$ 1,197,482	\$ 1,197,482	\$ 1,200,202	\$ 1,200,202
Contractual Services	588,629	598,239	598,239	606,595	606,595
Commodities	217,304	218,532	218,532	220,020	220,020
Capital Outlay	116,203	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,296,624</i>	<i>\$ 2,014,253</i>	<i>\$ 2,014,253</i>	<i>\$ 2,026,817</i>	<i>\$ 2,026,817</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	1,191	0	0	0	0
TOTAL	<u>\$ 2,297,815</u>	<u>\$ 2,014,253</u>	<u>\$ 2,014,253</u>	<u>\$ 2,026,817</u>	<u>\$ 2,026,817</u>
Financing:					
State General Fund	\$ 1,968,232	\$ 1,980,122	\$ 1,980,122	\$ 1,990,977	\$ 1,990,977
All Other Funds	329,583	34,131	34,131	35,840	35,840
TOTAL	<u>\$ 2,297,815</u>	<u>\$ 2,014,253</u>	<u>\$ 2,014,253</u>	<u>\$ 2,026,817</u>	<u>\$ 2,026,817</u>
FTE Positions	37.0	37.0	37.0	37.0	37.0

The **agency** requests a revised estimate of \$2.0 million, including \$2.0 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$107,251, or 5.1 percent, below the FY 2020 amount approved by the 2019 Legislature. This includes a State General Fund increase \$119,609, or 6.4 percent, and a special revenue fund decrease of \$226,860, or 86.9 percent, from the approved amount. The revised estimate includes 37.0 FTE positions, which is the same as the approved number.

The State General Fund increase is partially attributable to the agency shifting expenditures for contractual services and commodities from special revenue funds to the State General Fund. It is also attributable to increased expenditures for temporary cleaning services, utilities, repairs to buildings and furniture, and commodities. The State General Fund increase is partially offset by decreased expenditures for salaries and wages due to the agency leaving open several positions. The agency also increased the shrinkage rate for the program.

The special revenue fund decrease is attributable to the agency shifting expenditures for contractual services and commodities from special revenue funds to the State General Fund.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$2.0 million, including \$2.0 million from the State General Fund, for FY 2021. The request is an all funds increase of \$12,564, or 0.6 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$10,855, or 0.5 percent, and a special revenue fund increase of \$1,709, or 5.0 percent, above the FY 2020 revised estimate. The request includes 37.0 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is attributable to increased expenditures for salaries and wages, particularly employer contributions for KPERS and group health insurance, and for contractual services, specifically utilities. The special revenue fund increase is attributable to increased commodities expenditures, including food, cleaning supplies, and gasoline.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Debt Service Principal	\$ 45,690	\$ 45,690	\$ 0	\$ 0
Safety & Security Systems	202,591	202,591	303,900	303,900
Campus Boilers & HVAC Upgrades	444,516	444,516	529,200	529,200
Rehabilitation & Repair	528,224	528,224	400,250	400,250
Roth Auditorium	903,000	903,000	0	0
TOTAL	\$ 2,124,021	\$ 2,124,021	\$ 1,233,350	\$ 1,233,350
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	2,124,021	2,124,021	1,233,350	1,233,350
TOTAL	\$ 2,124,021	\$ 2,124,021	\$ 1,233,350	\$ 1,233,350

FY 2020 – Current Year. The agency estimates a revised capital improvements budget of \$2.1 million, all from the State Institutions Building Fund, in FY 2020. This is an increase of \$25,031, or 1.2 percent, above the FY 2020 amount approved by the 2019 Legislature. The increase is due to the agency carrying forward the following funds from FY 2019 to FY 2020: \$15,224 for rehabilitation and repair projects, \$9,516 for campus boilers and HVAC upgrades, and \$291 for safety and security systems. Individual capital improvements projects are described below.

Debt Service Principal. The agency estimates expenditures of \$45,690, all from the State Institutions Building Fund, to pay principal on the Energy Service Performance Contract awarded in April 2005. This is the same amount approved by the 2019 Legislature. This debt is scheduled to be retired in FY 2020.

Safety and Security Systems. The agency estimates expenditures of \$202,591, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the Kansas State School for the Deaf. This is an increase of \$291, or 0.1 percent, above the amount approved by the 2019 Legislature due to the agency carrying forward funds from FY 2019 to FY 2020. Planned work in FY 2020 includes replacing remaining magnetic locks on all exterior doors with electric strike locks.

Campus Boilers and HVAC Upgrades. The agency estimates expenditures of \$444,516, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is an increase of \$9,516, or 2.2 percent, above the amount approved by the 2019 Legislature due to the agency carrying forward funds from FY 2019 to FY 2020. Agency officials indicate upgrades will allow energy savings and proactive measures will help avoid untimely and expensive emergency repairs. Additionally, the agency is working to minimize disruptions to staff and students. Planned work in FY 2020 includes replacement of the HVAC system in the Emery Building, which houses the school's elementary education program.

Rehabilitation and Repair. The agency estimates expenditures of \$528,224, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is an increase of \$15,224, or 3.0 percent, above the amount approved by the 2019 Legislature due to the agency carrying forward funds from FY 2019 to FY 2020. Planned work in FY 2020 includes general

repairs and modernization of the Roberts Building, which houses the school's secondary education program.

Roth Auditorium. The agency estimates expenditures of \$903,000, all from the State Institutions Building Fund, for renovation of the auditorium located in the Roth Building. This is the same amount approved by the 2019 Legislature. The auditorium suffered significant damage several years ago when steamlines in the wall ruptured. The agency indicates that prior to this damage the auditorium served as a major meeting place for the deaf community in Olathe. Renovation includes repair of the damage caused by the ruptured steamline, replacement of the HVAC system, and update the auditorium's electrical equipment. The agency plans for this project to be completed during FY 2020.

The **Governor** concurs with the agency's capital improvements revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvements expenditures of \$1.2 million, all from the State Institutions Building Fund, for FY 2021. This is a decrease of \$890,671, or 41.9 percent, below the FY 2020 revised estimate. The decrease is attributable to the planned retirement of the agency's outstanding bond debt and the planned completion of the Roth Auditorium renovations. This decrease is partially offset by increased expenditures for safety and security systems and campus boilers and HVAC upgrades. Individual capital improvements projects are described below.

Safety and Security Systems. The agency requests expenditures of \$303,900, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the Kansas State School for the Deaf. This is an increase of \$101,309, or 50.0 percent, above the FY 2020 revised estimate. Planned work for FY 2021 includes \$165,000 to secure the entrance to the Taylor Building and replace magnetic locks with electric strike locks on interior doors, along with \$138,900 to upgrade and fire and mass notification system on campus.

Campus Boilers and HVAC Upgrades. The agency requests expenditures of \$529,200, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is an increase of \$84,684, or 19.1 percent, above the FY 2020 revised estimate. Agency officials indicate upgrades will allow energy savings and proactive measures will help avoid untimely and expensive emergency repairs. Additionally, the agency is working to minimize disruptions to staff and students. Planned work for FY 2021 includes replacement of portions of the HVAC system and ducts and vents in the Roberts Building, which houses the school's secondary education program.

Rehabilitation and Repair. The agency requests expenditures of \$400,250, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is a decrease of \$127,974, or 24.2 percent, below the FY 2020 revised estimate. Planned work for FY 2021 includes \$90,500 to repair the roof of the Emery Building, which houses the school's elementary program, and general repairs around the campus. In addition, the agency's request includes an increase of \$14,750 to the base budget for rehabilitation and repair projects.

The **Governor** concurs with the agency's capital improvements request for FY 2021.

STATE HISTORICAL SOCIETY

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 4,053,282	\$ 4,267,846	\$ 4,267,846	\$ 4,303,672	\$ 4,283,672
Other Funds	2,036,433	3,034,012	3,034,012	2,994,705	2,994,705
<i>Subtotal</i>	<i>\$ 6,089,715</i>	<i>\$ 7,301,858</i>	<i>\$ 7,301,858</i>	<i>\$ 7,298,377</i>	<i>\$ 7,278,377</i>
Capital Improvements:					
State General Fund	\$ 255,371	\$ 290,800	\$ 290,800	\$ 900,000	\$ 900,000
Other Funds	449,787	100,000	100,000	0	0
<i>Subtotal</i>	<i>\$ 705,158</i>	<i>\$ 390,800</i>	<i>\$ 390,800</i>	<i>\$ 900,000</i>	<i>\$ 900,000</i>
TOTAL	\$ 6,794,873	\$ 7,692,658	\$ 7,692,658	\$ 8,198,377	\$ 8,178,377
Percentage Change:					
Operating Expenditures					
State General Fund	1.0 %	5.3 %	5.3 %	0.8 %	0.4 %
All Funds	(3.7)	19.9	19.9	(0.0)	(0.3)
FTE Positions	64.0	84.5	84.5	84.5	84.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The State Historical Society was founded in 1875 by Kansas newspaper editors and publishers in order to maintain records of the State's founding. Today, that mission has expanded to include identifying, collecting, preserving, and interpreting materials and information pertaining to Kansas history. The goal is to increase awareness and appreciation of Kansas history and how it relates to people's lives. In 1905, the State Historical Society became the official archival agency of the State and it is the State's trustee in administering State-owned historic sites. The agency administers both state and federal historic preservation programs and provides curricular materials on state history to K-12 schools.

The State Historical Society has established five programs to carry out the agency's mission. These programs are:

- **Administration.** The goal of the Administration program is to create a working environment that allows Historical Society staff members to function efficiently; provide support services to all State Historical Society programs; and provide for the environmental and physical security of the staff, patrons, and collections of the State Historical Society. This program includes funding for information technology, marketing, and facilities management;

- **Education and Museum.** The goal of the Education and Museum program is to interpret the people and events of Kansas history for students and the public. This program includes the operation of the Kansas Museum of History and the Capitol Visitor Center;
- **Cultural Resources.** The goal of the Cultural Resources program is to preserve the state's archeological, architectural, and historic resources;
- **State Archives.** The goal of the State Archives program is to preserve and make accessible government records of enduring value and collections of other manuscripts, photographs, maps, newspapers, and other documents; and
- **Humanities Kansas.** The Kansas State Historical Society budget contains pass-through funds for the not-for-profit Humanities Kansas. Previously, this funding was included in the Administration program, but is now budgeted as a separate program.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted \$134,530, all from the State General Fund, to achieve a State General Fund reduction of approximately 2.5 percent from the Governor's recommendation for FY 2011.

The **2011 Legislature** deleted \$200,000, all from the State General Fund, to remove funding the Governor had added to pass through to a 501(c)(3) arts organization replacing the Arts Commission for FY 2012. In addition, the Legislature deleted 17.0 vacant FTE positions, leaving 117.0 FTE positions. The 2011 Legislature added \$50,000, all from the State General Fund, for repair and replacement of lighting fixtures at the State Historical Society museum and headquarters building for FY 2012.

The **2012 Legislature** added \$125,000, all from the State General Fund, for capital improvement projects for FY 2013. The Legislature also added \$125,000, all from the State General Fund, for operating expenditures for FY 2013. Additionally, the agency was required to eliminate FTE positions that had been unfilled for greater than 120 days as of June 30, 2012. This eliminated 20.0 FTE positions.

The **2013 Legislature** deleted \$24,199, all from the State General Fund, to maintain FY 2015 operating expenditures at the FY 2014 level; deleted \$65,000, all from special revenue funds, from the Shawnee Indian Mission restoration project for FY 2015; added \$35,000, all from special revenue funds, for the Hollenberg Station exterior siding preservation project for FY 2015; and added \$30,000, all from special revenue funds, for the Mine Creek exterior cleaning and resealing project for FY 2015.

The **2014 Legislature** passed HB 2643, which changed property tax collections in the state. Of relevance to the Kansas State Historical Society, HB 2643 lowered the mortgage registration tax and entirely eliminated the portion of that tax that funded the Heritage Trust Fund. The Heritage Trust Fund was created by the 1990 Legislature and funds grants for the preservation of historical buildings. The mortgage registration tax was replaced by a \$1-per-page fee on the first and all subsequent pages of any deeds, mortgages, and other related instruments executed in the state. These fees are collected by the counties. Additionally, the annual cap for payments to the Heritage Trust Fund from each county was lowered from \$100,000 to \$30,000.

The **2015 Legislature** deleted \$184,281 for FY 2016 and \$187,645 for FY 2017, all from the State General Fund, for a 4.0 percent operating reduction. The Legislature also added \$55,000 in FY 2016 and FY 2017, all from special revenue funds, to allow the agency to provide weekend hours at the Capitol Visitor Center, and added \$42,500, all from special revenue funds, and authorized expenditures of another \$42,500 from existing resources in the Rehabilitation and Repair State General Fund account for the replacement of the State Archives roof for FY 2016.

The **Governor's July 30, 2015 allotment** of \$800,000 reduced the State General Fund operating budget for FY 2016 by 20.0 percent. Agency fee funds filled the gap.

The **2017 Legislature** added \$118,464, including \$83,186 from the State General Fund, for a 2.5 percent salary increase for state employees with less than five years of service and a 5.0 percent salary increase for agency employees who have not had a pay adjustment in five years. The Legislature also added \$22,180, all from the State General Fund, for FY 2018 and FY 2019 for the agency to provide tours of the Statehouse on Saturdays. The Legislature added \$13,296, all from the State General Fund, for cybersecurity enhancements for the State.

The **2018 Legislature** added \$39,185, including \$27,597 from the State General Fund, to provide salary increases pursuant to the Legislative Pay Plan authorized by the 2018 Legislature.

The **2019 Legislature** added \$149,228, including \$107,193 from the State General Fund, to provide salary increases pursuant to the Legislative Pay Plan authorized by the 2019 Legislature. The Legislature also added \$102,000, all from the State General Fund, to fund various information technology projects.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a total revised estimate of \$7.7 million, including \$4.6 million from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$165,042, or 2.2 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a special revenue fund increase of \$165,042, or 5.6 percent, above the approved amount. The State General Fund amount is the same as the approved budget. The revised estimate includes 84.5 FTE positions, which is an increase of 1.0 FTE position above the approved number.

The total revised estimate includes an operating budget of \$7.3 million, including \$4.3 million from the State General Fund. The operating budget is an all funds increase of \$307,042, or 4.4 percent, above the approved amount. The increase is attributable to increased expenditures for Heritage Trust Fund grants and federal Historic Preservation Fund grants.

The revised estimate includes a capital improvements budget of \$390,800, including \$290,800 from the State General Fund. This is an all funds decrease of \$142,000, or 26.7 percent, below the approved budget. The decrease is attributable to decreased expenditures for the renovation of the Shawnee Indian Mission State Historic Site.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests total expenditures of \$8.2 million, including \$5.2 million from the State General Fund, for FY 2021. The total budget is an all funds increase of \$505,719, or 6.6 percent, above the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$645,026, or 14.1 percent, and a special revenue fund decrease of \$139,307, or 4.4 percent. The request includes 84.5 FTE positions, which is the same as the FY 2020 number.

The request includes an operating budget of \$7.3 million, including \$4.3 million from the State General Fund. The operating budget is an all funds decrease of \$3,481, or less than 0.1 percent, below the FY 2020 revised estimate. This includes a State General Fund increase of \$35,836, or 0.8 percent, and a special revenue fund decrease of \$39,307, or 1.3 percent, from the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the agency's enhancement request for additional funding for Humanities Kansas.

The request includes a capital improvements budget of \$900,000, all from the State General Fund. This is an all funds increase of \$509,200, or 130.3 percent, above the FY 2020 revised estimate. The increase is attributable to the agency's request for funding to renovate the entrance and lobby to the Kansas Museum of History in Topeka.

The **Governor** recommends total expenditures of \$8.2 million, including \$5.2 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$20,000, or 0.2 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$20,000, or 0.4 percent, below the agency's request. The decrease is attributable to the Governor recommending the agency's enhancement request for a new program in Humanities Kansas be included instead in the Department of Commerce budget for FY 2021. The recommendation includes 84.5 FTE positions, which is the same number as the agency's request.

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

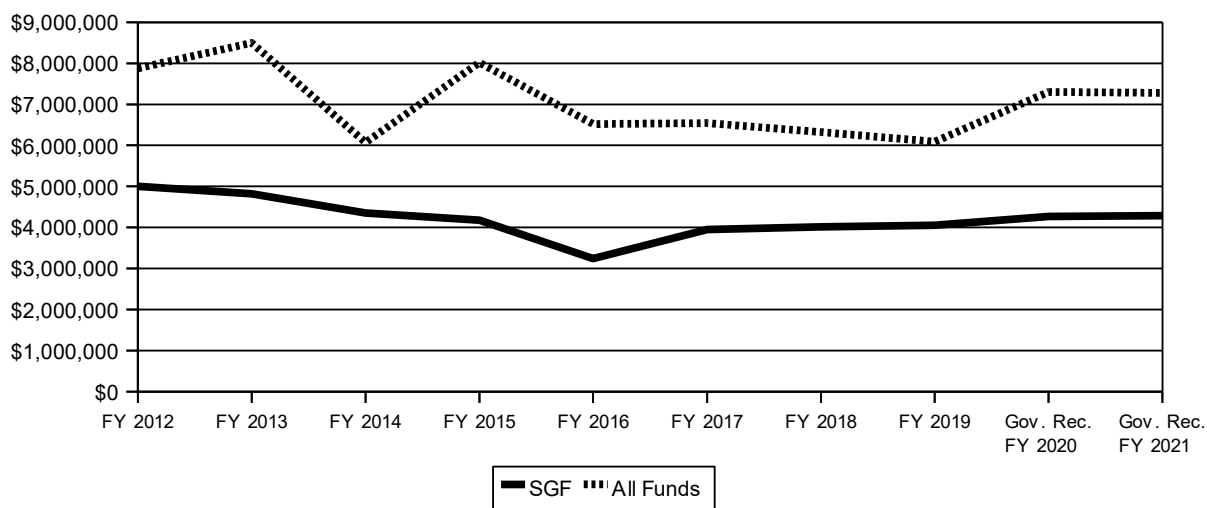
PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Land Survey Requests Filled Annually	1,604	1,029	N/A	1,110	1,150	1,150
Number of Statewide Jobs Created by State and Federal Historic Preservation Tax Credits Annually	577	1,242	1,000	596	600	600
Number of Curriculum Materials Distributed Annually	48,070	46,428	48,000	53,522	48,000	48,000
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 7,047.9	\$ 6,637.3	\$ 7,355.1	\$ 6,794.9	\$ 7,692.7	\$ 8,178.4
FTE Positions	63.0	63.0	83.5	64.0	84.5	84.5

These key agency-wide performance measures have been identified by the Division of the Budget, the Legislative Research Department, and the agency. The number of land survey requests filled is now identified as a key performance measures. Since this measure was not included as key performance measures during the 2019 Session, there was no Governor's recommendation for FY 2019.

According to the agency, the large increase in the number of statewide jobs created by state and federal historic preservation tax credits in FY 2018 is due to a one-year increase in the number of federal tax credits used. The agency is not currently projecting another such one-year increase in this performance measure.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 5,003,465	(3.5)%	\$ 7,877,267	(7.3)%	84.0
2013	4,816,242	(3.7)	8,498,524	7.9	97.5
2014	4,354,437	(9.6)	6,069,523	(28.6)	72.5
2015	4,179,292	(4.0)	8,016,809	32.1	64.5
2016	3,244,141	(22.4)	6,519,417	(18.7)	65.0
2017	3,948,017	21.7	6,543,109	0.4	63.0
2018	4,013,562	1.7	6,323,650	(3.4)	63.0
2019	4,053,282	1.0	6,089,715	(3.7)	64.0
2020 Gov. Rec.	4,267,846	5.3	7,301,858	19.9	84.5
2021 Gov. Rec.	4,283,672	0.4	7,278,377	(0.3)	84.5
Ten-Year Change Dollars/Percent	\$ (719,793)	(14.4)%	\$ (598,890)	(7.6)%	0.5

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation				
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20	
By Program:											
Administration	\$	2,067,133	\$ 2,401,358	\$ 2,526,745	\$ 125,387	5.2 %	\$ 2,401,358	\$ 2,526,745	\$ 125,387	5.2 %	
Education & Museum		767,055	809,282	839,226	29,944	3.7	809,282	839,226	29,944	3.7	
State Archives		1,054,542	1,038,334	1,073,847	35,513	3.4	1,038,334	1,073,847	35,513	3.4	
Cultural Resources		2,150,484	3,002,383	2,788,058	(214,325)	(7.1)	3,002,383	2,788,058	(214,325)	(7.1)	
Humanities Kansas		50,501	50,501	70,501	20,000	39.6	50,501	50,501	0	0.0	
TOTAL	\$	6,089,715	\$ 7,301,858	\$ 7,298,377	\$ (3,481)	(0.0) %	\$ 7,301,858	\$ 7,278,377	\$ (23,481)	(0.3) %	
By Major Object of Expenditure:											
Salaries and Wages	\$	4,082,978	\$ 4,408,350	\$ 4,570,485	\$ 162,135	3.7 %	\$ 4,408,350	\$ 4,570,485	\$ 162,135	3.7 %	
Contractual Services		1,088,875	1,251,057	1,345,441	94,384	7.5	1,251,057	1,345,441	94,384	7.5	
Commodities		191,481	173,950	173,950	0	0.0	173,950	173,950	0	0.0	
Capital Outlay		52,096	38,000	38,000	0	0.0	38,000	38,000	0	0.0	
Debt Service		0	0	0	0	--	0	0	0	--	
<i>Subtotal - Operations</i>	<i>\$</i>	<i>5,415,430</i>	<i>\$ 5,871,357</i>	<i>\$ 6,127,876</i>	<i>\$ 256,519</i>	<i>4.4 %</i>	<i>\$ 5,871,357</i>	<i>\$ 6,127,876</i>	<i>\$ 256,519</i>	<i>4.4 %</i>	
Aid to Local Units		360,480	320,000	340,000	20,000	6.3	320,000	340,000	20,000	6.3	
Other Assistance		313,805	1,110,501	830,501	(280,000)	(25.2)	1,110,501	810,501	(300,000)	(27.0)	
TOTAL	\$	6,089,715	\$ 7,301,858	\$ 7,298,377	\$ (3,481)	(0.0) %	\$ 7,301,858	\$ 7,278,377	\$ (23,481)	(0.3) %	
Financing:											
State General Fund	\$	4,053,282	\$ 4,267,846	\$ 4,303,672	\$ 35,826	0.8 %	\$ 4,267,846	\$ 4,283,672	\$ 15,826	0.4 %	
Heritage Trust Fund		486,736	1,281,660	1,001,843	(279,817)	(21.8)	1,281,660	1,001,843	(279,817)	(21.8)	
Federal Funds		752,326	702,952	722,263	19,311	2.7	702,952	722,263	19,311	2.7	
All Other Funds		797,371	1,049,400	1,270,599	221,199	21.1	1,049,400	1,270,599	221,199	21.1	
TOTAL	\$	6,089,715	\$ 7,301,858	\$ 7,298,377	\$ (3,481)	(0.0) %	\$ 7,301,858	\$ 7,278,377	\$ (23,481)	(0.3) %	

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$4.6 million for the State Historical Society in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 4,558,646	\$ 4,558,646	\$ 0	\$ 4,558,646	\$ 0
All Other Funds	2,968,970	3,134,012	165,042	3,134,012	165,042
TOTAL	\$ 7,527,616	\$ 7,692,658	\$ 165,042	\$ 7,692,658	\$ 165,042
FTE Positions	83.5	84.5	1.0	84.5	1.0

The **agency** requests a total revised estimate of \$7.7 million, including \$4.6 million from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$165,042, or 2.2 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a special revenue fund increase of \$165,042, or 5.6 percent, above the approved amount. The State General Fund amount is the same as the approved budget. The revised estimate includes 84.5 FTE positions, which is an increase of 1.0 FTE position above the approved number.

The total revised estimate includes an operating budget of \$7.3 million, including \$4.3 million from the State General Fund. The operating budget is an all funds increase of \$307,042, or 4.4 percent, above the approved amount. This includes a special revenue fund increase of \$307,042, or 11.3 percent, above the approved amount. The State General Fund amount is the same as the approved budget. The special revenue fund increase is primarily attributable to increased expenditures for Heritage Trust Fund grants and federal Historic Preservation Fund grants. This includes increased expenditures of \$320,000 for other assistance and \$80,000 for state aid to local units of government. These increases are partially offset by decreased expenditures for salaries and wages, including temporary staff, and decreased contractual services expenditures to modernize the agency's digital archive, Kansas Memory. The contractual services decrease is due to the agency shifting expenditures for the modernization initiative from a planned contract to redesign the Kansas Memory website to hiring temporary staff to digitize the papers of former Kansas governors. The agency plans to redesign the website to make it more user friendly after completion of the digitization work.

The increase in FTE positions is attributable to the agency adding a new evaluator/research analyst position. For the past several years, the agency has not filled all of its authorized FTE positions. As a result, actual FTE positions have been lower than the approved number. The agency plans on filling some of those open positions in FY 2020.

The revised estimate includes a capital improvements budget of \$390,800, including \$290,800 from the State General Fund. The capital improvements budget is an all funds

decrease of \$142,000, or 26.7 percent, below the approved amount. This includes a special revenue fund decrease of \$142,000, or 58.7 percent, below the approved amount. The State General Fund amount is the same as the approved budget. The decrease is attributable to decreased expenditures for the renovation of Shawnee Indian Mission State Historic Site.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 7,298,377	\$ 7,278,377	\$ (20,000)
FTE Positions	84.5	84.5	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 35,826	\$ 15,826	
All Other Funds	(39,307)	(39,307)	
TOTAL	\$ (3,481)	\$ (23,481)	
<i>Percent Change:</i>			
State General Fund	0.8 %	0.4 %	
All Other Funds	(1.3)	(1.3)	
TOTAL	(0.0) %	(0.3) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$7.3 million, including \$4.3 million from the State General Fund, for FY 2021. The request is an all funds decrease of \$3,481, or less than 0.1 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$35,826, or 0.8 percent, and a special revenue fund decrease of \$39,307, or 1.3 percent. The request includes 84.5 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to the agency's enhancement request of \$20,000 for Humanities Kansas. The request is to fund a new program called Crossroads Conversations. For additional information, please see the following enhancement request section. It is also attributable to increased salaries and wages expenditures due to the agency planning to fill some vacant FTE positions. The increase is partially offset by the agency shifting some commodities expenditures from the State General Fund to special revenue funds.

The special revenue fund decrease is primarily attributable to decreased expenditures for other assistance, particularly Heritage Trust Fund grants. This decrease is partially offset by increased contractual services expenditures, including a one-year project related to fieldwork for new exhibits at the Kansas Museum of History, and increased salaries and wages expenditures due to the agency's plan to fill some vacant FTE positions.

The **Governor** recommends operating expenditures of \$7.3 million, including \$4.3 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease

of \$20,000, or 0.3 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$20,000, or 0.5 percent, below the request. The recommendation includes 84.5 FTE positions, which is the same number as the agency's request.

The State General Fund decrease is attributable to the Governor recommending the enhancement funding for Humanities Kansas' new program, Crossroads Conversations, be included instead in the Department of Commerce budget for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Humanities Kansas— Crossroads Conversations	\$ 20,000	\$ 20,000	0.0	\$ 0	\$ 0	0.0

The **agency** requests enhancement funding of \$20,000, all from the State General Fund, for FY 2021. The requested funding is for a new program organized by Humanities Kansas, a nonprofit organization that receives pass-through funds through the State Historical Society budget each fiscal year. The new program is called Crossroads Conversations and will feature presentations, discussions, and workshops from Kansas scholars and experts on rural, urban, and suburban issues and the future of Kansas communities. Anchored by a traveling Smithsonian exhibition called *Crossroads: Change in Rural America*, Crossroads Conversations will support up to 60 events, public programs, civic engagement activities, and local displays. All events will be free and open to the public. Total costs for the program are estimated at \$175,000. Humanities Kansas, through the agency, is requesting \$20,000 in state funding.

The **Governor** recommends the Humanities Kansas enhancement request for FY 2021. However, the Governor recommends passing the moneys through the Department of Commerce budget, not the State Historical Society budget.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$149,228, including \$107,193 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$27,880, including \$19,912 from the State General Fund, and FY 2021 longevity payments total \$27,920, including \$19,617 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

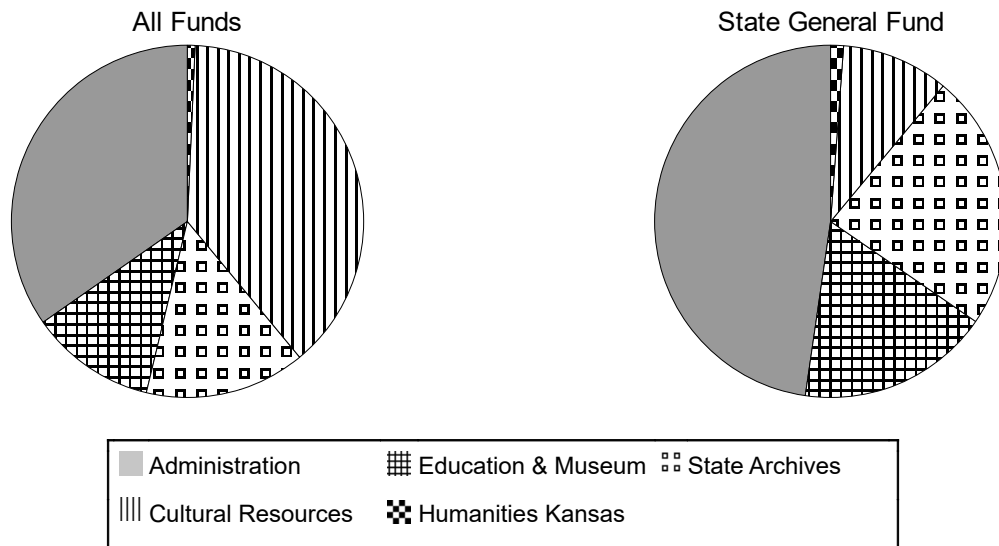
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	59.0 %	58.9 %
Heritage Trust Fund	13.7	13.8
Federal Funds	9.9	9.9
All Other Funds	17.4	17.5
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 2,526,745	34.7 %	\$ 2,042,688	47.7 %
Education & Museum	839,226	11.5	758,225	17.7
State Archives	1,073,847	14.8	1,010,361	23.6
Cultural Resources	2,788,058	38.3	421,897	9.8
Humanities Kansas	50,501	0.7	50,501	1.2
TOTAL	\$ 7,278,377	100.0 %	\$ 4,283,672	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	19.5	23.5	23.5	23.5	23.5
Education & Museum	11.5	16.0	16.0	16.0	16.0
State Archives	14.0	18.0	18.0	18.0	18.0
Cultural Resources	19.0	27.0	27.0	27.0	27.0
Humanities Kansas	0.0	0.0	0.0	0.0	0.0
TOTAL	64.0	84.5	84.5	84.5	84.5

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The goal of the Administration program is to create a working environment that allows the State Historical Society staff to function efficiently and creatively, provide supportive services to all State Historical Society programs, and provide for the environmental and physical security of the staff, patrons, and collections in the Kansas History Center. The Administration program includes funding for marketing, information technology, and facilities management. Responsibilities of the program include:

- Oversight and fiscal responsibility for the agency;
- Coordinating the agency's communications with the public;
- Facility rentals;
- Management of agency facilities;
- Providing utilities for all 58 buildings owned by the agency; and
- Providing information technology infrastructure needed to deliver all agency programs and services.

In prior years, the Administration program served as the pass-through for the appropriation for Humanities Kansas (formerly known as the Kansas Humanities Council). Beginning in FY 2018, the agency created a separate program to track those moneys.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Cost Per Visit for Total Agency Program Usage*	\$ 0.59	\$ 0.16	N/A	\$ 0.53	\$ 0.45	\$ 0.45
Number of Social Media Followers*	40,964	47,925	N/A	53,521	55,000	58,000
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 2,285.5	\$ 2,113.9	\$ 2,140.8	\$ 2,067.1	\$ 2,401.4	\$ 2,526.7
FTE Positions	16.5	16.5	21.5	19.5	23.5	23.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,144,410	\$ 1,306,901	\$ 1,306,901	\$ 1,347,904	\$ 1,347,904
Contractual Services	746,494	964,157	964,157	1,048,541	1,048,541
Commodities	135,251	97,300	97,300	97,300	97,300
Capital Outlay	40,978	33,000	33,000	33,000	33,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,067,133</i>	<i>\$ 2,401,358</i>	<i>\$ 2,401,358</i>	<i>\$ 2,526,745</i>	<i>\$ 2,526,745</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,067,133	\$ 2,401,358	\$ 2,401,358	\$ 2,526,745	\$ 2,526,745
Financing:					
State General Fund	\$ 1,880,899	\$ 2,064,178	\$ 2,064,178	\$ 2,042,688	\$ 2,042,688
All Other Funds	186,234	337,180	337,180	484,057	484,057
TOTAL	\$ 2,067,133	\$ 2,401,358	\$ 2,401,358	\$ 2,526,745	\$ 2,526,745
FTE Positions	19.5	23.5	23.5	23.5	23.5

The **agency** requests a revised estimate of \$2.4 million, including \$2.1 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$2,214, or 0.1 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund increase of \$78,313, or 3.9 percent, and a special revenue fund decrease of \$80,527, or 19.3 percent, from the FY 2020 approved amount. The revised estimate includes 23.5 FTE positions, which is an increase of 2.0 FTE positions above the approved number.

The State General Fund increase is primarily attributable to the agency shifting some salaries and wages expenditures from special revenue funds to the State General Fund. It is also attributable to increased expenditures for capital outlay, which brings the agency's budgeted amount in line with FY 2019 actual expenditures for capital outlay. The increase is partially offset by decreased State General Fund expenditures for contractual services, which is due to the agency shifting expenditures for an initiative to modernize the agency's digital archive Kansas Memory. The agency is shifting expenditures for the modernization initiative from a planned contract to redesign the Kansas Memory website to hiring temporary staff to digitize the papers of former Kansas governors. The agency plans to redesign the website to make it more user friendly after completion of the digitization work.

The special revenue fund decrease is primarily attributable to the agency shifting some salaries and wages expenditures from special revenue funds to the State General Fund. It is also attributable to decreased contractual services expenditures, which is due to the agency shifting expenditures to modernize the agency's digital archive Kansas Memory.

The FTE position increase is attributable to two factors. First, the agency shifted 1.0 FTE position from the Cultural Resources program to the Administration program. Second, the agency added a new evaluator/research analyst position.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$2.5 million, including \$2.0 million from the State General Fund, for FY 2021. The request is an all funds increase of \$125,387, or 5.2 percent, above the agency's FY 2020 revised estimate. This includes a State General Fund decrease of \$21,490, or 1.0 percent, and a special revenue fund increase of \$146,877, or 43.6 percent, from the FY 2020 revised estimate. The request includes 23.5 FTE positions, which is the same as the FY 2020 number.

The State General Fund decrease is primarily attributable to the agency shifting some commodities expenditures from the State General Fund to special revenue funds.

The special revenue fund increase is partially attributable to increased expenditures for contractual services. This is due to a one-year project related to fieldwork for new exhibits at the Kansas Museum of History. The increase is also attributable to increased expenditures for salaries and wages, particularly classified salaries and employer contributions for group health insurance.

The **Governor** concurs with the agency's request for FY 2021.

B. Education and Museum

As part of the agency's FY 2014 reorganization, the Education and Museum divisions were combined into a single program. The State-owned historic sites that were previously part of the Museum division were transferred to the Cultural Resources program. The goal of the Education and Museum program is to interpret the people and events of Kansas history for students and the general public. This includes providing curriculum support for the teachers of Kansas history and government in K-12 classrooms, which is required by statutes and state curriculum standards. As part of this curriculum support, the State Historical Society has developed a textbook on Kansas history that is used in the majority of school districts in the state. The program cares for the State's historic artifact collection and operates the Kansas Museum of History. Additionally, the program is responsible for the operation of the Capitol Visitor Center. Funding for this program has shifted largely from State General Fund appropriations to a combination of user fees deposited in agency fee funds and the State General Fund.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Cost Per Person to Serve Visitors to Both the Kansas Museum of History and the Capitol Visitor Center*	\$ 5	\$ 7	N/A	\$ 9	\$ 8	\$ 8
Number of Curriculum Materials Distributed Annually	48,070	46,428	48,000	53,522	48,000	48,000
Number of Artifacts Loaned to Other Institutions*	89	83	N/A	54	75	75
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 715.4	\$ 662.6	\$ 772.9	\$ 767.1	\$ 809.3	\$ 839.2
FTE Positions	11.5	10.5	16.0	11.5	16.0	16.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

EDUCATION AND MUSEUM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 719,315	\$ 769,782	\$ 769,782	\$ 799,726	\$ 799,726
Contractual Services	19,330	13,500	13,500	13,500	13,500
Commodities	23,594	22,000	22,000	22,000	22,000
Capital Outlay	4,816	4,000	4,000	4,000	4,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 767,055</i>	<i>\$ 809,282</i>	<i>\$ 809,282</i>	<i>\$ 839,226</i>	<i>\$ 839,226</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 767,055	\$ 809,282	\$ 809,282	\$ 839,226	\$ 839,226
Financing:					
State General Fund	\$ 730,254	\$ 731,872	\$ 731,872	\$ 758,225	\$ 758,225
All Other Funds	36,801	77,410	77,410	81,001	81,001
TOTAL	\$ 767,055	\$ 809,282	\$ 809,282	\$ 839,226	\$ 839,226
FTE Positions	11.5	16.0	16.0	16.0	16.0

The **agency** requests a revised estimate of \$809,282, including \$731,872 from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$37, or less than 0.1 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$41,480, or 5.4 percent, and a special revenue fund increase of \$41,517, or 115.7 percent, from the FY 2020 approved amount. The revised estimate includes 16.0 FTE positions, which is the same as the approved number.

The State General Fund decrease and special revenue fund increase are both primarily attributable to the agency shifting program expenditures from the State General Fund to special revenue funds.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$839,226, including \$758,225 from the State General Fund, for FY 2021. The request is an all funds increase of \$29,944, or 3.7 percent, above the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$26,353, or 3.6 percent, and a special revenue fund increase of \$3,591, or 4.6 percent, above the FY 2020 revised estimate. The request includes 16.0 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to increased expenditures for salaries and wages, particularly classified salaries and employer contributions for group health insurance. The State General Fund increase is partially offset by the agency shifting some expenditures for contractual services and commodities from the State General Fund to special revenue funds.

The special revenue fund increase is attributable to the agency shifting expenditures for contractual services and commodities from the State General Fund to special revenue funds.

The program is currently updating *The Kansas Journey*, a Kansas history textbook originally produced in 2005. The agency will provide the content for the textbook and the publisher will assume the costs of designing, printing, and distributing the textbook. The updated textbook is expected to be available in 2021.

The **Governor** concurs with the agency's request for FY 2021.

C. State Archives

The State Archives program was established as part of the agency's FY 2014 reorganization. The program combines the government records management and preservation responsibilities performed by the state archives with the function of the previous historical research collections division. The program works with the State Records Board to ensure all government records are scheduled for retention and disposition. The program also collects a variety of historical documents to tell the stories of Kansas people through online resources.

Responsibilities of the program include collecting, preserving, and making available Kansas governmental records of enduring or permanent value; offering training to local and state government officials on records management and collaborating with officials on best practices; reviewing proposed state agency plans for information technology projects over \$250,000 to ensure adequate provisions are included for the management and preservation of long-term state government records; efficiently administering the land survey reference reports programs; acquiring and preserving newspapers throughout the state; digitizing historical newspapers for online accessibility; and operating the research room at the State Archives.

The State Records Center was officially closed at the end of FY 2015. The Center previously held non-current, but active, paper records for state agencies and was funded by payments from those agencies. As fewer agencies made use of the Center, it was no longer cost-effective to offer the service.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of <i>Kansas Memory</i> Sessions Annually (In Thousands)*	237.2	249.8	N/A	259.6	265.0	270.0
Average Cost Per Request to Answer Research Questions for the Public*	\$ 10.65	\$ 11.93	N/A	\$ 14.59	\$ 13.50	\$ 13.50
Number of Land Survey Requests Filled Annually	1,604	1,029	N/A	1,110	1,150	1,150
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,064.7	\$ 1,032.1	\$ 1,110.0	\$ 1,054.5	\$ 1,038.3	\$ 1,073.8
FTE Positions	17.0	17.0	18.0	14.0	18.0	18.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

STATE ARCHIVES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 981,059	\$ 961,484	\$ 961,484	\$ 996,997	\$ 996,997
Contractual Services	54,253	55,300	55,300	55,300	55,300
Commodities	14,235	21,550	21,550	21,550	21,550
Capital Outlay	4,995	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,054,542</i>	<i>\$ 1,038,334</i>	<i>\$ 1,038,334</i>	<i>\$ 1,073,847</i>	<i>\$ 1,073,847</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,054,542	\$ 1,038,334	\$ 1,038,334	\$ 1,073,847	\$ 1,073,847
Financing:					
State General Fund	\$ 960,526	\$ 977,372	\$ 977,372	\$ 1,010,361	\$ 1,010,361
All Other Funds	94,016	60,962	60,962	63,486	63,486
TOTAL	\$ 1,054,542	\$ 1,038,334	\$ 1,038,334	\$ 1,073,847	\$ 1,073,847
FTE Positions	14.0	18.0	18.0	18.0	18.0

The **agency** requests a revised estimate of \$1.0 million, including \$1.0 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$87,356, or 7.8 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$33,906, or 3.4 percent, and a special revenue fund decrease of \$53,450, or 46.7 percent, below the FY 2020 approved amount. The revised estimate includes 18.0 FTE positions, which is the same as the approved number.

The State General Fund decrease is primarily attributable to decreased expenditures for salaries and wages, including classified salaries and employer contributions for group health insurance. This is due to the agency leaving some authorized FTE positions open. The State General Fund decrease is partially offset by the agency shifting some contractual services and commodities expenditures from special revenue funds to the State General Fund.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$1.1 million, including \$1.0 million from the State General Fund, for FY 2021. The request is an all funds increase of \$35,513, or 3.4 percent, above the agency's FY 2020 revised estimate. This includes a State General Fund increase of \$32,989, or 3.4 percent, and a special revenue fund increase of \$2,524, or 4.1 percent, above the FY 2020 revised estimate. The request includes 18.0 FTE positions, which is the same as the FY 2020 number.

The State General Fund and special revenue fund increases are both primarily attributable to increased expenditures for classified salaries due to the agency filling vacant positions and employer contributions for group health insurance.

The **Governor** concurs with the agency's request for FY 2021.

D. Cultural Resources

The goal of the Cultural Resources program is to preserve the state's archeological, architectural, and historic resources, while at the same time assisting communities and property owners in economic development through assistance in rehabilitating and re-purposing historic structures. The program also preserves and operates 16 State-owned historic sites. The State of Kansas has owned state historic sites since 1899 and state statutes determine the legislative process for obtaining additional sites. These State-owned historic sites were moved to the Cultural Resources program during the agency's FY 2014 reorganization.

The program is funded through a combination of State General Fund appropriations, state special revenue funds, and federal funds. Enacted by the U.S. Congress in 1966 and amended in 1970 and 1980, the National Preservation Act provides for a National Register of Historical Places to include districts, sites, building, structures, and objects significant to American history, archeology, and culture. The Act provides funding for the State's Historical Preservation program, which is overseen by the Executive Director of the State Historical Society in his or her capacity as the State Historic Preservation Officer. These federal funds are used to cover administrative expenditures related to the program and required a 40.0 percent match, which is paid through moneys from the State General Fund.

The State of Kansas also has adopted legislation protecting the state's cultural resources. The State provides incentives (grants and tax credits) to property owners to rehabilitate their historic structures. The State Historical Society possesses grant-making authority over moneys in the Historical Preservation Fund (federal funds) and the Heritage Trust Fund (funded by mortgage document fees).

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Statewide Jobs Created by State and Federal Historic Preservation Tax Credits Annually	577	1,242	1,000	596	600	600
Estimated Increase in Gross State Product Due to State and Federal Preservation Tax Credits Annually (Dollars in Millions)*	\$ 23.8	\$ 90.4	N/A	\$ 24.7	\$ 25.0	\$ 25.0
Cost Per Person to Serve Visitors at All State Historic Sites*	\$ 15	\$ 12	N/A	\$ 10	\$ 10	\$ 10
Number of Contract Archeology Projects Completed Annually*	225	190	N/A	205	200	200
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 2,477.3	\$ 2,464.6	\$ 2,509.0	\$ 2,150.5	\$ 3,002.4	\$ 2,788.1
FTE Positions	18.0	19.0	28.0	19.0	27.0	27.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

CULTURAL RESOURCES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,238,194	\$ 1,370,183	\$ 1,370,183	\$ 1,425,858	\$ 1,425,858
Contractual Services	268,798	218,100	218,100	228,100	228,100
Commodities	18,401	33,100	33,100	33,100	33,100
Capital Outlay	1,307	1,000	1,000	1,000	1,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,526,700</i>	<i>\$ 1,622,383</i>	<i>\$ 1,622,383</i>	<i>\$ 1,688,058</i>	<i>\$ 1,688,058</i>
Aid to Local Units	360,480	320,000	320,000	340,000	340,000
Other Assistance	263,304	1,060,000	1,060,000	760,000	760,000
TOTAL	\$ 2,150,484	\$ 3,002,383	\$ 3,002,383	\$ 2,788,058	\$ 2,788,058
Financing:					
State General Fund	\$ 431,102	\$ 443,923	\$ 443,923	\$ 421,897	\$ 421,897
All Other Funds	1,719,382	2,558,460	2,558,460	2,366,161	2,366,161
TOTAL	\$ 2,150,484	\$ 3,002,383	\$ 3,002,383	\$ 2,788,058	\$ 2,788,058
FTE Positions	19.0	27.0	27.0	27.0	27.0

The **agency** requests a revised estimate of \$3.0 million, including \$443,923 from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$396,575, or 15.2 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$2,927, or 0.7 percent, and a special revenue fund increase of \$399,502, or 18.5 percent, from the FY 2020 approved amount. The revised estimate includes 27.0 FTE positions, which is a decrease of 1.0 FTE position below the approved number.

The State General Fund decrease is partially attributable to decreased expenditures for salaries and wages, including temporary staff. Temporary staff are largely seasonal employees hired by the agency to perform a variety of functions, including staffing state historic sites. The number of temporary staff can vary from year to year depending on the agency's needs. It is partially offset by increased expenditures for commodities, including professional and scientific supplies and equipment used in survey work and archeological investigations.

The special revenue fund increase is primarily attributable to increased expenditures of \$320,000 for Heritage Trust Fund grants and \$80,000 for federal Historic Preservation Fund grants. This includes increased expenditures of \$320,000 for other assistance and \$80,000 for state aid to local units of government.

The decrease in FTE positions is attributable to the agency shifting 1.0 FTE position from the Cultural Resources program to the Administration program.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$2.8 million, including \$421,897 from the State General Fund, for FY 2021. The request is an all funds decrease of \$214,325, or 7.1 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund decrease of \$22,026, or 5.0 percent, and a special revenue fund decrease of \$192,299, or 7.5 percent, below the FY 2020 revised estimate. The request includes 27.0 FTE positions, which is the same as the FY 2020 number.

The State General Fund decrease is primarily attributable to the agency shifting some commodities expenditures from the State General Fund to special revenue funds.

The special revenue fund decrease is primarily attributable to decreased expenditures \$300,000, or 28.3 percent, for other assistance, particularly Heritage Trust Fund grants. This decrease is partially offset by increased expenditures for salaries and wages, which includes the agency moving one part-time position to full-time at Kaw Mission State Historic Site, and increased contractual services expenditures for printing and advertising.

The **Governor** concurs with the agency's request for FY 2021.

E. Humanities Kansas

Humanities Kansas, formerly known as the Kansas Humanities Council, is a nonprofit that connects communities to the history, tradition, and ideas that strengthen civic life. Humanities Kansas uses state funds in support of Heritage Grants and Community Resource Grants. Heritage Grants provide support for projects that preserve and interpret local community history, while Community Resource Grants support speakers in Kansas history, book discussions, and traveling museum exhibits.

The State Historical Society serves as a pass-through for state funding to Humanities Kansas, which is specifically appropriated to the organization. Previously, these pass-through moneys were budgeted under the Administration program, but are now budgeted as a separate program.

PERFORMANCE MEASURES							
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021	
There are no performance measures submitted for this program.							
Agency Expenditures							
All Funds (Dollars in Thousands)	\$ 0.0	\$ 50.5	\$ 50.5	\$ 50.5	\$ 50.5	\$ 50.5	
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	

HUMANITIES KANSAS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	50,501	50,501	50,501	70,501	50,501
TOTAL	\$ 50,501	\$ 50,501	\$ 50,501	\$ 70,501	\$ 50,501
Financing:					
State General Fund	\$ 50,501	\$ 50,501	\$ 50,501	\$ 70,501	\$ 50,501
All Other Funds	0	0	0	0	0
TOTAL	\$ 50,501	\$ 50,501	\$ 50,501	\$ 70,501	\$ 50,501
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests a revised estimate of \$50,501, all from the State General Fund, in FY 2020. The revised estimate is the same as the FY 2020 amount approved by the 2019 Legislature.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$70,501, all from the State General Fund, for FY 2021. This is an increase of \$20,000, or 39.6 percent, above the agency's FY 2020 revised estimate. The increase is attributable to the agency's enhancement request is to fund a new program called Crossroads Conversations.

The **Governor** recommends expenditures of \$50,501, all from the State General Fund, for FY 2021. This is a decrease of \$20,000, or 28.4 percent, below the agency's FY 2021 request. The decrease is attributable to the Governor recommending the enhancement funding for Humanities Kansas' new program, Crossroads Conversations, instead be included in the Department of Commerce budget for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Rehabilitation & Repair	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Kaw Mission	40,800	40,800	0	0
Shawnee Indian Mission	100,000	100,000	0	0
Kansas Museum of History	0	0	650,000	650,000
TOTAL	\$ 390,800	\$ 390,800	\$ 900,000	\$ 900,000
Financing:				
State General Fund	\$ 290,800	\$ 290,800	\$ 900,000	\$ 900,000
All Other Funds	100,000	100,000	0	0
TOTAL	\$ 390,800	\$ 390,800	\$ 900,000	\$ 900,000

FY 2020 – Current Year. The agency estimates a revised capital improvements budget of \$390,800, including \$290,800 from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$142,000, or 26.7 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a special revenue fund decrease of \$142,000, or 58.7 percent, below the FY 2020 approved amount. The State General Fund amount is the same as the approved budget. The special revenue fund decrease is attributable to decreased expenditures for the rehabilitation of the West Building at the Shawnee Indian Mission State Historic Site. Individual capital improvements projects are described below.

Rehabilitation and Repair. The agency estimates expenditures of \$250,000, all from the State General Fund, for rehabilitation and repair projects. The agency uses these moneys to conduct unanticipated repairs for the more than 50 buildings located at the 16 state historic sites and at the Kansas State Historical Society headquarters in Topeka. Projects include repairs to roofs, windows, doors, heating and air conditioning, and plumbing. Projects are selected based on urgency of need, public safety, and the preservation of historic buildings.

Kaw Mission Rehabilitation. The agency estimates expenditures of \$40,800, all from the State General Fund, to finish the rehabilitation of the Kaw Mission State Historic Site. Work includes roof repairs; mechanical, electrical, and plumbing upgrades; and the repair of plaster walls and historic windows. This is the second year of a two-year project. Work in FY 2019 was primarily funded by federal moneys. Once completed, Kaw Mission State Historic Site will also serve as the visitor center for the Last Chance Store, which is also located in Council Grove. According to the agency, the Kaw Mission State Historic Site has not had significant repairs since the 1950s.

Shawnee Indian Mission–West Building Rehabilitation. The agency estimates expenditures of \$100,000, all from special revenue funds, to rehabilitate the West Building at the Shawnee Indian Mission State Historic Site. The state has partnered with the City of Fairway to operate Shawnee Indian Mission and to complete the rehabilitation of the West Building. The project is funded by federal funds and private moneys raised by a nonprofit organization affiliated with the City of Fairway. Planned work includes restoration of a missing exterior door on the second floor; interior repairs to plaster, paint, and wood; and electrical repairs.

The **Governor** concurs with the agency's capital improvements revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvement expenditures of \$900,000, all from the State General Fund, for FY 2021. The request is an all funds increase of \$509,200, or 130.3 percent, above the FY 2020 revised capital improvements budget. This includes a State General Fund increase of \$609,200, or 209.5 percent, and a special revenue fund decrease of \$100,000, or 100.0 percent, from the FY 2020 revised estimate. The State General Fund increase is attributable to the agency's enhancement request to renovate the entrance and lobby of the Kansas Museum of History. The special revenue fund decrease is attributable to the planned completion of the rehabilitation work at Shawnee Indian Mission State Historic Site. Individual capital improvement projects are described below.

Rehabilitation and Repair. The agency requests \$250,000, all from the State General Fund, for rehabilitation and repair projects. The agency uses these moneys to conduct unanticipated repairs for the more than 50 buildings located at the 16 state historic sites and at the Kansas State Historical Society headquarters in Topeka. Projects include repairs to roofs, windows, doors, heating and air conditioning, and plumbing. Projects are selected based on urgency of need, public safety, and the preservation of historic buildings.

Kansas Museum of History–Entrance and Lobby. The agency requests \$650,000, all from the State General Fund, to renovate the entrance and lobby of the Kansas Museum of History. This request is part of a planned, comprehensive renovation of the Kansas Museum of History. According to the agency, the museum gallery has not changed since the museum opened in 1984. The agency's goal is to update the permanent exhibits to make them more interactive and immersive, with an emphasis on the moments in Kansas history when Kansans made a significant impact on American history. Additionally, the agency indicates the new exhibits are needed to meet current audience needs and to ensure the museum generates appropriate revenue for its continued operation.

As part of this renovation project, the agency is requesting funding to renovate the entrance and lobby of the museum. According to the agency, private donors are willing to fund the new exhibits, but the donors would like a state commitment to the renovation of the building. The request is approximately 10.0 percent of the total cost to renovate and update the museum. The agency indicates this would be a one-time expense. Planned work includes the following:

- Replacement of the museum lobby floor, which has become loose and is a safety hazard;
- Updating electrical systems so that special exhibits can be placed in the museum lobby;
- Updating heating and air conditioning;
- Altering the entrance to the main museum gallery to eliminate unusable space and gain additional exhibit space. According to the agency, this would not require major structural changes to the building; and
- Repairing entrance walkways.

The **Governor** concurs with the agency's capital improvements request for FY 2021.

STATE LIBRARY

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 3,743,255	\$ 4,075,182	\$ 4,075,182	\$ 3,928,901	\$ 3,928,901
Other Funds	2,005,936	1,818,312	1,818,312	1,964,417	1,964,417
<i>Subtotal</i>	<i>\$ 5,749,191</i>	<i>\$ 5,893,494</i>	<i>\$ 5,893,494</i>	<i>\$ 5,893,318</i>	<i>\$ 5,893,318</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 5,749,191</u>	<u>\$ 5,893,494</u>	<u>\$ 5,893,494</u>	<u>\$ 5,893,318</u>	<u>\$ 5,893,318</u>
Percentage Change:					
Operating Expenditures					
State General Fund	(3.3) %	8.9 %	8.9 %	(3.6) %	(3.6) %
All Funds	6.4	2.5	2.5	(0.0)	(0.0)
FTE Positions	30.0	30.0	30.0	30.0	30.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The State Library has served the State since 1855, and has existed in its present form since 1963 with the passage of the State Library Act, KSA 75-2534, *et seq.* The purpose of the State Library Act was to establish an agency empowered to assist library development throughout the state and to provide library and information extension services to all the residents of the state who do not have access to library services. Additionally, the State Library provides and promotes library and information services to legislators and state government officials. The State Library conducts programs to promote literacy and reading for everyone. The agency is headed by the State Librarian, who is appointed by the Governor. The State Librarian serves as an ex officio member (not entitled to vote) on the State Library of Kansas Board and serves as the Board Secretary (KSA 75-2546).

The mission of the State Library is to deliver 21st century library services and resources to all Kansas residents. The State Library also strives to increase reading readiness, on-grade reading acuity, improve chances for academic success, and provide lifelong services to all Kansas residents. Finally, the State Library helps to start and grow businesses and assist Kansas residents with employment opportunities. The State Library serves state government, librarians, and every Kansas resident.

To carry out its agency mission, the State Library has established a new three-program structure:

- The **Reference Division**, provides research support to Kansas agencies and the Legislature, assists Kansans who need help in identifying legislation or explaining legislative procedures, and cataloging state government records;
- The **Statewide Services and Resources Division**, which oversees library projects and services available to all Kansas residents (the Kansas Library eCard, interlibrary loan, databases, and digital books). In addition to customer and technical support for resident services, the division assists libraries statewide with the federal E-rate program and disseminates library development information; and
- The **Talking Books Service to the Visually and Physically Impaired Division**, which provides a range of services for Kansas residents who cannot read conventional printed materials due to visual or physical impairments.

For budgeting purposes, however, the agency has transitioned to a single program beginning in FY 2020.

MAJOR ISSUES FROM PRIOR YEARS

The **2011 Legislature** deleted \$219,711, all from the State General Fund. 1.0 vacant FTE position was eliminated, which decreased the agency's FTE limitation from 25.0 in FY 2011 to 24.0 in FY 2012.

The **2012 Legislature** added \$800,000, all from the State General Fund, to fund research databases through the State Library for FY 2013. The funding was originally included in the Board of Regents budget.

The **2013 Legislature** added \$800,000, all from the State General Fund, to fund statewide database subscriptions. Additionally, the Legislature added \$89,369, all from the State General Fund, and 1.0 FTE position for the implementation of the Children's Internet Protection Act for FY 2014. The 2013 Legislature also deleted \$388,099, all from the State General Fund, for a decrease in operating expenditures for FY 2014. Funding for salaries and wages was decreased by \$186,301 for FY 2014 and \$186,612 for FY 2015.

The **2017 Legislature** added \$36,402, including \$28,934 from the State General Fund, for a 2.5 percent salary adjustment for state employees with less than five years of service and a 5.0 percent salary adjustment for state employees who had not had a pay adjustment in five years. The Legislature also added \$3,149, all from the State General Fund, to provide for cybersecurity enhancements in FY 2018.

The **2018 Legislature** added \$20,537, including \$14,278 from the State General Fund, for salary increases pursuant to the Legislative Pay Plan authorized by the 2018 Legislature.

The **2019 Legislature** added \$40,585, including \$27,167 from the State General Fund, for salary increases pursuant to the Legislative Pay Plan authorized by the 2019 Legislature.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$5.9 million, including \$4.1 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$106,585, or 1.8 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$1, or less than 0.1 percent, and a special revenue fund decrease of \$106,584, or 5.5 percent, below the approved amount. The all funds decrease is primarily attributable to decreased expenditures for contractual services, particularly database subscriptions. The revised estimate includes 30.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$5.9 million, including \$3.9 million from the State General Fund, for FY 2021. The request is an all funds decrease of \$176, or less than 0.1 percent, below the FY 2020 revised estimate. This includes a State General Fund decrease of \$146,281, or 3.6 percent, and a special revenue fund increase of \$146,105, or 8.0 percent, from the FY 2020 revised estimate. These changes are attributable to the agency shifting some expenditures from the State General Fund to the federal Library Services and Technology Act grant. The request includes 30.0 FTE positions, which is the same as the FY 2020 number.

The **Governor** concurs with the agency's request for FY 2021.

PERFORMANCE MEASURES

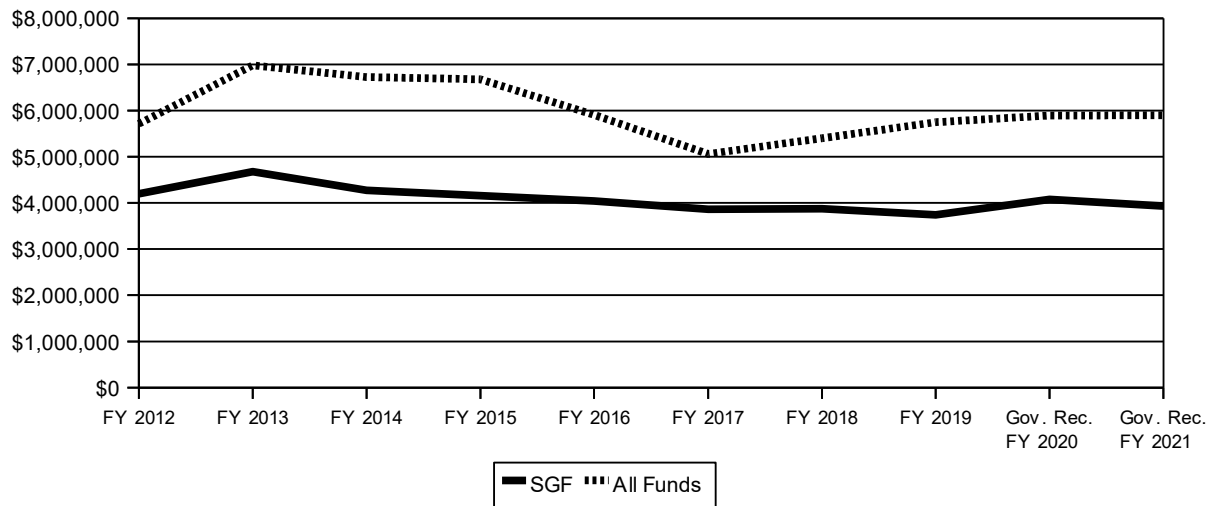
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Children Participating in Summer Reading Program	86,947	96,876	97,500	93,082	97,500	98,000
Number of Active Users of Talking Books Services Served Annually	4,790	4,790	4,790	4,714	4,760	5,000
Number of Database Searches/Queries (In Millions)	204.3	168.0	178.0	174.4	177.9	179.7
Number of Requests for Information Responded to Annually	4,353	4,353	4,483	4,209	4,400	4,500
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 5,061.6	\$ 5,402.1	\$ 5,765.1	\$ 5,749.2	\$ 5,893.5	\$ 5,893.3
FTE Positions	30.0	30.0	30.0	30.0	30.0	30.0

In June 2019, the agency signed a series of new contracts to provide statewide database services. These new contracts renewed existing services and added a total of 12 new resources, which will be offered for the next 5 to 7 years. As a result of the new resources, the agency is projecting an increase in the number of database searches and queries conducted during FY 2020 and FY 2021.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 4,200,598	(3.7)%	\$ 5,712,323	(8.0)%	20.0
2013	4,674,521	11.3	6,979,921	22.2	26.0
2014	4,274,292	(8.6)	6,725,998	(3.6)	31.0
2015	4,155,734	(2.8)	6,677,117	(0.7)	31.0
2016	4,042,473	(2.7)	5,905,602	(11.6)	30.0
2017	3,864,035	(4.4)	5,061,639	(14.3)	30.0
2018	3,872,811	0.2	5,402,069	6.7	30.0
2019	3,743,255	(3.3)	5,749,191	6.4	30.0
2020 Gov. Rec.	4,075,182	8.9	5,893,494	2.5	30.0
2021 Gov. Rec.	3,928,901	(3.6)	5,893,318	(0.0)	30.0
Ten-Year Change Dollars/Percent	\$ (271,697)	(6.5)%	\$ 180,995	3.2 %	10.0

Summary of Operating Budget FY 2019 - FY 2021

State Library

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Administration	\$ 5,186,512	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%		
Services to the Blind and Handicapped	562,679	0	0	0	--	0	0	0	--		
TOTAL	\$ 5,749,191	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%		
By Major Object of Expenditure:											
Salaries and Wages	\$ 1,517,251	\$ 1,594,975	\$ 1,596,445	\$ 1,470	0.1 %	\$ 1,594,975	\$ 1,596,445	\$ 1,470	0.1 %		
Contractual Services	2,267,218	2,335,431	2,335,182	(249)	(0.0)	2,335,431	2,335,182	(249)	(0.0)		
Commodities	412,997	406,397	405,000	(1,397)	(0.3)	406,397	405,000	(1,397)	(0.3)		
Capital Outlay	113,649	129,700	129,700	0	0.0	129,700	129,700	0	0.0		
Debt Service	0	0	0	0	--	0	0	0	--		
Subtotal - Operations	\$ 4,311,115	\$ 4,466,503	\$ 4,466,327	\$ (176)	(0.0) %	\$ 4,466,503	\$ 4,466,327	\$ (176)	(0.0) %		
Aid to Local Units	1,435,576	1,426,991	1,426,991	0	0.0	1,426,991	1,426,991	0	0.0		
Other Assistance	2,500	0	0	0	--	0	0	0	--		
TOTAL	\$ 5,749,191	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%		
Financing:											
State General Fund	\$ 3,743,255	\$ 4,075,182	\$ 3,928,901	\$ (146,281)	(3.6)%	\$ 4,075,182	\$ 3,928,901	\$ (146,281)	(3.6)%		
Federal Funds	1,924,134	1,716,711	1,862,816	146,105	8.5	1,716,711	1,862,816	146,105	8.5		
All Other Funds	81,802	101,601	101,601	0	0.0	101,601	101,601	0	0.0		
TOTAL	\$ 5,749,191	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%	\$ 5,893,494	\$ 5,893,318	\$ (176)	(0.0)%		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$3,922,802 for the State Library in FY 2020. An adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$152,381, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

These adjustments change the FY 2020 approved State General Fund amount to \$4,075,183. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 4,075,183	\$ 4,075,182	\$ (1)	\$ 4,075,182	\$ (1)
All Other Funds	1,924,896	1,818,312	(106,584)	1,818,312	(106,584)
TOTAL	\$ 6,000,079	\$ 5,893,494	\$ (106,585)	\$ 5,893,494	\$ (106,585)
FTE Positions	30.0	30.0	0.0	30.0	0.0

The **agency** requests a revised estimate of \$5.9 million, including \$4.1 million from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$106,585, or 1.8 percent, below the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$1, or less than 0.1 percent, and a special revenue fund decrease of \$106,584, or 5.5 percent, below the approved amount. The revised estimate includes 30.0 FTE positions, which is the same as the approved number.

The all funds decrease is primarily attributable to decreased expenditures of \$219,553, or 8.6 percent, for contractual services, particularly database subscriptions. The agency subscribes to a variety of research databases, which are then made available to Kansas residents. The contracts for these database subscriptions last several years and then must be renegotiated. The agency anticipated growth in contractual services expenditures due to new contracts. However, the cost of the new contracts did not increase to the extent anticipated by the agency. Therefore, the agency's revised estimate decreases contractual services expenditures from the FY 2020 budget approved by the 2019 Legislature.

The decrease is partially offset by increased expenditures of \$94,867, or 30.5 percent, for commodities. This is primarily due to increased expenditures for e-books. It is also partially offset by increased expenditures of \$18,101, or 1.1 percent, for salaries and wages, particularly classified and unclassified salaries.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 5,893,318	\$ 5,893,318	\$ 0
FTE Positions	30.0	30.0	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ (146,281)	\$ (146,281)	
All Other Funds	146,105	146,105	
TOTAL	\$ (176)	\$ (176)	
<i>Percent Change:</i>			
State General Fund	(3.6) %	(3.6) %	
All Other Funds	8.0	8.0	
TOTAL	(0.0) %	(0.0) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests expenditures of \$5.9 million, including \$3.9 million from the State General Fund, for FY 2021. The request is an all funds decrease of \$176, or less than 0.1 percent, below the agency's FY 2020 revised estimate. This includes a State General Fund decrease of \$146,281, or 3.6 percent, and a special revenue fund increase of \$146,105, or 8.0 percent, from the FY 2020 revised estimate. The request includes 30.0 FTE positions, which is the same as the FY 2020 number.

The all funds decrease is primarily attributable to decreased expenditures for commodities, particularly office supplies. It is partially offset by increased expenditures for salaries and wages, primarily employer contributions for group health insurance.

The State General Fund decrease and special revenue fund increase are primarily attributable to the agency shifting some expenditures for salaries and wages and contractual services from the State General Fund to the federal Library Services and Technology Act (LSTA) grant. This is due to higher than expected revenues from the LSTA grant in FY 2019, FY 2020, and FY 2021. Revenues for FY 2019 were \$222,660 higher than anticipated. For FY 2020 and FY 2021, the agency increased its revenue estimate by approximately \$15,000 per year.

The **Governor** concurs with the agency's request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$40,585, including \$27,167 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

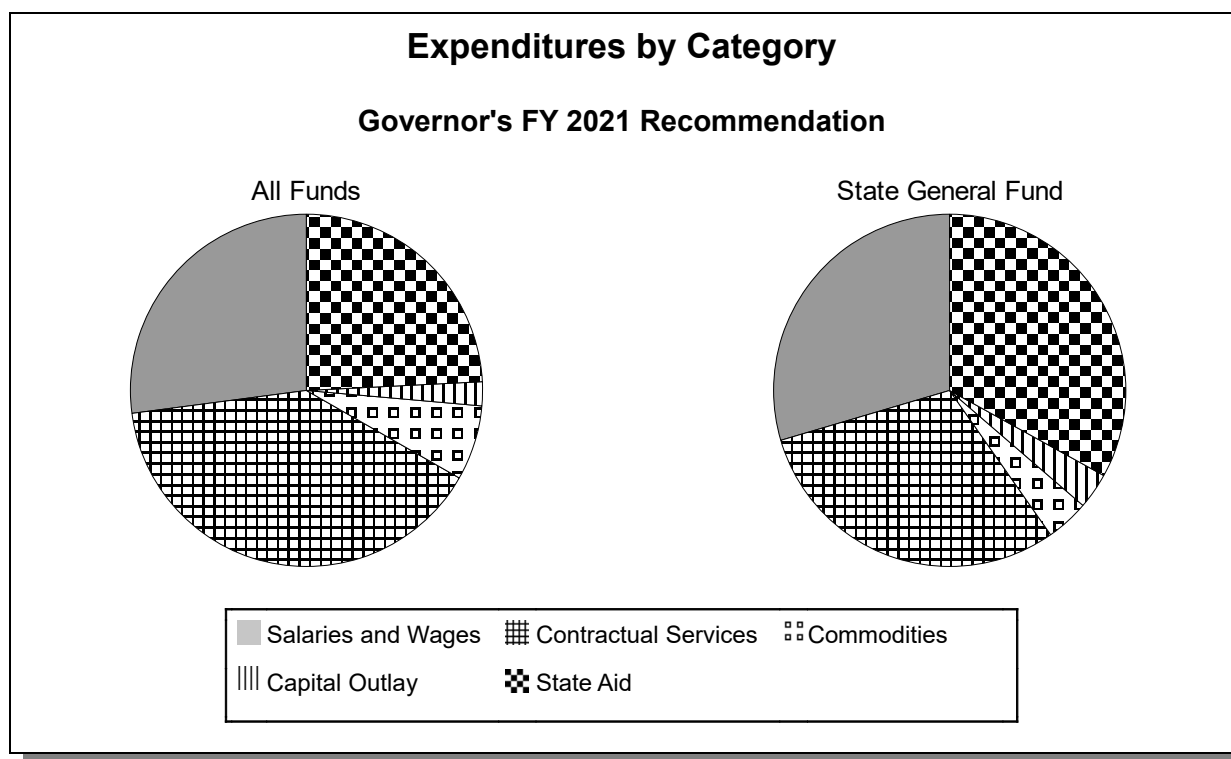
Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$5,480, including \$4,428 from the State General Fund, and FY 2021 longevity payments total \$5,960, including \$4,337 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	66.7 %	66.7 %
Federal Funds	31.6	31.6
All Other Funds	1.7	1.7
TOTAL	100.0 %	100.0 %
<i>Note:</i> Totals may not add due to rounding.		

CATEGORY DETAIL



Category	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Salaries and Wages	\$ 1,596,445	27.1 %	\$ 1,161,637	29.6 %
Contractual Services	2,335,182	39.6	1,184,216	30.1
Commodities	405,000	6.9	155,570	4.0
Capital Outlay	129,700	2.2	129,700	3.3
State Aid to Local Units of Government	1,426,991	24.2	1,297,778	33.0
TOTAL	\$ 5,893,318	100.0 %	\$ 3,928,901	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	21.0	30.0	30.0	30.0	30.0
Services to the Blind and Handicapped	9.0	0.0	0.0	0.0	0.0
TOTAL	30.0	30.0	30.0	30.0	30.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The Administration program provides a variety of services, including reference and information for the Legislature and state government; consultation to libraries throughout the state; administration of state and federal aid to libraries; facilitating access to statewide online library resources; supporting statewide interlibrary loan and interlibrary cooperation and communication; and providing administrative support, personnel, financial, and accounting services for the State Library.

Beginning in FY 2020, all agency expenditures will be budgeted under the Administration program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 4,521.3	\$ 4,833.2	\$ 5,251.9	\$ 5,186.5	\$ 5,893.5	\$ 5,893.3
FTE Positions	20.0	21.0	21.0	21.0	30.0	30.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,139,170	\$ 1,594,975	\$ 1,594,975	\$ 1,596,445	\$ 1,596,445
Contractual Services	2,147,274	2,335,431	2,335,431	2,335,182	2,335,182
Commodities	407,916	406,397	406,397	405,000	405,000
Capital Outlay	110,248	129,700	129,700	129,700	129,700
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,804,608	\$ 4,466,503	\$ 4,466,503	\$ 4,466,327	\$ 4,466,327
Aid to Local Units	1,379,404	1,426,991	1,426,991	1,426,991	1,426,991
Other Assistance	2,500	0	0	0	0
TOTAL	\$ 5,186,512	\$ 5,893,494	\$ 5,893,494	\$ 5,893,318	\$ 5,893,318
Financing:					
State General Fund	\$ 3,439,616	\$ 4,075,182	\$ 4,075,182	\$ 3,928,901	\$ 3,928,901
All Other Funds	1,746,896	1,818,312	1,818,312	1,964,417	1,964,417
TOTAL	\$ 5,186,512	\$ 5,893,494	\$ 5,893,494	\$ 5,893,318	\$ 5,893,318
FTE Positions	21.0	30.0	30.0	30.0	30.0

The **agency** requests a revised estimate of \$5.9 million, including \$4.1 million from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$666,868, or 12.8 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund increase of \$577,852, or 16.5 percent, and a special revenue fund increase of \$89,016, or 5.1 percent, above the approved amount. The revised estimate includes 30.0 FTE positions, which is an increase of 9.0 FTE positions above the approved number.

The increases above the approved budget are primarily attributable to the agency now budgeting all agency expenditures under the Administration program. According to the agency, this was done to ensure the accurate reporting of expenditures.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$5.9 million, including \$3.9 million from the State General Fund, for FY 2021. The request is an all funds decrease of \$176, or less than 0.1 percent, below the FY 2020 revised estimate. This includes a State General Fund decrease of \$146,281, or 3.6 percent, and a special revenue fund increase of \$146,105, or 8.0 percent, from the FY 2020 revised estimate. The request includes 30.0 FTE positions, which is the same as the FY 2020 number.

The all funds decrease is primarily attributable to decreased expenditures for commodities, particularly office supplies. It is partially offset by increased expenditures for salaries and wages, primarily employer contributions for group health insurance.

The State General Fund decrease and special revenue fund increase are primarily attributable to the agency shifting some expenditures for salaries and wages and contractual services from the State General Fund to the federal Library Services and Technology Act grant. This is due to higher than expected revenues from the LSTA grant in FY 2019, FY 2020, and FY 2021.

The **Governor** concurs with the agency's request for FY 2021.

B. Services to the Blind and Handicapped

The State Library operates the Kansas Talking Books Program, which is located on the campus of Emporia State University. This program provides a variety of reading materials for visually impaired citizens of Kansas. Such items include materials in braille and recorded formats that can be requested and delivered to a patron's home.

Beginning in FY 2020, all agency expenditures will be budgeted under the Administration program.

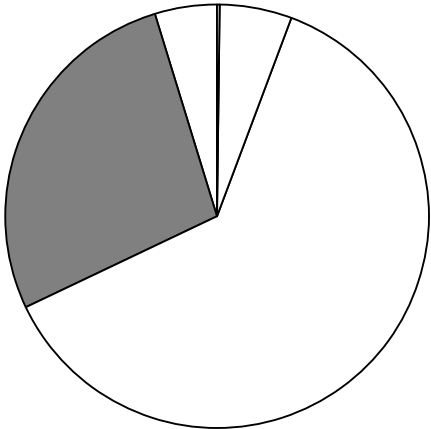
PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 543.3	\$ 568.6	\$ 513.3	\$ 562.7	\$ 0.0	\$ 0.0
FTE Positions	10.0	9.0	9.0	9.0	0.0	0.0

SERVICES TO THE BLIND AND HANDICAPPED SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 378,081	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	119,944	0	0	0	0
Commodities	5,081	0	0	0	0
Capital Outlay	3,401	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 506,507</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
Aid to Local Units	56,172	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 562,679	\$ 0	\$ 0	\$ 0	\$ 0
Financing:					
State General Fund	\$ 303,639	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	259,040	0	0	0	0
TOTAL	\$ 562,679	\$ 0	\$ 0	\$ 0	\$ 0
FTE Positions	9.0	0.0	0.0	0.0	0.0

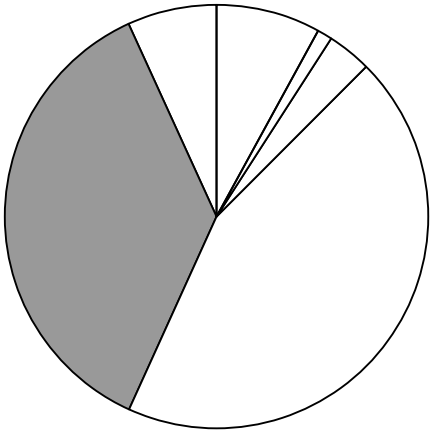
The **agency** is no longer budgeting Services to the Blind and Handicapped as a separate program in FY 2020. All agency expenditures are now budgeted under the Administration program. According to the agency, this was done to ensure the accurate reporting of expenditures.

HUMAN SERVICES

State General Fund



All Funds



Human Services provide services such as cash and medical assistance, care of the mentally ill and developmentally disabled in state hospitals and community placements, and unemployment payments. This function includes the Kansas Department of Health and Environment (Health and Health Care Finance Divisions), Department for Children and Families, Kansas Department for Aging and Disability Services and all state hospitals, Kansas Commission on Veterans' Affairs Office, Kansas Department of Labor, and Kansas Guardianship Program.

The Governor's FY 2021 recommendation for the Human Services function totals \$7.2 billion from all funding sources, including \$2.2 billion from the State General Fund.

Agencies in this Function:	
<i>Kansas Department of Health and Environment.....</i>	<i>269</i>
<i>Department for Children and Families.....</i>	<i>315</i>
<i>Kansas Department for Aging and Disability Services.....</i>	<i>375</i>
<i>Kansas Neurological Institute.....</i>	<i>428</i>
<i>Parsons State Hospital and Training Center.....</i>	<i>453</i>
<i>Larned State Hospital.....</i>	<i>484</i>
<i>Osawatomie State Hospital.....</i>	<i>518</i>
<i>Kansas Commission on Veterans' Affairs Office.....</i>	<i>548</i>
<i>Kansas Department of Labor.....</i>	<i>579</i>
<i>Kansas Guardianship Program.....</i>	<i>608</i>

The FY 2021 recommendation represents a State General Fund increase of 5.6 percent, or \$115.9 million, above FY 2020. Expenditures from all funds increase by 18.0 percent, or \$1.1 billion, above FY 2020.

A total of 7,076.4 FTE positions are recommended by the Governor for the Human Services function for FY 2021, which is an increase of 40.4 FTE positions above FY 2020.

Of all state FTE positions, 17.4 percent are in this function.

Agencies in this function comprise 27.8 percent of the total State General Fund budget for FY 2021, which is an increase of 1.4 percent above FY 2020. They comprise 36.6 percent of expenditures from all funding sources for FY 2021, which is an increase of 3.8 percent above FY 2020.

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 769,438,913	\$ 796,026,635	\$ 758,835,466	\$ 769,014,147	\$ 810,325,069
Other Funds	2,042,218,276	2,289,510,120	2,242,164,451	2,281,116,548	3,213,959,595
<i>Subtotal</i>	<i>\$ 2,811,657,189</i>	<i>\$ 3,085,536,755</i>	<i>\$ 3,000,999,917</i>	<i>\$ 3,050,130,695</i>	<i>\$ 4,024,284,664</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 2,811,657,189</u>	<u>\$ 3,085,536,755</u>	<u>\$ 3,000,999,917</u>	<u>\$ 3,050,130,695</u>	<u>\$ 4,024,284,664</u>

Percentage Change:

Operating Expenditures					
State General Fund	14.8 %	3.5 %	(1.4) %	(3.4) %	6.8 %
All Funds	5.3	9.7	6.7	(1.1)	34.1
FTE Positions	1,245.0	1,543.1	1,543.1	1,543.1	1,543.1

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department of Health and Environment (KDHE) is a cabinet-level agency with the mission to protect and improve the the health and environment of all Kansans. This is accomplished through public health programs and services and through the preservation, protection, and remediation of natural resources in the environment.

The agency is divided into three main divisions: the Division of Public Health, the Division of Health Care Finance, and the Division of Environment.

The **Division of Public Health** works with local health departments and other organizations to help assure the health of Kansans through public health services and regulatory programs. The Division includes the Office of the Director and six bureaus: Disease Control and Prevention, Health Promotion, Family Health, Community Health Systems, Oral Health, and Epidemiology and Public Health Informatics. The Administration program is also included in the Division of Health function.

The **Division of Health Care Finance** develops and maintains a coordinated health policy agenda, which combines the effective purchasing and administration of health care with health promotion-oriented public health strategies. The powers, duties, and functions of the

Division are intended to be exercised to improve the health of the people of Kansas by increasing the quality, efficiency, and effectiveness of health services and to coordinate with public health programs. The Division oversees the state's Medicaid and Children's Health Insurance programs, the State Employee Health Plan, and the State Self-Insurance Fund Workers Compensation Program.

The **Division of Environment** protects the environment and public health through compliance, enforcement, and proactive activities. The Division includes six bureaus: Waste Management, Air, Water, Environmental Remediation, Environmental Field Services (includes the Office of the Director of the Division of Environment), and the Health and Environmental Laboratories.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted \$548,617, all from the State General Fund, and 1.0 FTE position for an operating expenditure reduction of approximately 2.5 percent from the Governor's recommendation for FY 2011 for the Health function. The Legislature excluded the Cerebral Palsy Posture Seating program from the reduction.

The **2010 Legislature** added \$199,113, all from the State General Fund, for the Teen Pregnancy Prevention program for FY 2011. This restored funding for the program, which was eliminated as the result of the Governor's July 2009 State General Fund allotment.

The **2010 Legislature** also added language directing the agency to expend \$199,113, all from the State General Fund, for the Pregnancy Maintenance Initiative for FY 2011. The funding was to come from existing resources. This restored funding for the program, which was eliminated as the result of the Governor's July 2009 State General Fund allotment.

The **2010 Legislature** appropriated the Health Information Exchange—Federal Fund as a no limit fund for FY 2011. The Fund was used to receive and expend a five-year, \$9.0 million federal grant to establish the Kansas Health Information Exchange.

The **2010 Legislature** deleted \$191,193, all from the State General Fund, and 3.0 FTE positions to achieve a State General Fund reduction of approximately 2.5 percent from the Governor's recommendation for FY 2011 for the Environment function.

The **2010 Legislature** appropriated the QuantiFERON TB Laboratory Fund as a no limit fund for FY 2011. The Fund will be used to deposit contractual services payments received from state universities that wish to contract for lab services related to the requirements that all college students have a tuberculosis test using QuantiFERON.

In **2011**, the Governor signed Executive Reorganization Order (ERO) No. 38, which transferred the duties and responsibilities for the Kansas Health Policy Authority, including the State Employee Health Plan, to the Kansas Department of Health and Environment as the Division of Health Care Finance in FY 2012. With the reorganization, the Division of Health Care Finance is responsible for developing policies and administering and managing programs that fund health care services for persons who qualify for Medicaid (Title XIX), MediKan, and the Children's Health Insurance Program (Title XXI or CHIP).

The **2011 Legislature** added \$100,000, all from the State General Fund, to the Teen Pregnancy Prevention program, bringing total funding available to \$299,113 in FY 2011. For FY 2012, the Legislature added \$150,887, all from the State General Fund, to the program, bringing the total available for FY 2012 to \$350,000.

The **2011 Legislature** added \$100,000, all from the State General Fund, to the Senator Stan Clark Pregnancy Maintenance Initiative, bringing total funding available in FY 2011 to \$299,113.

The **2011 Legislature** deleted \$165,000 and 1.0 FTE position from the Office of the Director of Health for FY 2012.

The **2011 Legislature** deleted \$2,786, all from the Children's Initiatives Fund, because of projected shortfalls in tobacco funding for FY 2012.

The **2011 Legislature** deleted \$14,097,744, including \$6,000,000 from the State General Fund, for FY 2012 for reduced regular medical Medicaid expenditures associated with savings achieved in the Prepaid Ambulatory Health Plan managed care contract for mental health services.

The **2011 Legislature** deleted funding totaling \$1,879,699, including \$800,000 from the State General Fund, to capture savings in the Medicaid prescription drug program for FY 2012. A number of antidepressants and atypical anti-psychotic medications are or will soon be available in generic form and should result in prescription drug savings, according to the agency.

The **2011 Legislature** added \$750,000, all from the State General Fund, to partially restore the Local Environmental Protection Program for FY 2012.

The **2011 Legislature**, because of a shortfall in budgeted tobacco receipts, deleted funding of \$11,712, all from the Children's Initiatives Fund, from the newborn screening program, in addition to the other Children's Initiatives Fund reductions for the global reductions approved by the Legislature totaling \$23,750 for FY 2012.

The **2011 Legislature** deleted \$480,511, all from the State General Fund, to reduce the agency's State General Fund expenditures, excluding expenditures used to match federal funding or for federal maintenance of effort issues, by 15.0 percent for FY 2012.

The **2011 Legislature** passed the Kansas Health Information and Technology Act (HB 2182), which synchronizes Kansas health information laws with Health Insurance Portability Accountability Act (HIPAA) privacy and security rules. This bill will allow Kansas Health Information Exchange to move forward in developing the framework for electronic health records.

In **2011**, the agency started a major initiative to implement the Kansas Eligibility and Enforcement System (KEES) to update the technology and processes for determining eligibility for medical programs and to detect fraud. The project is estimated to cost \$137.9 million across five years to implement and \$50.0 million each year for ongoing costs to maintain and operate the system. Phase I of the project implements a public portal for online application capability with initial functionality for Medicaid and the CHIP in Fall 2013.

In addition, the agency started a process to reform Medicaid, which included the implementation of Managed Care contracts for all medical programs. The contracts were awarded in Fall 2012 and implemented in January 2013. The initiative also included agency realignment related to Medicaid responsibility.

The **2012 Legislature** acknowledged the enactment of ERO No. 41, which became effective on July 1, 2012, and transferred programs from KDHE to the Kansas Department for Aging and Disability Services (KDADS). The following areas of the Health Occupations

Credentialing program at KDHE were transferred and are administered by the Secretary for Aging and Disability Services:

- Licensure of adult care home administrators;
- Licensure of dietitians;
- Certification of residential care facility operators, activity directors, social service designees, nurse aides, medication aides, and home health aides; and
- Maintenance of the Kansas Nurse Aide Registry and Criminal History Record Check program, as authorized by credentialing statutes or rules and regulations.

The KDHE Psychiatric Residential Treatment Facility Licensure program was also transferred to KDADS. In addition, the ERO further delineated the roles and responsibilities for Medicaid by consolidating Medicaid fiscal and contractual management in KDHE.

The **2012 Legislature** passed SB 14, which established the Newborn Screening Fund and funding mechanism for the program. Specifically, the bill established the Kansas Newborn Screening Fund in KDHE and created a mechanism for depositing a portion of the privilege fees received by the State from health maintenance organizations (HMOs) into the new Fund. All expenditures from the Fund must be used for the program. The bill requires the Director of Accounts and Reports, Division of Accounts and Reports, Department of Administration, to determine, on a monthly basis, the amount of receipts from HMOs' privilege fee collections and to transfer the amount necessary to fund the Newborn Screening program for the preceding month as certified by the Secretary of Health and Environment or the Secretary's designee. The transfer cannot exceed the amount credited to the State General Fund pursuant to KSA 40-3213. KSA 2011 Supp. 40-3213 requires HMOs to pay, on an annual basis, a privilege fee in an amount equal to 1.0 percent per annum of the total of all premiums, subscription charges, or other similar charges made by the HMO to its enrollees. Under the prior law, the entire amount of the collected privilege fees was deposited into the State General Fund.

The **2012 Legislature** added \$407,000, all from the State General Fund, for the Early Detection Works program for FY 2012.

The **2012 Legislature** added \$634,584, all from the State General Fund, for the Primary Care–Safety Net Clinics program for a total program expenditure of \$7,877,649 for FY 2013. To offset this addition, the Legislature deleted \$134,584, all from the State General Fund, for operating expenditures of \$500,000, all from the State General Fund, for the Medicaid Reform Health Savings Account (HSA) program for FY 2013.

The **2012 Legislature** deleted \$1.0 million, including \$600,000 from the State General Fund, for statewide education prior to implementation of KanCare for FY 2013 and deleted \$2,427,116, including \$776,677 from the State General Fund, to update the Medicaid Management Information System for KanCare for FY 2013.

The **2012 Legislature** increased the Health Care Access Improvement Fund limit from \$33,354,454 to no limit to account for the increased revenues and expenditures as a result of 2012 HB 2416, which changed the base year for the assessment calculations for FY 2013.

The **2012 Legislature** added language for a new special revenue fund with a \$1.0 million limit for FY 2013 for the purpose of integrating the Medicaid Management Information System and data analysis to monitor data from contractors. The State Finance Council may release funds only upon receiving the Approved Medicaid Reform waiver approval by the federal CMS.

The **2012 Legislature** added language for FY 2013 to delay the implementation of the Home and Community Based Services Waiver for individuals with developmental disabilities in a

managed care system (KanCare), as well as to allow for an optional pilot program for those developmental disabilities service provider organizations for FY 2013.

The **2012 Legislature** added \$800,000 for the Local Environmental Protection Program, all from the State Water Plan Fund, for FY 2013. The funding was subsequently vetoed by the Governor.

The **2013 Legislature** added \$634,584, including \$317,292 from the State General Fund to Primary Care–Safety Net Clinics for FY 2014 and \$317,292, all from the State General Fund, for FY 2015.

The **2014 Legislature** approved funding the Governor added for KanCare pilots of \$10.5 million, including \$4.5 million from the State General Fund. KDHE requested approval from the federal CMS to implement three pilot programs designed to support Kansans who might otherwise be enrolled in Medicaid. Two of the proposed pilots focus on increasing opportunities for Kansans with disabilities to work and the third pilot would offer an alternative to transitional Medicaid.

KDHE received \$10.8 million from CHIP in **FY 2014** in bonus funding for simplifying enrollment and successfully enrolling eligible children. The 2014 Legislature transferred \$7.1 million of this bonus funding to KDADS to provide additional services to individuals on the underserved waiting list for the Home and Community Based Services Waiver for individuals with developmental disabilities for FY 2015.

In addition, \$200,000 was added to Safety Net Clinics–Primary Care for FY 2015 from money received for the CHIP Bonus Award. The Legislature also added language directing the agency to spend an additional \$125,000 of the reappropriated State General Fund in the Aid to Local Programs on the Safety Net Clinics–Primary Care Program.

The **2014 Legislature** deleted \$4.7 million, including \$14.8 million from the State General Fund, for spring human services consensus caseload estimates in FY 2014 and added \$58.6 million from all funding sources and deleted \$8.5 million from the State General Fund for spring human services consensus caseload estimates for FY 2015.

The **Governor's December 2014 State General Fund allotment** reduced approved expenditures by \$1.0 million in FY 2015.

The **2015 Session** had several policy and organizational adjustments affecting KDHE–Divisions of Health and Health Care Finance.

The **Governor** issued ERO No. 43 to transfer the responsibility for Medicaid eligibility determination and associated employees from the Department for Children and Families (DCF) to KDHE, effective January 1, 2016. The Governor indicated this reorganization was anticipated to increase accuracy in Medicaid eligibility determination and partially reduce program expenditures through uniform implementation of policy and processing changes. The associated savings were to be split between KDHE and KDADS. In addition, ERO No. 43 transferred foster care licensing responsibilities from KDHE to DCF, effective July 1, 2015.

The **2015 Legislature** adjusted funding to implement the provisions of ERO No. 43. The Legislature deleted \$1.9 million, including \$920,000 from the State General Fund, and 23.0 FTE positions for FY 2016 and deleted \$2.0 million, including \$938,000 from the State General Fund, and 23.0 FTE positions for FY 2017 to implement the provision that transfers the foster care licensing program from KDHE–Division of Public Health to DCF. The Legislature added \$3.5 million, including \$869,000 from the State General Fund, and 138.0 FTE positions for FY 2016 and added \$6.9 million, including \$1.7 million from the State General Fund, and 138.0 FTE

positions for FY 2017 to implement the portion of the ERO that transfers the Medicaid eligibility determination program from DCF to KDHE—Division of Health Care Finance.

House Sub. for SB 112 (2015) included language stating that no state agency shall expend any state moneys for FY 2015, FY 2016, and FY 2017 for the purpose of implementing KanCare Health Homes—Chronic Conditions unless the Legislature expressly consents to such program and expenditures. It also contained language requiring the agency to submit a report regarding ERO No. 43 implementation and the transition of the eligibility responsibilities and staff, effective January 2016, to determine whether the proposed changes were effective in decreasing the Medicaid Eligibility Payment Error Rate Measurement (PERM) rates for Kansas. The bill also requires an audit of the Health Care Access Improvement Fund and a report to the 2016 Legislature of a sustainability plan for the program using only assessment revenues.

The **2015 Legislature** passed Senate Sub. for HB 2281, which created the Medical Assistance Fee Fund and increased the annual privilege fees paid by every HMO for the reporting period beginning January 1, 2015, and ending December 31, 2017, from 1.00 percent per year to 3.31 percent per year of the total of all premiums, subscription charges, or any other term that may be used to describe the charges made by such organization to enrollees. The privilege fees collected or received by the Commissioner of Insurance from July 1, 2015, through June 30, 2018, from HMOs, including the three KanCare managed care organizations (MCOs) and Medicare provider organizations for fees specified in law are to be deposited in the Fund to be expended for Medicaid medical assistance payments only. On and after January 1, 2018, the privilege fee will be 2.00 percent. The Legislature deleted \$31.0 million, including \$119.8 million from the State General Fund, and added \$88.8 million from the Medical Assistance Fund for FY 2016 and deleted \$29.6 million, including \$123.7 million from the State General Fund, and added \$94.1 million for the Medical Assistance Fund for FY 2017 to adjust funding to implement the HMO privilege fee changes at 3.31 percent.

The **2015 Legislature** passed Senate Sub. for HB 2149, which required KDHE to reimburse medical care facilities in certain situations for donor human breast milk provided to a recipient of medical assistance under the Kansas Medical Assistance Program. The bill also amended the procedures regarding restrictions of patients' access to any new prescription-only drug under the Kansas Medicaid Program. Specifically, the bill allows prior authorization or other restrictions on medications used to treat mental illness to be imposed on Medicaid recipients for medications subject to guidelines developed by the Medicaid Drug Utilization Review Board; established requirements for Board review of medications used to treat mental illness available for use before and after July 1, 2015; and created a Mental Health Medication Advisory Committee, which is required to provide the Board with recommendations for the development of guidelines.

The **2015 Legislature** added \$378,000, all from the State General Fund, to Primary Care—Safety Net Clinics for FY 2016 due to funds made available through a transfer from the Kansas Endowment for Youth to the State General Fund.

The **Governor's November 2015 State General Fund allotment** reduced approved expenditures by \$15.8 million in FY 2016.

The **2016 Legislature** passed SB 248, which prescribes the priority for expenditures and grants for family planning services finances with federal Title X funds. The bill specifies KDHE—Division of Public Health shall make any expenditure or grant first to public entities, including state, county, and local health departments and health clinics, and, if funds remain, to non-public entities that are hospitals or federal qualified health centers that provide comprehensive primary and preventative care in addition to family planning services. This codified in statute a proviso that has been included in the appropriation bills since 2011.

The **2016 Legislature** passed House Sub. for SB 402, which included provisions related to what is known as step therapy and removed the prohibition from requiring a Medicaid recipient to use or fail with a drug usage or drug therapy prior to allowing the recipient to receive the product or therapy recommended by the recipient's physician (a practice commonly referred to as step therapy); provided for patient protections for individuals on a drug therapy commenced prior to the effective date of the bill, including a 30-day trial limit on drug usage or drug therapy used for the treatment of multiple sclerosis; provided for a 72-hour expedited appeal process on a physician request for an override; required KDHE to study, review, and report to the Legislature on the use of step therapy in Medicaid and the savings under the program; provided for a step therapy exemption; and requires any policy or rule and regulation related to the implementation of the program be reviewed and approved by the Medicaid Drug Utilization Review Board prior to implementation by KDHE with the additional requirement that any policy or rule and regulation regarding any medication used to treat mental illness also is reviewed and approved by the Mental Health Medication Advisory Committee.

The **2016 Legislature** passed HB 2615, which amended and created law regarding charitable health care providers, the Acupuncture Practice Act and the Physical Therapy Practice Act, the Behavioral Sciences Regulatory Board, the Interstate Medical Licensure Compact, and the Independent Practice of Midwifery Act. The bill allows charitable health care providers and dentists to fulfill one hour of continuing education credit for performance of two hours of gratuitous service to medically indigent persons if the provider signs an agreement with the Secretary of Health and Environment to provide gratuitous services. Health care providers are allowed to fulfill a maximum of 20 continuing educational credits through gratuitous service per licensure period, and dentists are allowed to fulfill a maximum of 6 continuing educational credits through gratuitous service per licensure period. The bill also created the Independent Practice of Midwifery Act (Midwifery Act). Effective January 1, 2017, the Midwifery Act allows certified nurse-midwives to practice without a collaborative practice agreement with a person licensed to practice medicine and surgery within a limited scope practice as set forth in the bill. The bill also prohibits nurse-midwives engaged in the independent practice of midwifery from performing or inducing abortions or from prescribing drugs for an abortion.

The **2016 Legislature** added language directing no expenditures could be made during FY 2016 and FY 2017 to proceed with integration of the Medicaid Home and Community Based Services waivers if the proposed integration is planned to occur prior to FY 2019. In addition, reports were required to the Legislature during FY 2017.

The **Governor's May 2016 State General Fund allotment** reduced approved expenditures by \$39.9 million in FY 2017.

The **2017 Legislature** passed HB 2079, which allows supplemental Medicaid reimbursement for certain providers of ground emergency medical transportation services, created an intergovernmental transfer program, increased the annual HMO privilege fee, changed the privilege fee payment structure, created a priority system for use of revenue from the assessment, changed accounting procedures for the Kansas Newborn Screening Fund, and established a limit on the amount to be transferred to the the Kansas Newborn Screening Fund. Included with the increase of the privilege fee was restoration of the 4.0 percent rate reduction to Medicaid providers that was part of the May 2016 State General Fund allotment and creation of the Community Mental Health Center Improvement Fund within KDADS.

The **2017 Legislature** passed HB 2026, which changed the Kansas Medical Assistance Program by amending and creating in law processes for MCOs providing Medicaid services.

The **2017 Legislature** transferred \$2.7 million, all from the Health Insurance Premium Reserve Fund to the On-site State Employee Health Clinic Fund created within the Department of Administration, to establish an on-site clinic for state employees for FY 2018.

The **2017 Legislature** added \$1.0 million, all from the State General Fund, for both FY 2018 and FY 2019 for safety net clinics and added language to specify the amount to be expended within the aid to local units—primary health projects appropriations line item for the Kansas Association for Medically Underserved and for the Community-based Primary Care Grants.

The **2017 Legislature** added language for both FY 2018 and FY 2019 that required the agency to contract for services to survey and certify dialysis treatment facilities and allows the agency to charge the cost of the survey to the facility if the survey has not been performed within one year of notification that the facility is operational. The language also required compliance with federal law.

The **2017 Legislature** added \$5.0 million, including \$2.2 million from the State General Fund, for both FY 2018 and FY 2019, which included language requiring the agency to set Medicaid reimbursement rates for children's hospitals contracting with a KanCare MCO at levels that restore calendar year 2015 reductions. There also was related language added for FY 2018 requiring the agency to complete a study on the statewide average cost recovery ratio for all Kansas hospitals contracting with MCOs.

The **2018 Legislature** added \$1.0 million, all from the State General Fund, for the tiny-k program both in FY 2018 and for FY 2019. The additional funding is subject to a federal maintenance of effort requirement. The Legislature added \$3.0 million, all from the State General Fund, for the Medicaid regular medical program for the teaching hospitals associated with the Wichita Center for Graduate Medical Education (WCGME) program in FY 2018 and added \$5.9 million, including \$4.3 million from the State General Fund, with \$3.0 million from the State General Fund being for the first half of the fiscal year for the teaching hospitals associated with the WCGME program and the remaining \$1.3 million from the State General Fund is for the Medicaid regular medical program for increased Graduate Medical Education (GME) funding to hospitals currently receiving GME, resulting in a federal match of \$1.7 million for FY 2019. The Legislature added \$425,200, including \$152,600 from the State General Fund, to administratively implement a Medicaid reinstatement policy for individuals being released from corrections facilities, state hospitals, or certain institutional placements for FY 2019.

The **2018 Legislature** added \$2.5 million, all from the State General Fund, to reinstate a program under the federal Medicaid Health Homes option and added language directing the agency to reinstate a program operated under the federal Medicaid Health Homes option for FY 2019. The program is required to be an opt-in program, allowing no more than a 10.0 percent administrative claiming rate by the MCOs, and is required to have a narrower scope of eligibility for adults than the previous program to ensure those who have a behavioral health diagnosis or chronic physical health condition are served.

In addition, the **2018 Legislature** approved funding the Governor added for a 4.0 percent Medicaid rate increase for hospitals totaling \$22.1 million, including \$1.0 million from the State General Fund, for FY 2019. The Legislature also approved \$235,000, all from the State General Fund, and 2.0 FTE positions for livestock waste management added by the Governor for FY 2019.

The **2018 Legislature** also passed several bills with policy changes affecting the agency, including:

- House Sub. for SB 179, which created and amended law to establish juvenile crisis intervention centers and procedures for admission of juveniles to such centers. The bill also made amendments to the Revised Kansas Code for Care of Children (CINC Code) and the Newborn Infant Protection Act within the CINC Code and included several requirements for MCOs that contract with KDHE. The Legislature added \$6.0 million, all from the Evidence Based Juvenile Programs Account of the State General Fund for FY 2019 in relation to this bill (and deleted the same amount from the Department of Corrections);
- Sub. for SB 423, which created a new pilot program for the Mental Health Intervention Team between school districts and community mental health centers. The bill requires the Director of the Division of Health Care Finance of KDHE to certify to the Director of the Budget and the Director of Legislative Research the aggregate amount of expenditures for FY 2019 for treatment provided to students under the pilot program, or provided based on a referral from such program. Funding for this program was added within the Department of Education budget;
- Senate Sub. for HB 2028, which established the Kansas Telemedicine Act. The bill provides for coverage of speech-language pathologist and audiologist services *via* telehealth under the Kansas Medical Assistance Program, if the Program covers such services when delivered in person;
- Senate Sub. for HB 2600, which amended the Nuclear Energy Development and Radiation Control Act, provides for the study and investigation of maternal deaths by the Secretary of Health and Environment, and creates the Palliative Care and Quality of Life Interdisciplinary Advisory Council (Council) and the State Palliative Care Consumer and Professional Information and Education Program (Program) within KDHE. The Council is responsible for developing recommendations and advising KDHE on matters related to the establishment, maintenance, operation, outcomes evaluation of palliative care initiatives in the state, and effectiveness of the Program. The Program's purpose is to maximize the effectiveness of palliative care initiatives in the state by ensuring comprehensive and accurate information and education about palliative care is available to the public, health care providers, and health care facilities. The Legislature added \$9,400, including \$6,900 from the State General Fund, in FY 2018 and \$115,000, including \$85,000 from the State General Fund, for FY 2019 for enacted Senate Sub. for HB 2600;
- HB 2639, which requires local and state law enforcement officers and agencies to assist the Secretary of Health and Environment in taking and processing fingerprints of persons residing, working, or regularly volunteering in a child care facility and to release all records of adult convictions and nonconvictions and adult convictions or adjudications of another state or country to KDHE. The Secretary of Health and Environment is required to adopt rules and regulations, by January 1, 2019, to fix a fee for fingerprinting such persons as required to reimburse KDHE for the cost of fingerprinting. The bill creates the Child Care Criminal Background and Fingerprinting Fund (Fund) in the State Treasury to be administered by the Secretary. All fingerprinting fees collected are to be

deposited in the Fund for use in paying local and state law enforcement officers and agencies for the processing of fingerprints and criminal history background checks for KDHE. The Legislature added \$12,560 in FY 2018 and \$35,360 for FY 2019, all from federal funds, for HB 2639; and

- HB 2577, which requires all fees collected by the Right-to-Know Program (Program) within KDHE to be deposited into the State Treasury and credited to the Kansas Right-to-Know Fee Fund (Fund), which is created by the bill. Before this bill, these fees were deposited in the State General Fund. Expenditures from the Fund will be used for the administration of the Program, to provide and maintain the reporting system as necessary to comply with KSA 65-5704, and to provide training to the owners or operators of Kansas facilities, Kansas first responders, and Kansas emergency management officials on the existence, access, and use of the reporting system established pursuant to the Kansas Emergency Planning and Community Right-to-Know Act.

The **2018 Legislature** added language in FY 2018 and for FY 2019 to prohibit all agencies from altering state Medicaid managed care services in any manner substantially different than the program in place on January 1, 2018, including eligibility, without prior authorization from the Legislature. In addition, the language requires a request to the federal Centers for Medicare and Medicaid Services for any waiver in effect on January 1, 2018, to be extended for three years and require contracts to be negotiated for a term of three years and the option for two one-year extensions. The language allows for certain policy changes within the current program to be made, including those addressing concerns with the federal Medicaid institutions for mental diseases (IMD) exclusion, behavioral health access, and telehealth options. The Legislature also added language in FY 2018 and for FY 2019 prohibiting the transfer of funds from the Health Care Access Improvement Fund until a process to fully disclose and reconcile the balance and use of the Fund has been implemented and the 4.0 percent Medicaid rate increase for hospitals is implemented. The language requires the agency to advise and consult with the Health Care Access Improvement Panel and the Kansas Hospital Association (KHA) to develop a process to disclose and reconcile the balance and use of the Health Care Access Improvement Fund. It also requires the agency to share information with a third party agreed to by the agency and the KHA, if certain conditions as detailed in the language are met.

The **2019 Legislature** added \$8.1 million, including \$2.2 million from the State General Fund, and 313.0 FTE positions in FY 2019 and \$18.1 million, including \$4.9 million from the State General Fund, and 313.0 FTE positions for FY 2020 for insourcing the KanCare Clearinghouse operations. Clearinghouse changes include updating training and quality programs and the hiring of 27 training and quality support staff and 13 Medicaid Home and Community Based Services staff, as well as 273 staff to move long-term care and elderly/disabled eligibility processes back in-house prior to the end of FY 2019.

The **2019 Legislature** added \$6.2 million, all from special revenue funds, in FY 2019 and \$23.1 million, including \$12.4 million from the State General Fund, for FY 2020 for CHIP for increases in estimated expenditures associated with rate and population increases, as well as an increase in the required state match from 7.44 percent to 14.82 percent for FY 2020.

The **2019 Legislature** added \$3.0 million, including \$1.3 million from the State General Fund, to increase Medicaid dental reimbursement rates.

The **2019 Legislature** added \$63.5 million from all funds in FY 2019 for increases in professional fees in Medicaid-related contracts and other assistance due to increased medical

program expenditures in the KDHE–Division of Health Care Finance and increased commodities for drug and pharmaceuticals, as well as new federal funds, in the KDHE–Division of Public Health.

The **2019 Legislature** added \$1.0 million, all from the State General Fund, to meet federal maintenance of effort requirements for the Infant and Toddler (tiny-k) Program for FY 2020.

The **2019 Legislature** added \$34.4 million, including \$14.2 million from the State General Fund, for the Health Care Access Improvement Program for FY 2020. The Legislature also added language to authorize KDHE to make expenditures to maintain hospital and physician Medicaid rates at the FY 2019 level until the first calendar quarter following approval by CMS of the Health Care Access Improvement Program hospital provider assessment rate adjustment recommended by the 2019 Legislature in FY 2019 and FY 2020. The 2019 Legislature further added language specifying, if the hospital provider rate adjustment is not approved by the 2019 Legislature, the agency is authorized to maintain hospital and physician provider Medicaid rates at the FY 2019 level for the entirety of FY 2020. The Legislature also added language to require the agency to submit for approval to CMS a request to increase the hospital assessment rate to 3.0 percent; include hospital outpatient operating revenue in the hospital provider assessment; and use a base year of 2016 for the assessment. The agency would be required to publish the notice of CMS approval in the *Kansas Register*, and the changes would take effect on or after January 1 or July 1 immediately following publication and no additional moneys appropriated from the State General Fund would be allowed to be expended to support rate enhancements under the hospital provider assessment.

The **2019 Legislature** added \$2.0 million, all from the State General Fund, for primary health projects for FY 2020. In addition, the Legislature added language to the proviso associated with the Aid to Local Units–Primary Health Projects State General Fund account to include dental clinics, require a unique patient panel that represents the income-based disparities of the community, and clarify the amounts for community-based primary care grants provided by the Community Care Network of Kansas for FY 2020.

The **2019 Legislature** passed HB 2201, which transfers the powers, duties, and functions of the Tuberculosis Control Program from KDADS to KDHE by updating statutory references necessitated by 2012 ERO No. 41.

The **2019 Legislature** also added \$746,907, all from the State Water Plan Fund, for the Drinking Water Protection Program (\$350,000) and contamination remediation (\$396,907) in the KDHE–Division of Environment.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$3.1 billion, including \$796.0 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds increase of \$78.6 million, or 2.6 percent, and a State General Fund increase of \$524,263, or 0.1 percent, above the amount approved by the 2019 Legislature. The request includes \$23.7 million for the Administration function, \$152.3 million for the Division of Public Health, \$2.8 billion for the Division of Health Care Finance, and \$70.1 million for the Division of Environment. The all funds increase is primarily attributable to increased expenditures for contractual services and caseload adjustments in the Division of Health Care Finance and increased commodities for drug and pharmaceuticals in the Division of Public Health. The all funds increase is also due to increased expenditures in the Division of Environment for the

Volkswagen environmental mitigation trust allocation (\$2.5 million). The State General Fund increase is due to the agency's supplemental requests. The agency's revised estimate includes three supplemental requests totaling \$524,263, all from the State General Fund. The revised estimate includes 1,543.1 FTE positions, which is a decrease of 15.0 FTE positions below the number approved by the 2019 Legislature. The reduction is due to a decrease of 32.0 FTE positions in the Division of Health Care Finance, partially offset by increases in the Divisions of Public Health and Environment.

The **Governor** recommends expenditures of \$3.0 billion, including \$758.8 million from the State General Fund, in FY 2020. This is an all funds decrease of \$84.5 million, or 2.7 percent, and a State General Fund decrease of \$37.2 million, or 4.7 percent, below the agency's FY 2020 revised estimate. The Governor's recommendation includes fully funding human services consensus caseload estimates, which includes a decrease of \$84.4 million, including \$37.0 million from the State General Fund. The Governor recommends the agency's supplemental requests for health facility surveys and mosquito surveillance, but did not recommend the request for website redesign. The Governor recommends 1,543.1 FTE positions, which is the same number as the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests \$3.1 billion, including \$769.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$35.4 million, or 1.1 percent, and a State General Fund decrease of \$27.0 million, or 3.4 percent, below the FY 2020 revised estimate. The request includes \$24.5 million for the Administration function, \$150.9 million for the Division of Public Health, \$2.8 billion for the Division of Health Care Finance, and \$71.4 million for the Division of Environment. The all funds decrease is primarily attributable to decreased federal expenditures for Medicaid and the Children's Health Insurance Program in the Division of Health Care Finance and the end of several federal grants in the Division of Public Health. The decrease is partially offset by the agency's enhancement requests and increased contractual costs in the Division of Health Care Finance. The State General Fund decrease is primarily due to \$27.0 million in reappropriations that occurred in FY 2020 that are not budgeted for FY 2021. This decrease is partially offset by the agency's enhancement requests and increased expenditures for group health insurance. The agency request includes 12 enhancement requests totaling \$3.5 million, including \$4.2 million from the State General Fund. The revised estimate includes 1,543.1 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** recommends expenditures of \$4.0 billion, including \$810.3 million from the State General Fund, for FY 2021. This is an all funds increase of \$974.2 million, or 31.9 percent, and a State General Fund increase of \$41.3 million, or 5.4 percent, above the agency's FY 2021 request. The Governor's recommendation includes funding Medicaid expansion at an estimate of \$562.5 million, including \$17.5 million from the State General Fund, and fully funding human services consensus caseload estimates, which includes an increase of \$414.0 million, including \$26.0 million from the State General Fund, above the agency's request for FY 2021.

In addition, the Governor's recommendation includes the agency's enhancement requests for data center as a service, health facilities surveys, mosquito surveillance, and half of the agency's request for the Trauma Program. The Governor did not recommend the agency's enhancement requests for website redesign, School-Based Oral Health Preventative Services, Medicolegal Death Investigation, laboratory equipment, dry cleaning site remediation, Drinking Water Protection Program, Asbestos Program, or State Water Plan Fund salary increases. The Governor recommends 1,543.1 FTE positions, which is the same number the agency requested for FY 2021.

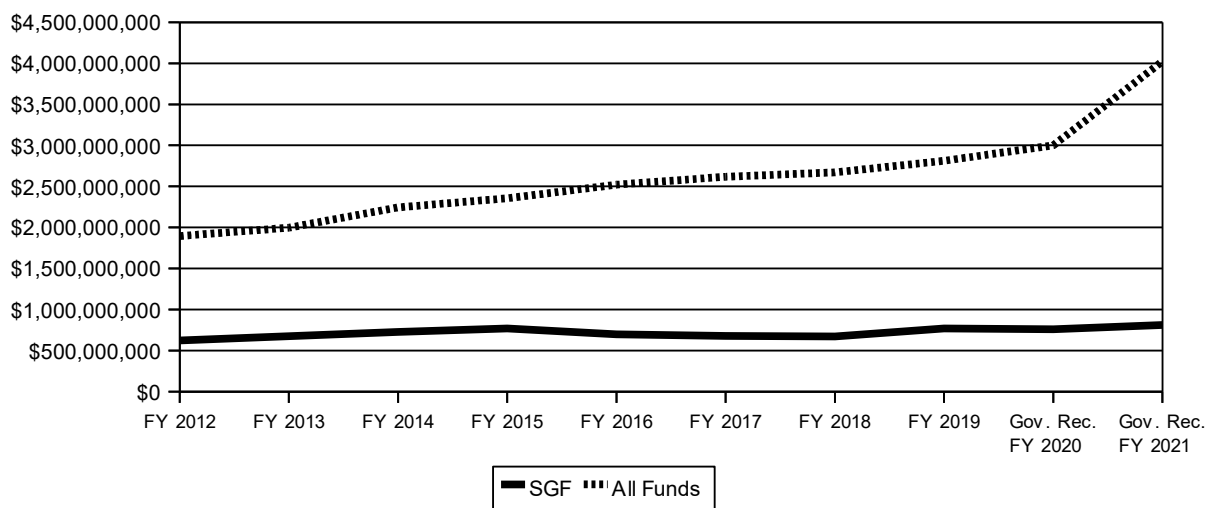
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Division of Public Health						
Percent of Children Less than 6 Years Old with 2 or More Immunizations	83.4 %	82.8 %	85.0 %	84.4 %	85.0 %	85.0 %
Percent of Women Served by MCH Agencies Receiving Prenatal Care	77.3 %	75.1 %	N/A	72.9 %	78.5 %	80.0 %
Percent of Child Care Facilities Complying with Regulations	89.4 %	99.9 %	N/A	99.9 %	99.9 %	99.9 %
Number of Clients Accessing State Funded Primary Health Care Clinics	261,811	269,017	300,000	296,053	300,000	300,000
Division of Health Care Finance						
Average Number of Kansas Medicaid Members Enrolled Monthly	431,495	417,208	N/A	410,455	422,896	435,582
Administrative Cost Ratio for the State Employee Health Plan	5.3 %	5.4 %	N/A	5.0 %	5.2 %	5.2 %
Administrative Cost Ratio for Workers Compensation	15.9 %	16.4 %	N/A	17.2 %	14.9 %	15.4 %
Division of Environment						
Percent of Counties in Compliance with National Ambient Air Quality Standards	N/A	99.0 %	N/A	99.0 %	97.0 %	97.0 %
Percent of Solid Waste Inspections with No Violations or Minor Violations	N/A	96.7 %	N/A	99.0 %	96.0 %	96.0 %
Percent of Water Systems in Total Compliance	N/A	96.5 %	N/A	92.7 %	93.0 %	93.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2,617.8	\$ 2,671.0	\$ 2,956.2	\$ 2,811.7	\$ 3,001.0	\$ 4,024.3
FTE Positions	1,133.3	1,207.6	1,558.0	1,202.0	1,543.1	1,543.1

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 623,295,158	1,928.3 %	\$ 1,895,723,904	629.3 %	1,274.6
2013	673,845,298	8.1	1,997,106,319	5.3	1,158.0
2014	725,058,164	7.6	2,244,135,298	12.4	1,120.8
2015	767,428,847	5.8	2,354,956,619	4.9	1,099.3
2016	695,993,675	(9.3)	2,521,077,036	7.1	1,133.3
2017	679,226,051	(2.4)	2,617,815,196	3.8	1,133.3
2018	670,188,948	(1.3)	2,671,031,846	2.0	1,207.6
2019	769,438,913	14.8	2,811,657,189	5.3	1,245.0
2020 Gov. Rec.	758,835,466	(1.4)	3,000,999,917	6.7	1,543.1
2021 Gov. Rec.	810,325,069	6.8	4,024,284,664	34.1	1,543.1
Ten-Year Change Dollars/Percent	\$ 187,029,911	30.0 %	\$ 2,128,560,760	112.3 %	268.5

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 21,188,381	\$ 23,709,689	\$ 24,532,667	\$ 822,978	3.5 %	\$ 23,559,689	\$ 24,436,667	\$ 876,978	3.7 %
Public Health	156,007,719	152,322,197	150,917,082	(1,405,115)	(0.9)	152,322,197	150,559,082	(1,763,115)	(1.2)
Health Care Finance	2,568,206,726	2,839,436,643	2,803,327,331	(36,109,312)	(1.3)	2,755,049,805	3,779,788,981	1,024,739,176	37.2
Environment	66,254,363	70,068,226	71,353,615	1,285,389	1.8	70,068,226	69,499,934	(568,292)	(0.8)
TOTAL	\$ 2,811,657,189	\$ 3,085,536,755	\$ 3,050,130,695	\$ (35,406,060)	(1.1) %	\$ 3,000,999,917	\$ 4,024,284,664	\$ 1,023,284,747	34.1 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 72,651,449	\$ 103,498,294	\$ 104,237,119	\$ 738,825	0.7 %	\$ 103,498,294	\$ 104,228,438	\$ 730,144	0.7 %
Contractual Services	245,323,302	287,342,041	324,598,510	37,256,469	13.0	287,192,041	336,299,510	49,107,469	17.1
Commodities	7,430,304	4,146,221	4,051,275	(94,946)	(2.3)	4,146,221	4,051,275	(94,946)	(2.3)
Capital Outlay	2,905,182	1,807,182	2,536,968	729,786	40.4	1,807,182	1,536,968	(270,214)	(15.0)
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 328,310,237</i>	<i>\$ 396,793,738</i>	<i>\$ 435,423,872</i>	<i>\$ 38,630,134</i>	<i>9.7 %</i>	<i>\$ 396,643,738</i>	<i>\$ 446,116,191</i>	<i>\$ 49,472,453</i>	<i>12.5 %</i>
Aid to Local Units	55,156,109	40,007,684	40,767,893	760,209	1.9	40,007,684	40,767,893	760,209	1.9
Other Assistance	2,428,190,843	2,648,735,333	2,573,938,930	(74,796,403)	(2.8)	2,564,348,495	3,537,400,580	973,052,085	37.9
TOTAL	\$ 2,811,657,189	\$ 3,085,536,755	\$ 3,050,130,695	\$ (35,406,060)	(1.1) %	\$ 3,000,999,917	\$ 4,024,284,664	\$ 1,023,284,747	34.1 %
Financing:									
State General Fund	\$ 769,438,913	\$ 796,026,635	\$ 769,014,147	\$ (27,012,488)	(3.4) %	\$ 758,835,466	\$ 810,325,069	\$ 51,489,603	6.8 %
State Water Plan Fund	1,856,169	3,829,080	3,361,812	(467,268)	(12.2)	3,829,080	3,203,131	(625,949)	(16.3)
Children's Initiatives Fund	7,005,371	7,208,008	7,199,107	(8,901)	(0.1)	7,208,008	7,199,107	(8,901)	(0.1)
Special Revenue Funds	355,270,165	391,347,374	406,151,356	14,803,982	3.8	398,526,298	541,037,156	142,510,858	35.8
Federal Funds	1,649,231,873	1,860,280,217	1,836,956,629	(23,323,588)	(1.3)	1,805,755,624	2,635,072,557	829,316,933	45.9
All Other Funds	28,854,698	26,845,441	27,447,644	602,203	2.2	26,845,441	27,447,644	602,203	2.2
TOTAL	\$ 2,811,657,189	\$ 3,085,536,755	\$ 3,050,130,695	\$ (35,406,060)	(1.1) %	\$ 3,000,999,917	\$ 4,024,284,664	\$ 1,023,284,747	34.1 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$764,837,708 for the Kansas Department of Health and Environment in FY 2020. One adjustment has been made subsequently to that amount. The adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$30,664,664, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$795,502,372. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 795,502,372	\$ 796,026,635	\$ 524,263	\$ 758,835,466	\$ (36,666,906)
All Other Funds	2,211,394,800	2,289,510,120	78,115,320	2,242,164,451	30,769,651
TOTAL	\$ 3,006,897,172	\$ 3,085,536,755	\$ 78,639,583	\$ 3,000,999,917	\$ (5,897,255)
FTE Positions	1,558.0	1,543.1	(15.0)	1,543.1	(14.9)

The **agency** requests a revised estimate of \$3.1 billion, including \$796.0 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds increase of \$78.6 million, or 2.6 percent, and a State General Fund increase of \$524,263, or 0.1 percent above the amount approved by the 2019 Legislature. The all funds increase includes a Children's Initiatives Fund reappropriation of \$8,901.

The request includes \$23.7 million for the Administration function, \$152.3 million for the Division of Public Health, \$2.8 billion for the Division of Health Care Finance, and \$70.1 million for the Division of Environment. The all funds increase is primarily attributable to increased expenditures for contractual services and adjustments for caseloads in the Division of Health Care Finance and increased commodities for drug and pharmaceuticals in the Division of Public Health. The all funds increase is also due to increased expenditures in the Division of Environment for the Volkswagen environmental mitigation trust allocation (\$2.5 million). The State General Fund increase is due to the agency's supplemental requests. The agency's revised estimate includes three supplemental requests totaling \$524,263, all from the State General Fund.

The revised estimate includes 1,543.1 FTE positions, which is a decrease of 15.0 FTE positions below the number approved by the 2019 Legislature. The reduction is due to a

decrease of 32.0 FTE positions in the Division of Health Care Finance, partially offset by increases in the Divisions of Public Health and Environment.

The agency's FY 2020 revised estimate is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$103.5 million, including \$17.1 million from the State General Fund. This is an all funds increase of \$357,950, or 0.3 percent, and a State General Fund decrease of \$1.0 million, or 5.6 percent, from the approved amount. The State General Fund decrease is due to decreased expenditures on salaries and employee benefits across several programs in the Divisions of Public Health and Environment, partially offset by increased expenditures on salaries and wages across programs in all three divisions;
- **Contractual Services.** The agency requests \$287.3 million, including \$12.9 million from the State General Fund. This is an all funds increase of \$38.8 million, or 15.6 percent, and a State General Fund increase of \$1.2 million, or 9.9 percent, above the approved amount. The all funds increase is attributable to increased contracts associated with the Kansas Eligibility Enforcement System (KEES) and other operations contracts in Medicaid and Children's Health Insurance Program (CHIP) Administration in the Division of Health Care Finance and increased expenditures associated with various federal grants in the Division of Public Health. The State General Fund increase is primarily due to an increase in operating expenditures across public health programs, including staffing and recruiting, computer and software maintenance, and other professional fees;
- **Commodities.** The agency requests \$4.1 million, including \$1.1 million from the State General Fund. This is an all funds decrease of \$19,298, or 0.5 percent, and a State General Fund increase of \$75,831, or 7.5 percent, from the approved amount. The increase is primarily due to increased expenditures for supplies and increased pharmaceutical costs for the Bureau of Family Health within the Division of Public Health;
- **Capital Outlay.** The agency requests \$1.8 million, including \$414,954 from the State General Fund. This is an all funds increase of \$175,420, or 10.8 percent, and a State General Fund increase of \$286,219, or 222.3 percent, above the approved amount. The State General Fund increase is primarily due to increased expenditures on scientific equipment for the laboratory, partially offset by decreased expenditures on software in the Medicaid Program;
- **Aid to Local Units of Government.** The agency requests \$40.0 million, including \$6.1 million from the State General Fund. This is an all funds decrease of \$944,281, or 2.3 percent, and a State General Fund increase of \$534,548, or 9.6 percent, from the approved amount. The all funds decrease is due to a decrease in federal grants in the Bureau of Family Health within the Division of Public Health, partially offset by the Volkswagen environmental mitigation trust allocation in the Division of Environment. The State General Fund increase is due to a reallocation of expenditures for the infant and toddler program within the Bureau of Family Health to aid to local units of government from the other assistance category; and

- **Other Assistance.** The agency requests \$2.6 billion, including \$758.4 million from the State General Fund. This is an all funds increase of \$40.3 million, or 1.5 percent, and a State General Fund decrease of \$515,313, or 0.1 percent, above the approved amount. The increase is due to adjustments to caseload expenditures in Medicaid and CHIP assistance within the Division of Health Care Finance, partially offset by decreased expenditures in nutrition and health assistance in the Bureau of Family Health.

The **Governor** recommends expenditures of \$3.0 billion, including \$758.8 million from the State General Fund, in FY 2020. This is an all funds decrease of \$84.5 million, or 2.7 percent, and a State General Fund decrease of \$37.2 million, or 4.7 percent, below the agency's FY 2020 revised estimate. The Governor's recommendation includes fully funding human services consensus caseload estimates, which includes a decrease of \$84.4 million, including \$37.0 million from the State General Fund. The Governor also recommends the agency's supplemental requests for health facility surveys and mosquito surveillance, but did not recommend the request for website redesign.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Website Redesign	\$ 150,000	\$ 150,000	0.0	\$ 0	\$ 0	0.0
Mosquito Surveillance	134,263	134,263	0.0	134,263	134,263	0.0
Health Facility Surveys	240,000	240,000	0.0	240,000	240,000	0.0
Human Services	0	0	0.0	(37,041,169)	(84,386,838)	
Caseloads Estimates						
TOTAL	\$ 524,263	\$ 524,263	0.0	\$ (36,666,906)	\$ (84,012,575)	0.0

The **agency** requests three supplementals totaling \$524,263, all from the State General Fund, in FY 2020.

Website Redesign. The agency requests \$150,000, all from the State General Fund, for website redesign within the Administration function in FY 2020. According to the agency, the additional funding is requested to cover the estimated cost for issuing a request for proposal (RFP) to redesign and provide ongoing maintenance of the KDHEKS.gov website. The agency reports the current website is outdated and poorly designed and maintained, making it difficult for individuals to access the most up-to-date information. KDHE has been working with the Office of Information Technology Services, which has recommended KDHE pursue issuing a RFP to create and maintain a custom-designed website to allow KDHE to effectively communicate with its target audience and evolve as technology and policies change.

Mosquito Surveillance. The agency requests \$134,263, all from the State General Fund, for mosquito surveillance within the Division of Public Health in FY 2020. The additional funding is requested to address federal budget reductions for mosquito surveillance targeting West Nile Virus and other mosquito-borne disease prevention. According to the agency, ongoing mosquito surveillance, involving trapping and testing mosquito, is a critical component of preventing West Nile Virus and other diseases. Since the emergence of West Nile Virus in the United States in 2001, mosquito surveillance has been funded solely by a federal grant. All federal funding was eliminated in Kansas in FY 2020. The FY 2020 supplement will support

contract services to trap and test mosquito for West Nile, St. Louis Encephalitis, and Western Equine Encephalitis viruses through the Kansas Biological Survey.

Health Facility Survey. The agency requests \$240,000, all from the State General Fund, for health facility surveys within the Division of Public Health in FY 2020. The agency states the additional funding is requested to support contractual costs to conduct surveys that need to be completed within FY 2020 in order to meet federal certification expectations. The agency reports the Health Facilities program has experienced difficulty recruiting and retaining qualified registered nurse surveyors and has been operating at a reduced staffing level for several years, impeding their ability to meet the requirements. The FY 2020 request estimates contractors will complete approximately 16 surveys between the time of the funding and the end of the fiscal year.

The **Governor** recommends lapsing funding of \$84.0 million, including \$36.7 million from the State General Fund, in FY 2020. The Governor recommends the agency's supplemental requests for the health facility survey and mosquito surveillance operations. The Governor does not recommend the website redesign supplemental request. In addition, the Governor recommends fully funding human services consensus caseload estimates, which includes an all funds decrease of \$84.4 million, including \$37.0 million from the State General Fund, in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 3,050,130,695	\$ 4,024,284,664	\$ 974,153,969	
FTE Positions	1,543.1	1,543.1	0.0	
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ (27,012,488)	\$ 51,489,603		
All Other Funds	(8,393,572)	971,795,144		
TOTAL	\$ (35,406,060)	\$ 1,023,284,747		
<i>Percent Change:</i>				
State General Fund	(3.4) %	6.8 %		
All Other Funds	(0.4)	43.3		
TOTAL	(1.1) %	34.1 %		
Change in FTE Positions	0.0	(0.0)		

The **agency** requests \$3.1 billion, including \$769.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$35.4 million, or 1.1 percent, and a State General Fund decrease of \$27.0 million, or 3.4 percent, below the FY 2020 revised estimate. The request includes \$24.5 million for the Administration function, \$150.9 million for the Division of Public Health, \$2.8 billion for the Division of Health Care Finance, and \$71.4 million for the Division of Environment. The all funds decrease is primarily attributable to decreased federal expenditures for Medicaid and Children's Health Insurance Program (CHIP)

in the Division of Health Care Finance and the end of several federal grants in the Division of Public Health. The decrease is partially offset by the agency's enhancement requests and increased contractual costs in the Division of Health Care Finance. The State General Fund decrease is primarily due to \$27.0 million in reappropriations that occurred in FY 2020 that are not budgeted for FY 2021. This decrease is partially offset by the agency's enhancement requests and increased expenditures for group health insurance. The agency request includes 12 enhancement requests totaling \$3.5 million, including \$4.2 million from the State General Fund.

The request includes 1,543.1 FTE positions, which is the same number as the FY 2020 revised estimate.

The agency's FY 2021 request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$104.2 million, including \$17.5 million from the State General Fund. This is an all funds increase of \$738,825, or 0.7 percent, and a State General Fund increase of \$436,535, or 2.6 percent, above the FY 2020 revised estimate. The all funds increase is primarily due to the agency's health facility survey and Asbestos Program enhancement requests and increased employer contributions for group health insurance and KPERS;
- **Contractual Services.** The agency requests \$324.6 million, including \$11.6 million from the State General Fund. This is an all funds increase of \$37.3 million, or 13.0 percent, and a State General Fund decrease of \$1.4 million, or 10.7 percent, from the FY 2020 revised estimate. The all funds increase is primarily due to increased contractual expenditures associated with the modernization of the Medicaid Management Information System in the Division of Health Care Finance. The State General Fund decrease is due to decreased operating expenditures in Medicaid Administration;
- **Commodities.** The agency requests \$4.1 million, including \$1.0 million from the State General Fund. This is an all funds decrease of \$94,946, or 2.3 percent, and a State General Fund decrease of \$79,295, or 7.3 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to decreased pharmaceutical expenditures in the Bureau of Family Health;
- **Capital Outlay.** The agency requests \$2.5 million, including \$1.5 million from the State General Fund. This is an all funds increase of \$729,786, or 40.4 percent, and a State General Fund increase of \$1.1 million, or 253.1 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the laboratory equipment enhancement in the Division of Environment and an increase in expenditures on office furniture in the Bureau of Public Health Informatics;
- **Aid to Local Units of Government.** The agency requests \$40.8 million, including \$6.1 million from the State General Fund. This is an all funds increase of \$760,209, or 1.9 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is due to increased expenditures on the Volkswagen environmental mitigation trust allocation which focuses on diesel emission reductions, partially offset by the end of federal grants within the Division of Public Health; and

- **Other Assistance.** The agency requests \$2.6 billion, including \$731.4 million from the State General Fund. This is an all funds decrease of \$74.8 million, or 2.8 percent, and a State General Fund decrease of \$27.0 million, or 3.6 percent, below the FY 2020 revised estimate. The all funds decrease is due to reduced expenditures for caseloads in Medicaid assistance and a decrease in federal funds resulting from changes to the enhanced Federal Medical Assistance Percentage (FMAP) for CHIP, partially offset by increased fee fund expenses resulting from changes to the enhanced FMAP for CHIP. The State General Fund decrease is due to \$27.0 million in reappropriations that occurred in FY 2020 that are not budgeted for FY 2021.

The **Governor** recommends expenditures of \$4.0 billion, including \$810.3 million from the State General Fund, for FY 2021. This is an all funds increase of \$974.2 million, or 31.9 percent, and a State General Fund increase of \$41.3 million, or 5.4 percent, above the agency's FY 2021 request. The Governor's recommendation includes funding Medicaid expansion at an estimate of \$562.5 million, including \$17.5 million from the State General Fund, and fully funding human services consensus caseload estimates, which includes an increase of \$414.0 million, including \$26.0 million from the State General Fund, above the agency's request for FY 2021.

In addition, the Governor's recommendation includes the agency's enhancement requests for data center as a service, health facility surveys, mosquito surveillance, and half of the agency's request for the Trauma Program. The Governor did not recommend the agency's enhancement requests for website redesign, School-Based Oral Health Preventative Services, Medicolegal Death Investigation, dry cleaning remediation, Asbestos Program, Drinking Water Protection Program, laboratory equipment, or State Water Plan Fund salary increases.

The Governor recommends 1,543.1 FTE positions, which is the same number the agency requested for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Data Center as a Service	\$ 766,180	\$ 0	0.0	\$ 766,180	\$ 0	0.0
Website Redesign	96,000	96,000	0.0	0	0	0.0
Mosquito Surveillance	137,619	137,619	0.0	137,619	137,619	0.0
Trauma Program	300,000	300,000	0.0	150,000	150,000	0.0
Medicolegal Death Investigation	58,000	58,000	0.0	0	0	0.0
Oral Health Preventative Services	150,000	150,000	0.0	0	0	0.0
Health Facility Surveys	938,640	938,640	0.0	938,640	938,640	0.0
Dry Cleaning Site Remediation	695,000	695,000	0.0	0	0	0.0
Asbestos Program Funding	35,000	0	0.0	0	0	0.0
Drinking Water Protection	0	150,000	0.0	0	0	0.0
KHEL Equipment	1,000,000	1,000,000	0.0	0	0	0.0
SWPF Salary Increases	0	8,681		0	0	0.0
Medicaid Expansion	0	0	0.0	17,500,000	562,500,000	0.0
Human Services	0	0	0.0	25,994,922	413,961,650	0.0
Caseloads Estimates						
TOTAL	\$ 4,176,439	\$ 3,533,940	0.0	\$ 45,487,361	\$ 977,687,909	0.0

The **agency** requests 12 enhancements totaling \$3.5 million, including \$4.2 million from the State General Fund, for FY 2021.

Data Center as a Service. The agency requests \$766,180, all from the State General Fund, and the deletion of \$766,180, all from special revenue funds, for data center as a service within the Administration function for FY 2021. According to the agency, the additional funding is requested to support the migration and operating costs of KDHE systems to the Unisys Hybrid Data Center and is necessary to move all KDHE servers, data storage, and disaster recovery activities from all outdated and inadequate data centers that the Executive Branch is currently occupying in Topeka to Level 3 data centers operated by Unisys in Eagan, Minnesota, and Ashburn, Virginia. These data centers meet required security and fault tolerance compliance requirements for critical state and federal program functions. During the 2019 Legislative Session, the agency was appropriated half of its request equivalent to \$749,039, which should be ongoing in the base budget. This enhancement package brings the total FY 2021 Data Center as a Service funding to \$1,515,219 consisting of \$749,039 in prior funding plus the \$766,180 new enhancement request.

Website Redesign. The agency requests \$96,000, all from the State General Fund, for website redesign within the Administration function for FY 2021. According to the agency, the additional funding is requested to cover the estimated cost to provide ongoing maintenance for the KDHEKS.gov website. KDHE has been working with the Office of Information Technology Services, which has recommended KDHE pursue issuing a request for proposal to create and maintain a custom-designed website to allow KDHE to effectively communicate with its target audience and evolve as technology and policies change.

Mosquito Surveillance. The agency requests \$137,619, all from the State General Fund, for mosquito surveillance within the Division of Public Health for FY 2021. The additional funding is requested to address federal budget reductions for mosquito surveillance targeting West Nile Virus and other mosquito-borne disease prevention. According to the agency, ongoing mosquito surveillance, involving trapping and testing mosquitoes is a critical component of preventing West Nile Virus and other disease. Since the emergence of West Nile Virus in the United States in 2001, mosquito surveillance has been funded solely by a federal grant. All federal funding was eliminated in Kansas in FY 2020. The FY 2021 supplement will support contract services to trap and test mosquitoes for West Nile, St. Louis Encephalitis, and Western Equine Encephalitis viruses through the Kansas Biological Survey. The FY 2021 request includes a 2.5 percent increase from the FY 2020 supplemental request for inflation.

Trauma Program. The agency requests \$300,000, all from the State General Fund for the Kansas Trauma Program within the Division of Public Health for FY 2021. The agency states there is insufficient funding to sustain the statutory requirements of the program due to the elimination of a \$240,000 State General Fund appropriation beginning in FY 2016; a downward trend in the number of seat belt fines, penalties, and forfeitures of which the program receives a percentage pursuant to KSA 74-7336; and a reduction in fee funds resulting from SB 89 passed by the 2017 Legislature to support the S.A.F.E. program while reducing fees to other programs. The program has implemented efficiencies; however, program expenditures have increased over time and the loss of funding has created annual deficits and a depletion of the Trauma Fee Fund balance. According to the agency, this request is based on current projections of program expenditures and revenues and will allow the Trauma Fee Fund to maintain just above a minimum balance of \$400,000, the equivalent to six months of program expenditures.

Medicolegal Death Investigation. The agency requests \$58,000, all from the State General Fund, to address an initiative to improve Kansas' Medicolegal Death Investigation system within the Division of Public Health for FY 2021. In Kansas, unusual, suspicious, or non-natural deaths due to external causes require investigation by a county coroner who is statutorily required to be a physician. Each year, approximately 5,600 deaths are considered in need of additional scrutiny and investigations that include an autopsy, toxicology, law enforcement results, and other items of documentation. The agency states autopsies should be performed by forensic pathologists to be credible and the information generated from autopsies and toxicology reports should be used to record causes of death. Kansas has one nationally accredited forensic science center located in Sedgwick County and centers located in Topeka and Kansas City utilize forensic pathologists but are not accredited. Western Kansas communities are challenged to use forensic pathology services since access to a forensic pathologist requires traveling long distances. The agency states this wastes time and resources since timely information generated from autopsy and toxicology reports is needed to successfully prosecute crimes, especially drug-related incidents. This project will develop a pilot project to establish forensic pathology capacity in western Kansas, develop a business model and plan to identify needs, gaps and address issues, and evaluate the project and inform the process of creating a statewide model.

Oral Health Preventative Services. The agency requests \$150,000, all from the State General Fund, for School-Based Oral Health Preventative Services within the Division of Public Health for FY 2021. This enhancement will supplement DentaQuest Foundation grant funding for School-Based Oral Preventative Services. These services include oral health screening, sealants, fluoride varnish, dental cleanings, education, and data collection in schools statewide as a key component of preventing oral disease among children at high risk of dental decay. This request funds existing services while seeking to expand the school screening program with additional training support, education, promotion to school partners, analysis and dissemination of Behavioral Risk Factor Surveillance System survey questions annually.

Health Facility Survey. The agency requests \$938,640, all from the State General Fund, for health facility surveys within the Division of Public Health for FY 2021. The agency reports the Health Facilities program has experienced difficulty recruiting and retaining qualified registered nurse surveyors and has been operating at a reduced staffing level for several years. This has impeded their ability to meet federal requirements for the completion of surveys. The FY 2021 request consists of \$338,640 to increase current salaries to a competitive level to support staff retention, and recruit qualified staff. The request also includes a one-time \$600,000 to fund completion of the survey workload, utilizing the request for proposal designated contractor as the agency transitions from use of contractor services towards a model of using Health Facilities Program staff only. The agency intends to have the survey backlog eliminated by the end of FY 2021 and to have all Health Facility Surveys completed by bureau staff rather than contractual service providers by FY 2022.

Dry Cleaning Site Remediation. The agency requests \$695,000, all from the State General Fund, for dry cleaning site environmental remediation for FY 2021. The agency states there is a backlog of contaminated sites in the Dry Cleaning Program that require assessments and remedial activities. The agency also states there has been a decrease in receipts to Dry Cleaning Facility Release Trust Fund in recent years, contributing to the backlog.

Asbestos Program Funding. The agency requests \$35,000, all from the State General Fund, and the deletion of \$35,000, all from the Air Quality Fee Fund, to change the funding source of the Asbestos Program for FY 2021. The agency states, in previous years, shortfall in funding was covered by other funding sources within the Bureau of Air. The agency states this practice is no longer sustainable and requests funds to increase the State General Fund Asbestos Program appropriation.

Drinking Water Protection Program. The agency requests \$150,000, all from the State Water Plan Fund, for the Drinking Water Protection Program (DWPP) for FY 2021. The agency states this enhancement will expend the DWPP to include analysis of nitrate levels from private water wells as well as public water systems. The funds would be used to identify areas of concern, develop a study area, and analyze study results.

Lab Equipment. The agency requests \$1.0 million, all from the State General Fund, for laboratory equipment for FY 2021. The agency states the laboratory is experiencing increasing costs of equipment as their equipment ages and more specific, technologically advanced tests are required. The agency states this will be an annual cost.

State Water Plan Fund Salary Increases. The agency requests \$8,681, all from the State Water Plan Fund, to adjust salaries for FY 2021. This enhancement will increase the State Water Plan Fund budget to continue the salary increases implemented for FY 2020 by the 2019 Legislature. These increases were not included in the FY 2021 base budget.

The **Governor** recommends enhancement funding of \$977.7 million, including \$45.5 million from the State General Fund, for FY 2021. The Governor's recommendation includes the agency's enhancement requests for Data Center as a Service, Health Facility Surveys, mosquito surveillance, and half of the funding for the Kansas Trauma Program. The Governor did not recommend the agency's enhancement requests for website redesign, Medicolegal Death Investigation, School-Based Oral Health Preventative Services, dry cleaning remediation, Asbestos Program, Drinking Water Protection Program, KHEL Equipment, or State Water Plan Fund salary increases. In addition, the Governor recommends funding Medicaid expansion at an estimate of \$562.5 million, including \$17.5 million from the State General Fund, and fully funding human services consensus caseload estimates, which includes an increase of \$414.0 million, including \$26.0 million from the State General Fund, above the agency's request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$1.9 million, including \$286,456 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$115,564, including \$19,047 from the State General Fund, and FY 2021 longevity payments total \$120,122, including \$20,122 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

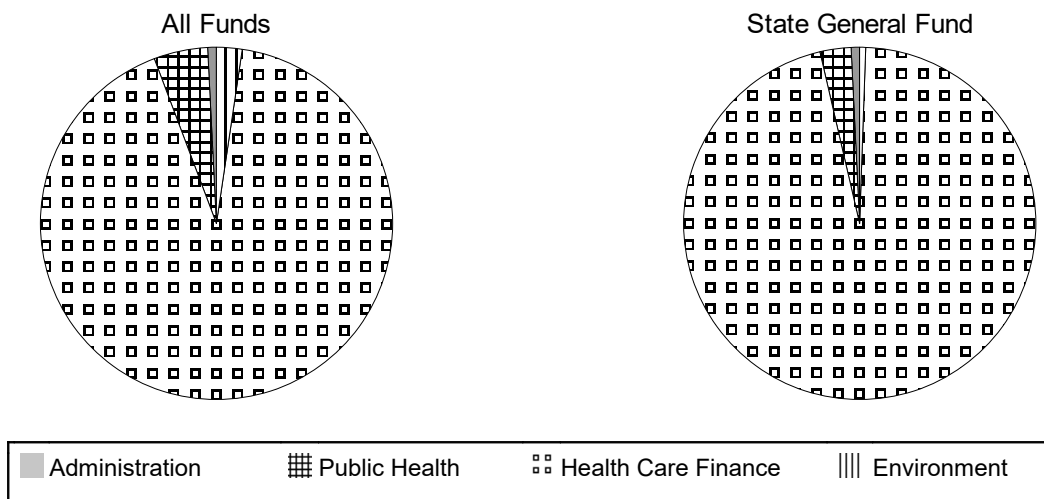
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	25.2 %	20.1 %
State Water Plan Fund	0.1	0.1
Children's Initiatives Fund	0.2	0.2
Special Revenue Funds	13.3	13.4
Federal Funds	60.2	65.5
All Other Funds	0.9	0.7
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 24,436,667	0.6 %	\$ 6,260,855	0.8 %
Public Health	150,559,082	3.7	23,163,249	2.9
Health Care Finance	3,779,788,981	93.9	776,535,832	95.8
Environment	69,499,934	1.7	4,365,133	0.5
TOTAL	\$ 4,024,284,664	100.0 %	\$ 810,325,069	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	107.8	108.0	108.0	108.0	108.0
Public Health	348.5	358.5	358.5	358.5	358.5
Health Care Finance	354.0	635.0	635.0	635.0	635.0
Environment	434.7	441.6	441.6	441.6	441.6
TOTAL	1,245.0	1,543.1	1,543.1	1,543.1	1,543.1

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week. The Healthcare Finance program includes 43.0 FTE off-budget positions.

AGENCY REQUEST BY BUREAU DETAIL				
By Division	All Funds FY 2020	SGF FY 2020	All Funds FY 2021	SGF FY 2021
Administration	\$ 23,709,689	\$ 5,852,741	\$ 24,532,667	\$ 6,356,855
Public Health				
Health Administration	\$ 124,379	\$ 123,729	\$ 4,150	\$ 0
Bureau of Disease Control and Prevention	10,999,684	1,265,970	11,080,897	1,257,604
Bureau of Health Promotion	12,681,447	466,728	12,087,906	433,396
Bureau of Family Health	89,544,414	6,462,269	88,172,566	6,389,450
Bureau of Community Health Systems	29,426,209	13,864,160	30,142,675	14,862,800
Bureau of Oral Health	635,661	175,545	724,638	325,545
Bureau of Epidemiology and Public Health Informatics	8,910,403	191,098	8,704,250	252,454
<i>Subtotal - Public Health</i>	<i>\$ 152,322,197</i>	<i>\$ 22,549,499</i>	<i>\$ 150,917,082</i>	<i>\$ 23,521,249</i>
Health Care Finance*				
Medicaid/KanCare Administration	\$ 271,439,774	\$ 17,532,982	\$ 309,288,981	\$ 14,647,170
Medicaid/KanCare Assistance	2,567,996,869	745,429,831	2,494,038,350	718,393,740
<i>Subtotal - Health Care Finance</i>	<i>\$ 2,839,436,643</i>	<i>\$ 762,962,813</i>	<i>\$ 2,803,327,331</i>	<i>\$ 733,040,910</i>
Environment				
Bureau of Waste Management	\$ 5,299,656	\$ 0	\$ 5,260,933	\$ 0
Bureau of Air Quality	8,028,773	89,105	9,091,646	121,699
Bureau of Water	9,743,416	168,378	8,637,031	149,470
Bureau of Environmental Remediation	26,667,409	537,546	27,399,574	1,232,546
Bureau of Environmental Field Services	11,518,532	1,774,765	11,431,172	1,632,805
Bureau of Environmental Laboratories	8,810,440	2,091,788	9533259	2,958,613
<i>Subtotal - Environment</i>	<i>\$ 70,068,226</i>	<i>\$ 4,661,582</i>	<i>\$ 71,353,615</i>	<i>\$ 6,095,133</i>
TOTAL	\$ 3,085,536,755	\$ 796,026,635	\$ 3,050,130,695	\$ 769,014,147

*The Division of Health Care Finance also includes off-budget expenditures of \$538.4 million in FY 2020 and \$570.1 million for FY 2021 for the the State Employees' Health Benefits Program.

A. Administration

The Administration program provides the central management and administrative support functions of KDHE. The program includes the Secretary's Office, which sets agency policy and coordinates operations in order to carry out statutory mandates. The Office of Legal

Services supports all program areas in the enforcement of health and environmental laws and regulations. Management and Budget provides financial and strategic planning support services to all programs in KDHE. Financial Services include budget development, grant management, maintenance of accounts and reports, central reporting, and execution of all financial transactions.

The Office of Communications supplies written, oral, and visual communications services to convey KDHE's program objectives to internal and external audiences. The Office of Information Technology Services (OITS) is under the Kansas Executive Chief Information Technology Officer and activities are coordinated through the KDHE OITS staff to maintain agency information technology from hardware and basic desktop applications to vendor produced or internally produced specialty programming. Internal computer training and network safety are also conducted by OITS. Funding for the OITS staff and technology acquisition and maintenance is represented in the KDHE budget.

The agency also confers with the Office of Personnel Services staff from the Department of Administration on all KDHE personnel transactions, such as recruitment and selection, employment management, benefit administration, classification and workforce planning, examination and certification of qualified candidates, employee relations, and Equal Employment Opportunity and affirmative action program implementation.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures for this program.						
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 18.6	\$ 20.0	\$ 23.0	\$ 21.2	\$ 23.6	\$ 24.4
FTE Positions	101.0	116.6	107.8	107.8	108.0	108.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,097,672	\$ 8,642,398	\$ 8,642,398	\$ 8,667,262	\$ 8,667,262
Contractual Services	13,934,106	14,755,290	14,605,290	15,553,404	15,457,404
Commodities	45,437	65,481	65,481	65,481	65,481
Capital Outlay	111,166	246,520	246,520	246,520	246,520
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 21,188,381	\$ 23,709,689	\$ 23,559,689	\$ 24,532,667	\$ 24,436,667
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 21,188,381	\$ 23,709,689	\$ 23,559,689	\$ 24,532,667	\$ 24,436,667
Financing:					
State General Fund	\$ 4,978,108	\$ 5,852,741	\$ 5,702,741	\$ 6,356,855	\$ 6,260,855
All Other Funds	16,210,273	17,856,948	17,856,948	18,175,812	18,175,812
TOTAL	\$ 21,188,381	\$ 23,709,689	\$ 23,559,689	\$ 24,532,667	\$ 24,436,667
FTE Positions	107.8	108.0	108.0	108.0	108.0

The **agency** requests FY 2021 expenditures of \$24.5 million, including \$6.4 million from the State General Fund, for the Administration function. This is an all funds increase of \$822,978, or 3.5 percent, and a State General Fund increase of \$504,114, or 8.6 percent, above the FY 2020 revised estimate, primarily attributable to the agency's enhancement requests for Data Center as a Service and website redesign. The request includes 108.0 FTE positions, which is the same number as the FY 2020 revised estimate. The FY 2021 agency request for the Administration function is detailed by category of expenditure below:

- **Salaries and Wages.** The agency requests \$8.7 million, including \$2.4 million from the State General Fund. This is an all funds increase of \$24,864, or 0.3 percent, and a State General Fund increase of \$6,566, or 0.3 percent, above the FY 2020 revised estimate due to increased expenditures on group health insurance;
- **Contractual Services.** The agency requests \$15.6 million, including \$3.8 million from the State General Fund. This is an all funds increase of \$798,114, or 5.4 percent, and a State General Fund increase of \$497,548, or 15.1 percent, above the FY 2020 revised estimate due to the agency's enhancement request for Data Center as a Service and website redesign, as well as an increase in the state buildings capital charge;
- **Commodities.** The agency requests \$65,481, including \$46,539 from the State General Fund. This is the same all funds and State General Fund amount as the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$246,520, including \$101,851 from the State General Fund. This is the same amount as the FY 2020 revised estimate.

The **Governor** recommends expenditures of \$24.4 million, including \$6.3 million from the State General Fund, for the Administration program for FY 2021. This is a decrease of \$96,000, or 1.5 percent, all from the State General Fund, below the agency's request due to the Governor not recommending the agency's enhancement request for website redesign. The Governor does recommend the agency's enhancement request for data center as a service.

B. Public Health

The Division of Public Health seeks to promote and protect health and prevent disease and injury among the people of Kansas. Three core functions are employed to further this mission. The assessment function is the systematic collecting, analyzing, and distributing of information on various aspects of health, trends in health, and health-related problems. The policy development function utilizes scientific knowledge in making important health policy decisions. Finally, the assurances function makes certain that services are provided to meet the State's health goals. This may be done directly through state or local programs, indirectly through encouraging other public or private entities to act, or by regulatory activity.

While the bulk of its staff and programs are located in Topeka, the Division of Public Health provides direct services throughout the state, with staff stationed in several of KDHE's district offices. In addition, the Division works closely with 100 local health departments serving all 105 Kansas counties. The Division includes a Health Administration subprogram and six bureaus administer the Division of Public Health programs.

The **Bureau of Disease Control and Prevention** concentrates on identifying, preventing, and controlling communicable diseases of crucial public health concern. The Bureau conducts focused programming through two sections: the STI/HIV (Sexually Transmitted Infections/Human Immunodeficiency Virus) Section and the TB (Tuberculosis)/Immunization Section.

The **Bureau of Health Promotion** facilitates the development of state and local health objectives that offer a prevention framework for health promotion and evidence based decision-making to promote improvements in population health status. The Bureau pursues funding resources and collaborative partnerships to respond to the State's leading health problems in the areas of chronic disease, including heart disease, dental disease, arthritis, cancer, injury and disability, obesity, stroke, and diabetes. The Bureau also implements population level strategies to reduce the primary risk factors associated with the leading causes of death and disability, including tobacco use prevention, promotion of physical activity, nutritional education, and safety practices to prevent injury.

The **Bureau of Family Health** supports a statewide system of public health services for maternal and child populations, including women of reproductive age, pregnant women, infants, children, and adolescents up to 22 years old. The Early Care and Youth Programs section (Child Care Licensing) is responsible for licensing and regulating more than 5,000 child care facilities and agencies serving children under the age of 16. The Children and Families section includes the Maternal and Child Health and Reproductive Health Programs, supporting services for women (preconception/family planning), pregnant women, infants, children, adolescents, and men with focus on communities and schools. The Special Health Services section activities include newborn hearing and metabolic screening, infant-toddler services (early intervention/Part C), birth defects surveillance, and special health care needs with priority to coordinating medical specialty services and systems for children and youth. The Nutrition and WIC Services section supports nutrition education and supplemental foods for low-income (pregnant, breastfeeding, and postpartum) mothers and their young children (infants to 5 years old). The Healthy Homes and Lead Hazard Prevention Program manages licensure and certification of individuals and industry, accreditation of training providers for all licensed lead activity disciplines, and education outreach for high risk industry and the general public.

The **Bureau of Community Health Systems** provides leadership for the agency in the Public Health and Hospital Preparedness Program, which coordinates response to all public health and radiation emergency situations, whether caused by natural events or acts of terrorism. There is close collaboration with other federal, state, and local partners, including the Wolf Creek nuclear generating station. The Right-to-Know Program works closely with local emergency management and local emergency planning commissions to assist them in emergency preparedness. The Health Facilities Program licenses or certifies about 850 hospitals, ambulatory surgical centers, home health agencies, and other medical care providers. The Radiation Program inspects mammography and x-ray equipment at health and medical facilities and licenses all users of radioactive materials in the state. The Kansas Radon Program provides education about the health risks of radon and certifies all professionals who perform radon measurement and mitigation in the state.

The Bureau of Community Health Systems helps communities serve local health needs by providing technical assistance and other resources. Kansans who face financial, geographic, or other barriers to accessing health care services are served by programs in Primary Care, Rural Health, and Special Populations Health. The Kansas Trauma Program is advisory to the Secretary on trauma-related matters, supports the Kansas Trauma Registry, and provides oversight of trauma center designation processes. Statewide minority health and health equity initiatives are also coordinated within this Bureau. Liaison efforts with local health departments

and critical access hospitals across the state are coordinated in the Bureau, working toward an effective, “seamless” system for public health efforts in Kansas. The Local Public Health Program coordinates activities between the agency, local health departments, and other public health community partners.

The **Bureau of Oral Health** works to increase awareness and improve the oral health of all Kansans through oral health data collection, surveillance, and dissemination; statewide oral health education, promotion, and collaboration; development of science-based oral health policy; and programming dedicated to dental disease prevention.

The **Bureau of Epidemiology and Public Health Informatics**, under the supervision of the State Epidemiologist, serves as a data and information support group for the agency as well as other state agencies. The primary responsibilities of the Bureau are vital records acquisition, management, and issuance; data and information acquisition; and analysis, distribution, and publication for the public, policymakers, and program managers. The Bureau also manages the State’s reportable disease surveillance system, responds to outbreaks of disease related to infectious and environmental agents, provides professional staffing to a 24-hour disease response hotline, and conducts a number of special projects and studies related to the control of infectious diseases in Kansas. The Bureau is the administrative home of the State’s Health Information Technology Coordinator Program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Children Less than 6 Years Old with 2 or More Immunizations	83.4 %	82.8 %	85.0 %	84.4 %	85.0 %	85.0 %
Percent of Women Served by MCH Agencies Receiving Prenatal Care	77.3 %	75.1 %	N/A	72.9 %	78.5 %	80.0 %
Percent of Child Care Facilities Complying with Regulations	89.4 %	99.9 %	N/A	99.9 %	99.9 %	99.9 %
Number of Clients Accessing State Funded Primary Health Care Clinics	261,811	269,017	300,000	296,053	300,000	300,000
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 153.2	\$ 155.3	\$ 154.7	\$ 156.0	\$ 152.3	\$ 150.6
FTE Positions	336.3	340.5	348.5	348.5	358.5	358.5

PUBLIC HEALTH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 19,738,134	\$ 24,080,667	\$ 24,080,667	\$ 24,502,063	\$ 24,502,063
Contractual Services	32,856,646	29,077,788	29,077,788	28,330,834	27,972,834
Commodities	4,386,184	1,656,291	1,656,291	1,557,263	1,557,263
Capital Outlay	871,438	254,075	254,075	283,075	283,075
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 57,852,402</i>	<i>\$ 55,068,821</i>	<i>\$ 55,068,821</i>	<i>\$ 54,673,235</i>	<i>\$ 54,315,235</i>
Aid to Local Units	38,208,052	35,447,989	35,447,989	35,166,330	35,166,330
Other Assistance	59,947,265	61,805,387	61,805,387	61,077,517	61,077,517
TOTAL	<u>\$ 156,007,719</u>	<u>\$ 152,322,197</u>	<u>\$ 152,322,197</u>	<u>\$ 150,917,082</u>	<u>\$ 150,559,082</u>
Financing:					
State General Fund	\$ 19,646,136	\$ 22,549,499	\$ 22,549,499	\$ 23,521,249	\$ 23,163,249
All Other Funds	136,361,583	129,772,698	129,772,698	127,395,833	127,395,833
TOTAL	<u>\$ 156,007,719</u>	<u>\$ 152,322,197</u>	<u>\$ 152,322,197</u>	<u>\$ 150,917,082</u>	<u>\$ 150,559,082</u>
FTE Positions	348.5	358.5	358.5	358.5	358.5

The **agency** requests FY 2021 expenditures of \$150.9 million, including \$23.5 million from the State General Fund, for the Division of Public Health. This is an all funds decrease of \$1.4 million, or 0.9 percent, and a State General Fund increase of \$971,750, or 4.3 percent, from the FY 2020 revised estimate. The all funds decrease is primarily attributable to decreases in federal grants, partially offset by increases in expenditures for salaries and wages and fringe benefits.

Specifically, the FY 2021 agency request includes the following for each bureau within the Division of Public Health:

- \$4,150, all from special revenue funds, for Health Administration;
- \$11.1 million, including \$1.3 million from the State General Fund, for the Bureau of Disease Control and Prevention;
- \$12.1 million, including \$433,396 from the State General Fund, for the Bureau of Health Promotions;
- \$88.2 million, including \$6.4 million from the State General Fund, for the Bureau of Family Health;
- \$30.1 million, including \$14.9 million from the State General Fund, for the Bureau of Community Health Systems;
- \$724,638, including \$325,545 from the State General Fund, for the Bureau of Oral Health; and
- \$8.7 million, including \$252,454 from the State General Fund, for the Bureau of Epidemiology and Public Health Informatics.

The request includes 358.5 FTE positions, which is the same number as the FY 2020 revised estimate.

The FY 2021 agency request for the Division of Public Health is detailed by category of expenditure below:

- **Salaries and Wages.** The agency requests \$24.5 million, including \$1.6 million from the State General Fund. This is an all funds increase of \$421,396, or 1.7 percent, and a State General Fund increase of \$342,678, or 28.4 percent, above the FY 2020 revised estimate, primarily due to increased expenditures on salaries and wages for the Health Facility Survey Enhancement request (\$338,640) and increased employer contributions on group health insurance;
- **Contractual Services.** The agency requests \$28.3 million, including \$2.2 million from the State General Fund. This is an all funds decrease of \$746,954, or 2.6 percent, and a State General Fund increase of \$712,017, or 49.5 percent, from the FY 2020 revised estimate. The all funds decrease is partially attributable to a decrease in three federal grants: Lifting Young Families Toward Excellence (\$434,000), the Public Health Crisis Response Fund (\$727,000), and Home Visiting (\$223,400). The State General Fund increase can be attributed to the enhancement requests for the Trauma Program, Health Facility Survey, and School-Based Oral Health Preventative Services;
- **Commodities.** The agency requests \$1.6 million, including \$681,461 from the State General Fund. This is an all funds decrease of \$99,028, or 6.0 percent, and a State General Fund decrease of \$79,295, or 10.4 percent, below the FY 2020 revised estimate. The State General Fund decrease is primarily due to decreased costs for drugs and pharmaceuticals in the Bureau of Family Health;
- **Capital Outlay.** The agency requests \$283,075, including \$4,800 from the State General Fund. This is an all funds increase of \$29,000, or 11.4 percent, and a State General Fund decrease of \$2,000, or 29.4 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in expenditures on office furniture in the Bureau of Public Health Informatics;
- **Aid to Local Units of Government.** The agency requests \$35.2 million, including \$6.1 million from the State General Fund. This is an all funds decrease of \$281,659, or 0.8 percent, below the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds decrease is primarily due to two federal grants that are ending: Lifting Young Families Toward Excellence (\$130,000) and the Public Health Crisis Response Fund (\$120,000); and
- **Other Assistance.** The agency requests \$61.1 million, including \$13.0 million from the State General Fund. This is an all funds decrease of \$727,870, or 1.2 percent, and a State General Fund decrease of \$1,650, or less than 0.1 percent, below the FY 2020 revised estimate, primarily due to two federal grants that are ending: the Hospital Preparedness Ebola grant (\$250,000), and Lifting Young Families Toward Excellence grant (\$330,000).

The **Governor** recommends expenditures of \$150.6 million, including \$23.2 million from the State General Fund, for the Division of Public Health for FY 2021. This is an all funds decrease of \$358,000, or 0.2 percent, all from the State General Fund, below the agency's FY 2021 request. The State General Fund decrease is due to the Governor recommending half of

the agency's enhancement request for the Trauma Program, not recommending the enhancement request for Medicolegal Death Investigation, and not recommending the enhancement request for School-Based Oral Health Preventive Services for FY 2021. The Governor does recommend the agency's enhancement request for health facility surveyors.

C. Health Care Finance

The Division of Health Care Finance is responsible for developing and maintaining a coordinated health policy agenda that combines the effective purchasing and administration of health care with health promotion-oriented public health strategies. The Division oversees the State's Medicaid program (Title XIX), the Children's Health Insurance Program (CHIP) (Title XXI), the State Employee Health Plan (SEHP), and the State Self-Insurance Fund Workers Compensation Program. The Division is responsible for interagency coordination and promoting integrated oversight.

The Division includes two major program areas: Medicaid/KanCare (administration and assistance) and the State Employees' Health Benefits Programs.

The Office of the Director oversees the operations and administrative responsibilities of the Division and is responsible for ensuring the Division's compliance with statutory obligations. The Office is responsible for coordinating all programs established to assist with the mission and vision of the Division.

Medicaid/KanCare

KanCare is the program through which the State administers Medicaid. The State contracts with three managed care organizations (MCOs) to coordinate health care for individuals enrolled in Medicaid. KDHE maintains financial management and contract oversight of the KanCare program while the Kansas Department for Aging and Disability Services administers Medicaid waiver programs for disability services, mental health, and substance abuse, as well as operates the state hospitals and institutions. All Medicaid/KanCare expenditures that are not considered assistance to individuals under the program are administration expenditures.

The Medicaid/KanCare Unit develops policies and administers and manages programs that fund health care services for persons who qualify for Medicaid, MediKan, and CHIP. Individuals served by these programs include low-income children and adults, individuals with disabilities, and the elderly. In addition to administering cost-effective managed care and fee-for-service purchasing systems, the Division contracts with and oversees a fiscal agent that operates the Medicaid Management Information System (MMIS), ensures compliance with relevant federal rules and regulations, maintains the SEHP, and coordinates health care purchasing and planning among various state agencies.

Medicaid is a federal/state program that provides health and long-term care services to people with low incomes. All states currently participate in the Medicaid program and federal matching funds are available for the costs of these services. As a condition of state participation, each state must agree to cover certain populations and certain services. These eligibility groups and services are referred to as "mandatory."

Mandatory benefits include:

- Acute Care Benefits, which includes:
 - Physician services;
 - Laboratory and x-ray services;
 - Inpatient hospital services;
 - Outpatient hospital services;
 - Early and periodic screening, diagnostic, and treatment services for individuals less than 21 years old;
 - Family planning and supplies;
 - Federally qualified health center services;
 - Rural health clinic services;
 - Nurse-midwife services; and
 - Certified pediatric and family nurse practitioner services; and
- Long-Term Care Benefits, including:
 - Institutional Services: Nursing facility services for individuals 21 years old or older.

Nearly all health care services purchased by KDHE are financed through a combination of state and federal matching dollars through either Title XIX (Medicaid) or Title XXI (CHIP). Under Title XIX, the federal government provides approximately 55.0 percent of the cost of Medicaid services with no upper limit on what the federal government will reimburse the State. The State provides the remaining 45.0 percent of the cost of Medicaid services. Under Title XXI, the federal government provides approximately 85.0 percent of the cost up to a maximum allotment, and the State provides the remaining 15.0 percent and any excess spent above the federal allotment. The federal portion is scheduled to decrease to approximately 75.0 percent in FY 2021. Health care services are purchased through both traditional fee-for-service (FFS) and managed care models as described below.

The federal authorization of the current KanCare program was approved by the federal Centers for Medicare and Medicaid Services (CMS) December 18, 2018, and is effective January 1, 2019, through December 31, 2023. The agency completed the request for proposal (RFP) process for the MCOs contracted for KanCare beginning January 1, 2019. The three MCOs are Aetna, Sunflower Health Plan, and United Healthcare of the Midwest. Aetna joined as a new MCO, while Sunflower Health Plan and United Healthcare of the Midwest continued in their roles. Amerigroup no longer provides services.

As part of the Balanced Budget Act of 1997, Congress created Title XXI, CHIP, to address the growing problem of children without health insurance. The program was designed to expand health insurance to children whose families do not qualify for Medicaid. CHIP is a federal and state partnership similar to Medicaid. The program was designed to provide coverage to “targeted low-income children.” A “targeted low-income child” is one who resides in a family with income below 200.0 percent of the federal poverty level (FPL) or whose family has an income no more than 50.0 percent higher than the State’s Medicaid-eligibility threshold. The 2009 Legislature approved and funded an expansion of CHIP to children in families up to 250.0 percent of the 2008 FPL. Kansas provides free or low-cost health insurance coverage to children who:

- Are under the age of 19;
- Do not qualify for Medicaid;

- Have family incomes under 250.0 percent of the federal poverty level (2008 FPL standard); and
- Are not covered by the SEHP or other private health insurance.

In FY 2019, the agency spent more than \$2.0 billion purchasing health care for more than 400,000 persons through Medicaid and CHIP. It is the third largest purchaser of health care services and the largest purchaser of children's health care services in Kansas. Approximately 74.0 percent of the people served were low-income children and families, although spending for these populations composes only 33.0 percent of total spending on medical care. Medicaid pays for approximately 40.0 percent of the births in Kansas each year. Services for people with disabilities and the aging population compose the majority of expenditures.

The Medicaid/KanCare Unit is composed of the following sections: Clinical Policy and Improvement, Eligibility, and Operations.

Clinical Policy Improvement includes a Medical Policy Unit for medical review and policy research that maintains remaining FFS benefits and assesses each of the medical programs for overall functioning by reviewing the programs' past and current trends in reimbursement and coverage issues for effectiveness, efficiency, and quality in conjunction with the mission and vision of the division. A pharmacy unit is also part of this section and is responsible for overseeing MCO and FFS pharmacy operations, including managing the Drug Utilization Review and Preferred Drug List and drug rebate processes.

The Medicaid Initiatives Unit within this section is responsible for research, development, and training for new Medicaid initiatives. The unit manages the Delivery System Reform Incentive Payment (DSRIP) Pool program that is part of the 1115 Demonstration. The unit also serves as a liaison for KanCare with the Division of Public Health when initiatives overlap between Public Health and KanCare.

Eligibility currently has three units that oversee all aspects of Medicaid eligibility. The Eligibility Policy Unit is responsible for overseeing all program, policy, and training activities related to beneficiaries and their enrollment into the program. This unit interprets federal and state laws and regulations, issues policies about who is eligible and how eligibility is determined, coordinates issues related to the customer experience, and actively works with community partners to develop strategies for enrolling eligible beneficiaries.

The Eligibility Policy Unit has been integral to the Kansas Eligibility Enforcement System (KEES) project. The Unit provides policy support and KEES expertise to the project. KEES is an information system that is used to determine eligibility for Medicaid, CHIP, and other medical assistance programs. KDHE has partnered with the Department for Children and Families to include eligibility for other human service programs, such as Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), child care assistance, Low Income Energy Assistance Program (LIEAP), and others. Phase 1 implemented the medical assistance online application in July 2012. Phase 2.6 was implemented in July 2015 with a full range of medical assistance eligibility functionality. In August 2017, Phase 3 implemented the human services components.

The Out-Stationed Eligibility Specialist and Intake Manager Group includes a group of 30 eligibility workers who provide application assistance and outreach in local communities. The Out-Stationed Eligibility Specialist workers provide local application processing for children, families, and pregnant women. Intake Manager Specialists work to process home and community based services applications in a timely manner and help guide consumers through

the financial and functional eligibility process. The Presumptive Medical Disability Determination Unit makes disability determinations for medical assistance applicants who claim a disability and are currently awaiting a determination from the Social Security Administration.

The Working Healthy Unit is responsible for managing the Kansas Medicaid buy-in program, Working Healthy, and the home and community-based services program, Work Opportunities Reward Kansans (WORK). Program staff also work with the KanCare MCOs, state agencies, and disability stakeholders on initiatives designed to encourage youth and adults with disabilities to become employed and reduce reliance on public support.

One focus for FY 2020 will be to implement a new Supported Employment Pilot targeting individuals with mental health disabilities as well as those with developmental/intellectual and physical disabilities. The pilot is designed to provide supports allowing these individuals to seek, obtain, and maintain competitive, integrated employment in their communities and live as independently as possible. The unit will also partner with the Department for Children and Families on their End Dependence project, and with the Department of Commerce's Workforce System on a program for injured workers to stay or return to work.

Medicaid Operations is responsible for the procurement, management, and oversight of all contracts that include Medicaid and CHIP funding. It oversees more than 200 operational contracts and is responsible for program integrity and the management of third-party liability collections from primary insurance carriers and Medicare. In addition, Medicaid Operations is responsible for claims processing, dispute resolution, fair hearings, and implementation of policy changes and federal mandates. Eligibility determination for participation in KanCare and other medical programs and management and oversight of the KanCare eligibility clearinghouse also are included in this section.

Medicaid Operations is also responsible for the oversight of the daily operational issues for the three KanCare MCOs. This oversight spans across the full range of managed care Medicaid and CHIP populations. The realm of responsibilities includes issue resolution for members and providers, review of material for accuracy, clarity, compliance with program requirement and readability, and coordination with Division of Public Health programs.

Program Finance and Informatics

The Program Finance and Informatics group provides fiscal management, financial analysis, and estimates related to Medicaid and CHIP utilization to all division program areas.

The **Medicaid Programs Finance and Reporting Unit** is charged with the fiscal management and accurate financial reporting of the Division's medical programs. Key finance activities include accurate reporting and tracking of expenditures and revenues, submission of quarterly federal Medicaid and CHIP reports for all KanCare expenditures, submission of quarterly Medicaid and CHIP administration and assistance estimates to CMS, prudent management of cash balances, timely and accurate federal fund draws, cost allocation plan maintenance and updates, management of provider payments through Medicaid Management Information System, and fiscal management of division contracts.

The **Informatics Unit** administers the Kansas Health Insurance Information System, health professional licensure, Medicare historical part A and B dual eligibility, capitation, and the hospital inpatient discharge data sets that produce standard and *ad hoc* reports. The unit also provides database and programming support to other division areas as needed.

The **Health Care Informatics Unit** provides the agency and outside stakeholders with health care data information policy setting and continuous program and financial improvement. This is accomplished through collecting health care information from claims associated with the Kansas Medicaid population, including programmatic and administrative data.

The **Fiscal Analysis and Projections Unit** is responsible for financial reviews and oversight of the KanCare MCOs, development of the division budget, multi-agency combined medical caseload projections, risk management tracking, and fiscal monitoring of critical projects.

The **Projections Unit** is responsible for collaborating with program staff to compute the fiscal impact of proposed policies, forecast caseloads, and provide projections for CMS. The Unit is also responsible for assisting with the development of the Division's budget and estimating interagency expenditures for Medicaid assistance. This unit tracks and evaluates legislative activities that may impact activities of the Division.

Medicaid Eligibility Quality Control (MEQC) is a federally mandated unit that provides comprehensive audit analysis of state compliance with Medicaid and CHIP eligibility regulations and provides data to assist with corrective action planning for identified error deficiencies. MEQC performs audits on cases processed by the KanCare Clearinghouse, the KDHE Out-Stationed Unit, and any other assigned entities.

On January 1, 2019, MEQC began a new federally mandated audit with focus on both active (approved) and negative (denied or terminated) eligibility decisions, and improper payments resulting from erroneous eligibility decisions for active cases.

State Employees' Health Benefits Program

The State Employees' Health Benefits Program administers the **State Employee Health Plan (SEHP)** on behalf of the Health Care Commission (HCC) and the Workers Compensation Program. The HCC was statutorily created in 1984 to design and implement a health care benefits program. In addition, KSA 75-6501 *et seq.* provides for an Employee Advisory Committee, which was implemented in 1995 and provides input on the health plan. Expenditures for this program are off-budget.

For the SEHP, the HCC contracts with an actuarial service to provide guidance in setting rates and insuring the financial stability of the program and manages the plan on a long-term basis through establishing funds in the positive years to help pay for shortages in negative years and maintaining minimal rate increases. Covered members in the SEHP include state employees and their dependents, retired and disabled state employees and their dependents, state employees on leave without pay, elected officials, and blind vending facility operators. There are also non-state groups allowed to participate in the SEHP, including unified school districts, community colleges, technical colleges, vocational technical schools, cities, counties, townships, libraries, public hospitals, extension councils, and certain other public entities. The cost to administer this portion of the program is reflected in the premiums charged to the groups, resulting in different composite rate and employee premiums than state agencies.

Total enrollment numbers in the SEHP include active employees, retirees, employees receiving long-term disability payments, employees on leave without pay, non-state public employer groups, qualified beneficiaries on COBRA, and other individuals identified in KAR 108-1-1, KAR 108-1-3, and KAR 108-1-4. As of July 1, 2019, there are 143 public employers participating in SEHP. These non-state public employers included 22 school districts; 61 cities,

counties, or townships; 21 extension offices or libraries; 16 public hospitals; 9 housing authorities; 17 public hospitals, 4 water districts, 9 housing authorities, and 9 miscellaneous local government entities. The number of members in the groups range from 1 to 245. There are 3 groups who have more than 200, and 18 have between 100 and 200 members.

Enrollment Figures

Group	Participants
Active State of Kansas Employees	32,433
Active Non-State Public Employees	4,442
Direct Bill/Retiree Member	9,463
COBRA Member	393

In plan year 2019, 88.9 percent of active state employees and 84.5 percent of the non-state public employer population were enrolled. For the active state population, 51.6 percent are enrolled in single coverage and 48.4 percent provide coverage for their dependents.

In addition to the the medical, dental, and vision plans offered by the SEHP, the following services are also available:

- Voluntary benefits are offered through Metropolitan Life for accident insurance, hospital indemnity insurance, and critical illness insurance. Employees pay 100.0 percent of the premiums for plans selected;
- Flexible Spending Accounts (FSA) programs are administered through a third-party administrator. FSA programs are offered to active state employees and include a health care FSA as well as a limited purpose FSA for those employees enrolled in Plan C and Plan N to allow employees the use of pre-tax dollars for qualified out-of-pocket expenses for health, dental, and vision care. In addition, a dependent care FSA to help employees pay daycare expenses for their dependents under age 13 or in elder care. Currently, there are 8,273 active state employees who participate in these programs;
- Premium Billing Administration services are provided for the non-state public employer groups and Direct Bill Members. The administrator provides invoices to the members, collects premiums, and remits premiums back to the State; and
- HealthQuest, the SEHP health and wellness program, was instituted in 1988 with the goal of improving employee health and reducing health care costs. The program is now a comprehensive health and wellness program offering an annual online health assessment; on-site biometric screenings; coaching services; a weight management program; web-based lifestyle programs; online health resources; monthly newsletters and webinars; and an employee assistance program for counseling, referrals, and other resources. Employees enrolled in the medical portion of the SEHP earn credits by participating in wellness activities offered through the HealthQuest Rewards Program. HealthQuest is optional, and employees are not required to participate to be enrolled in the SEHP.

The **Workers Compensation Program** for state employees is called the State Self-Insurance Fund (SSIF). The SSIF was implemented in 1974. It is a self-insured, self-

administered program funded by agencies based on an experience rating. The agency rates are developed by an actuarial service using claims experience, payroll history, and caps on expenses. Rates are approved by the Department of Administration and published by the Division of the Budget. The program manages and processes claims for injuries that arise out of and in the course of employment. Medical compensation to treat the employee's injury does not have a cap. Medical payments to providers are based on a fee schedule developed by the Workers Compensation Division of the Kansas Department of Labor. Additionally, compensation is paid for loss of time, permanent impairment, or death. A medical review service is utilized to review claims for medical appropriateness, nurse case management on complex cases, and pricing. On average, 247 accident reports are received monthly. In FY 2019, the SSIF spent about \$17.8 million on claims expenses with about 87.3 percent for medical services and 12.7 percent for indemnity.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Number of Kansas Medicaid Members Enrolled Monthly	431,495	417,208	N/A	410,455	422,896	435,582
Administrative Cost Ratio for the State Employee Health Plan	5.3 %	5.4 %	N/A	5.0 %	5.2 %	5.2 %
Administrative Cost Ratio for Workers Compensation	15.9 %	16.4 %	N/A	17.2 %	14.9 %	15.4 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2,381.6	\$ 2,428.2	\$ 2,713.1	\$ 2,568.2	\$ 2,755.0	\$ 3,779.8
FTE Positions	328.0	667.0	667.0	354.0	635.0	635.0

HEALTH CARE FINANCE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 18,036,597	\$ 38,027,058	\$ 38,027,058	\$ 38,206,263	\$ 38,206,263
Contractual Services	167,293,478	217,161,794	217,161,794	254,831,796	267,831,796
Commodities	35,460	43,882	43,882	43,882	43,882
Capital Outlay	1,247,109	411,208	411,208	411,208	411,208
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 186,612,644	\$ 255,643,942	\$ 255,643,942	\$ 293,493,149	\$ 306,493,149
Aid to Local Units	14,872,189	0	0	0	0
Other Assistance	2,366,721,893	2,583,792,701	2,499,405,863	2,509,834,182	3,473,295,832
TOTAL	\$ 2,568,206,726	\$ 2,839,436,643	\$ 2,755,049,805	\$ 2,803,327,331	\$ 3,779,788,981
Financing:					
State General Fund	\$ 740,667,177	\$ 762,962,813	\$ 725,921,644	\$ 733,040,910	\$ 776,535,832
All Other Funds	1,827,539,549	2,076,473,830	2,029,128,161	2,070,286,421	3,003,253,149
TOTAL	\$ 2,568,206,726	\$ 2,839,436,643	\$ 2,755,049,805	\$ 2,803,327,331	\$ 3,779,788,981
FTE Positions	354.0	635.0	635.0	635.0	635.0

The **agency** requests FY 2021 expenditures of \$2.8 billion, including \$733.0 million from the State General Fund, for the Division of Health Care Finance. This is an all funds decrease of \$36.1 million, or 1.3 percent, and a State General Fund decrease of \$29.9 million, or 3.9 percent, below the FY 2020 revised estimate. The all funds decrease is primarily due to a \$74.0

million decrease in state special grants for Medicaid and CHIP, partially offset by an increase in contractual service expenditures (\$37.7 million) in the Medicaid and CHIP assistance programs. The State General Fund decrease can be attributed to \$27.0 million in reappropriations that occurred in FY 2020 that are not budgeted in FY 2021.

The request includes 635.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The FY 2021 agency request for the Division of Health Care Finance is detailed by category of expenditure below:

- **Salaries and Wages.** The agency requests \$38.2 million, including \$10.0 million from the State General Fund. This is an all funds increase of \$179,205, or 0.5 percent, and a State General Fund increase of \$42,278, or 0.4 percent, above the FY 2020 revised estimate due to increased expenditures on group health insurance;
- **Contractual Services.** The agency requests \$254.8 million, including \$4.6 million from the State General Fund. This is an all funds increase of \$37.7 million, or 17.3 percent, and a State General Fund decrease of \$2.9 million, from the FY 2020 revised estimate. The all funds increase is primarily due to increased expense in professional services for Medicaid Program Administration and the State General Fund decrease is largely attributable to decreased operating expenditures in Medicaid administration;
- **Commodities.** The agency requests \$43,882, including \$15,107 from the State General Fund. This is the same all funds and State General Fund amounts as the FY 2020 revised estimate;
- **Capital Outlay.** The agency requests \$411,208, including \$27,535 from the State General Fund. This is the same all funds and State General Fund amounts as the FY 2020 revised estimate; and
- **Other Assistance.** The agency requests \$2.5 billion, including \$718.4 million from the State General Fund. This is an all funds decrease of \$74.0 million, or 2.9 percent, and a State General Fund decrease of \$27.0 million, or 3.6 percent, below the FY 2020 revised estimate. The all funds decrease is due to reduced expenditures for caseloads in Medicaid assistance and a decrease in federal funds resulting from changes to the enhanced FMAP for CHIP, partially offset by increased fee fund expenses resulting from changes to the enhanced FMAP for CHIP. The State General Fund decrease is attributable to \$27.0 million in reappropriations occurring in FY 2020 that are not budgeted in FY 2021.

The FY 2021 agency request for this division also includes \$570.1 million in off-budget expenditures for the State Employees' Health Benefits Program.

The **Governor** recommends expenditures of \$3.8 billion, including \$776.5 million from the State General Fund, for the Division of Health Care Finance for FY 2021. This is an all funds increase of \$976.5 million, or 34.8 percent, and a State General Fund increase of \$43.5 million, or 5.9 percent, above the agency's FY 2021 request. The all funds increase is due to the Governor's recommendation to fund Medicaid expansion and human services consensus caseload estimates.

D. Environment

The Division of Environment protects the environment and public health through compliance, enforcement, and proactive activities. The Division includes the Bureaus of Waste Management, Air, Water, Environmental Remediation, Environmental Field Services (including the Office of the Director of Environment), and the Health and Environment Laboratories.

The **Bureau of Waste Management** has primary responsibility for the solid waste, hazardous waste, and waste tire programs, which are entirely funded from state fees and federal grants. The Bureau works with the Bureau of Environmental Field Services for inspections and the Bureau of Environmental Remediation for closed city dump remediation and corrective action.

The **Bureau of Air** protects the public from the harmful effects of air pollution and conserves the natural resources of the state by preventing damage to the environment from the releases of air contaminants.

The **Bureau of Water** issues permits for wastewater treatment, control and disposal for municipalities, industries, and commercial and livestock entities, and is heavily influenced by federal law and regulation. The Bureau also regulates and permits the construction and operation of public water supplies. The Bureau provides training to system operators; administers two low interest loan programs for water works and wastewater treatment works; administers programs to address non-point sources of pollution; and regulates the storage of natural gas and liquefied petroleum in natural underground salt formations.

The **Bureau of Environmental Remediation** identifies, investigates, and takes appropriate remedial actions when pollution endangers the public health, natural resources, and environment of the state. Responsibilities include investigating pollution sources, designing and overseeing remedial activities at contaminated sites, and negotiating with parties responsible for effective cleanup. The Bureau also utilizes remediation funds to take corrective action at sites where a responsible party cannot be found or is recalcitrant. In addition, the Bureau is also responsible for administering the duties of the Department related to the regulation and clean up of alleged illegal drug manufacturing sites.

The **Bureau of Environmental Field Services**, which includes the Office of the Director of the Division, administers all environmental program operations at six district offices and provides scientific, technical, and operational support to the programs in the Division. This bureau also is responsible for the stream segment classification program. District and satellite offices provide direct services, inspections, and technical assistance to businesses and industries.

The **Health and Environment Laboratories** provide comprehensive chemical and biological analyses on a large volume of clinical specimens and environmental samples. The Chemistry Laboratory conducts analyses to evaluate environmental water quality, defines radiological hazards, and monitors the use and disposal of chemicals. The Radiochemistry Laboratory performs radiological testing of public drinking water samples, ambient water samples, and samples related to the issuance of radioactive material licenses. The Microbiology, Virology, and Serology Laboratories conduct analyses to characterize and diagnose infectious diseases, food-borne epidemics, intestinal illnesses, and sexually transmitted diseases. The Neonatal Chemistry Laboratory tests for potential genetic defects in infants. Laboratory Improvement and Certification evaluates regulated clinical, environmental, and breath alcohol laboratories using established standards to ensure data quality.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Solid Waste Inspections with No Violations or Minor Violations	N/A	96.7 %	N/A	99.0 %	96.0 %	96.0 %
Percent of Counties in Compliance with National Ambient Air Quality Standards	N/A	99.0 %	N/A	99.0 %	97.0 %	97.0 %
Percent of Water Systems in Total Compliance	N/A	96.5 %	N/A	92.7 %	93.0 %	93.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 64.4	\$ 67.5	\$ 65.5	\$ 66.3	\$ 70.1	\$ 69.5
FTE Positions	427.1	427.1	434.7	434.7	441.6	441.6

ENVIRONMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 27,779,046	\$ 32,748,171	\$ 32,748,171	\$ 32,861,531	\$ 32,852,850
Contractual Services	31,239,072	26,347,169	26,347,169	25,882,476	25,037,476
Commodities	2,963,223	2,380,567	2,380,567	2,384,649	2,384,649
Capital Outlay	675,469	895,379	895,379	1,596,165	596,165
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 62,656,810	\$ 62,371,286	\$ 62,371,286	\$ 62,724,821	\$ 60,871,140
Aid to Local Units	2,075,868	4,559,695	4,559,695	5,601,563	5,601,563
Other Assistance	1,521,685	3,137,245	3,137,245	3,027,231	3,027,231
TOTAL	\$ 66,254,363	\$ 70,068,226	\$ 70,068,226	\$ 71,353,615	\$ 69,499,934
Financing:					
State General Fund	\$ 4,147,492	\$ 4,661,582	\$ 4,661,582	\$ 6,095,133	\$ 4,365,133
All Other Funds	62,106,871	65,406,644	65,406,644	65,258,482	65,134,801
TOTAL	\$ 66,254,363	\$ 70,068,226	\$ 70,068,226	\$ 71,353,615	\$ 69,499,934
FTE Positions	434.7	441.6	441.6	441.6	441.6

The **agency** requests FY 2021 expenditures of \$71.4 million, including \$6.1 million from the State General Fund, for the Environment Division. This is an all funds increase of \$1.3 million, or 1.8 percent, and a State General Fund increase of \$1.4 million, or 30.8 percent, above the FY 2020 revised estimate. The all funds increase is due to increased expenditures on salaries and wages, capital outlay, and aid to local units of government, partially offset by decreased expenditures on contractual services and other assistance.

Specifically, the FY 2021 agency request includes the following for each bureau within the Division of Environment:

- \$5.3 million, all from special revenue funds, for the Bureau of Waste Management;
- \$9.1 million, including \$121,699 from the State General Fund, for the Bureau of Air Quality;

- \$8.6 million, including \$149,470 from the State General Fund, for the Bureau of Water;
- \$27.4 million, including \$1.2 million from the State General Fund, for the Bureau of Environmental Remediation;
- \$11.4 million, including \$1.6 million from the State General Fund, for the Bureau of Environmental Field Services; and
- \$9.5 million, including \$3.0 million from the State General Fund, for the Bureau of Environmental Laboratories.

Major expenditures for FY 2021 are detailed below:

- **Salaries and Wages.** The agency requests \$32.9 million, including \$3.5 million from the State General Fund. This is an all funds increase of \$113,360, or 0.3 percent, and a State General Fund increase of \$45,013, or 1.3 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily due to the agency's asbestos program funding enhancement. The all funds increase is primarily due to the agency's asbestos program funding and State Water Plan Fund salary enhancement as well as increased expenditures for group health insurance, partially offset by decreased expenditures on KPERS;
- **Contractual Services.** The agency requests \$25.9 million, including \$970,325 from the State General Fund. This is an all funds decrease of \$464,693, or 1.8 percent, and a State General Fund increase of \$336,128, or 53.0 percent, from the FY 2020 revised estimate. The State General Fund increase is due to the agency's Dry Cleaning Site enhancement requests, partially offset by decreased expenditures on maintaining lab equipment. The all funds decrease is primarily due to decreased expenditures on the harmful algae bloom program, the water pollution control revolving fund program, and federal funds in the Bureau of Water;
- **Commodities.** The agency requests \$2.4 million, including \$257,954 from the State General Fund. This is an all funds increase of \$4,082, or 0.2 percent, with no change to the State General Fund amount, above the FY 2020 revised estimate. The all funds increase is due to increased expenditures on scientific supplies for the Laboratory program;
- **Capital Outlay.** The agency requests \$1.6 million, including \$1.3 million from the State General Fund. This is an all funds increase of \$700,786, or 78.3 percent, and a State General Fund increase of \$1.1 million, or 377.5 percent, above the FY 2020 revised estimate. The State General Fund increase is due to the agency's laboratory equipment enhancement. The all funds increase is due to the laboratory equipment enhancement, partially offset by decreased expenditures on vehicles;
- **Aid to Local Units.** The agency requests \$5.6 million, all from special revenue funds. This is an increase of \$1.0 million, or 22.8 percent, above the FY 2020 revised estimate. The increase is due to increased expenditures on the Volkswagen environmental mitigation trust allocation, which focuses on diesel emission reductions; and

- **Other Assistance.** The agency requests \$3.0 million, all from special revenue funds. This is a decrease of \$110,014, or 3.5 percent, below the FY 2020 revised estimate. The decrease is due to decreased expenditures on the Watershed Restoration and Protection Program in the Bureau of Environmental Field Services.

The **Governor** recommends expenditures of \$69.5 million, including \$4.4 million from the State General Fund. This is an all funds decrease of \$1.9 million, or 2.6 percent, and a State General Fund decrease of \$1.7 million, or 28.4 percent, below the agency's request. The State General Fund decrease is due to the Governor not recommending the agency's dry cleaning remediation, asbestos program, or lab equipment enhancements requests. The all funds decrease is due to the Governor not recommending the agency's Drinking Water Protection Program, State Water Plan Fund salaries and wages, or Asbestos Program enhancement requests.

DEPARTMENT FOR CHILDREN AND FAMILIES

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 294,834,803	\$ 336,183,059	\$ 335,832,410	\$ 345,308,229	\$ 1,237,629,208
Other Funds	352,654,032	411,332,841	416,166,894	406,530,651	1,661,182,631
<i>Subtotal</i>	<i>\$ 647,488,835</i>	<i>\$ 747,515,900</i>	<i>\$ 751,999,304</i>	<i>\$ 751,838,880</i>	<i>\$ 2,898,811,839</i>
Capital Improvements:					
State General Fund	\$ 19,882	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	984	707,545	707,545	50,000	14,664,142
<i>Subtotal</i>	<i>\$ 20,866</i>	<i>\$ 707,545</i>	<i>\$ 707,545</i>	<i>\$ 50,000</i>	<i>\$ 14,664,142</i>
TOTAL	<u>\$ 647,509,701</u>	<u>\$ 748,223,445</u>	<u>\$ 752,706,849</u>	<u>\$ 751,888,880</u>	<u>\$ 2,913,475,981</u>

Percentage Change:

Operating Expenditures					
State General Fund	11.1 %	14.0 %	13.9 %	2.7 %	268.5 %
All Funds	7.8	15.4	16.1	0.6	285.5
FTE Positions	2,511.9	2,527.9	2,527.9	2,590.9	2,850.3

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Department for Children and Families (DCF) is a cabinet-level agency headed by a secretary appointed by the Governor. The mission of the agency is to protect children, promote healthy families, and encourage personal responsibility. The Department operates through nine programs: Administration, Licensing, Child Support Services, Economic and Employment Services, Rehabilitation Services, Prevention and Protection Services, Developmental Disabilities Council, Client Services Delivery, and Transfers to Other State Agencies.

The Governor, as part of her FY 2021 budget, has submitted an Executive Reorganization Order (ERO), which would combine the Kansas Department of Aging and Disabilities Services, Juvenile Services from the Department of Corrections, and oversight of the Kansas Juvenile Correctional Complex, with the Department for Children and Families, and rename this agency the Department of Human Services (DHS). For the purposes of this summary, the Governor's recommendation for FY 2021 includes any budget shifts under the ERO.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** added \$2.0 million from all funds and deleted \$16.6 million from the State General Fund for human services consensus caseload estimates in FY 2010.

The **2010 Legislature** approved the policy limiting General Assistance eligibility to 12 months from 18 months of eligibility. This limitation was estimated to result in savings of \$592,696, including \$381,122 from the State General Fund. It was estimated this policy change would result in approximately 494 individuals losing eligibility in FY 2011. In addition, the 2010 Legislature approved the policy limiting MediKan Mental Health Assistance eligibility to 12 months from 18 months of eligibility. This limitation was estimated to result in savings of \$820,587, all from the State General Fund. It is estimated this policy change would result in approximately 190 individuals losing eligibility in FY 2011. In addition, the 2010 Legislature deleted \$519,900, all from the State General Fund, to eliminate the funeral assistance program for FY 2011, leaving \$100 in this program for FY 2011.

The **2010 Legislature** deleted \$4.1 million, including \$1.8 million from the State General Fund, or 2.5 percent, for a salary and wage reduction for FY 2011.

The **2010 Legislature** added language directing the agency to contract with Kansas Legal Services for disability determination case management and legal representation for FY 2011.

In addition, the **2010 Legislature** deleted \$500,000, all from the State General Fund, to reduce funding for administration for FY 2011.

The **2010 Legislature** deleted \$3.6 million from all funds and added \$2.6 million from the State General Fund for human services consensus caseload estimates for FY 2011.

By the end of **FY 2010**, the Rehabilitation Center for the Blind and Visually Impaired was closed by the agency. Individuals previously served at the facility are now being served in the community.

The **2011 Legislature** deleted \$9.9 million, all from the State General Fund, for FY 2012 to reflect a 5.0 percent reduction in State General Fund expenditures, excluding human services consensus caseload programs. In addition, the Legislature deleted \$1.0 million, all from the State General Fund, for FY 2012 to reduce Administration program expenditures.

The **2011 Legislature** also deleted \$1.0 million, all from the State General Fund, from the Adoption Support program for FY 2012, and added the same amount from federal funds. The Legislature deleted \$3,197,688, including \$2,827,606 from the State General Fund, for FY 2012 to maintain foster care contract rates at the FY 2011 level. In addition, the Legislature deleted \$3.1 million, all from the Child Care Development Federal Fund, for FY 2012 for the child care assistance program, leaving \$71.6 million in the program.

The **2011 Legislature** added \$180,900 from the Children's Initiatives Fund and deleted the same amount from federal funds for FY 2012 for the Child Care Assistance program. The Legislature also added \$10,202,779, including \$69,100 from the Children's Initiatives Fund, for FY 2012 for the Early Head Start program. In addition, the Legislature included language requiring funding for the Early Head Start program be expended for that purpose.

The **2012 Legislature** approved FY 2012 expenditures of \$1.6 billion, including \$626.6 million from the State General Fund, for the Department. The approved amount included adjustments to fund the human services consensus caseload estimates. For FY 2013, the Legislature approved expenditures of \$613.8 million, including \$234.0 million from the State General Fund. The FY 2013 approved amount is an all funds decrease of \$956.5 million, or 60.8 percent, below the FY 2012 approved amount. The FY 2013 State General Fund approved amount is a decrease of \$392.6 million, or 62.7 percent, below the FY 2012 approved amount.

In **2012**, Executive Reorganization Order (ERO) No. 41 renamed the Department of Social and Rehabilitation Services to the Department for Children and Families. In addition, the ERO renamed the Department on Aging to the Department for Aging and Disability Services. The ERO transferred the Division of Behavioral Health Services, including all home- and community-based services and mental health services, from the Department of Social and Rehabilitation Services to the Department for Aging and Disability Services. The Legislature added \$7.6 million, all from the Children's Initiatives Fund, for total FY 2013 Children's Initiatives Fund expenditures of \$26.7 million. In addition, the Legislature added \$2.6 million, including \$2.3 million from the State General Fund, to restore reductions to the foster care rates.

The **2013 Legislature** deleted \$3.5 million, including \$1.7 million from the State General Fund, in FY 2013 for the Temporary Assistance for Needy Families program to reflect a reduction in beneficiaries associated with implementation of program policy changes and decreasing unemployment. In addition, the Legislature deleted \$5.8 million, including \$2.4 million from the State General Fund, for FY 2014 and deleted \$5.2 million, all from federal funds, for FY 2015 for the same program. In addition, the Legislature deleted \$7.9 million, including \$4.8 million from the State General Fund, for FY 2014 in anticipated savings from the implementation of a policy requiring a 30-hour work week to qualify for child care assistance.

The **2014 Legislature** deleted \$1.0 million, all from the Children's Initiatives Fund, from the Kansas Reads to Succeed program to be expended by Lexia Learning Systems in FY 2014 and transferred the funding to the State General Fund. In addition, the Legislature deleted \$1.8 million from the State General Fund reappropriation from FY 2013 to FY 2014 and deleted \$1.5 million from the State General reappropriation from FY 2013 to FY 2015.

The **2014 Legislature** also added \$9.2 million, all from the Temporary Assistance for Needy Families Fund, for the Reading Roadmap Initiative in both FY 2014 and FY 2015. The 2014 Legislature also added \$1.8 million from all funds and deleted \$5.2 million from the State General Fund for human services consensus caseload estimates in FY 2014 and added \$7.9 million, including \$5.3 million from the State General Fund, for FY 2015.

The **2015 Legislature** added \$2.5 million, including \$51,000 from the State General Fund, and deleted 115.0 FTE positions for FY 2016 and added \$888,791 from all funds, including a reduction of \$799,000 from the State General Fund, and deleted 115.0 FTE positions for FY 2017 to implement the provisions of ERO No. 43, which transferred the Medicaid eligibility determination program to the Department of Health and Environment and transferred the foster care licensing program to the Department for Children and Families.

In addition, the **2015 Legislature** added \$375,000 for expenditures associated with the agency's relocation to a new office location for FY 2016 and included language directing the Secretary for Children and Families to sell property located in Neosho County for FY 2016. The Legislature also added \$6.3 million, all from federal funds, for FY 2016 and FY 2017 for a new Supplemental Nutrition Assistance Program Employment and Training Pilot program.

The **2015 Legislature** also deleted \$731,268 from all funds, including the addition of \$319,767 from the State General Fund, for FY 2016 and deleted \$301,222 from all funds,

including the addition of \$355,460 from the State General Fund, for FY 2017 to implement the provisions of 2015 Senate Sub. for HB 2258, which is related to changes to the Child Care, Temporary Assistance for Needy Families, and food assistance programs.

The **2015 Legislature** also eliminated the Kansas Reads to Succeed program, which was previously funded at \$6.0 million from the Children's Initiatives Fund starting in FY 2016 and deleted \$16.8 million, including \$8.0 million from the State General Fund, for FY 2016 and deleted \$14.3 million, including \$8.0 million from the State General Fund, for FY 2017 for a 4.0 percent reduction in operations.

The **2016 Legislature** passed SB 418, the Host Families Act, which allows a child placement agency or other charitable organization to establish a program to provide temporary care of children by a host family. The 2016 Legislature also passed SB 402, which made changes pertaining to eligibility for public assistance.

The **2016 Legislature** transferred \$9.0 million, all from the Early Childhood Block Grant, to the State General Fund in FY 2016 and added language directing the Secretary for Children and Families to sell property to the Neosho Memorial Regional Medical Center at a price agreed to by both parties for FY 2017.

In addition, the **2016 Legislature** added \$1.1 million, including \$900,000 from the State General Fund, for salary increases for social workers and social worker supervisors for FY 2017. The Legislature also added \$4.0 million from all funds, including the deletion of \$8.1 million from the State General Fund, to fund human services consensus caseload estimates in FY 2016 and added \$3.4 million, including \$4.7 million from the State General Fund, to fund human services consensus caseload estimates for FY 2017.

The **2017 Legislature** passed House Sub. for SB 126, which required the Secretary for Children and Families to establish a Child Welfare System Task Force to study the Kansas child welfare system. The Task Force is composed of legislators and voting and non-voting stakeholders. The Task Force must convene working groups to study the Department for Children and Families' general administration of child welfare, protective services, family preservation, reintegration, foster care, and permanency placement. The Task Force was required to submit to the Legislature a preliminary progress report detailing the Task Force's study by January 8, 2018, and a final report by January 14, 2019. The Task Force sunset June 30, 2019.

In addition, the **2017 Legislature** passed Sub. for Sub. for SB 95, which amended law for public assistance programs concerning telephonic signatures. The bill requires a telephonic signature by an applicant or an applicant's authorized representative be accepted to fulfill any signature requirement for application for public assistance programs administered by the Secretary for Children and Families. The bill makes a telephonic signature an option for applicants, not a requirement.

The **2017 Legislature** included FY 2018 and FY 2019 increases from the federal Temporary Assistance for Needy Families Fund, including the addition of \$3.0 million for an intensive home visitation program, Healthy Families, operated by Kansas Children's Service League, and \$105,557 to increase funding for the Options Domestic and Family Violence Services Center for FY 2018. The FY 2018 approved budget also includes the addition of \$800,000, all from the State General Fund, and reduction of the same amount from fee funds to replace revenue associated with the proposed elimination of the 4.0 percent cost recovery fee on non-assistance child support collection for FY 2018.

The **2018 Legislature** passed House Sub. for SB 179, which creates and amends law to establish juvenile crisis intervention centers and procedures for admission of juveniles to such centers. The bill also makes additional amendments to the Revised Kansas Code for Care of Children, including the Newborn Infant Protection Act.

The **2018 Legislature** passed SB 284, which creates the Adoption Protection Act and amends several provisions of the Kansas Adoption and Relinquishment Act. The Adoption Protection Act states, notwithstanding any other provision of state law and to the extent allowed by federal law, no child placement agency (CPA), as defined by the bill, shall be required to perform, assist, counsel, recommend, consent to, refer, or otherwise participate in any placement of a child for foster care or adoption when the proposed placement of such child violates such CPA's sincerely held religious beliefs.

The **2018 Legislature** passed House Sub. for SB 336, which amends various law related to public records, including the requirement for the release of records or reports related to a child fatality or near fatality resulting from child abuse or neglect and the release of information when a child fatality occurs while the child was in the custody of the Secretary for Children and Families.

The **2019 Legislature** passed HB 2103, which amends the Revised Kansas Code for the Care of Children to include requirements for the placement of children in a qualified residential treatment program as provided by the federal Family First Prevention Services Act (FFPSA).

The **2019 Legislature** passed SB 77, which requires the Department for Children and Families offer services to children with sexual behavior problems and to that child's family.

In addition, the **2019 Legislature** approved 26.0 FTE positions for child welfare positions and 3.0 FTE positions to implement the FFPSA for FY 2019. The 2019 Legislature approved an additional 16.0 FTE positions for child welfare positions and 3.0 FTE positions for the FFPSA for FY 2020.

For more information on the major issues for the Kansas Department for Aging and Disabilities Services and Department of Corrections Juvenile Services, please see the corresponding budget analysis.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$748.2 million, including \$336.2 million from the State General Fund, in FY 2020. This is an increase of \$14.5 million, or 2.0 percent, including \$4.5 million from the State General Fund, or 1.3 percent, above the FY 2020 approved amount. The revised estimate also includes the following supplemental requests: \$3.6 million, including \$1.3 million from the State General Fund, to expand the adoption assistance subsidy, and \$616,596, including \$350,649 from the State General Fund, for cost increases associated with Office of Information Technology Services modernization initiatives. The agency's revised estimate includes an increase of 26.0 FTE positions above the number approved the 2019 Legislature.

The agency submits a revised capital improvement estimate of \$707,545, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka Service Center. The lease-to-purchase agreement requires funding to be deposited into the Fund for capital improvements to the building. The revised estimate is an increase of \$584,269, or 474.0 percent, above the FY 2020 approved amount.

The **Governor** recommends operating expenditures of \$752.0 million, including \$335.8 million from the State General Fund, in FY 2020. This is an all funds increase of \$4.5 million, or 1.2 percent, and a State General Fund decrease of \$350,649, or 0.1 percent, from the FY 2020 revised estimate. The Governor recommends funding \$3.6 million, including \$1.3 million from the State General Fund, for the supplemental request to expand the adoption assistance subsidy in FY 2020. The increase is primarily attributable to the funding of the adoption assistance subsidy expansion and caseload adjustments for Temporary Assistance for Needy Families (TANF) (\$1.6 million) and foster care (\$3.5 million).

The Governor concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests operating expenditures of \$751.8 million, including \$345.3 million from the State General Fund, for FY 2021. This is an all funds increase of \$4.3 million, or 0.6 percent, and a State General Fund increase of \$9.1 million, or 2.7 percent, above the FY 2020 revised estimate. The request also includes the following enhancements: \$5.2 million, including \$1.7 million from the State General Fund, to expand the adoption assistance subsidy; \$2.0 million, all from the State General Fund, to increase staff in the Protection and Prevention Services program; \$4.0 million, including \$2.0 million from the State General Fund, to develop a new Comprehensive Child Welfare Information System; \$505,456, including \$287,444 from the State General Fund, for costs associated with Office of Information Technology Services modernization initiatives; \$7.5 million, including \$3.75 million from the State General Fund, to increase staff in the Family First Prevention Services program; \$3.0 million, including \$2.7 million from the State General Fund, for expanding Adult Protection Services financial abuse investigations; \$1.0 million, including \$216,408 from the State General Fund, to increase Vocational Rehabilitation field staff; and \$240,000, all from the State General Fund, to increase grants for rehabilitation services independent living.

The agency requests capital improvement expenditures of \$50,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka Service Center. The lease-to-purchase agreement requires funding to be deposited into the Fund for capital improvements to the building. The agency's request is a decrease of \$657,545, or 92.9 percent, below the agency's FY 2020 revised estimate.

The **Governor** recommends \$2.9 billion, including \$1.2 billion from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$2.1 billion, or 285.6 percent, and a State General Fund increase of \$892.3 million, or 258.4 percent, above the FY 2021 Department for Children and Families request. The increase is primarily attributable to the Governor's Executive Reorganization Order (ERO), which moved the Kansas Department for Aging and Disabilities Services and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, into the Department for Children and Families, creating the new Department of Human Services. The Governor recommends the agencies' enhancement requests for adoption assistance subsidy expansion, increased Protection and Prevention staff at service centers, development of a new Comprehensive Child Welfare Information System, costs associated with the Office of Information Technology Services modernization initiatives, increased Family First Prevention Services grants and staff, and funding for regional mental health inpatient beds. The Governor recommends a portion of the Kansas Department for Aging and Disability Services enhancement request to replace the electronic medical records and patient management system at the state hospitals, but recommends funding from the State Institutions Building Fund rather than the State General Fund. The Governor does not recommend the agencies' other enhancement requests for FY 2021.

In addition, the Governor's recommendation includes the following adjustments:

- An increase of \$18.8 million, including \$9.0 million from the State General Fund, for Temporary Assistance for Needy Families (TANF) and foster care caseload adjustments for the Department for Children and Families for FY 2021;
- An increase of \$539,000, all from the State General Fund, for Jobs for America's Graduates-Kansas (JAG-K) expansion for FY 2021;
- An increase of \$96.2 million, including \$57.4 million from the State General Fund, to partially adopt human services caseload adjustments previously in the Kansas Department for Aging and Disability Services for FY 2021. The Governor did not recommend \$42.0 million, including \$17.0 million from the State General Fund, which was included in the consensus estimate to rebase nursing facility reimbursement rates pursuant to KSA 75-5958, which requires yearly increases in rates using past cost reports and inflationary factors;
- An increase of \$8.4 million from all funding sources and a decrease of \$5.0 million from the State General Fund for Medicaid Home and Community Based Services waivers to adjust for a revised estimate of the cost of these services;
- An increase of \$5.3 million, all from the State Institutions Building Fund, to remodel the Biddle building at Osawatomie State Hospital;
- A decrease of \$368,663 from the State General Fund and an increase of the same amount from the Problem Gambling and Addictions Grant Fund (PGAGF) for behavioral health services due to the Governor increasing revenue and expenditures for the PGAGF to reflect the fall consensus estimate, decreasing expenditures from the human services caseloads to match the previous amount of funding from the PGAGF used for caseloads, and not transferring the projected ending balance of the PGAGF to the State General Fund for FY 2021; and
- An increase of \$120,720, including \$60,360 from the State General Fund, for data center as a service for FY 2021.

The Governor recommends \$14.7 million, all from special revenue funds, for capital improvements, including maintenance and repair of the Department for Children and Families' Topeka Service Center, rehabilitation and repair projects at the four state hospitals, debt service principal payments for past rehabilitation and repair projects at the state hospitals and construction of the State Security Hospital at Larned State Hospital, and additional funding added in the Governor's recommendation to remodel the Biddle building at Osawatomie State Hospital for FY 2021. This is an increase of \$14.0 million, or 1,972.5 percent, above the agencies' FY 2020 revised estimate.

Absent the ERO, the Governor recommends \$765.3 million, including \$350.1 million from the State General Fund, for operating expenditures for the Department for Children and Families for FY 2021. This is an all funds increase of \$13.5 million, or 1.8 percent, including a State General Fund increase of \$4.8million, or 1.4 percent, above the FY 2021 agency request. The Governor recommends \$17.9 million from all funds and \$8.5 million from the State General Fund for funding five of the Department for Children and Families' nine enhancement requests, including 18.0 new FTE positions. The increase is primarily attributable to the caseload adjustments for TANF (\$1.6 million) and foster care (\$17.2 million).

The Governor concurs with the Department for Children and Families' request of \$50,000 for capital improvements for maintenance and repair of the Topeka Service Center.

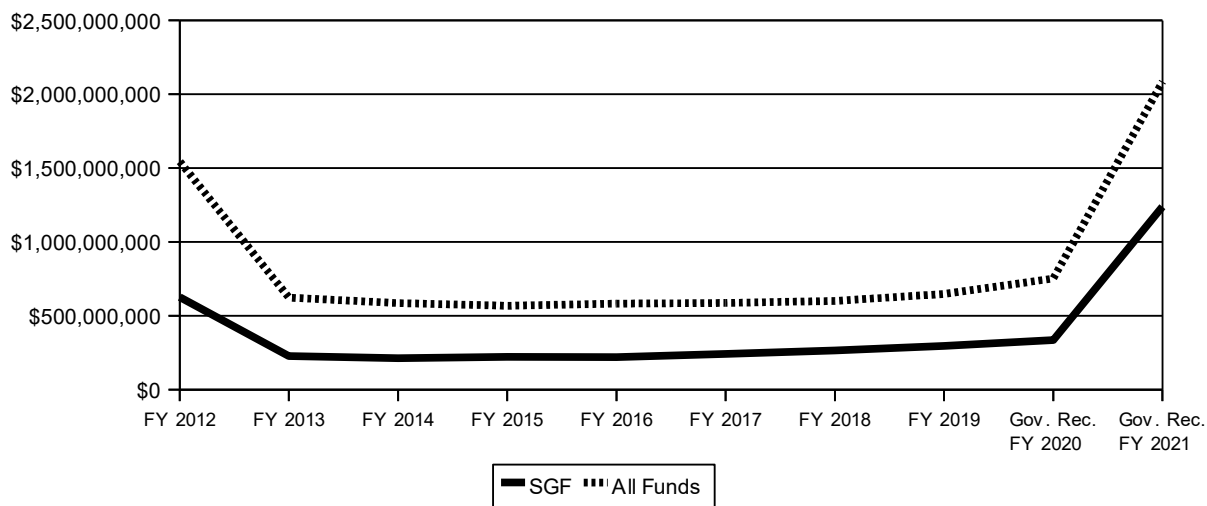
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Percent of Children Reaching Permanency within 12 Months of Entering Foster Care	38.1 %	35.8 %	37.6 %	36.4 %	38.6 %	38.0 %
Percent of Current Child Support Collected	55.5 %	55.7 %	55.8 %	56.2 %	56.4 %	56.6 %
Percent of TANF Recipients Retaining Employment in the Quarter Following Employment	83.5 %	86.2 %	36.0 %	84.2 %	86.0 %	86.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 586.9	\$ 600.8	\$ 668.8	\$ 647.5	\$ 752.7	\$ 2,913.5
FTE Positions	2,460.1	2,508.0	2,592.0	2,511.9	2,527.9	2,850.3
* The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021. Note: The data for Temporary Assistance for Needy Families (TANF) recipients retaining employment in the quarter following employment was measured prior to 2019, but relied upon self-reporting, which the agency viewed as less reliable. Beginning in 2019, DCF began matching its TANF employment information with the Department of Labor (KDOL) information to identify individuals reporting earnings in the quarter following employment. With access to this KDOL information, DCF was able to rerun the data and update the percentages for earlier years, but not the Governor's recommendations.						

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 626,281,632	8.4 %	\$ 1,543,230,935	(5.0)%	3,245.4
2013	226,445,057	(63.8)	623,314,830	(59.6)	2,796.3
2014	212,957,715	(6.0)	585,957,793	(6.0)	2,801.8
2015	221,851,474	4.2	567,707,628	(3.1)	2,530.0
2016	219,289,135	(1.2)	582,086,131	2.5	2,609.4
2017	241,316,233	10.0	586,746,854	0.8	2,460.1
2018	265,352,483	10.0	600,815,941	2.4	2,508.0
2019	294,834,803	11.1	647,488,835	7.8	2,511.9
2020 Gov. Rec.	335,832,410	13.9	751,999,304	16.1	2,527.9
2021 Gov. Rec.	1,237,629,208	268.5	2,898,811,839	285.5	2,850.3
Ten-Year Change Dollars/Percent	\$ 611,347,576	97.6 %	\$ 1,355,580,904	87.8 %	(395.1)

Note: The increase in expenditures and positions in the Governor's recommendation for FY 2021 is attributable to the Governor's Executive Reorganization Order (ERO), which would combine the Kansas Department of Aging and Disabilities Services, Juvenile Services from the Department of Corrections, and oversight of the Kansas Juvenile Correctional Complex, with the Department for Children and Families, and rename this agency the Department of Human Services (DHS). For the purposes of this summary, the Governor's recommendations for FY 2021 include any budget shifts under the ERO.

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	48,131,383	\$ 59,570,014	\$ 53,991,974	\$ (5,578,040)	(9.4) %	\$ 58,953,418	\$ 68,206,960	\$ 9,253,542	15.7 %
Licensing		2,233,167	3,797,834	3,808,432	10,598	0.3	3,797,834	3,808,432	10,598	0.3
Child Support Services		36,051,846	36,182,968	43,834,266	7,651,298	21.1	36,182,968	43,834,266	7,651,298	21.1
Economic & Employment Services		134,847,837	165,959,435	153,459,396	(12,500,039)	(7.5)	167,559,435	155,598,396	(11,961,039)	(7.1)
Rehabilitation Services		30,398,464	37,172,845	37,449,479	276,634	0.7	37,172,845	37,209,479	36,634	0.1
Prevention & Protection Services		286,084,433	332,267,789	342,692,951	10,425,162	3.1	335,767,789	357,105,829	21,338,040	6.4
Developmental Disabilities Council		955,496	856,064	857,790	1,726	0.2	856,064	857,790	1,726	0.2
Client Service Delivery		107,829,710	111,708,951	115,744,592	4,035,641	3.6	111,708,951	112,937,126	1,228,175	1.1
Medicaid Program		--	--	--	--	--	--	1,706,952,412	1,706,952,412	--
Behavioral Health		--	--	--	--	--	--	298,056,970	298,056,970	--
State Hospital Comm		--	--	--	--	--	--	10,350,195	10,350,195	--
Community Services Administration		--	--	--	--	--	--	18,280,311	18,280,311	--
Aging and Disability Com Srvs & Programs		--	--	--	--	--	--	31,005,260	31,005,260	--
Survey and Certification and Credentials		--	--	--	--	--	--	15,503,077	15,503,077	--
Juvenile Services		--	--	--	--	--	--	39,105,336	39,105,336	--
Faith-Based Initiatives		956,499	0	0	0	--	0	0	0	--
Transfers		0	0	0	0	--	0	0	0	--
TOTAL	\$	647,488,835	\$ 747,515,900	\$ 751,838,880	\$ 4,322,980	0.6 %	\$ 751,999,304	\$ 2,898,811,839	\$ 2,146,812,535	285.5 %
By Major Object of Expenditure:										
Salaries and Wages	\$	127,530,749	\$ 138,667,985	\$ 142,762,324	\$ 4,094,339	3.0 %	\$ 138,667,985	\$ 162,411,514	\$ 23,743,529	17.1 %
Contractual Services		108,147,281	118,289,819	122,263,030	3,973,211	3.4	117,673,223	180,564,345	62,891,122	53.4
Commodities		1,226,092	1,544,157	1,288,663	(255,494)	(16.5)	1,544,157	1,572,828	28,671	1.9
Capital Outlay		1,446,248	1,351,419	1,082,922	(268,497)	(19.9)	1,351,419	4,143,742	2,792,323	206.6
Debt Service		0	0	0	0	--	0	771,350	771,350	--
<i>Subtotal - Operations</i>	<i>\$</i>	<i>238,350,370</i>	<i>\$ 259,853,380</i>	<i>\$ 267,396,939</i>	<i>\$ 7,543,559</i>	<i>2.9 %</i>	<i>\$ 259,236,784</i>	<i>\$ 349,463,779</i>	<i>\$ 90,226,995</i>	<i>34.8 %</i>
Aid to Local Units		0	0	0	0	--	0	109,345,440	109,345,440	--
Other Assistance		409,138,465	487,662,520	484,441,941	(3,220,579)	(0.7)	492,762,520	2,440,002,620	1,947,240,100	395.2
TOTAL	\$	647,488,835	\$ 747,515,900	\$ 751,838,880	\$ 4,322,980	0.6 %	\$ 751,999,304	\$ 2,898,811,839	\$ 2,146,812,535	285.5 %

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate				Governor's Recommendation			
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
Financing:									
State General Fund	\$ 294,834,803	\$ 336,183,059	\$ 345,308,229	\$ 9,125,170	2.7 %	\$ 335,832,410	\$ 1,237,629,208	\$ 901,796,798	268.5 %
CIF	7,188,036	8,274,741	8,274,741	0	0.0	8,274,741	12,074,741	3,800,000	45.9
TANF	87,147,527	89,176,622	80,230,712	(8,945,910)	(10.0)	96,131,531	89,654,314	(6,477,217)	(6.7)
Child Care Development	24,654,704	42,123,822	46,149,470	4,025,648	9.6	64,429,362	68,436,780	4,007,418	6.2
Social Welfare	9,939,950	9,994,223	9,964,620	(29,603)	(0.3)	9,994,223	11,809,691	1,815,468	18.2
Child Support Enforce	27,413,150	28,279,175	34,844,202	6,565,027	23.2	28,208,071	34,844,202	6,636,131	23.5
Problem Gambling & Addiction	--	--	--	--	--	--	7,108,000	7,108,000	--
Quality Care Fund	--	--	--	--	--	--	9,124,057	9,124,057	--
Title XIX	--	--	--	--	--	--	1,132,822,421	1,132,822,421	--
Prevention Treatment	--	--	--	--	--	--	12,024,560	12,024,560	--
Juvenile Detention FAC	--	--	--	--	--	--	2,004,265	2,004,265	--
All Other Funds	196,310,665	233,484,258	227,066,906	(6,417,352)	(2.7)	209,128,966	281,279,600	72,150,634	--
TOTAL	\$ 647,488,835	\$ 747,515,900	\$ 751,838,880	\$ 4,322,980	0.6 %	\$ 751,999,304	\$ 2,898,811,839	\$ 2,146,812,535	285.5 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$331,718,759 for the Department for Children and Families in FY 2020. An adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment have been made:

- An increase of \$2,851,476, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020;

This adjustment changes the FY 2020 approved State General Fund amount to \$334,570,235. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 334,570,235	\$ 336,183,059	\$ 1,612,824	\$ 335,832,410	\$ 1,262,175
All Other Funds	401,957,196	411,332,841	9,375,645	416,874,439	14,917,243
TOTAL	\$ 736,527,431	\$ 747,515,900	\$ 10,988,469	\$ 752,706,849	\$ 16,179,418
FTE Positions	2,527.9	2,527.9	0.0	2,527.9	0.0

The **agency** requests a revised estimate of \$747.5 million, including \$336.2 million from the State General Fund, in FY 2020. This is an increase of \$11.1 million, or 1.5 percent, including \$1.6 million from the State General Fund, or 0.5 percent, above the FY 2020 approved amount. The increase is primarily attributable to increased federal funding for the Low-Income Energy Assistance Program, state and federal funding to implement the Family First Prevention Services Act, and increased expenditures for an information technology program to re-platform Child Support Services. The revised estimate also includes the following supplemental requests: \$3.6 million, including \$1.3 million from the State General Fund, for expanding the adoption assistance subsidy, and \$616,596, including \$350,649 from the State General Fund, for costs associated with Office of Information Technology Services modernization initiatives.

Absent the supplemental requests, the agency requests a revised estimate of \$743.3 million, including \$334.6 million from the State General Fund. This is an all funds increase of \$6.9 million, or 1.0 percent, above the FY 2020 approved amount.

The **Governor** recommends \$752.0 million, including \$335.8 million from the State General Fund, in FY 2020. This is an all funds increase of \$4.5 million, or 0.6 percent, and a State General Fund decrease of \$350,649, or 0.1 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to the funding of one of the two supplemental requests and the caseload adjustments for Temporary Assistance for Needy Families (\$1.6

million) and foster care (\$3.5 million). The Governor recommends funding of \$3.6 million, including \$1.3 million from the State General Fund, for the supplemental request to expand the adoption assistance subsidy. The Governor does not recommend funding the Office of Information Technology Services modernization supplemental request, which represents the State General Fund decrease below the FY 2020 revised estimate. The Governor concurs with the agency's revised estimate of 2,527.9 FTE positions.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Adoption Assistance Subsidy Expansion	\$ 1,262,176	\$ 3,568,311	0.0	\$ 1,262,176	\$ 3,568,311	0.0
OITS Modernization	350,649	616,596	0.0	0	0	0.0
TOTAL	\$ 1,612,825	\$ 4,184,907	0.0	\$ 1,262,176	\$ 3,568,311	0.0

The **agency** requests \$4.2 million, including \$1.6 million from the State General Fund, for two supplemental requests in FY 2020. The supplemental requests do not include any FTE positions.

Adoption Assistance Subsidy Expansion. The agency requests \$3.6 million, including \$1.3 million from the State General Fund, to expand the adoption assistance subsidy program. The expansion would fund 387 more adoptions in FY 2020, covering both the adoption assistance subsidy and legal fees associated with adoptions.

OITS Modernization. The agency requests \$616,596, including \$350,649 from the State General Fund, to fund two Office of Information Technology Services (OITS) modernization projects, Centralizes Service Desk and Data Center as a Service.

The **Governor** recommends fully funding the adoption assistance subsidy expansion supplemental request at \$3.6 million, including \$1.3 million from the State General Fund. The Governor does not recommend funding the OITS modernization supplemental request.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 751,838,880	\$ 2,898,811,839	\$ 2,146,972,959
FTE Positions	2,590.9	2,850.3	259.4
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 9,125,170	\$ 901,796,798	
All Other Funds	(4,802,190)	1,245,015,737	
TOTAL	\$ 4,322,980	\$ 2,146,812,535	
<i>Percent Change:</i>			
State General Fund	2.7 %	268.5 %	
All Other Funds	(1.2)	299.2	
TOTAL	0.6 %	285.5 %	
Change in FTE Positions	63.0	322.4	

The **agency** requests \$751.8 million, including \$345.3 million from the State General Fund, for FY 2021. This is an all funds increase of \$4.3 million, or 0.6 percent, and a State General Fund increase of \$9.1 million, or 2.7 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the nine enhancement requests, partially offset by decreased federal funding due to the end of a one year supplemental for the Low Income Energy Assistance Program and decreased expenditures for information technology due to a one time expenditure to upgrade the Kansas Eligibility Enforcement System software in FY 2020. The request also includes the following enhancement requests: \$5.2 million, including \$1.7 million from the State General Fund, for expansion of adoption assistance subsidy; \$2.0 million, all from the State General Fund, to increase Protection and Prevention Services staff in DCF Service Centers; \$4.0 million, including \$2.0 million from the State General Fund, to develop a new Comprehensive Child Welfare Information System; \$505,456, including \$287,444 from the State General Fund, for costs associated with two Office of Information Technology Services modernization initiatives; \$7.5 million, including \$3.8 million from the State General Fund, to increase Family First Prevention Services grants and staff; \$305,122, all from the State General Fund, to expand Adult Protective Services financial abuse investigations; \$3.0 million, including \$2.7 million from the State General Fund, to enhance services for youth age 15 and older facing crisis, juvenile offender allegations, or are at risk of entry into foster care; \$1.0 million, including \$216,408 from the State General Fund, to increase vocational rehabilitation field staff; and \$240,000, all from the State General Fund, to increase grants for rehabilitation services for independent living.

The agency's request includes 2,590.9 FTE positions for FY 2021, which is an increase of 63.0 FTE positions above the FY 2020 revised estimate.

Absent the enhancement requests, the agency requests operating expenditures of \$728.1 million, including \$332.0 million from the State General Fund, for FY 2021. This is an all funds decrease of \$20.1 million, or 2.7 percent, including \$4.2 million from the State General Fund, below the FY 2020 revised estimate.

The **Governor** recommends \$2.9 billion, including \$1.2 billion from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$2.1 billion, or 285.6 percent, and a State General Fund increase of \$892.3 million, or 258.4 percent, above the Department for Children and Families' FY 2021 request. The increase is primarily attributable to the Governor's Executive Reorganization Order (ERO) to combine the agency's expenditures with the Department for Aging and Disability Services and Juvenile Services within the Kansas Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021.

The Governor recommends the agencies' enhancement requests for adoption assistance subsidy expansion, increased Protection and Prevention staff at service centers, development of a new Comprehensive Child Welfare Information System, costs associated with the Office of Information Technology Services modernization initiatives, increased Family First Prevention Services grants and staff, and funding for regional mental health inpatient beds. The Governor recommends partial expenditures for the Kansas Department for Aging and Disability Services enhancement request to replace the electronic medical records and patient management system at the state hospitals, but recommends funding from the State Institutions Building Fund rather than the State General Fund. The Governor does not recommend the agencies' other enhancement requests for FY 2021.

In addition, the Governor's recommendation includes the following adjustments:

- An increase of \$18.8 million, including \$9.0 million from the State General Fund, for Temporary Assistance for Needy Families (TANF) and foster care caseload adjustments for the Department for Children and Families for FY 2021;
- An increase of \$539,000, all from the State General Fund, for Jobs for America's Graduates-Kansas (JAG-K) expansion for FY 2021;
- An increase of \$96.2 million, including \$57.4 million from the State General Fund, to partially adopt human services caseload adjustments previously in the Kansas Department for Aging and Disability Services for FY 2021. The Governor did not recommend \$42.0 million, including \$17.0 million from the State General Fund, which was included in the consensus estimate to rebase nursing facility reimbursement rates pursuant to KSA 75-5958, which requires yearly increases in rates using past cost reports and inflationary factors;
- An increase of \$8.4 million from all funding sources and a decrease of \$5.0 million from the State General Fund for Medicaid Home and Community Based Services waivers to adjust for a revised estimate of the cost of these services;
- An increase of \$5.3 million, all from the State Institutions Building Fund, to remodel the Biddle building at Osawatomie State Hospital;
- A decrease of \$368,663 from the State General Fund and an increase of the same amount from the Problem Gambling and Addictions Grant Fund (PGAGF) for behavioral health services by the Governor increasing revenue and expenditures for the PGAGF to reflect the fall consensus estimate, decreasing expenditures from the for human services caseloads to match the previous amount of funding from the PGAGF used for caseloads, and not transferring the projected ending balance of the PGAGF to the State General Fund for FY 2021; and

- An increase of \$120,720, including \$60,360 from the State General Fund, for data center as a service for FY 2021.

Absent the ERO, the Governor recommends \$765.3 million, including \$350.1 million from the State General Fund, for operating expenditures for the Department for Children and Families for FY 2021. This is an all funds increase of \$13.5 million, or 1.8 percent, including a State General Fund increase of \$4.8million, or 1.4 percent, above the FY 2021 agency request. The Governor recommends \$17.9 million from all funds and \$8.5 million from the State General Fund for funding five of the Department for Children and Families' nine enhancement requests, including 18.0 new FTE positions. The increase is primarily attributable to the caseload adjustments for TANF (\$1.6 million) and foster care (\$17.2 million).

The Governor concurs with the Department for Children and Families' request of \$50,000 for capital improvements for maintenance and repair of the Topeka Service Center.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Adoption Assistance	\$ 1,746,705	\$ 5,177,330	0.0	\$ 1,746,705	\$ 5,177,330	0.0
Subsidy Expansion						
Increase PPS Staff in DCF Service Centers	1,990,345	1,990,345	28.0	710,838	710,838	10.0
Develop a New CCWIS	2,000,000	4,000,000	0.0	2,000,000	4,000,000	0.0
OITS Modernization	287,444	505,456	0.0	287,444	505,456	0.0
Increase Family First Prevention Staff	3,755,980	7,511,960	8.0	3,755,980	7,511,960	8.0
Expand APS Financial Abuse Investigations	305,122	305,122	3.0	0	0	0.0
Enhance Services for Youth 15 & Older	2,743,960	2,993,960	8.0	0	0	0.0
Increase Vocational Rehab Field Staff	216,408	1,015,999	16.0	0	0	0.0
Increase Grants for Independent Living	240,000	240,000	0.0	0	0	0.0
TA and BI HCBS Rate Increase*	9,800,000	24,500,000	0.0	0	0	0.0
Regional Mental Health Inpatient Beds*	5,000,000	5,000,000	0.0	5,000,000	5,000,000	0.0
I/DD HCBS Waiver Wait List Reduction*	4,800,000	12,000,000	0.0	0	0	0.0
Disability and Behavioral Health Employment*	4,800,000	12,000,000	0.0	0	0	0.0
State Hospitals Electron. Records System*	4,771,500	4,771,500	0.0	0	2,771,500	0.0
Youth Mobile Response Services*	3,000,000	3,000,000	0.0	0	0	0.0
Behavioral Health Services in Jails*	3,000,000	3,000,000	0.0	0	0	0.0
Mental Health Services in NF and NFMH*	2,800,000	4,000,000	0.0	0	0	0.0
Suicide Prevention Program*	1,500,000	1,500,000	0.0	0	0	0.0
Info Security Officer & Cybersecurity*	1,078,610	1,203,380	1.0	0	0	0.0
SUD Treatment Services for Uninsured*	500,000	500,000	0.0	0	0	0.0
Community Integration Housing First Prog*	500,000	500,000	0.0	0	0	0.0
Staffing Increase*	255,000	425,000	6.0	0	0	0.0
Crisis Intervention Center Pilot at RSI*	150,000	150,000	0.0	0	0	0.0
Staff Equipment Modernization*	64,965	129,930	0.0	0	0	0.0
Crisis Stabilization Centers Expansion*	0	1,500,000	0.0	0	0	0.0
Clubhouse Model Program Expansion*	0	400,000	0.0	0	0	0.0
TOTAL	\$ 55,306,039	\$ 98,319,982	70.0	\$ 13,500,967	\$ 25,677,084	18.0

*Enhancements requested by the Kansas Department for Aging and Disability Services for FY 2021.

The **Department for Children and Families** requests \$23.7 million, including \$13.3 million from the State General Fund, for nine enhancements for FY 2021. The Kansas Department for Aging and Disability Services requests \$74.6 million, including \$42.0 million from the State General Fund, and 7.0 FTE positions for 17 enhancements for FY 2021.

Enhancements Requested by the Department for Children and Families

Adoption Assistance Subsidy Expansion. The Department for Children and Families (DCF) requests \$5.2 million, including \$1.7 million from the State General Fund, for the expansion of the adoption assistance subsidy. The expansion would fund an additional 648 adoptions for FY 2021, including the assistance subsidy and legal fees associated with adoption.

The **Governor** concurs with the enhancement request for expanding the adoption assistance subsidy.

Increase Protection and Prevention Services Staffing in DCF Service Centers. DCF requests \$2.0 million, all from the State General Fund, and 28.0 FTE positions to increase staff for the Protection and Prevention Services program located at the DCF Service Centers. The positions would include 17.0 FTE positions for child protective service (CPS) supervisors to achieve a ratio of one supervisor to five CPS investigators, and 11.0 FTE positions for additional facilitators to implement Team Decision Making practice.

The **Governor** concurs in part with the enhancement request. The Governor recommends funding of \$710,838 for 10.0 FTE positions for Protection and Prevention Services staff in DCF service centers for FY 2021.

Develop a New Comprehensive Child Welfare Information System (CCWIS). DCF requests \$4.0 million, including \$2.0 million from the State General Fund, to develop a new Comprehensive Child Welfare Information System for the Protection and Preventive Services program to replace existing systems. This enhancement would begin the design, development, and implementation for the CCWIS system. Additional funding from FY 2022 to FY 2025 will allow for the final development and implementation. In total, the estimated cost for the new CCWIS is \$50.0 million from all funds, including \$25.0 million from the State General Fund.

The **Governor** concurs with the enhancement request to develop a new CCWIS.

OITS Modernization. DCF requests \$505,456, including \$287,444 from the State General Fund, for costs associated with the Office of Information Technology Services (OITS) modernization initiatives. The two modernization initiatives include centralizing all service calls and dispatch to a single operation for the Executive Branch and moving all DCF servers, data storage, and disaster recovery activities to three data centers in Minnesota and Virginia.

The **Governor** concurs with the agency's enhancement request for data center as a service.

Increase Family First Prevention Grants and Case Management Staff. DCF requests \$7.5 million, including \$3.8 million from the State General Fund, and 8.0 FTE regional case management positions for the new Family First Prevention Services program.

The **Governor** concurs with the enhancement request to increase Family First Prevention Services grants and case management staff.

Expand Adult Protective Services (APS) Financial Abuse Investigations. DCF requests \$305,122, all from the State General Fund, and 3.0 FTE positions for accountants in the Adult Protection Services program to match the increase in cases assigned alleging fiduciary abuse and exploitation from FY 2017 to FY 2019.

The **Governor** does not recommend funding this enhancement.

Enhance Services for Youth Age 15 and Older Facing Crisis, Juvenile Offender Allegations, or are at Risk of Entry into Foster Care. DCF requests \$3.0 million, including \$2.7 million from the State General Fund, and 8.0 FTE positions for two additional family finding staff per DCF region to match the increase in out-of-home placements of youth ages 16 to 18.

The **Governor** does not recommend funding this enhancement.

Increase Vocational Rehabilitation Field Staff. DCF requests \$1.0 million, including \$216,408 from the State General Fund, and 16.0 FTE positions, including 8.0 pre-employment transition special, 4.0 project managers to administer new grants, and 4.0 quality assurance and training positions.

The **Governor** does not recommend funding this enhancement.

Increase Grants for Rehabilitation Services Independent Living. DCF requests \$240,000, all from the State General Fund, to expand the Rehabilitation Services Independent Living program.

The **Governor** does not recommend funding this enhancement.

Enhancements Requested by the Kansas Department for Aging and Disability Services

TA and BI HCBS Waivers Rate Increase. The Kansas Department for Aging and Disability Services (KDADS) requests \$24.5 million, including \$9.8 million from the State General Fund, to provide rate increases for the Technology Assisted (TA) and Brain Injury (BI) Medicaid Home and Community Based Services (HCBS) waivers for FY 2021. Within this amount, KDADS requests \$18.1 million, including \$7.3 million from the State General Fund, for an increase in the reimbursement rates for the TA waiver and \$6.4 million, including \$2.6 million from the State General Fund, for an increase in the reimbursement rates for the BI waiver.

The **Governor** does not recommend funding this enhancement.

Regional Mental Health Inpatient Beds. KDADS requests \$5.0 million, all from the State General Fund, to provide regional mental health inpatient beds for patients for FY 2021. Representatives from KDADS note a portion of the agency's strategic plan to modernize the continuum of care for mental health services in Kansas is to open more regional beds throughout the state. Representatives from KDADS state it is currently identifying community-based organizations that might partner with the State to develop and build capacity for these models.

The **Governor** concurs with the agency enhancement to fund Regional Mental Health Inpatient Beds for FY 2021.

I/DD HCBS Waiver Waiting List Reduction. KDADS requests \$12.0 million, including \$4.8 million from the State General Fund, to reduce the waiting list for the Medicaid HCBS waiver for individuals with an intellectual or developmental disability (I/DD) for FY 2021. Representatives from KDADS state this funding would provide services for an additional 250 individuals.

The **Governor** does not recommend funding this enhancement.

Disability and Behavioral Health Employment. KDADS requests \$12.0 million, including \$4.8 million from the State General Fund, for a disability and behavioral health employment pilot program for FY 2021. Services in the voluntary program include pre-vocational services, supported employment, personal assistant services, independent living skills training, assistive technology, and transportation. The request includes funding for a position to administer the program. Eligibility in the program would be for individuals age 16 through 65 who meet one of the following criteria: certain behavioral health primary diagnoses and receive services through Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI); individuals with SSI currently enrolled in Medicaid and waitlisted for the I/DD or Physical Disability (PD) waiver; or individuals who are receiving services on the I/DD, PD, or BI waiver, who are willing to leave the HCBS waiver. The program is estimated to serve 500 individuals for FY 2021.

The **Governor** does not recommend funding this enhancement.

State Hospitals Electronic Records and Patient Management System. KDADS requests \$4.8 million, all from the State General Fund, to cover costs associated with infrastructure needs and the continued support and maintenance of a new Electronic Health Records system. The request includes \$2.8 million for one-time infrastructure needs and \$2.0 million for ongoing maintenance. This electronic records and patient management system would include programs used to manage patient billing, pharmacy ordering and dispensing, psychological behavior data, inventory tracking, electronic medical records, monitoring of portable defibrillation equipment, accounting and reimbursement, and staff scheduling.

The **Governor** concurs in part with this enhancement. The Governor recommends \$2.8 million, all from the State Institutions Building Fund, for infrastructure costs for an electronic records and patient management system for FY 2021.

Youth Mobile Response Services. KDADS requests \$3.0 million, all from the State General Fund, to support the Mobile Response and Stabilization Service Program and 24/7/365 Crisis Hotline for FY 2021. Representatives from KDADS state the program will provide mobile response and stabilization services to maintain youth in their current residence and prevent repeated hospitalizations. The service program will serve 100 youth and families at risk of out-of-home placement and divert at least 43 youth from Psychiatric Residential Treatment Facilities.

The **Governor** does not recommend funding this enhancement.

Behavioral Health Services in Jails. KDADS requests \$3.0 million, all from the State General Fund, to provide behavioral health services in jails for FY 2021. Representatives from KDADS state this request is intended to implement new programming planned in response to

the Legislative Post Audit (LPA) Committee's 2018 Performance Audit Report Community Mental Health: Evaluating Mental Health Services in Local Jails. The LPA identified the need for an integrated statewide plan and more consistent collaboration between jails and community mental health. KDADS is developing a statewide plan due to the Legislature July 1, 2020. This funding is requested to help fund local jail liaison positions at 26 Community Mental Health Centers (CMHCs), training for jail staff statewide, and facilitating the coordination of community services prior to release for inmates. Additionally, this request includes funding for a Justice Involved Services Coordinator position for \$80,000, all from the State General Fund, to facilitate the program, provide technical support and training statewide, seek federal funding to enhance the program, and coordinate service delivery efforts across the CMHC system for FY 2021.

The **Governor** does not recommend funding this enhancement.

Mental Health Services in NF and NFMH. KDADS requests \$4.0 million, including \$2.8 million from the State General Fund, to provide mental health services in nursing facilities (NFs) and nursing facilities for mental health (NFMHs) for FY 2021. This enhancement includes \$2.0 million, including \$800,000 from the State General Fund, to provide services in NFs and \$2.0 million, all from the State General Fund, to provide services in NFMHs for FY 2021. Representatives from KDADS state federal law requires states provide or arrange for the provision of specialized services needed by an individual while residing in a nursing facility or nursing facility. Representatives from KDADS state these services would be provided by CMHCs to come to the facilities to provide services to patients living with severe persistent mental illnesses.

The **Governor** does not recommend funding this enhancement.

Suicide Prevention Program. KDADS requests \$1.5 million, all from the State General Fund, to establish a statewide suicide prevention program for FY 2021. The enhancement request includes funding for a State Suicide Prevention Coordinator for \$80,000, all from the State General Fund, for FY 2021. The position would be responsible for implementing national prevention strategies and work to identify and apply for federal funding opportunities for statewide suicide prevention. Representatives from KDADS state it would utilize funding to assist service members, veterans, and their families and work with veteran service organizations through peer support programs, community-based services, training, crisis intercept mapping, enhanced follow-up care, and safety planning.

The **Governor** does not recommend funding this enhancement.

Information Security Officer and Cybersecurity. KDADS requests \$1.2 million, including \$1.1 million from the State General Fund, for an information security officer position and cybersecurity expenditures for FY 2021. This request continues KDADS' supplemental request in FY 2020. The enhancement request includes: \$140,000, including \$105,000 from the State General Fund, and 1.0 FTE position for an information security officer position; \$402,800, including \$373,390 from the State General Fund, for migration and operating costs of KDADS to the Executive Branch Information Technology Centralized Service Desk; \$120,720, including \$60,360 from the State General Fund, to support migration and operating costs of KDADS system to the Unisys Hybrid Data Center; and \$539,860, all from the State General Fund, for cybersecurity rates for the four state hospitals for FY 2021.

The **Governor** does not recommend funding this enhancement.

SUD Treatment Services for Uninsured. KDADS requests \$500,000, all from the State General Fund, to increase Substance Use Disorder (SUD) services for uninsured Kansans for FY 2021. Representatives from KDADS state this funding would be used to reimburse SUD providers for treating substance use disorders among uninsured Kansans to support critical treatment interventions needed to prevent overdose deaths, unemployment and loss of productivity, child abuse and neglect, criminal behavior, and corrections involvement. Representatives from KDADS state this increase represents the equivalent of a 3.0 percent increase in total available funding for reimbursing SUD services providers that volunteer to serve uninsured patients.

The **Governor** does not recommend funding this enhancement.

Community Integration Housing First Program. KDADS requests \$500,000, all from the State General Fund, for a Community Integration Housing First Program for FY 2021. The enhancement includes funding for a Housing First Project Coordinator position for \$80,000, all from the State General Fund, for FY 2021. Representatives from KDADS state this program is intended to serve uninsured homeless or at-risk of homelessness consumers with disabilities as they reintegrate into the community from institutional settings, such as a state hospital, correctional facility, county jail, detox unit, or a nursing facility for mental health. Consumers served by the program will be linked to federal benefits for persons with disabilities and the program will focus on teaching computers access and sustain permanent supportive community housing ensuring state compliance with federal law. Representatives from KDADS state this funding is necessary for the KDADS Behavioral Health Services Commission to be compliant with the federal *Olmstead* decision, the Mental Parity Act of 1996, the Social Security Act, and potential compliance for the Medical HCBS Final Rule—integrative behavioral health care model.

The **Governor** does not recommend funding this enhancement.

Staffing Increase. KDADS requests \$425,000, including \$255,000 from the State General Fund, and 6.0 FTE positions to increase staff for programs for FY 2021. The request includes:

- 1.0 FTE Health Facility Surveyor position for \$85,000, all from the State General Fund, for FY 2021. Representatives from KDADS state this position would be responsible for licensing and surveying state-only-funded Adult Care Homes, as KDADS is struggling to comply with statutory requirements for the survey of these facilities under KSA 39-935(b);
- 1.0 FTE Long-Term Care Data Analyst position for \$80,000, including \$40,000 from the State General Fund, for FY 2021. Representatives from KDADS state this position will provide support in monitoring data pertaining to the Long-Term Services and Supports (LTSS) under the KanCare program, including Medicaid HCBS and NF Quality Outcomes; and
- 4.0 FTE LTSS Quality Review Staff positions totaling \$260,000, including \$130,000 from the State General Fund, for FY 2021. Representatives from KDADS state these position will assist the HCBS monitoring team by working in the field to monitor services provided by the KanCare managed care entities to ensure proper oversight in response to the state's LTSS Corrective Action Plan through the federal Centers for Medicare and Medicaid Services (CMS) and feedback from stakeholders.

The **Governor** does not recommend funding this enhancement.

Crisis Intervention Center Pilot at RSI. KDADS requests \$150,000, all from the the State General Fund, for a Crisis Intervention Center pilot at Rainbow Services Inc. (RSI) for FY 2021. Representatives from KDADS state a pilot Crisis Intervention Center could accept both voluntary and involuntary patients and the additional dollars would be available for potential increases in operating expenses, such as professional medication prescribers.

The **Governor** does not recommend funding this enhancement.

Staff Equipment Modernization. KDADS requests \$129,930, including \$64,965 from the State General Fund, for staff equipment modernization for FY 2021. Representatives from KDADS state this funding is needed to lease new computers for staff and provide cell phones for staff in the field who are independently conducting home visits, interviews, and surveys in the homes of the service recipients and other residential settings.

The **Governor** does not recommend funding this enhancement.

Crisis Stabilization Centers Expansion. KDADS requests \$1.5 million, all from the Community Crisis Stabilization Fund, to expand crisis stabilization center services for FY 2021. Representatives from KDADS state due to successes experienced in providing crisis stabilization services in communities, hospital admissions have been reduced and pressure has been taken off of emergency departments and county jails. KDADS is in the process of exploring how crisis stabilization services can be expanded to and implemented in Western Kansas communities and this request would allow two to three communities in Western Kansas to establish a center to offer these services as a hub to multiple counties.

The **Governor** does not recommend funding this enhancement.

Clubhouse Model Program Expansion. KDADS requests \$400,000, all from the Clubhouse Model Program Fund, to expand Clubhouse Model Programs for FY 2021. Representatives from KDADS state Clubhouse Model Programs assist people with mental illness to stay out of hospitals while achieving educational, financial, and vocational goals; without sustained funding, the four start-up Clubhouses started in FY 2019 will have a difficult time maintaining continuity of operations.

The **Governor** does not recommend funding this enhancement.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$3,414,065, including \$1,515,384 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$440,340, including \$243,390 from the State General Fund, and FY 2021 longevity payments total \$489,946, including \$263,215 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

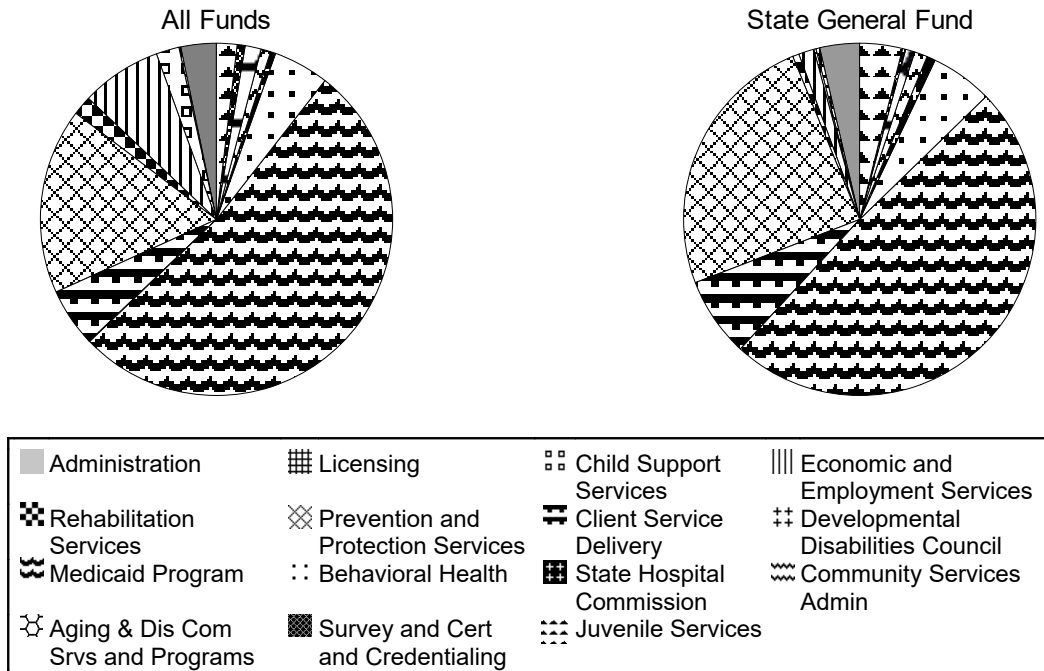
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	45.9 %	42.7 %
Temporary Assistance for Needy Families	10.7	3.1
Children's Initiatives Fund	1.1	0.4
Federal Vocational Rehabilitation	3.1	0.8
Social Services Block Grant - Federal	2.8	0.7
Child Support Enforcement	4.6	1.2
Social Welfare Fund	1.3	0.4
Child Care Development Block Grant	6.1	2.4
Title IVE- Foster Care - Federal	6.0	1.5
Problem Gambling and Addictions Grant Fund	--	0.2
Quality Care Service Fund	--	0.3
Title XIX Federal Fund	--	39.1
Prevention Treatment Substance Abuse Grant	--	0.4
Juvenile FAC	--	0.1
All Other Funds	18.3	6.7
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 68,206,960	2.4 %	\$ 34,120,051	2.8 %
Licensing	3,808,432	0.1	3,119,195	0.3
Child Support Services	43,834,266	1.5	1,900,000	0.2
Economic & Employment Services	155,598,396	5.4	13,260,887	1.1
Rehabilitation Services	37,209,479	1.3	5,388,285	0.4
Prevention & Protection Services	357,105,829	12.3	229,669,418	18.6
Client Service Delivery	112,937,126	3.9	68,101,387	5.5
Developmental Disabilities Council	857,790	0.0	4,778	0.0
Medicaid Program	1,706,952,412	58.9	763,268,504	61.7
Behavioral Health	298,056,970	10.3	53,212,901	4.3
State Hospital Commission	10,350,195	0.4	7,426,944	0.6
Community Services Administration	18,280,311	0.6	11,059,264	0.9
Aging and Disability Community Services and Programs	31,005,260	1.1	7,957,343	0.6
Survey, Certification, and Credentialing	15,503,077	0.5	2,682,058	0.2
Juvenile Services	39,105,336	1.3	36,458,203	2.9
TOTAL	\$ 2,898,811,839	100.0 %	\$ 1,237,629,218	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	239.3	230.7	230.7	230.7	319.7
Licensing	39.0	45.0	45.0	45.0	45.0
Child Support	34.0	34.0	34.0	34.0	34.0
Economic and Employment Services	107.0	115.0	115.0	115.0	115.0
Vocational Rehab	129.8	128.8	128.8	128.8	128.8
Prevention and Protection Services	134.0	145.0	145.0	148.0	145.0
Faith-based Community Initiatives	6.0	--	--	--	--
Region Admin	1,818.9	1,825.5	1,825.5	1,885.5	1,843.5
Developmental Disabilities Council	4.0	4.0	4.0	4.0	4.0
Transfers	0.0	0.0	0.0	0.0	0.0
Medicaid Program	--	--	--	--	0.0
Behavioral Health	--	--	--	--	22.0
State Hospital Commission	--	--	--	--	21.0
Community Services Administration	--	--	--	--	28.0
Aging and Disability Community Services and Programs	--	--	--	--	14.0
Survey and Certification and Credentialing	--	--	--	--	108.0
Juvenile Services	--	--	--	--	22.4
TOTAL	2,511.9	2,527.9	2,527.9	2,590.9	2,850.3

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The mission of the Administration Division is to provide quality and cost-effective services to staff, supervisors, and managers within DCF. This division's services enable employees to complete their work with adequate funding, facilities, equipment, technology, and other support to help ensure their work complies with federal requirements and state policies. Administration consists of six subprograms: Executive and Operations, Legal Services, Audit, Strategic Development, Information Technology Services, and Personnel Services. For FY 2021, the Governor's recommendation includes expenditures previously in the Administration program for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 52.8	\$ 44.4	\$ 46.1	\$ 48.1	\$ 59.0	\$ 68.2
FTE Positions	274.2	244.8	239.3	239.3	230.7	319.7

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 14,690,189	\$ 16,364,096	\$ 16,364,096	\$ 16,041,720	\$ 22,727,814
Contractual Services	32,820,918	42,343,417	41,726,821	37,616,406	44,199,731
Commodities	123,927	420,178	420,178	120,178	235,797
Capital Outlay	496,349	442,323	442,323	213,670	272,268
Debt Service	0	0	0	0	771,350
Subtotal - Operations	\$ 48,131,383	\$ 59,570,014	\$ 58,953,418	\$ 53,991,974	\$ 68,206,960
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 48,131,383	\$ 59,570,014	\$ 58,953,418	\$ 53,991,974	\$ 68,206,960
Financing:					
State General Fund	\$ 24,002,811	\$ 29,981,710	\$ 29,631,061	\$ 28,618,292	\$ 34,120,051
All Other Funds	24,128,572	29,588,304	29,322,357	25,373,682	34,086,909
TOTAL	\$ 48,131,383	\$ 59,570,014	\$ 58,953,418	\$ 53,991,974	\$ 68,206,960
FTE Positions	239.3	230.7	230.7	230.7	319.7

The **agency** requests a revised estimate of \$59.6 million, including \$30.0 million from the State General Fund, for the Administration Division in FY 2020. This is an all funds increase of \$8.9 million, or 17.5 percent, including a State General Fund increase of \$3.5 million, or 13.3 percent, above the FY 2020 approved amount. The increase is primarily attributable to increased expenditures for information technology, including a one-time expenditure to upgrade the Kansas Eligibility Enforcement System software, an upgrade required every five years. The upgrade began in FY 2019 and was completed in FY 2020.

The **Governor** recommends funding \$59.0 million, including \$29.6 million from the State General Fund, for the Administration Division in FY 2020. This is an all funds decrease of \$616,596, including a State General Fund decrease of \$350,649, below the FY 2020 revised estimate. The decrease is primarily attributable to the recommendation not to fund the Office of Information Technology Services (OITS) modernization supplemental request.

The **agency** requests operating expenditures of \$54.0 million, including \$28.6 million from the State General Fund, for the Administration Division for FY 2021. This is an all funds decrease of \$5.6 million, or 9.4 percent, including a State General Fund decrease of \$1.4 million, 4.5 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to decreased informational technology expenditures associated with the one-time cost to upgrade the Kansas Eligibility and Enforcement System. The decrease is partially offset by

increased information technology expenditures for the supplemental requests to develop a new Comprehensive Child Welfare Information System and to move the agency to two OITS modernization initiatives.

The **Governor** recommends operating expenditures of \$68.2 million, including \$34.1 million from the State General Fund, for the Administration Division for FY 2021. This is an all funds increase of \$14.2 million, or 26.3 percent, including a State General Fund increase of \$5.5 million, or 19.2 percent, above the FY 2021 agency request. The Governor also recommends an increase of 89.0 FTE positions above the FY 2021 agency request. The increase is primarily attributable to the Executive Reorganization Order. The Governor recommends \$120,720, including \$60,360 from the State General Fund, for data center as a service for FY 2021.

The **Governor** recommends the adoption assistance subsidy expansion enhancement request of the Department for Children and Families. The Governor does not recommend the Office of Information Technology Services modernization initiatives enhancement request of the Department for Children and Families. The Governor does not recommend the enhancement requests of the Kansas Department for Aging and Disability Services for modernization of staff equipment, an information security officer and cybersecurity expenditures, and an increase in staffing.

Below are the descriptions of selected subprograms included in the above totals.

Executive and Operations. The Executive and Operations subprogram consists of the Office of the Secretary, Operations, the Office for Monitoring Missing Foster Care Children, and the Office for Background Checks and Fingerprinting. The Operations program provides executive direction and manages agency fiscal operations.

Legal Services. The Legal Services subprogram provides legal services and advice to the Secretary and agency programs, including preparing cases for litigation, managing agency efforts to combat fraud, and coordinating activities related to the Health Insurance Portability and Accountability Act (HIPAA).

Audit Services. The Audit Services subprogram provides examination and evaluation of all agency programs. In addition to conducting financial, compliance, and performance audits within the agency, Audit Services is also responsible for performing external audits of grantees, contractors, and providers to ensure compliance with the contract or grant and state rules and regulations.

Strategic Development. The Strategic Development subprogram provides consultation and infrastructure to support training the workforce in new business processes and for improved performance. The goal of the program is to enhance the agency's capacity to provide services through training and staff development.

Information Technology Services. This support subprogram is responsible for managing new information technology systems projects, maintaining information systems that support the agency's business, coordinating access to and protection of the agency's data resources, and providing information technology infrastructure management and user support.

Personnel Services. This support subprogram is responsible for providing personnel support to the regional offices and the central office. These activities include recruitment, retention, and staff employment as well as succession planning for all positions.

Reserve Pool and Insurance. This support subprogram was established to track unfunded positions.

Debt Service Interest. The Administration program also includes interest payments on debt service previously within the budget of the Kansas Department for Aging and Disability Services. Information on principal payment on debt service is included within the capital improvements section of this analysis.

B. Licensing

The Licensing program includes Foster Care Licensing Services, which licenses and regulates foster homes and all other residential and secure child care facilities. Licensing includes licensing of foster care homes, background checks, and fingerprinting. Licensing conducts the initial licensure, ongoing regulatory compliance inspections, and complaint investigations for foster homes, residential centers and group boarding homes, detention and secure care centers, attendant care facilities, staff secure facilities, and secure residential treatment facilities. These activities were transferred from the Department of Health and Environment effective July 1, 2015, pursuant to Executive Reorganization Order No. 43.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Foster Care and Residential Facilities Licensed in Kansas	3,929	4,223	4,451	2,930	3,076	3,229
Enforcement Actions Issued	118	147	156	203	231	259
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	\$ 2.5	\$ 2.3	\$ 2.2	\$ 3.8	\$ 3.8
FTE Positions	N/A	39.0	39.0	39.0	45.0	45.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021.						

LICENSING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,053,608	\$ 2,444,951	\$ 2,444,951	\$ 2,455,549	\$ 2,455,549
Contractual Services	167,168	1,343,174	1,343,174	1,343,174	1,343,174
Commodities	11,203	5,749	5,749	5,749	5,749
Capital Outlay	1,188	3,960	3,960	3,960	3,960
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,233,167</i>	<i>\$ 3,797,834</i>	<i>\$ 3,797,834</i>	<i>\$ 3,808,432</i>	<i>\$ 3,808,432</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,233,167	\$ 3,797,834	\$ 3,797,834	\$ 3,808,432	\$ 3,808,432
Financing:					
State General Fund	\$ 1,748,532	\$ 3,110,654	\$ 3,110,654	\$ 3,119,195	\$ 3,119,195
All Other Funds	484,635	687,180	687,180	689,237	689,237
TOTAL	\$ 2,233,167	\$ 3,797,834	\$ 3,797,834	\$ 3,808,432	\$ 3,808,432
FTE Positions	39.0	45.0	45.0	45.0	45.0

The **agency** requests a revised estimate of \$3.8 million, including \$3.1 million from the State General Fund, for the Licensing Program in FY 2020. The revised estimate is an all funds increase of \$1.5 million, or 63.2 percent, including a State General Fund increase of \$1.3 million, or 69.8 percent, above the FY 2020 approved amount. The increase is primarily attributable to increased costs associated with licensing because of the expansion of license requirements under the federal Family First Prevention Services Act.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests operating expenditures of \$3.8 million, including \$3.1 million from the State General Fund, for the Licensing Program for FY 2021. This is an all funds increase of \$10,598, or 0.3 percent, including a State General Fund increase of \$8,541, or 0.3 percent, above the FY 2020 revised estimate. The increase is primarily attributable to increased expenditures for group health insurance, partially offset by decreased employee retirement system contributions.

The **Governor** concurs with the agency's request for FY 2021.

C. Child Support Services

The U.S. Congress passed the Child Support Enforcement program, Title IV-D of the Social Security Act, which requires each state to establish an effective statewide uniform child support program. Failure to meet federal requirements of child support enforcement can result in fiscal sanctions to both the Temporary Assistance for Needy Families (TANF) Block Grant and Child Support Enforcement grants. The Child Support Enforcement program is a federal, state, county, and private operation that must satisfy numerous federal requirements. DCF is the designated Title IV-D child support enforcement agency for Kansas. Although a majority of persons served are receiving other DCF benefits, any custodial parent may ask for absent parent location and support enforcement services. Any non-custodial parents may apply to establish paternity or modify a support order as well. Effective July 1, 2015, cooperation with child support services is mandatory for persons to receive food assistance.

During FY 2019, the Child Support Services (CSS) program collected \$214.8 million and estimates collection of \$220.5 million for FY 2020 and \$227.7 million for FY 2021. The federally mandated single receipting and disbursement operation for all child support payments, the Kansas Payment Center, has estimated operating costs of \$3.8 million in FY 2020. This is an increase of \$74,500, or 2.0 percent, above the FY 2019 actual amount, as reflected in the terms of the multi-year contract. Of the collections, approximately \$923,374 will be paid to the Office of Judicial Administration for child support services provided by the central staff and Clerks of the Court in FY 2020. The majority of expenditures are associated with the contracts for privatized child support enforcement, estimated at \$23.3 million in FY 2020. The Customer Service Center is designed to streamline the work of regional staff by handling routine communication with clients at an estimated cost of \$1.6 million in FY 2020.

In FY 2020, the agency estimates a caseload of 139,419 cases with collections of \$220.5 million and an average of \$1,582 collected per case. Of this amount, the State will retain \$6.3 million. For FY 2021, the agency estimates a caseload of 141,327 cases with collections of \$227.7 million and an average of \$1,611 collected per case. Of this amount, \$5.8 million will be retained by the State. In FY 2019, the agency estimates a caseload of 141,321 cases with collections of \$213.5 million and an average of \$1,510 collected per case. Of this amount, the State will retain \$7.0 million. For FY 2020, the agency estimates a caseload of 143,234 cases with collections of \$217.7 million and an average of \$1,520 collected per case. Of this amount, \$6.3 million will be retained by the State.

The CSS program also includes fatherhood initiatives that are intended to encourage the involvement of absent parents in their children's lives.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Percent of Cases with Child Support Orders	85.9 %	88.5 %	N/A	89.3 %	90.0 %	90.0 %
Percent of Current Child Support Collected	55.5 %	55.7 %	55.8 %	56.2 %	56.4 %	56.6 %
Support-collections-to-cost Ratio	5.90:1	5.57:1	N/A	5.72:1	5.75:1	5.75:1
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 36.6	\$ 35.8	\$ 37.7	\$ 36.1	\$ 36.2	\$ 43.8
FTE Positions	33.0	34.0	34.0	34.0	34.0	34.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021.						

CHILD SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,918,447	\$ 2,194,764	\$ 2,194,764	\$ 2,204,136	\$ 2,204,136
Contractual Services	32,684,415	32,338,778	32,338,778	39,980,704	39,980,704
Commodities	19,478	27,700	27,700	27,700	27,700
Capital Outlay	3,818	8,170	8,170	8,170	8,170
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 34,626,158</i>	<i>\$ 34,569,412</i>	<i>\$ 34,569,412</i>	<i>\$ 42,220,710</i>	<i>\$ 42,220,710</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	1,425,688	1,613,556	1,613,556	1,613,556	1,613,556
TOTAL	\$ 36,051,846	\$ 36,182,968	\$ 36,182,968	\$ 43,834,266	\$ 43,834,266
Financing:					
State General Fund	\$ 800,000	\$ 800,000	\$ 800,000	\$ 1,900,000	\$ 1,900,000
All Other Funds	35,251,846	35,382,968	35,382,968	41,934,266	41,934,266
TOTAL	\$ 36,051,846	\$ 36,182,968	\$ 36,182,968	\$ 43,834,266	\$ 43,834,266
FTE Positions	34.0	34.0	34.0	34.0	34.0

The **agency** requests a revised estimate of \$36.2 million, including \$800,000 from the State General Fund, for the Child Support Services program in FY 2020. The revised estimate is an all funds decrease of \$349,026, or 1.0 percent, below the FY 2020 approved amount. The decrease is primarily attributable to decreased expenditures for staffing and recruiting services, postage, and attorney fees, partially offset by increased service contract costs and increased expenditures associated with an information technology project to re-platform child support services systems to a supported format.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests operating expenditures of \$43.8 million, including \$1.9 million from the State General Fund, for the Child Support Services program for FY 2021. This is an all funds increase of \$7.7 million, or 21.1 percent, including a State General Fund increase of \$1.1 million, or 137.5 percent, above the FY 2020 revised estimate. The increase is primarily attributable to increased expenditures for an information technology project to re-platform child support services systems and increased costs for service contracts.

The **Governor** concurs with the agency's request for FY 2021.

D. Economic and Employment Services

Economic and Employment Services has the responsibility for a variety of economic and other assistance programs. These include Temporary Assistance for Needy Families (TANF) cash assistance and employment services, energy assistance, refugee assistance, food assistance, the food assistance employment program, child care, and federal food distribution programs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Percent of EES Applications Processed Timely	96.5 %	88.9 %	94.0 %	96.6 %	97.0 %	97.0 %
Percent of TANF Recipients Retaining Employment after One Quarter	83.5 %	86.2 %	36.0 %	84.2 %	86.0 %	86.0 %
Percent of TANF Recipients Obtaining Employment (New Methodology Begun in 2019)	N/A	N/A	N/A	43.0 %	44.0 %	45.0 %
Percent of Families Losing TANF Due to Employment Who Continue to Receive Food Asst., Transitional Asst., and Child Care	89.1 %	86.9 %	N/A	94.0 %	95.0 %	96.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 130.4	\$ 124.7	\$ 151.3	\$ 134.8	\$ 167.6	\$ 155.6
FTE Positions	93.0	102.0	102.0	107.0	115.0	115.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021. Note: The data for Temporary Assistance for Needy Families (TANF) recipients retaining employment in the quarter following employment was measured prior to 2019, but relied upon self-reporting, which the agency viewed as less reliable. Beginning in 2019, DCF began matching its TANF employment information with the Department of Labor (KDOL) information to identify individuals reporting earnings in the quarter following employment. With access to this KDOL information, DCF was able to rerun the data and update the percentages for earlier years, but not the Governor's recommendations. Note: Until FY 2019, DCF measured the percent of TANF recipients reporting new employment month to month; the methodology was changed to consider if employment was reached over the year. DCF decided not to go back and try to calculate revised data for previous years.						

ECONOMIC AND EMPLOYMENT SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 6,924,444	\$ 7,962,234	\$ 7,962,234	\$ 7,988,717	\$ 7,988,717
Contractual Services	9,649,702	10,387,599	10,387,599	9,821,932	9,821,932
Commodities	49,778	47,826	47,826	48,171	48,171
Capital Outlay	19,541	13,532	13,532	13,532	13,532
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 16,643,465	\$ 18,411,191	\$ 18,411,191	\$ 17,872,352	\$ 17,872,352
Aid to Local Units	0	0	0	0	0
Other Assistance	118,204,372	147,548,244	149,148,244	135,587,044	137,726,044
TOTAL	\$ 134,847,837	\$ 165,959,435	\$ 167,559,435	\$ 153,459,396	\$ 155,598,396
Financing:					
State General Fund	\$ 12,625,955	\$ 12,951,606	\$ 12,951,606	\$ 12,721,877	\$ 13,260,877
All Other Funds	122,221,882	153,007,829	154,607,829	140,737,519	142,337,519
TOTAL	\$ 134,847,837	\$ 165,959,435	\$ 167,559,435	\$ 153,459,396	\$ 155,598,396
FTE Positions	107.0	115.0	115.0	115.0	115.0

The **agency** requests a revised estimate of \$166.0 million, including \$13.0 million from the State General Fund, for the Economic and Employment Services program in FY 2020. This

is an all funds increase of \$5.9 million, or 3.7 percent, including a State General Fund increase of \$139,945, or 1.1 percent, above the FY 2020 approved amount. This increase is primarily attributable to increased expenditures for the Low Income Energy Assistance subprogram, which received a federal supplemental appropriation.

The **Governor** recommends \$167.6 million, including \$13.0 million from the State General Fund. The increase is attributable to the TANF caseload adjustment (a \$1.6 million increase).

The **agency** requests operating expenditures of \$153.5 million, including \$12.7 million from the State General Fund, for the Economic and Employment Services program for FY 2021. This is an all funds decrease of \$12.5 million, or 7.5 percent, including a State General Fund decrease of \$229,729, or 1.8 percent, below the FY 2020 revised estimate. This decrease is primarily attributable to decreased expenditures for the Low Income Energy Assistance subprogram, which received a one-year federal supplemental appropriation in FY 2020.

The **Governor** recommends \$155.6 million, including \$13.3 million from the State General Fund. This is an all funds increase of \$2.1 million, or 1.4 percent, and a State General Fund increase of \$539,000, or 4.2 percent, above the FY 2021 agency request. The increase is primarily attributable to the TANF caseload adjustment (a \$1.6 million increase) and the addition of State General Funds for the Jobs for America's Graduates--Kansas (JAG-K) expansion.

Below are descriptions of the Economic and Employment Services subprograms.

Temporary Assistance for Needy Families (TANF) Cash Assistance Program. This subprogram provides cash assistance to very low-income families. Families with incomes less than 30.0 percent of the federal poverty level may qualify for TANF assistance. Almost all families with an adult must participate in work activities and seek employment through the TANF Employment Services program. Cash assistance is not an entitlement and is limited to 24 months, with provisions for extended assistance up to 36 months if the family meets hardship criteria. Families must cooperate with the child support collection program in order to receive benefits. TANF benefits are financed by the federal TANF Block Grant and state funds. This program is subject to the consensus caseload estimating process in the fall and spring of each year.

In order to receive the entire \$101.5 million federal TANF Block Grant, Kansas must spend a specified minimum in state funds, the TANF Maintenance of Effort (TANF MOE). The TANF MOE is \$65,866,230 and represents 80.0 percent of state funds spent in the base fiscal year of 1994. The MOE is reduced to 75.0 percent of the amount for states that meet the work requirements. The TANF MOE is budgeted in specific program budgets. A major source of the MOE is net refunds from the Kansas Earned Income Tax Credit. The TANF law allows states to claim refundable tax credits toward the MOE if the credit exceeds the underlying tax upon which the tax credit is based.

During FY 2012, the medical assistance and cash assistance applications were separated, which has resulted in reductions in cash assistance caseloads. When the applications were together, the individual did not have to choose to make a separate application for cash assistance.

The **agency** estimates a caseload of approximately 3,618 families, including 8,020 average monthly persons, at an average cost of \$114.00 per person in FY 2020. The estimate is based on the caseload estimate of \$11.0 million. For FY 2021, the agency estimates a caseload

of approximately 3,618 families, including 8,020 average monthly persons, at an average cost of \$114.00 per person.

The **Governor** recommends adjusting the caseload to \$12.6 million for an average of 9,211 persons each month in FY 2020. This is an increase of \$1.6 million, all from federal funds, above the Spring 2019 estimate.

TANF Employment Services. This subprogram provides services that help adults obtain and keep employment. All adult TANF recipients, except those with a child under 2 months of age and those needed in the home to care for a disabled household member, must work or participate in work-readiness activities of 30 hours a week, 20 hours if the child is under the age of 6 (55 hours for two-parent households). Federal law requires that at least 50.0 percent of all families and 90.0 percent of two-parent families be "engaged in work," or the State risks a reduction in the TANF Block Grant. The program offers 12 months of transitional services to families leaving cash assistance for employment. TANF Employment Services are financed by the TANF Block Grant.

The **agency** anticipates a caseload of 2,243 average persons per month accessing employment services at a monthly cost of \$104.72 per person in FY 2020. The estimate is based on the caseload estimate of \$2.8 million. The agency anticipates a caseload of 2,243 average persons per month accessing employment services for FY 2021 at a monthly cost of \$112.44 per person. The estimate is based on a caseload estimate of \$3.0 million.

The **Governor** concurs with the agency's estimates for FY 2020 and FY 2021.

The Economic and Employment Services program also includes other programs funded from the federal TANF Fund.

Low Income Energy Assistance Program. This subprogram provides a one-time annual benefit to low-income households for energy bills to avoid the shutoff of utility services during the winter. To qualify for energy assistance, households must have incomes below 130.0 percent of the federal poverty level, must have made recent payments on their energy bills, and must pay directly for heating costs or must pay rent that includes utility costs. Payments are sent directly to the utility/fuel provider, and the payments are credited to the household's bill. The program is funded entirely by a block grant from the U.S. Department of Health and Human Services.

The **agency** estimates providing assistance to 332,665 households, including 70,891 persons, at an average cost of \$1,015 per year in FY 2020. For FY 2021, the agency estimates providing assistance to 32,665 households, including 70,891 persons, at an average cost of \$785 per year. For FY 2020, the State received a supplemental benefit from the federal government of \$7.5 million, which temporarily increased the amount of the offset.

The **Governor** concurs with the agency's estimate for FY 2020 and FY 2021.

Food Assistance. This subprogram provides benefits to individuals and families to assist with food costs. This 100.0 percent federally funded program assists individuals and families with incomes less than 130.0 percent of the federal poverty level. Food assistance benefits are issued through electronic benefit transfer (EBT) Each family or individual receives a plastic "Vision" card with credit in an individual account that may be used only for the purchase of food. Food assistance benefit expenditures are not show in the state budget because expenditures are not made from the state treasury. The funding is not included in the state budget; however, the agency estimates a decrease in both caseloads and expenditures for this program.

Food Assistance					
	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Agency Est.	FY 2021 Agency Est.
Average Monthly Persons	239,592	219,738	205,261	193,036	182,371
Food Assistance Benefits (In Millions)	\$323.9	\$299.4	\$269.8	\$256.0	\$242.9

Supplemental Assistance Nutrition Program (SNAP) Employment and Training Program. This subprogram operates in 36 counties, including Douglas, Sedgwick, and Shawnee, providing job search, education related to employment, and job retention services to adults under age 50 receiving SNAP benefits but not receiving TANF cash assistance. The U.S. Department of Agriculture provides 100.0 percent of the administrative costs and 50.0 percent of participant costs. In addition, the subprogram includes a three-year federal grant received in September 2018, to design, implement, and evaluate a website to improve communication between DCF and SNAP registrants. Previously, this subprogram included the SNAP Employment and Training Pilot program, which upon its end on March 31, 2019, transitioned to the SNAP Work Program (GOALS), and is now funded through TANF.

The **agency** estimates, in FY 2020, assisting an average of 250 persons at an average monthly cost of \$34.39 per person in the SNAP Employment and Training program, and 2,208 average persons at an average monthly cost of \$137.00 per person for GOALS. For FY 2021, the agency estimates assisting an average of 275 persons at an average monthly cost of \$28.05 per person in the SNAP Employment and Training program and 2,208 persons at an average monthly cost of \$137.00 for GOALS.

The **Governor** concurs with the agency's estimates for FY 2020 and FY 2021.

Child Care Assistance Program. This subprogram provides payments to child care providers, allowing low-income families to remain in the workforce. To qualify, families must have incomes below 185.0 percent of the federal poverty level (FPL) and must comply with Child Support Enforcement requirements. Families with incomes above 70.0 percent of the FPL are required to pay a share of the child care cost. Child care is provided by centers, licensed providers, and unregulated providers, which covers care by relatives and care provided by persons in the child's home.

A majority of the financing in the Child Care Assistance program is provided by the federal Child Care and Development Fund, which is composed of mandatory, matching, and discretionary funds. For a state to access mandatory and matching funds, it must meet the state MOE (\$6.7 million) and use at least 70.0 percent of the total amount for TANF families or those at risk of TANF assistance. Discretionary funds are 100.0 percent federal funds and matching funds are matched at the Federal Medical Assistance Percentage rate (approximately 40.0 percent from the state and 60.0 percent from the federal level).

The majority of child care quality expenditures are devoted to resource and referral services. The program provides information to parents about child care available in their communities and referrals to other programs in response to family needs. It also maintains databases on child care programs, builds the supply of child care by providing training and technical assistance to new and existing providers, and improves child care quality by offering training for family child care providers, center staff, and directors.

Three policy changes took effect in July 2019, which provided that children in out-of-home placements in the custody of the state receive child care services; reduced the child care

assistance eligibility from 28 to 20 hours per week; and made child care assistance available to families participating in the GOALS employment program. According to the agency, these policy changes are projected to increase the child care caseload by 2,886 children monthly at an annual cost of \$17.7 million in FY 2020.

The **agency** estimates assisting an average of 6,493 families, including 11,881 children, at an average monthly cost of \$424 per child in the child care assistance program in FY 2020. For FY 2021, the agency estimates assisting an average of 6,682 families, including 12,226 children, at an average monthly cost of \$441.

The **Governor** concurs with the agency's estimates for FY 2020 and FY 2021.

Kansas Early Head Start Program. This subprogram provides early intervention services to low-income pregnant women and families with infants and toddlers, and children with disabilities through weekly home visits and child care, including physical and mental health education, nutrition education, social services, parental involvement and education, services for children with disabilities, job seeking and retention support, and other family support services.

The **agency** estimates providing services to an average of 955 children monthly in FY 2020 and FY 2021, at an average monthly cost of \$11,068.

The **Governor** concurs with the agency's estimate for FY 2020 and FY 2021.

E. Rehabilitation Services

The Rehabilitation Services program is responsible for seeing that comprehensive vocational rehabilitation (VR) services are available to help people with disabilities become gainfully employed. Within the Rehabilitation Services program is the Kansas Commission for the Deaf and Hard of Hearing as well as the Department's responsibilities for the federal Workforce Innovation and Opportunity Act, which requires cooperation with the Kansas Department of Commerce and the Kansas Board of Regents.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Number of Kansans with Disabilities Achieving Competitive, Integrated Employment	1,021	1,062	1,050	1,201	1,225	1,250
Number of Kansans Served through the End Dependence Initiative	517	611	800	1,086	1,400	2,000
Percent of DDS Claims Processed Accurately	97.3 %	96.8 %	97.0 %	97.0 %	97.5 %	98.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 31.5	\$ 30.8	\$ 37.3	\$ 30.4	\$ 37.2	\$ 37.2
FTE Positions	129.8	128.8	129.8	129.8	128.8	128.8
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021.						

REHABILITATION SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,433,865	\$ 6,833,841	\$ 6,833,841	\$ 6,865,159	\$ 6,865,159
Contractual Services	9,505,025	10,407,619	10,407,619	10,412,935	10,412,935
Commodities	48,752	62,431	62,431	62,431	62,431
Capital Outlay	313,355	315,426	315,426	315,426	315,426
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 14,300,997</i>	<i>\$ 17,619,317</i>	<i>\$ 17,619,317</i>	<i>\$ 17,655,951</i>	<i>\$ 17,655,951</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	16,097,467	19,553,528	19,553,528	19,793,528	19,553,528
TOTAL	<u>\$ 30,398,464</u>	<u>\$ 37,172,845</u>	<u>\$ 37,172,845</u>	<u>\$ 37,449,479</u>	<u>\$ 37,209,479</u>
Financing:					
State General Fund	\$ 4,549,304	\$ 5,384,781	\$ 5,384,781	\$ 5,628,285	\$ 5,388,285
All Other Funds	25,849,160	31,788,064	31,788,064	31,821,194	31,821,194
TOTAL	<u>\$ 30,398,464</u>	<u>\$ 37,172,845</u>	<u>\$ 37,172,845</u>	<u>\$ 37,449,479</u>	<u>\$ 37,209,479</u>
FTE Positions	129.8	128.8	128.8	128.8	128.8

The **agency** requests a revised estimate of \$37.2 million, including \$5.4 million from the State General Fund, for the Rehabilitation Services program in FY 2020. This is an all funds decrease of \$222,362, or 0.6 percent, including a State General Fund increase of \$4,474, or 0.1 percent, from the FY 2020 approved amount. The decrease is primarily attributable to decreased expenditures for staffing and recruiting services and the repair of computer equipment, partially offset by increased expenditures for costs associated with the Office of Information Technology Services.

The **Governor** concurs with the agency's revised estimate for Rehabilitation Services in FY 2020.

The **agency** requests operating expenditures of \$37.4 million, including \$5.6 million from the State General Fund, for the Rehabilitation Services program for FY 2021. This is an all funds increase of \$276,634, or 0.7 percent, including a State General Fund increase of \$243,504, or 4.5 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the increased grants for rehabilitation services independent living enhancement request.

The **Governor** recommends \$37.2 million, including \$5.4 million from the State General Fund, for Rehabilitation Services for FY 2021. This is a decrease of \$240,000, all from the State General Fund, below the FY 2021 agency request. The Governor's recommendation does not include funding for the agency's enhancement request to increase grants for rehabilitation services independent living.

Below are descriptions of the Rehabilitation Services Program subprograms.

Services for the Blind Program. This subprogram provides programs for people who are blind or visually impaired, including core vocational rehabilitation to help consumers become gainfully employed through the Business Enterprise Program (BEP). The BEP implements the Randolph-Sheppard Act of 1936, which prioritizes vending stands operate by legally blind persons in federal buildings. Kansas law extends the Act to state and local buildings.

Disability Determination Services. This subprogram provides services that make disability and blindness determinations for the U.S. Social Security Administration on the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) claims filed or reviewed in Kansas. The workload consists of claims for adults and children filing for initial, reconsideration, and hearings level decisions. Continuing disability reviews also are conducted for Kansans already receiving disability benefits.

Rehabilitation Services Case Services. This subprogram provides services to assist persons with physical or mental disabilities to obtain employment and live more independently. To be eligible to receive services, a person must have a physical or mental impairment that presents a substantial impairment to employment. In addition, Rehabilitation Services Independent Living develops and provides services to individuals in partnership with the Statewide Independent Living Council.

Rehabilitation Services Independent Living. This subprogram develops and provides to individuals the skills for inclusion in all aspects of community life, including engagement on employment goals as well as teaching independent living skills and advocating for inclusion of individuals with disabilities. It also provides specialized independent living services to older individuals (55+) who are blind or visually impaired to assist them continue living in their own homes and communities through grants to community partners.

Rehabilitation Services Innovation and Expansion. This subprogram supports the federally mandated State Rehabilitation Council, which provides guidance in implementing the Vocational Rehabilitation program and direction in developing the State Plan. The Council was established in 1998, and Innovation and Expansion was consolidated into the Rehabilitation Services Administration program effective July 1, 2019.

End Dependence Kansas. This is a multi-year, multi-agency program to implement and sustain evidence-based employment practices to increase employment options and outcomes for Kansans with disabilities. The program is operated in cooperation with the Kansas Department of Commerce, the Kansas Department of Health and Environment, the Kansas Department for Aging and Disability Services, and the Kansas Department of Corrections.

F. Prevention and Protection Services

Prevention and Protection Services has a mission to protect children; promote permanent, nurturing families; and strengthen community partnerships to serve children. Prevention and Protection Services delivers services to the target population through multiple programs: Administration, Protection Reporting Center, Child Protective Services, Family Services, Reintegration/Foster Care, and Adoption/Alternate Permanency. This division also provides investigative and intervention services for adults directed towards safeguarding the well-being and welfare of adults in need of protection, such as aged and disabled individuals, and potential victims of human trafficking.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Percent of Children Reaching Permanency within 12 Months of Entering Foster Care	38.1 %	35.8 %	37.5 %	36.4 %	37.0 %	38.0 %
Percent of Adult Protective Service Investigations Completed Timely	94.1 %	89.7 %	90.0 %	82.8 %	85.0 %	89.7 %
Percent of Adoptions within 24 Months of the Removal from Home	22.2 %	17.6 %	22.1 %	17.0 %	23.6 %	23.6 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 230.1	\$ 254.3	\$ 282.0	\$ 286.1	\$ 335.8	\$ 357.1
FTE Positions	124.0	136.0	134.0	134.0	145.0	145.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021.						

In 2013, PEW researchers, as part of the Results First Model, reviewed the performance measures used by the agency for the Family Preservation Program, specifically considering the intervention success rates. Of the 21 interventions reviewed, PEW was only able to rate nine because of the lack of certain data such as the number of participants receiving the service, the duration of the services, and the frequency by which the services are provided. The contractors for Family Preservation did not measure the interventions at that level.

When the current administration took office, the decision was made to terminate and rebid these contracts. The current contracts include five performance measures for two different tiers. These different tiers include specific intervention types, with Tier 1 considered higher risk than Tier 2. The performance outcomes the contracts require be measured are:

- Families referred shall be engaged timely in Family Preservation Services;
- Families will not experience affirmed or substantiated abuse or neglect during participation in Tier 1 Family Preservation Services or in Tier 2 Family Preservation Case Management Services;
- Families will not have a child referred to the foster care program during the referral period of Tier 1/Tier 2 services or within 30 days of case closure. Children will not be referred to the foster care program during the referral period of Tier 1/Tier 2 services or within 30 days of case closure;
- Babies are born substance free to pregnant women using substances other than opioids who are referred to Family Preservation Services in all Service Tiers; and
- Women using opioids during pregnancy will receive a referral to medication assisted treatment.

These contracts began January 1, 2020, and will run through June 30, 2024.

PREVENTION AND PROTECTION SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,689,147	\$ 8,349,689	\$ 8,349,689	\$ 8,619,879	\$ 8,381,672
Contractual Services	6,005,414	5,335,300	5,335,300	6,990,155	4,981,240
Commodities	44,226	50,717	50,717	50,717	50,717
Capital Outlay	32,759	63,825	63,825	63,321	63,321
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 13,771,546</i>	<i>\$ 13,799,531</i>	<i>\$ 13,799,531</i>	<i>\$ 15,724,072</i>	<i>\$ 13,476,950</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	272,312,887	318,468,258	321,968,258	326,968,879	343,628,879
TOTAL	<u>\$ 286,084,433</u>	<u>\$ 332,267,789</u>	<u>\$ 335,767,789</u>	<u>\$ 342,692,951</u>	<u>\$ 357,105,829</u>
Financing:					
State General Fund	\$ 185,604,479	\$ 216,999,590	\$ 216,999,590	\$ 223,206,540	\$ 229,669,418
All Other Funds	100,479,954	115,268,199	118,768,199	119,486,411	127,436,411
TOTAL	<u>\$ 286,084,433</u>	<u>\$ 332,267,789</u>	<u>\$ 335,767,789</u>	<u>\$ 342,692,951</u>	<u>\$ 357,105,829</u>
FTE Positions	134.0	145.0	145.0	148.0	145.0

The **agency** requests a revised estimate of \$332.3 million, including \$217.0 million from the State General Fund, for the Prevention and Protection Services program in FY 2020. This is an all funds increase of \$2.5 million, or 0.7 percent, including a State General Fund increase of \$2.0 million, or 0.7 percent, above the FY 2020 approved amount. The increase is primarily attributable to increased expenditures to implement the federal Family First Prevention Services program and the supplemental request to expand the adoption assistance subsidy, partially offset by decreased expenditures for the new foster care contracts due to the covering of only three-quarters of the year at the new rates.

The **Governor** recommends \$335.8 million, including \$217.0 million from the State General Fund, for Prevention and Protective Services in FY 2020. This is an increase of \$3.5 million, or 1.1 percent, all from special revenue funds, above the FY 2020 revised estimate. The increase is attributable to the foster care case load adjustments.

The Governor recommends funding \$3.7 million, including \$1.3 million from the State General Fund, for the supplemental request to expand the adoption assistance subsidy.

The **agency** requests operating expenditures of \$342.7 million, including \$223.2 million from the State General Fund, for the Prevention and Protection Services program for FY 2021. This is an all funds increase of \$10.4 million, or 3.1 percent, including a State General Fund increase of \$6.2 million, or 2.9 percent, above the FY 2020 revised estimate. The increase is primarily attributable to increased expenditures for enhancement requests to expand the adoption assistance subsidy, increase Family First Prevention Services grants and case management staff, and enhance services for youth ages 15 and older facing crisis, juvenile offender allegations, or are at risk of entry into foster care.

The **Governor** recommends \$357.1 million, including \$229.7 million from the State General Fund, for Prevention and Protection Services for FY 2021. This is an all funds increase of \$14.4 million, or 4.2 percent, and a State General Fund increase of \$6.5 million, or 2.9 percent, above the FY 2021 agency request. The increase is primarily attributable to the foster care caseload adjustments of \$17.2 million from all funds, including \$9.0 million from the State General Fund.

The Governor recommends funding of \$12.2 million, including \$5.2 million from the State General Fund, for two enhancement requests to expand the adoption assistance subsidy and to increase family first prevention grants. The Governor does not recommend two enhancement requests to expand the adult protective services financial abuse investigations and enhance services for youth 15 and older at risk facing crisis, juvenile offender allegations, or are at risk of entry into foster care.

Below are the details for selected subprograms included in the above totals.

Protection Report Center (PRC). This subprogram provides a 24-hours-a-day, 7-days-a-week hotline to take reports from callers statewide regarding alleged abuse or neglect. The PRC screens the reports and sends the reports needing investigation to the local DCF area office if warranted. If reports received at the PRC after hours are determined to meet the criteria for a same-day response, PRC staff will notify the local law enforcement agency.

Child Protective Services. This subprogram responds to reports alleging a child is in need of care. Social workers in local DCF offices are responsible for determining if a child abuse report is valid and whether there is a need for further action. If the report alleges abuse or neglect, the response involves assessing the immediate safety of the child, evaluating the family's ability to protect the child, and determining the services required to support the family in safely caring for their child.

Adult Protective Services. This subprogram provides activities directed towards safeguarding the well-being and welfare of adults in need of protection. Social workers investigate reports of abuse or neglect and arrange for provision of services to those individuals.

Community Services. This subprogram establishes local collaborative efforts to provide services to children and their families to prevent unnecessary placements of children into foster care. These efforts are primarily directed at children who are safe from abuse or neglect, or both, by their caregivers but who need preventive services either because of their own behaviors or the parents' need for support. These could be children with behavioral problems, truants, or children with serious medical or mental health needs.

Family Services. Family services are provided to families in crisis resulting from sudden onset of urgent circumstances endangering a child and resulting in the risk of removal from their home. These services are provided to the entire family rather than to individual family members.

Family Preservation Services. This subprogram provides intensive in-home services offered to families, through a contract with a private vendor, who are at risk of having a child come into the custody of DCF and removed from their home unless the family can make the changes necessary to provide adequate care and safety. The DCF social worker is responsible for monitoring service delivery to achieve established outcomes.

Families First Prevention Services. This subprogram provides prevention services to keep children and youth from entering foster care and out-of-home placement through evidence-based or emerging programs in mental health, substance abuse, parent skill building, and kinship navigation. This subprogram is based on the federal Family First Prevention Services Act requirements, which permits states to use Title IV-E funds for these prevention services. Grants to community partners and stakeholders to provide these services will begin October 1, 2019.

The **agency** estimates providing services to 2,422 families at an average cost of \$5,184.83 in FY 2020.

The **Governor** concurs with the agency's estimate.

Reintegration/Foster Care Services. This subprogram provides services that have been provided through private contract agencies since 1997. Services provided by the child welfare case management providers include case planning, placement, service delivery, and collaboration with communities. DCF workers are responsible for monitoring service delivery to achieve established outcomes. Services are provided to children and families when the court has found the child to be a child in need of care and requiring out-of-home placement to meet their safety needs. New foster care grants began October 1, 2019. One grant has been awarded in each of the eight DCF catchment areas. The new foster care grantees are Saint Francis Ministries, KVC Kansas, TFI, and Cornerstones of Care.

The **agency** estimates serving approximately 7,600 children per month at an estimated monthly cost of \$2,662 for FY 2020 and FY 2021. This does not include any adjustments made by the consensus caseload estimating process to which this program is subject.

The **Governor** recommends \$246.3 million, including \$172.0 million from the State General Fund, for Reintegration/Foster Care in FY 2020, which is an increase of \$3.5 million from all funds, and none from the State General Fund, for caseload adjustments. The Governor recommends \$260.0 million, including \$181.0 million from the State General Fund, for FY 2021. The recommendation includes an all funds increase of \$17.2 million, and a State General Fund increase of \$9.0 million, for the transition to new contracts, which will cover the full year, and caseload adjustments, which include an anticipated increase in the number of children anticipated to be served.

Adoption Support Services. This subprogram provides services that are designed to benefit children whose parents' parental rights have been terminated or relinquished by providing the children with a permanent family. Examples of services include:

- Adoption support payments are available to assist adoptive families in meeting the special needs of the children they adopt;
- Permanent guardianship is an alternative permanent placement when the courts have determined children cannot return home but for whom adoption is not an option; and
- Life Skills and Independent Living Services are provided to older children to prepare them for adulthood once they leave state custody.

In FY 2020 and FY 2021 in adoption support, the **agency** estimates providing support for an average of 9,811 children at an average monthly cost of \$435.44. If the supplemental/enhancement request to expand the adoption assistance subsidy is approved, the agency estimates this funding would provide for an additional 387 adoptions in FY 2020 and 648 adoptions in FY 2021.

The **Governor** recommends \$43.6 million, including \$22.4 million from the State General Fund, for adoption support in FY 2020. The Governor recommends \$44.9 million, including \$22.9 million from the State General Fund, for FY 2021. These recommendations include funding both the FY 2020 supplemental request and FY 2021 enhancement request to expand the adoption assistance subsidy.

Permanent Custodianship. This is a permanency option when reintegration and adoption are not a preferred option for the child. When a custodianship is established, a subsidy may be provided to assist the families until the child reaches 18 years of age.

In FY 2020 in permanent custodianship, the **agency** estimates serving an average of 146 children a month at an average monthly cost of \$291. For FY 2021, the agency estimates serving an average of 127 children a month at an average monthly cost of \$291.

The **Governor** concurs with the agency's estimates for FY 2020 and FY 2021.

Independent Living. Independent living services are available to any child in the custody of the Secretary and in out-of-home placement for any length of time on or after their 15th birthday. Available services include assistance with completing secondary and post-secondary education, monthly subsidies, life-skills training, and leadership opportunities.

In FY 2020 for independent living, the **agency** estimates serving an average of 911 youth per month at an average monthly cost of \$2,415 per child. For FY 2021, the agency estimates serving an average of 920 youth per month at an average monthly cost of \$2,472.

The **Governor** concurs with the agency's estimates for FY 2020 and FY 2021.

Human Trafficking. This program rapidly assesses alleged juvenile victims of human trafficking and refers them to the appropriate services and temporary placement.

G. Client Service Delivery

Operations staff are employed throughout Kansas and deliver the bulk of all DCF benefits and many direct services in 36 service centers throughout the four regional management areas (East, Kansas City, West, and Wichita). The staff in these four regions perform a variety of functions, including determining eligibility for DCF programs; investigating alleged abuse, neglect, and fiduciary abuse of adults, and helping provide protective services; investigating alleged abuse and neglect of children, and coordinating with and overseeing all foster care, adoption, and family preservation contractors; coordinating all DCF programs and services; and conducting quality assurance and monitoring for children and adults receiving services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Percent of EES Applications Processed Timely	96.5 %	88.9 %	94.0 %	96.6 %	97.0 %	97.0 %
Percent of Findings Completed by Child Protective Service Workers within the Time Frame Established in Policy	75.9 %	71.9 %	75.0 %	69.4 %	85.2 %	95.0 %
Percent of Adult Protective Service Investigations Completed Timely	94.1 %	89.7 %	92.5 %	82.8 %	85.0 %	89.7 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 104.6	\$ 107.2	\$ 110.1	\$ 107.8	\$ 111.7	\$ 112.9
FTE Positions	1,789.1	1,812.4	1,898.9	1,818.9	1,825.5	1,843.5
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families, and the Department for Aging and Disability Services for FY 2021.						

CLIENT SERVICE DELIVERY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 89,246,518	\$ 94,183,836	\$ 94,183,836	\$ 98,251,427	\$ 95,729,771
Contractual Services	17,017,401	16,022,245	16,022,245	15,985,474	15,768,838
Commodities	902,584	919,606	919,606	963,767	939,155
Capital Outlay	577,336	498,264	498,264	458,924	414,362
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 107,743,839	\$ 111,623,951	\$ 111,623,951	\$ 115,659,592	\$ 112,852,126
Aid to Local Units	0	0	0	0	0
Other Assistance	85,871	85,000	85,000	85,000	85,000
TOTAL	\$ 107,829,710	\$ 111,708,951	\$ 111,708,951	\$ 115,744,592	\$ 112,937,126
Financing:					
State General Fund	\$ 64,893,650	\$ 66,950,503	\$ 66,950,503	\$ 70,109,262	\$ 68,101,387
All Other Funds	42,936,060	44,758,448	44,758,448	45,635,330	44,835,739
TOTAL	\$ 107,829,710	\$ 111,708,951	\$ 111,708,951	\$ 115,744,592	\$ 112,937,126
FTE Positions	1,818.9	1,825.5	1,825.5	1,885.5	1,843.5

The **agency** requests a revised estimate of \$111.7 million, including \$67.0 million from the State General Fund, for Client Services Delivery in FY 2020. This is an all funds decrease of \$2.9 million, or 2.6 percent, including a State General Fund decrease of \$1.7 million, or 2.4 percent, below the FY 2020 approved amount. The decrease is primarily attributable to decreased expenditures due to the centralization of many Office of Information Technology Services associated costs into the Administration Program and decreased expenditures for group health insurance.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests operating expenditures of \$115.7 million, including \$70.1 million from the State General Fund, for Client Services Delivery for FY 2021. This is an all funds increase of \$4.0 million, or 3.6 percent, including a State General Fund increase of \$3.2 million,

or 4.7 percent, above the FY 2020 revised estimate. The increase is primarily attributable to increased expenditures for group health insurance and for salaries associated with the enhancement requests to increase Protection and Prevention Services staffing in DCF Service Centers, expand Adult Protective Services financial abuse investigations, enhance services for youth age 15 and older facing crisis, juvenile offender allegations, or are at risk of entry into foster care, and increase vocational rehabilitation field staff. The increase is partially offset by decreased expenditures for OITS fees due to the centralization of IT into the Administration program.

The **Governor** recommends \$112.9 million, including \$68.1 million from the State General Fund, for Client Services Delivery for FY 2021. This is an all funds decrease of \$2.8 million, or 2.4 percent, and a State General Fund decrease of \$2.0 million, or 2.9 percent, below the FY 2021 agency request. This reflects fully funding one enhancement request and partially funding one enhancement request of the five submitted by the agency. The enhancements not funded include

The Governor's recommendation includes \$710,838, all from the State General Fund, to partially fund the the agency's enhancement request to increase Prevention and Protection Services staff in DCF service centers with 10.0 new FTE positions. The Governor's recommendation also includes \$511,960, including \$255,980 from the State General Fund, for the increased Family First Prevention Services case management staff enhancement request, including 8.0 new FTE positions.

H. Kansas Council on Developmental Disabilities

This support program's responsibilities include monitoring and evaluating the developmental disabilities program and services to ensure increased independence, productivity, and integration into the community. This program is federally established and funded.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Number of People with Developmental Disabilities and Families Who Participated in Council-supported Activities	2,590	2,600	2,600	2,650	2,700	2,750
Number of Council Efforts that Led to Improvement of Best Practices or Changes to Policies, Procedures, and Regulations	17	20	20	20	20	N/A
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 400.6	\$ 819.9	\$ 827.2	\$ 955.5	\$ 856.0	\$ 857.8
FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families and the Department for Aging and Disability Services for FY 2021.						

KANSAS COUNCIL ON DEVELOPMENTAL DISABILITIES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 310,000	\$ 334,574	\$ 334,574	\$ 335,737	\$ 335,737
Contractual Services	178,140	111,687	111,687	112,250	112,250
Commodities	19,960	9,950	9,950	9,950	9,950
Capital Outlay	1,456	5,919	5,919	5,919	5,919
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 509,556</i>	<i>\$ 462,130</i>	<i>\$ 462,130</i>	<i>\$ 463,856</i>	<i>\$ 463,856</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	445,940	393,934	393,934	393,934	393,934
TOTAL	\$ 955,496	\$ 856,064	\$ 856,064	\$ 857,790	\$ 857,790
Financing:					
State General Fund	\$ 5,890	\$ 4,215	\$ 4,215	\$ 4,778	\$ 4,778
All Other Funds	949,606	851,849	851,849	853,012	853,012
TOTAL	\$ 955,496	\$ 856,064	\$ 856,064	\$ 857,790	\$ 857,790
FTE Positions	4.0	4.0	4.0	4.0	4.0

The **agency** requests a revised estimate of \$856,064, including \$4,215 from the State General Fund, for the Kansas Council for Developmental Disabilities in FY 2020. This is an all funds increase of \$16,466, or 2.0 percent, including a State General Fund increase of \$4,215, above the FY 2020 approved amount. This increase is primarily attributable to increased expenditures for costs associated with the Office of Information Technology Services and increased salary expenditures due to the filling of an empty position.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests operating expenditures of \$857,790, including \$4,778 from the State General Fund, for the Kansas Council for Developmental Disabilities for FY 2021. This is an all funds increase of \$1,726, or 0.2 percent, including a State General Fund increase of \$563, or 13.4 percent, above the FY 2020 revised estimate. The increase is primarily attributable to increased expenditures for group health insurance, partially offset by decreased expenditures for employee retirement.

The **Governor** concurs with the agency's request for FY 2021.

I. Medicaid Program

For more information about this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
No performance measures were submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 1,707.0
FTE Positions	N/A	N/A	N/A	N/A	N/A	0.0

MEDICAID PROGRAM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	0
Contractual Services	--	--	--	--	24
Commodities	--	--	--	--	0
Capital Outlay	--	--	--	--	0
Debt Service	--	--	--	--	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 24</i>
Aid to Local Units	--	--	--	--	0
Other Assistance	--	--	--	--	1,706,952,388
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,706,952,412
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	763,268,504
All Other Funds	--	--	--	--	943,683,908
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,706,952,412
FTE Positions	--	--	--	--	0.0

The **Governor** recommends \$1.7 billion, including \$763.3 million from the State General Fund, for the Medicaid Program for FY 2021. This is an all funds decrease of \$178.9 million, or 9.5 percent, and a State General Fund increase of \$14.9 million, or 2.0 percent, from the amount requested by the Kansas Department for Aging and Disability Services for FY 2021. The all funds decrease is primarily attributable to the Governor reallocating expenditures for the Mental Health Services subprogram from the Medicaid program to the Behavioral Health program for FY 2021. The Governor recommends partial human services caseload expenditures and increased expenditures for a revised estimate of Medicaid Home and Community Based Services waivers for FY 2021. The Governor does not recommend the Kansas Department for Aging and Disability Services enhancement requests to reduce the waiting list for the Home and Community Based Services (HCBS) Intellectual/Developmental Disability waiver, fund a disability and behavioral health employment pilot, and provide provider rate increases for the Technology Assisted and Brain Injury HCBS waivers.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

J. Behavioral Health

For more information about this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Number of Persons with Severe and Persistent Mental Illness Receiving Outpatient Services	22,075	21,019	N/A	18,764	19,000	20,000
Number of Individuals Served in a KDADS-Funded Crisis Program	25,099	25,100	N/A	23,796	25,000	27,000
Number of Individuals Receiving Social Detox Through a Crisis Program	1,705	1,661	N/A	837	1,850	1,900
Number of Individuals Referred to MH and/or SUD Treatment from a Crisis Program	1,973	2,619	N/A	4,315	4,500	4,800
Number of KanCare Children Receiving PRTF Services (Monthly Average)	282	278	N/A	240	285	300
Number of KanCare Children on the PRTF Waiting List	82	144	N/A	207	155	90
Number of Individuals Receiving Problem Gambling Treatment	189	174	N/A	179	184	189
Number of Individuals Receiving SUD Treatment	12,970	12,355	N/A	12,500	12,500	12,500
Number of Individuals Receiving Community-Based Alcohol and Drug Treatment Services	6,927	7,077	N/A	7,000	7,000	7,000
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 298.1
FTE Positions	N/A	N/A	N/A	N/A	N/A	22.0
*The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families, and the Department for Aging and Disability Service for FY 2021.						

BEHAVIORAL HEALTH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	\$ 1,618,792
Contractual Services	--	--	--	--	12,380,763
Commodities	--	--	--	--	9,819
Capital Outlay	--	--	--	--	0
Debt Service	--	--	--	--	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 14,009,374</i>
Aid to Local Units	--	--	--	--	71,087,788
Other Assistance	--	--	--	--	212,959,808
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 298,056,970
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 53,212,901
All Other Funds	--	--	--	--	244,844,069
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 298,056,970
FTE Positions	--	--	--	--	22.0

The **Governor** recommends \$298.1 million, including \$53.2 million from the State General Fund, for the Behavioral Health program for FY 2021. This is an all funds increase of \$181.4 million, or 155.5 percent, and a State General Fund decrease of \$22.9 million, or 30.1 percent, from the FY 2021 request of the Kansas Department for Aging and Disability Services. The all funds increase is primarily attributable to the Governor reallocating expenditures for the Mental Health Services subprogram from the Medicaid program to the Behavioral Health program, partially offset by the Governor reallocating funding for the State Hospital Commission to a separate program for FY 2021. The Governor does not recommend the enhancement requests of the Kansas Department for Aging and Disability Services for youth mobile response services; behavioral health services in jails; a Community Integration Housing First Program; a suicide prevention program; Crisis Stabilization Centers expansion; Clubhouse Model Programs expansion; additional mental health services in nursing facilities and nursing facilities for mental health; a Crisis Intervention Center pilot at Rainbow Services Inc.; and additional substance use disorder funding for uninsured individuals. The Governor recommends increasing revenue and expenditures for the Problem Gambling and Addictions Grants Fund to reflect the fall 2019 consensus estimate, recommends decreasing expenditures from the Problem Gambling and Addictions Grant Fund for human services caseloads to match the previous amount of funding used for caseloads, recommends not transferring the projected ending balance of the Problem Gambling and Addictions Grant Fund to the State General Fund for FY 2021, and recommends increasing expenditures from the Problem Gambling and Addictions Grant Fund by \$368,663 and deleting the same amount from the State General Fund for behavioral health services. Also, the Governor recommends Kansas Department for Aging and Disability Services' enhancement request for regional mental health inpatient beds.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

K. State Hospital Commission

The State Hospital Commission includes expenditures previously within the budget for the Kansas Department for Aging and Disability Services within the Behavioral Health program. The Commission is responsible for providing leadership, guidance, direction, oversight, training, and support for the Kansas Neurological Institute, Parsons State Hospital and Training Center, Larned State Hospital, and Osawatimie State Hospital.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
No performance measures were submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 10.4
FTE Positions	N/A	N/A	N/A	N/A	N/A	21.0

STATE HOSPITAL COMMISSION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	\$ 1,725,192
Contractual Services	--	--	--	--	5,827,070
Commodities	--	--	--	--	0
Capital Outlay	--	--	--	--	2,797,933
Debt Service	--	--	--	--	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 10,350,195</i>
Aid to Local Units	--	--	--	--	0
Other Assistance	--	--	--	--	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,350,195
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 7,426,944
All Other Funds	--	--	--	--	2,923,251
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,350,195
FTE Positions	--	--	--	--	21.0

The **Governor** recommends \$10.4 million, including \$7.4 million from the State General Fund, for the State Hospital Commission for FY 2021. Funding for this program was previously included within the Kansas Department for Aging and Disability Services' (KDADS') Behavioral Health program. The Governor recommends a lower amount of funding than the KDADS enhancement request for replacement of an electronic records and patient management system for the state hospitals, and recommends this funding from the State Institutions Building Fund rather than the State General Fund for FY 2021.

L. Community Services Administration

For more information about this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
No performance measures were submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 18.3
FTE Positions	N/A	N/A	N/A	N/A	N/A	28.0

COMMUNITY SERVICES ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	\$ 1,918,471
Contractual Services	--	--	--	--	10,546,945
Commodities	--	--	--	--	12,681
Capital Outlay	--	--	--	--	0
Debt Service	--	--	--	--	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 12,478,097</i>
Aid to Local Units	--	--	--	--	5,802,214
Other Assistance	--	--	--	--	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,280,311
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 11,059,264
All Other Funds	--	--	--	--	7,221,047
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,280,311
FTE Positions	--	--	--	--	28.0

The **Governor** recommends \$18.3 million, including \$11.1 million from the State General Fund, for the Community Services Administration program for FY 2021. This is the same amount as the FY 2021 request of the Kansas Department for Aging and Disability Services.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

M. Aging and Disability Community Services and Programs Commission

For more information about this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
No performance measures were submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$	N/A	N/A	N/A	N/A	\$ 31.0
FTE Positions		N/A	N/A	N/A	N/A	14.0

AGING AND DISABILITY COMMUNITY SERVICES AND PROGRAMS COMMISSION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	\$ 858,811
Contractual Services	--	--	--	--	3,222,786
Commodities	--	--	--	--	8,490
Capital Outlay	--	--	--	--	0
Debt Service	--	--	--	--	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 4,090,087</i>
Aid to Local Units	--	--	--	--	9,825,690
Other Assistance	--	--	--	--	17,089,483
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,005,260
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 7,957,343
All Other Funds	--	--	--	--	23,047,917
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,005,260
FTE Positions	--	--	--	--	14.0

The **Governor** recommends \$31.0 million, including \$8.0 million from the State General Fund, and 14.0 FTE positions for the Aging and Disability Community Services and Programs Commission for FY 2021. This is an all funds decrease of \$260,000, or 0.8 percent, and a State General Fund decrease of \$130,000, or 1.6 percent, and 4.0 FTE positions below the FY 2021 request of the Kansas Department for Aging and Disability Services. The decrease is attributable to the Governor not recommending the Kansas Department for Aging and Disability Services enhancement request to increase staffing for FY 2021.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

N. Survey, Certification, and Credentialing

For more information about this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021*
Average Number of Months between Surveys	17.4	18.9	N/A	13.0	13.0	13.0
Number of Surveys Exited (in thousands)	281	294	N/A	288	290	290
Number of Background Checks Processed in the Health Occupations Credentialing Subprogram	63.5	69.2	N/A	73.7	75.0	80.0
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 15.5
FTE Positions	N/A	N/A	N/A	N/A	N/A	108.0
* The Governor's budget recommendation does not include performance measures for evaluation purposes for the Department for Children and Families, and the Department for Aging and Disability Services for FY 2021.						

SURVEY, CERTIFICATION, AND CREDENTIALING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	\$ --	\$ --	\$ --	\$ 7,952,814
Contractual Services	--	--	--	--	7,282,452
Commodities	--	--	--	--	98,960
Capital Outlay	--	--	--	--	168,851
Debt Service	--	--	--	--	0
Subtotal - Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,503,077
Aid to Local Units	--	--	--	--	0
Other Assistance	--	--	--	--	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,503,077
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 2,682,058
All Other Funds	--	--	--	--	12,821,019
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,503,077
FTE Positions	--	--	--	--	108.0

The **Governor** recommends \$15.5 million, including \$2.7 million from the State General Fund, and 108.0 FTE positions for the Survey, Certification, and Credentialing program for FY 2021. This is an all funds decrease of \$85,000, or 0.5 percent, all from the State General Fund, and 1.0 FTE position below the FY 2021 request of the Kansas Department for Aging and Disability Services. The decrease is attributable to the Governor not recommending the Kansas Department for Aging and Disability Services enhancement request to increase staffing for FY 2021.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department for Aging and Disability Services.

O. Juvenile Services

The Juvenile Services Division was established following the merger of the Juvenile Justice Authority (JJA) and the DOC on July 1, 2013. This division is responsible for administering state and federal funds and coordinating with other agencies for the operation of a continuum of juvenile justice services statewide. Under the ERO, Juvenile Services and the oversight of the Juvenile Correctional Complex would be administered by the Department of Human Services beginning in FY 2021.

For more information about this program, please see the budget analysis for the Kansas Department of Corrections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Residential Provider Site Visits	11	10	N/A	5	5	5
Number of New Staff Trained in Correctional Supervision	25	90	N/A	107	50	35
Number of Assessments on Juvenile Offenders	6,262	6,218	N/A	5,899	5,650	5,500
Agency Expenditures						
All Funds (Dollars in Millions)	N/A	N/A	N/A	N/A	N/A	\$ 39.1
FTE Positions	N/A	N/A	N/A	N/A	N/A	22.4

JUVENILE SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ --	--	--	--	\$ 1,648,879
Contractual Services	--	--	--	--	14,683,501
Commodities	--	--	--	--	63,208
Capital Outlay	--	--	--	--	80,000
Debt Service	--	--	--	--	0
Subtotal - Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,475,588
Aid to Local Units	--	--	--	--	22,629,748
Other Assistance	--	--	--	--	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,105,336
Financing:					
State General Fund	\$ --	\$ --	\$ --	\$ --	\$ 36,458,203
All Other Funds	--	--	--	--	2,647,133
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,105,336
FTE Positions	--	--	--	--	22.4

The **Governor** recommends \$39.1 million, including \$36.5 million from the State General Fund, for Juvenile Services for FY 2021. This is an all funds decrease of \$4.4 million, or 10.0 percent, all from the State General Fund, below the FY 2021 agency request. The decrease is primarily attributable to decreased aid to local units of government.

For information on the Governor's recommendation in FY 2020 and past expenditures for this program, please see the budget analysis for the Kansas Department of Corrections.

P. Faith-based Community Initiatives

Faith-Based and Community Initiatives collects information pertaining to community and faith-based nonprofits that may enhance the services of the Department. The program includes a Mentoring Initiative and efforts to build community capacity to address poverty. The agency ceased operating this program beginning in FY 2020 and all funds appropriated by the 2019 Legislature were transferred to other programs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Face-to-Face Meetings to Recruit Foster Families for Foster Care Placement Options	491	5,765	5,880	N/A	N/A	N/A
Number of Community Presentations to Recruit Foster Families for Foster Care Placement Options	80	539	550	N/A	N/A	N/A
Number of Child Placing Agencies Assisted in Recruiting Foster Care Families	N/A	52	53	N/A	N/A	N/A
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,112.9	\$ 616.0	\$ 1,128.2	\$ 956.5	\$ 0.0	\$ 0.0
FTE Positions	13.0	7.0	6.0	6.0	0.0	0.0

FAITH-BASED COMMUNITY INITIATIVES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 264,531	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	119,098	0	0	0	0
Commodities	6,184	0	0	0	0
Capital Outlay	446	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 390,259	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	566,240	0	0	0	0
TOTAL	\$ 956,499	\$ 0	\$ 0	\$ 0	\$ 0
Financing:					
State General Fund	\$ 604,182	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	352,317	0	0	0	0
TOTAL	\$ 956,499	\$ 0	\$ 0	\$ 0	\$ 0
FTE Positions	6.0	0.0	0.0	0.0	0.0

Under the current administration, the agency ceased operating this program beginning in FY 2020 and all funds appropriated by the 2019 Legislature were transferred to other programs.

Q. Transfers to Other Agencies

Select services are accomplished through transferring funds to other state agencies that perform the activities. Funds are transferred to:

- Kansas Board of Regents for job credentialing through the Accelerating Opportunity: Kansas Program;
- Kansas Department of Education for the Kansas Preschool Program;
- Kansas Department of Health and Environment for child care licensing and for early interventions assessments of infants and toddlers with developmental disabilities or delays;
- Kansas State University for the Supplemental Assistance Nutrition Program (SNAP) Nutrition Education and for Project Impact;
- Kansas Department of Labor for combating fraud in Social Security Administration disability programs through the Cooperative Disability Investigations Program;
- Kansas Department of Corrections for Title IV-E foster care administration costs; and
- Kansas Department for Aging and Disability Services for the Senior Care Act.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	N/A	\$ (278.3)	N/A	N/A	N/A	N/A
FTE Positions	N/A	N/A	N/A	N/A	N/A	N/A

The **agency** estimates transfers totaling \$15.3 million in FY 2020. This is a decrease of \$844,120 from the FY 2019 actual amount. The decrease is due to the end of the SNAP Employment and Training Pilot Program and decreased transfers for the SNAP Nutrition Education Program to Kansas State University; the Cooperative Disability Investigations Program to the Department of Labor; and the Title IV-E matching funds to the Department of Corrections.

The **agency** estimates transfers totaling \$15.4 million for FY 2021. This is an increase of \$95,244. This increase is due to an increase of \$13,000 for the disability investigations transfer to the Kansas Department of Labor, and an increase of \$82,244 for the SNAP Nutrition Education Program transfer to Kansas State University. Per the Governor's Executive Reorganization Order, under the new Department of Human Services, the transfers to the Department for Aging and Disability Services and the Department of Corrections will no longer occur as these services will be included in the new agency.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Topeka Service Center	\$ 707,545	\$ 707,545	\$ 50,000	\$ 50,000
Rehab & Repair				
Rehabilitation and Repair	--	--	--	3,201,142
State Hospitals				
Debt Service Principal -	--	--	--	3,435,000
State Hospital Rehab and				
Repair				
Debt Service Principal State	--	--	--	2,225,000
Security Hospital				
OSH Biddle Remodel	--	--	--	5,253,000
Juvenile Services	--	--	--	500,000
TOTAL	\$ 707,545	\$ 707,545	\$ 50,000	\$ 14,664,142
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	707,545	707,545	50,000	14,664,142
TOTAL	\$ 707,545	\$ 707,545	\$ 50,000	\$ 14,664,142

FY 2020 – Current Year. The **agency** estimates a capital improvement revised estimate of \$707,545, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka Service Center. The lease-to-purchase agreement requires funding to be deposited into the Fund for capital improvements to the building. The revised estimate is an increase of \$584,269, or 474 percent, above the FY 2020 approved amount.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvement expenditures of \$50,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka Service Center. The lease-to-purchase agreement requires funding to be deposited into the Fund for capital improvements to the building. The agency's request is a decrease of \$657,545, or 92.9 percent, below the agency's FY 2020 revised estimate. The decrease is primarily attributable to the completion of first floor renovations in FY 2020.

The **Governor** recommends \$14.7 million, all from special revenue funds, for capital improvements that include ongoing maintenance and repair of the Department for Children and Families' Topeka service center, rehabilitation and repair funding for the four state hospitals, debt service principal payments for the bonds on past rehabilitation and repair of the state hospitals and the construction of the State Security Hospital at Larned State Hospital, and funding for rehabilitation and repair of juvenile facilities for FY 2021. This is an increase of \$14.6 million, or 29,228.3 percent, above the Department for Children and Families' FY 2021 request. The increase is primarily attributable to the Executive Reorganization Order, which merged the Department for Children and Families, the Kansas Department for Aging and Disability Services,

and Juvenile Services within the Kansas Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex. For capital improvements previously within the budget of the Kansas Department for Aging and Disability Services, the Governor's recommendation is an increase of \$5.3 million, all from the State Institutions Building Fund, above the amount requested by the Kansas Department for Aging and Disability Services for FY 2021. This increase is attributable to the Governor recommending \$5.3 million, all from the State Institutions Building Fund, to remodel the Biddle building at Osawatomie State Hospital for FY 2021. This recommendation is in preparation for canceling the moratorium on voluntary admissions and to certify additional beds for federal reimbursements. For capital improvements previously within the Juvenile Services program of the budget for the Department of Corrections for the Kansas Juvenile Correctional Complex, this is the same amount as the Department of Corrections' FY 2021 request.

Absent the ERO, the Governor recommends \$50,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka service center. The lease-to-purchase agreement requires funding to be deposited into the Project Maintenance Reserve Fund for capital improvements to the building. The recommendation is the same as the Department for Children and Families' request.

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 760,717,209	\$ 830,973,619	\$ 841,450,384	\$ 853,034,062	\$ 0
Other Funds	1,044,963,454	1,222,269,992	1,240,785,802	1,245,472,558	0
Subtotal	\$ 1,805,680,663	\$ 2,053,243,611	\$ 2,082,236,186	\$ 2,098,506,620	\$ 0
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	7,277,460	12,263,623	12,263,623	8,861,142	0
Subtotal	\$ 7,277,460	\$ 12,263,623	\$ 12,263,623	\$ 8,861,142	\$ 0
TOTAL	\$ 1,812,958,123	\$ 2,065,507,234	\$ 2,094,499,809	\$ 2,107,367,762	\$ 0

Percentage Change:

Operating Expenditures					
State General Fund	9.1 %	9.2 %	10.6 %	2.7 %	(100.0) %
All Funds	9.3	13.7	15.3	2.2	(100.0)
FTE Positions	282.0	283.0	282.0	289.0	0.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department for Aging and Disability Services (KDADS) was established by statute in 1977 as a cabinet-level agency headed by a secretary appointed by the Governor, subject to confirmation by the Senate. The agency goals are to promote security, dignity, and independence of older adults and persons with disabilities. KDADS is responsible for the distribution for Medicaid long-term care payments, survey and certification for adult care homes, behavioral health programs, home and community-based services for older adults and persons with disabilities, and the management and oversight of the four state hospitals. The Department is mandated under the federal Older Americans Act to serve as an advocate for seniors and to administer programs funded by Older Americans Act appropriations.

The Department is organized into the major areas of Administration; Commission on Aging and Disability Community Services and Programs; Medicaid program; Behavioral Health-Operations and Grants; Community Services Administration; and the Survey, Certification, and Credentialing program.

The Governor's Executive Reorganization Order would combine the Kansas Department for Aging and Disabilities Services, Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 is included within the budget for the Department for Children and Families for FY 2021.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** passed Senate Sub. for Senate Sub. for Sub. for HB 2320, which established a provider assessment up to \$1,950 on each licensed bed within skilled nursing care facilities, including nursing facilities for mental health and hospital long-term care units. The Kansas Soldiers' Home and the Kansas Veterans' Home were excluded from the assessment. A provider assessment is a mechanism used to maximize the amount of federal funding for the State by generating new state funds. After collection, the additional funds are used to draw down additional federal funds. This results in increased Medicaid payments to providers for Medicaid-eligible services in licensed nursing facilities. The 2004 Legislature had implemented a provider assessment for hospitals. The nursing facility assessment sunsets in four years and after the first three years, the assessment amount will be adjusted to be no more than 60.0 percent of the assessment collected in previous years. As of December 2011, there were 342 skilled nursing facilities in Kansas. The assessment, in the form passed by the 2010 Legislature, received approval from the federal Centers for Medicare and Medicaid Services on February 11, 2011.

In addition, the **2010 Legislature** added \$1,262,863, including \$311,835 from the State General Fund, to fund telehealth services for 500 individuals to the Home and Community Based Services–Frail Elderly Waiver program for FY 2011. However, the agency delayed implementation of the telehealth program because of shortfalls in the appropriations for existing Home and Community Based Services Waiver programs. The agency stated it did not appear prudent to implement a new service when doing so could create a strong possibility of needing to reduce existing services levels or start waiting lists and never used the appropriated funds for implementation during FY 2011. The program was implemented October 1, 2011.

For **FY 2011**, the Legislature deleted \$2.0 million, including \$1.7 million from the State General Fund, including:

- \$300,000 from the State General Fund for the Nutrition program, resulting in a reduction of 53,286 meals, or 240 fewer seniors receiving services. However, the agency determined it could absorb this reduction within the agency operations portion of the budget and this reduction did not occur;
- \$1.3 million from the State General Fund for Senior Care Act direct services, case management, assessments, and administration, which would have eliminated services for approximately 1,140 seniors and increased the waiting list. The agency indicated it would absorb this reduction with the agency operations instead; and
- \$345,180, including \$102,304 from the State General Fund, for agency operations. The agency indicated it would reduce expenditures through layoffs, furloughs, leaving positions vacant, and other administrative reductions.

The **2011 Legislature** also deleted \$3.0 million, including \$1.2 million from the State General Fund, and 20.0 FTE (filled and unfilled) positions for agency operations for FY 2012, and funding was used for increased caseloads in the Home Care Based Services for the Frail Elderly Waiver. The 2011 Legislature also deleted 30.0 vacant FTE positions for FY 2012. The agency's FY 2012 FTE position limitation was 164.0 FTE positions.

The **2012 Legislature** acknowledged the enactment of Executive Reorganization Order (ERO) No. 41, which became effective July 1, 2012. Specifically, the ERO transferred programs from the Department of Social and Rehabilitation Services to the Department on Aging, which was renamed the Kansas Department for Aging and Disability Services (KDADS), including the following items:

- Mental health and substance abuse, serious emotionally disturbed, developmental disability, physical disability, traumatic brain injury, autism, technology assistance, and money follows the person Medicaid waivers and programs;
- Licensure and regulation of community mental health centers;
- Regulation of community developmental disability organizations;
- Licensure of private psychiatric hospitals;
- Licensure and regulation of facilities and providers of residential services;
- Licensure of providers of addiction and prevention services; and
- Any other programs and related grants administered by the Disability and Behavioral Health Services Section.

Further, some areas were transferred from the Kansas Department of Health and Environment (KDHE) to KDADS. The following areas of the Health Occupations Credentialing program of KDHE were transferred and will be administered by KDADS:

- Licensure of adult care home administrators;
- Licensure of dietitians;
- Certification of residential care facility operators, activity directors, social service designees, nurse aides, medication aides, and home health aides; and
- Maintenance of the Kansas Nurse Aide Registry and Criminal History Record Check program, as authorized by credentialing statutes or rules and regulations.

The KDHE Psychiatric Residential Treatment Facility licensure program was also transferred to KDADS.

The **2012 Legislature** added \$1.2 million, including \$532,343 from the State General Fund, to fund an additional 60 individuals on the Home and Community Based Services—Physical Disability Waiver for FY 2013 to meet the maintenance of effort requirement for the federal Affordable Care Act.

The **2012 Legislature** added \$1.2 million, all from the Children's Initiatives Fund (CIF), and deleted the same amount from the State General Fund for the Children's Mental Health Initiative for FY 2013 and added \$4.8 million, all from the CIF, for the Family Centered System of Care for FY 2013.

The **2012 Legislature** added \$1.8 million, all from the State General Fund, for reimbursement of non-Medicaid psychiatric inpatient screening for FY 2013.

The **2012 Legislature** added \$881,920, all from the State General Fund, to fully fund the Senior Care Act program for FY 2013, thereby eliminating the waiting list of 340 Kansas seniors.

The **2012 Legislature** added \$4,148,421, including \$1,800,000 from the State General Fund, to fund approximately 97 persons on the waiver for the developmentally disabled and added \$4,148,421, including \$1,800,000 from the State General Fund, to fund approximately 201 persons on the waiver for the physically disabled.

The **2012 Legislature** added \$5.0 million, all from the State General Fund, for mental health grants for FY 2013.

In **FY 2012**, the Governor vetoed the addition of funds to increase the Financial Management System reimbursement rate for service costs to payroll agents from \$115 to \$125 from November 2011 through June 2012.

The **2013 Legislature** deleted \$659,760, including \$338,310 from the State General Fund, in FY 2013 and \$673,297, including \$336,497 from the State General Fund, for FY 2014 for salaries and wages and \$7,490,205, including \$3,250,000 from the State General Fund, in both FY 2013 and FY 2014 for the Home and Community Based Services Waiver for the Frail Elderly for savings achieved through efficiencies the agency implemented. The Legislature also added \$19,161,842, including \$8,276,000 from the State General Fund, to fund Home and Community Based Services Waivers for individuals with Developmental Disabilities and Physical Disabilities for FY 2014, and \$19,235,036, including \$8,276,000 from the State General Fund, for FY 2015. This additional funding was estimated to serve approximately 437 people waiting for Physical Disability Waiver services and 233 people waiting for Developmental Disability Waiver services for FY 2014 and continues funding for these same people for FY 2015.

The **2013 Legislature** made a series of modifications to the Problem Gambling and Addictions Grant Fund, including:

- Transferred \$550,000 from the Problem Gambling and Addictions Grant Fund to the Domestic Violence Grants Fund of the Office of the Governor for FY 2014 and FY 2015;
- Transferred \$150,000 from the Problem Gambling and Addictions Grant Fund to the Child Advocacy Centers Grants Fund of the Office of the Governor for FY 2014 and FY 2015;
- Added language requiring continued funding for an FTE position for the Problem Gambling Services Coordinator position for FY 2014 and FY 2015; and

- Added language requiring that at least 10.0 percent of the amount allocated to the Problem Gambling Services program for FY 2014 and FY 2015 be spent on public awareness campaigns for possible problems related to gambling addictions and for services to address gambling and other addictions.

In addition, the **2013 Legislature** deleted \$3.75 million from the CIF and \$6.00 million from the State General Fund for FY 2014 and FY 2015 for mental health grants; added \$9.75 million for mental health grants for at-risk individuals from the Children's Health Insurance Program Fund for FY 2014 and from the Mental Health Grant–State Highway Fund for FY 2015; and added \$355,000, all from the State General Fund, for Community Mental Health Center (CMHC) grants for the Crisis Screening program for FY 2014 and FY 2015.

The **2014 Legislature** appropriated \$4.0 million, all from the State General Fund, in both FY 2014 and FY 2015 for the Home and Community Based Services Waiver for individuals with developmental disabilities to replace funding that lapsed January 1, 2014. In addition, the 2014 Legislature added language directing that expenditures be made to continue providing services to individuals removed from the Home and Community Based Services Waiver for individuals with developmental disabilities and the Home and Community Based Services Waiver for individuals with physical disabilities waiting lists and provide services in FY 2014 and FY 2015, and added language directing any unbudgeted amounts by the Secretary from the Home and Community Based Services Waiver for individuals with physical disabilities appropriation of \$4.0 million made during the 2013 Session be expended for the Home and Community Based Services Waiver for the individuals with developmental disabilities underserved waiting list in FY 2014 and FY 2015.

The **2014 Legislature** also added language allowing funding transferred from State General Fund accounts of the Kansas Neurological Institute to be expended for Home and Community Based Services Waiver for individuals with developmental disabilities in FY 2014 and FY 2015. The Legislature also added \$16.3 million, including \$7.1 million from the KDADS Social Welfare Fund, to provide additional services to individuals on the underserved waiting list for the Home and Community Based Services Waiver for individuals with developmental disabilities for FY 2015, and added \$10.2 million, including \$5.0 million from the State General Fund, to add funding for Home and Community Based Services Waivers for individuals with physical disabilities and developmental disabilities, mental health grants, and substance use disorder treatment for FY 2015.

The **2014 Legislature** transferred \$2.5 million from the Problem Gambling and Addictions Grant Fund to the State General Fund in FY 2014 and added language specifying no one who seeks treatment for problem gambling shall be refused treatment and add language transferring up to \$1.0 million from the KDADS Social Welfare Fund to the Problem Gambling and Addictions Grant Fund if needed for FY 2015.

The **2014 Legislature** added \$3.7 million, all from the State General Fund, associated with the closure of the Rainbow Mental Health Facility and contract for services with Rainbow Mental Health, Inc., for FY 2015. The Legislature also deleted \$54.1 million, including \$32.9 million from the State General Fund, for human services consensus caseload estimates in FY 2014, and deleted \$136.5 million, including \$60.9 million from the State General Fund, for FY 2015.

The **2015 Legislature** deleted \$382,000, all from the Problem Gambling and Addictions Grant Fund, for FY 2016 and FY 2017 and transferred \$94,993 to the State General Fund and

\$287,007 to the KDADS Social Welfare Fund. In addition, the Legislature added language to transfer the remaining balances in the Problem Gambling and Addictions Grant Fund to the State General Fund at the end of FY 2016 and FY 2017.

The **2015 Legislature** added \$3.5 million, all from the State General Fund, for FY 2016 for additional community resources needed while building improvements are being completed at Osawatomie State Hospital.

In addition, the **2015 Legislature** shifted savings totaling \$1.5 million from the Kansas Neurological Institute to the KDADS budget for FY 2016 and FY 2017 to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The Legislature increased expenditures by \$1.9 million in additional federal Medicaid funds for FY 2016 and FY 2017 as a result of the additional State General Fund expenditures.

The **2015 Legislature** deleted \$1,198,469 for a 4.0 percent operating reduction for FY 2016 and FY 2017 and deleted \$57.0 million, including \$25.0 million from the State General Fund, for FY 2016 and \$56.8 million, including \$25.0 million from the State General Fund, for FY 2017, associated with the implementation of KanCare policy changes.

Additionally, the **2015 Legislature** added \$1.0 million, all from the State General Fund, for mental health services for FY 2016 and FY 2017 to provide behavioral health access for transitional and intermediate levels of care; added \$6.8 million, including \$3.0 million from the State General Fund, for FY 2016 and FY 2017 to reduce the waiting list for services on the Home and Community Based Services Wavier for Individuals with Developmental Disabilities; and added \$2.3 million, including \$1.0 million from the State General Fund, for FY 2016 and FY 2017 to reduce the waiting list for services on the Home and Community Based Services Wavier for Individuals with Developmental Disabilities.

The **2015 Legislature** also deleted \$14.8 million, including \$6.5 million from the State General Fund, for FY 2017 associated with a reduction of the State's payment error rate measurement. The reduction is anticipated with ERO No. 43, which transfers the responsibility for Medicaid eligibility to the KDHE beginning January 1, 2016.

For **FY 2016**, the agency transferred \$1.0 million from the KDADS Social Welfare Fund to the State General Fund for the Governor's July 30, 2015 allotment in FY 2016. The agency also deleted \$13.3 million, all from the State General Fund, for the Governor's November 6, 2015, allotment in FY 2016.

The **2016 Legislature** added \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks in FY 2016 and FY 2017.

The **2016 Legislature** deleted \$2.3 million, including \$1.0 million from the State General Fund, for the Home and Community Based Services Waiver for Individuals with Physical Disabilities for FY 2017.

The **2016 Legislature** deleted \$3.8 million, all from the State General Fund, for the Children's Mental Health Initiative for FY 2017. This program historically received an appropriation from the CIF. Funding from the CIF is now recommended by the Children's

Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

The **2016 Legislature** added \$47.4 million, including \$10.6 million from the State General Fund, to fund human services consensus caseload estimates in FY 2016, and added \$10.7 million, including deleting \$4.9 million from the State General Fund, to fund human services consensus caseload estimates for FY 2017.

The **2016 Legislature** deleted \$2.7 million, including \$23.6 million from the State General Fund, to reallocate non-caseload medical savings to caseload programs in FY 2016, and deleted \$27.8 million, including \$7.7 million from the State General Fund, to reallocate non-caseload medical savings to caseload programs for FY 2017.

The **2016 Legislature** added \$3.9 million, all from the State General Fund, to fund the continuation of a contract for diversion beds for Osawatomie State Hospital for FY 2017.

The **2017 Legislature** added \$10.5 million, all from the State General Fund, for FY 2018 and added \$13.2 million, all from the State General Fund, for FY 2019 for community mental health centers grants; added language to lapse \$3.5 million, all from the State General Fund, for FY 2018 and to lapse \$5.0 million, all from the State General Fund, for FY 2019, contingent upon the passage of 2017 HB 2180 or any similar legislation transferring such funding from the Health Management Organization (HMO) privilege fees; and added language to lapse \$3.0 million, all from the State General Fund, for FY 2018 and to lapse \$6.0 million, all from the State General Fund, for FY 2019, contingent upon the passage of 2017 HB 2313 or any similar legislation transferring such funding from receipt of lottery vending machine revenues. HB 2079 (2017) was enacted, transferring \$3.5 million for FY 2018 and \$5.0 million for FY 2019 from HMO privilege fees, so those amounts were lapsed from the State General Fund appropriation. The Governor vetoed HB 2313 and no similar legislation concerning lottery vending machines was passed.

In addition, the **2017 Legislature** added \$20.3 million, including \$9.1 million from the State General Fund, for FY 2018 and \$48.1 million, including \$21.6 million from the State General Fund, for FY 2019 to provide a 3.0 percent rate increase for FY 2018 and a 4.0 percent rate increase for FY 2019 for providers of Home and Community Based Services (HCBS) under each of the waivers. The Legislature added \$3.0 million, including \$1.3 million from the State General Fund, in FY 2017, FY 2018, and FY 2019 for the disallowance of the Capable Person Policy by the federal Centers for Medicare and Medicaid Services. The Legislature added \$2.1 million, all from the State General Fund, for FY 2018 and FY 2019 for the Senior Care Act. The Legislature added \$1.3 million, all from the State General Fund, for FY 2018 and FY 2019 for Medicaid inpatient referrals.

The **2017 Legislature** added language requiring quarterly reports on Medicaid HCBS waivers to the Kansas Legislative Research Department and the Kansas Division of the Budget, requiring a separate report for each waiver, including actual and projected expenditures, actual and projected number of individuals served, average cost per members served, and summarized encounter data by waiver population or comparable data to allow for review at the program level for FY 2018 and FY 2019. The Legislature also added language to create a mental health task force to study certain topics related to the current status of various mental health programs in Kansas. Language was also added for a report to be presented to the Legislature at the beginning of the 2018 Legislative Session.

In addition, the **2017 Legislature** added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers, and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For KDADS, the Legislature added \$211,910, including \$77,296 from the State General Fund, for both FY 2018 and FY 2019.

The **2018 Legislature** added \$39.8 million, including \$17.7 million from the State General Fund, for an increase in nursing facility reimbursement rates for FY 2019. Also, the Legislature added language notwithstanding KSA 75-5958, which requires yearly rebasing of nursing facility reimbursement rates using the three most current years of actual costs, to allow the Secretary for Aging and Disability Services to provide an adjusted rate increase for nursing facilities in FY 2018 and for FY 2019.

The **2018 Legislature** added \$22.0 million, including \$10.4 million from the State General Fund, in FY 2018 and added \$25.2 million, including \$6.3 million from the State General Fund, for FY 2019 for additional expenditures on Medicaid HCBS waivers and the Program for All-Inclusive Care for the Elderly (PACE).

The **2018 Legislature** added \$9.6 million, including \$4.8 million from the State General Fund, to provide Administrative Case Management services for individuals on the Physical Disability (PD), Traumatic Brain Injury (TBI), and Frail Elderly (FE) HCBS waivers for FY 2019. This amount includes \$4.4 million, including \$2.2 million from the State General Fund, for individuals on the PD waiver; \$589,462, including \$294,731 from the State General Fund, for individuals on the TBI waiver; and \$4.5 million, including \$2.3 million from the State General Fund, for individuals on the FE waiver for FY 2019.

The **2018 Legislature** added \$4.8 million, including \$2.2 million from the State General Fund, for supported behavioral health housing services projects for individuals for FY 2019 and added language to require the agency to provide a report to the 2019 Legislature on the status of changes to the state plan concerning housing. Also, the Legislature added \$600,000, all from the General Fees Fund, to provide emergency crisis housing and associated living expenses for individuals who were served by the Rainbow Services Inc. Crisis Center, Comcare Crisis Center, and Valeo Center for FY 2019. The Legislature added language that the funding is to be spread evenly between the facilities for FY 2019 and required the agency to provide a report to the 2019 Legislature on the status of changes to the state plan concerning housing.

The **2018 Legislature** added \$3.2 million, all from federal funds, in FY 2018 and FY 2019 due to receipt of a new federal opioid grant to provide an increase in access to opioid addiction treatment (including methadone clinics), reduce unmet treatment needs, and reduce opioid overdose by region.

The **2018 Legislature** added \$3.0 million for Community Crisis Stabilization Centers and \$1.0 million for Clubhouse Model Programs, all from special revenue funds, for FY 2019 due to the transfer of such funding from the Kansas Lottery Operating Fund from the passage of 2018 Sub. for HB 2194.

The **2018 Legislature** added \$1.2 million, all from the KDADS General Fee Fund, to be granted to Rainbow Services Inc. to pay off a loan the entity incurred to remodel its current building in FY 2018; \$1.0 million, all from the Problem Gambling and Addictions Grant Fund, for

additional substance abuse treatment services in FY 2018 and FY 2019; \$935,111, including \$299,000 from the State General Fund, for a salary increase for nursing facility surveyors for FY 2019; \$200,000, all from the State General Fund, to provide funding for additional meals through grants to the senior nutrition program (Meals on Wheels) for FY 2019; and \$116,200, all from the State General Fund, to contract with the Association of Community Mental Health Centers of Kansas to fund a statewide Train the Trainer course for Mental Health First Aid training for FY 2019.

The **2018 Legislature** included language in 2018 House Sub. for SB 109 to:

- Require the agency to develop a long-term plan to eliminate the Medicaid HCBS waivers waiting lists and to include this plan in its revised budget estimate submission for FY 2019;
- Continue the Mental Health Task Force authorized by 2017 Senate Sub. for HB 2002 to meet during the 2018 Legislative Interim to study various mental health topics, including the creation of a strategic plan addressing the recommendations of the 2017 Mental Health Task Force and recommending the number and location of additional psychiatric beds, and to submit a written report of its findings to the 2019 Legislature; and
- Require the agency to implement a change to the Medicaid Home and Community Based Services Traumatic Brain Injury (TBI) waiver to allow coverage for individuals with a documented brain injury acquired from a cause not already covered under the waiver, eliminate the requirement that individuals on the waiver be at least 16 years old, and allow expenditures within existing resources to provide coverage for new individuals on the waiver in FY 2018, FY 2019, and FY 2020.

In addition, the **2018 Legislature** added \$288,167, including \$106,929 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$12.4 million, including \$5.3 million from the State General Fund, to increase the protected income level for Medicaid HCBS waiver services recipients and individuals in the Program for All-inclusive Care for the Elderly (PACE) to \$1,177 for FY 2020.

The **2019 Legislature** added \$10.1 million, including \$4.2 million from the State General Fund, to provide a 1.5 percent increase in the reimbursement rates for providers of Medicaid HCBS waiver services for FY 2020. Added \$6.8 million, including \$3.1 million from the State General Fund, to rebase the reimbursement rate for PACE for FY 2020.

The **2019 Legislature** added \$6.8 million, including \$2.8 million from the State General Fund, to provide a 1.0 percent increase in the reimbursement rate for nursing facilities for FY 2020.

The **2019 Legislature** added \$6.0 million, including \$2.5 million from the State General Fund, to reduce the waitlists for Medicaid HCBS waivers for individuals with an intellectual/developmental disability (\$5.0 million from all funds) and individuals with a physical disability (\$1.0 million from all funds) for FY 2020. This additional funding should allow the

agency to decrease the Intellectual/Developmental Disability Waiver waitlist by approximately 110 individuals and the Physical Disability Waiver waitlist by approximately 54 individuals for FY 2020.

The **2019 Legislature** added \$5.0 million, all from the State General Fund, for CMHC grants for FY 2020.

The **2019 Legislature** added \$2.1 million, all from the State General Fund, to provide funding for CMHCs providing Crisis Center services and maintain funding for Crisis Center and CMHC grant needs and added \$250,000, all from the State General Fund, to provide funding for Clubhouse Model Programs due to an estimated shortfall of revenue from lottery vending machines in FY 2019.

The **2019 Legislature** added \$196,304, all from the State General Fund, to allow for the opening and expansion of Clubhouse Model Programs in Hutchinson, Olathe, and Topeka, as well as training and travel expenses at the Clubhouse training based in St. Louis, Missouri.

The **2019 Legislature** added \$500,000, all from the State General Fund, for additional drug and alcohol substance abuse services for individuals ineligible for Medicaid services for FY 2020.

The **2019 Legislature** added \$154,585, including \$38,646 from the State General Fund, to increase reimbursements for the Client Assessment Referral and Evaluation program in FY 2019.

The **2019 Legislature** included language in 2019 House Sub. for SB 25 to require modifications to the current Medicaid HCBS Traumatic Brain Injury Waiver program, no later than July 1, 2019, in accordance with the 2018 appropriations bill and also to restore the unduplicated waiver slot count to 723 and lower such waiver's entry age to birth and add acquired brain injuries to such waiver while setting the financial eligibility requirements for children under 18 to be the same as the Kansas Serious Emotional Disturbance Waiver.

In addition, the **2019 Legislature** added \$428,264, including \$153,226 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$2.1 billion, including \$831.0 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds increase of \$10.6 million, or 0.5 percent, and a State General Fund increase of \$538,750, or 0.1 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contractual services in the Administration program related to management of nursing facilities currently in receivership and an increase in funding from the federal mental health block grant. The State General Fund increase is attributable to the agency's supplemental request for an information security officer and additional cybersecurity expenditures in FY 2020. The revised estimate includes 283.0 FTE positions, which is the same number approved by the 2019 Legislature.

The revised estimate includes one supplemental request totaling \$663,620, including \$538,750 from the State General Fund, and 1.0 FTE position in FY 2020. The supplemental request in FY 2020 includes \$140,000, including \$105,000 from the State General Fund, and

1.0 FTE position for an information security officer position and \$523,620, including \$433,750 from the State General Fund, for cybersecurity projects. **Absent the FY 2020 supplemental**, the FY 2020 revised estimate for total expenditures is an all funds increase of \$12.3 million, or 0.6 percent, above the amount approved by the 2019 Legislature. Also, **absent the supplemental**, the State General Fund amount is the same as the approved amount.

The agency requests a revised estimate of \$12.3 million, all from the State Institutions Building Fund, for capital improvements in FY 2020. This is an increase of \$2.4 million, or 24.0 percent, above the amount approved by the 2019 Legislature. The increase is attributable to the reappropriation of \$2.4 million for rehabilitation and repair funding not expended in FY 2019. Rehabilitation and repair funding includes projects at the four state hospitals. The revised estimate includes funding approved by the 2019 Legislature for debt service principal payments for bonds on the rehabilitation and repairs of the state hospitals; debt service principal payments for the construction of the State Security Hospital at Larned State Hospital; and \$1.3 million, all from the State Institutions Building Fund, to renovate Spruce Cottage at Parsons State Hospital and Training Center.

The **Governor** recommends total expenditures of \$2.1 billion, including \$841.5 million from the State General Fund, in FY 2020. This is an all funds increase of \$29.0 million, or 1.4 percent, and a State General Fund increase of \$10.5 million, or 1.3 percent, above the agency's FY 2020 revised estimate. The all funds increase is primarily attributable to the Governor recommending adopting the human services caseload expenditure estimates, partially offset by the Governor recommending a revised estimate for Medicaid Home and Community Based Services (HCBS) waivers in FY 2020. The Governor does not recommend the agency's supplemental request for an Information Security Officer position and cybersecurity funding in FY 2020. The Governor's recommendation includes decreases in expenditures for Clubhouse Model Programs and Crisis Center Programs and adjustments to the Problem Gambling and Addictions Grant Fund in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$2.1 billion, including \$853.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$45.3 million, or 2.2 percent, and a State General Fund increase of \$22.1 million, or 2.7 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests, partially offset by a decrease in expenditures for nursing facilities and nursing facilities for mental health. The request includes 289.0 FTE positions, which is an increase of 6.0 FTE positions above the FY 2020 revised estimate.

The request includes 17 enhancement requests totaling \$74.6 million, including \$42.0 million from the State General Fund, and 7.0 FTE positions for FY 2021. Projects for FY 2021 include reimbursement rate increases for the Technology Assisted (TA) and Brain Injury (BI) Medicaid Home and Community Based Services (HCBS) waiver services providers, regional mental health inpatient psychiatric beds, reduction of the waitlist for the Medicaid HCBS waiver for individuals with an intellectual or developmental disability, a disability and behavioral health employment program, a new electronic records and patient management system for the state hospitals, youth mobile response services, behavioral health services in jails, mental health services in nursing facilities and nursing facilities for mental health, and other programs. **Absent the enhancements**, for operating expenditures, the FY 2021 request is an all funds decrease of \$29.3 million, or 1.4 percent, and a State General Fund decrease of \$20.0 million, or 2.4 percent, below the FY 2020 revised estimate.

The agency requests \$8.9 million, all from the State Institutions Building Fund, for capital improvements for FY 2021. This is a decrease of \$3.4 million, or 27.7 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the reappropriation of \$2.4 million for rehabilitation and repair funding in FY 2020. The decrease is also attributable to one-time expenditures for the renovation of Spruce Cottage at Parsons State Hospital and Training Center in FY 2020.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

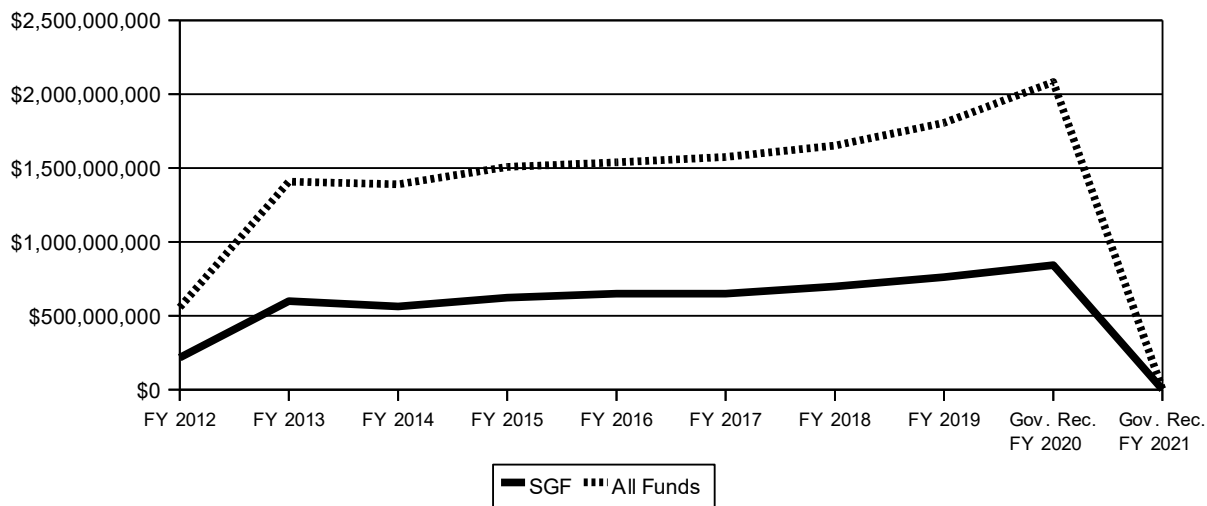
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Persons with Severe and Persistent Mental Illness Receiving Outpatient Services*	22,075	21,019	N/A	18,764	19,000	20,000
Number of Individuals Served in a KDADS-Funded Crisis Program*	25,099	25,100	N/A	23,796	25,000	27,000
Average Number of Months between Surveys for the Survey, Certification, and Credentialing program*	17.4	18.9	N/A	13.0	13.0	13.0
Agency Expenditures						
All Funds (Dollars in Billions)	\$ 1.6	\$ 1.7	\$ 1.9	\$ 1.8	\$ 2.1	\$ 0.0
FTE Positions	295.0	283.0	283.0	282.0	282.0	0.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 215,234,227	35.1 %	\$ 556,918,219	1.3 %	181.3
2013	597,859,761	177.8	1,407,782,256	152.8	278.5
2014	561,860,405	(6.0)	1,389,821,712	(1.3)	275.0
2015	622,246,143	10.7	1,507,475,129	8.5	275.0
2016	649,214,816	4.3	1,538,018,107	2.0	284.0
2017	648,920,943	(0.0)	1,574,589,864	2.4	295.0
2018	697,321,455	7.5	1,651,859,548	4.9	283.0
2019	760,717,209	9.1	1,805,680,663	9.3	282.0
2020 Gov. Rec.	841,450,384	10.6	2,082,236,186	15.3	282.0
2021 Gov. Rec.	0	(100.0)	0	(100.0)	0.0
Ten-Year Change Dollars/Percent	\$ (215,234,227)	(100.0)%	\$ (556,918,219)	(100.0)%	(181.3)

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate				Governor's Recommendation			
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 12,918,388	\$ 16,788,615	\$ 15,507,576	\$ (1,281,039)	(7.6)%	\$ 16,125,095	\$ 0	\$ (16,125,095)	(100.0)%
Aging & Disability Com Srvs and Programs Commission	30,882,478	31,981,308	31,265,260	(716,048)	(2.2)	31,981,308	0	(31,981,308)	(100.0)
Medicaid Program	1,638,164,110	1,846,653,081	1,885,871,437	39,218,356	2.1	1,879,758,503	0	(1,879,758,503)	(100.0)
Behavioral Health- Operations and Grant	94,622,277	120,100,710	131,993,959	11,893,249	9.9	116,651,383	0	(116,651,383)	(100.0)
Community Srvs Admin	15,990,764	19,614,898	18,280,311	(1,334,587)	(6.8)	19,614,898	0	(19,614,898)	(100.0)
Survey, Certification, and Credentialing	13,102,646	18,104,999	15,588,077	(2,516,922)	(13.9)	18,104,999	0	(18,104,999)	(100.0)
TOTAL	\$ 1,805,680,663	\$ 2,053,243,611	\$ 2,098,506,620	\$ 45,263,009	2.2 %	\$ 2,082,236,186	\$ 0	\$ (2,082,236,186)	(100.0)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 17,219,781	\$ 20,887,432	\$ 21,325,174	\$ 437,742	2.1 %	\$ 20,747,432	\$ 0	\$ (20,747,432)	(100.0)%
Contractual Services	36,791,763	46,782,172	48,915,955	2,133,783	4.6	46,258,652	0	(46,258,652)	(100.0)
Commodities	319,008	315,321	245,569	(69,752)	(22.1)	315,321	0	(315,321)	(100.0)
Capital Outlay	309,266	259,182	3,025,382	2,766,200	1,067.3	259,182	0	(259,182)	(100.0)
Debt Service	1,264,409	1,026,750	771,350	(255,400)	(24.9)	1,026,750	0	(1,026,750)	(100.0)
Subtotal - Operations	\$ 55,904,227	\$ 69,270,857	\$ 74,283,430	\$ 5,012,573	7.2 %	\$ 68,607,337	\$ 0	\$ (68,607,337)	(100.0)%
Aid to Local Units	70,804,571	93,805,476	88,865,692	(4,939,784)	(5.3)	90,356,149	0	(90,356,149)	(100.0)
Other Assistance	1,678,971,865	1,890,167,278	1,935,357,498	45,190,220	2.4	1,923,272,700	0	(1,923,272,700)	(100.0)
TOTAL	\$ 1,805,680,663	\$ 2,053,243,611	\$ 2,098,506,620	\$ 45,263,009	2.2 %	\$ 2,082,236,186	\$ 0	\$ (2,082,236,186)	(100.0)%
Financing:									
State General Fund	\$ 760,717,209	\$ 830,973,619	\$ 853,034,062	\$ 22,060,443	2.7 %	\$ 841,450,384	\$ 0	\$ (841,450,384)	(100.0)%
Children's Initiatives Fund	3,800,000	3,800,000	3,800,000	0	0.0	3,800,000	0	(3,800,000)	(100.0)
Problem Gambling and Addictions Fund	6,724,749	6,825,996	6,825,996	0	0.0	7,290,010	0	(7,290,010)	(100.0)
Quality Care Serv Fund	26,385,549	38,120,005	38,120,005	0	0.0	36,124,057	0	(36,124,057)	(100.0)
Title XIX Federal Fund	929,872,202	1,076,649,692	1,107,068,097	30,418,405	2.8	1,100,697,436	0	(1,100,697,436)	(100.0)
Prevention Treatment Subst Abuse Grant	12,319,706	12,023,515	12,024,560	1,045	0.0	12,023,515	0	(12,023,515)	(100.0)
All Other Funds	65,861,248	84,850,784	77,633,900	(7,216,884)	(8.5)	80,850,784	0	(80,850,784)	(100.0)
TOTAL	\$ 1,805,680,663	\$ 2,053,243,611	\$ 2,098,506,620	\$ 45,263,009	2.2 %	\$ 2,082,236,186	\$ 0	\$ (2,082,236,186)	(100.0)%

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$810,979,053 for the Kansas Department for Aging and Disability Services in FY 2020. One adjustment has been made subsequently to that amount. The adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$19,455,816, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$830,434,869. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 830,434,869	\$ 830,973,619	\$ 538,750	\$ 841,450,384	\$ 11,015,515
All Other Funds	1,222,136,245	1,234,533,615	12,397,370	1,253,049,425	30,913,180
TOTAL	\$ 2,052,571,114	\$ 2,065,507,234	\$ 12,936,120	\$ 2,094,499,809	\$ 41,928,695
FTE Positions	283.0	283.0	0.0	282.0	(1.0)

The **agency** requests a revised estimate for total expenditures of \$2.1 billion, including \$830.4 million from the State General Fund, in FY 2020. The revised estimate includes operating expenditures totaling \$2.1 billion, including \$831.0 million from the State General Fund, and capital improvement expenditures totaling \$12.3 million, all from the State Institutions Building Fund. This is an all funds increase of \$12.9 million, or 0.6 percent, and a State General Fund increase of \$538,750, or 0.1 percent, above the amount approved by the 2019 Legislature. The revised estimate includes 283.0 FTE positions, which is the same number approved by the 2019 Legislature.

The revised estimate includes one supplemental request totaling \$663,620, including \$538,750 from the State General Fund, and 1.0 FTE position in FY 2020. The supplemental in FY 2020 includes \$140,000, including \$105,000 from the State General Fund, and 1.0 FTE position for an information security officer position and \$523,620, including \$433,750 from the State General Fund, for cybersecurity projects. **Absent the FY 2020 supplemental**, the FY 2020 revised estimate for total expenditures is an all funds increase of \$12.3 million, or 0.6 percent, above the amount approved by the 2019 Legislature. Also, **absent the supplemental**, the State General Fund amount is the same as the approved amount.

The **Governor** recommends total expenditures of \$2.1 billion, including \$841.5 million from the State General Fund, in FY 2020. This is an all funds increase of \$29.0 million, or 1.4 percent, and a State General Fund increase of \$10.5 million, or 1.3 percent, above the agency's FY 2020 revised estimate. The all funds increase is primarily attributable to the Governor recommending adopting the human services caseload expenditures estimate, partially offset by the Governor recommending a revised estimate for Medicaid Home and Community Based Services (HCBS) waivers in FY 2020. The Governor does not recommend the agency's supplemental request for an Information Security Officer position and cybersecurity funding in FY 2020. The Governor's recommendation includes decreases in expenditures for Clubhouse Model Programs and Crisis Center Programs and adjustments to the Problem Gambling and Addictions Grant Fund in FY 2020.

Supplemental Detail

Supplementals	FY 2020 SUPPLEMENTALS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Information Security Officer and Cybersecurity	\$ 538,750	\$ 663,620	1.0	\$ 0	\$ 0	0.0
Problem Gambling and Addictions Grant Fund Adjustment	0	0	0.0	(550,673)	0	0.0
Clubhouse Model Revised Estimate	0	0	0.0	550,673	(449,327)	0.0
Community Crisis Stabilization Centers Revised Estimate	0	0	0.0	0	(3,000,000)	0.0
Human Services Caseloads Adjustments	0	0	0.0	21,696,610	54,613,213	0.0
Medicaid HCBS Waiver Expenditures	0	0	0.0	(10,677,095)	(21,507,791)	0.0
TOTAL	\$ 538,750	\$ 663,620	1.0	\$ 11,019,515	\$ 29,656,095	0.0

The **agency** requests one supplemental totaling \$663,620, including \$538,750 from the State General Fund, in FY 2020. The supplemental request includes \$140,000, including \$105,000 from the State General Fund, and 1.0 FTE position for an information security officer position; \$402,800, including \$373,390 from the State General Fund, for migration and operating costs of KDADS to the Executive Branch Information Technology Centralized Service Desk; and \$120,720, including \$60,360 from the State General Fund, to support migration and operating costs of the KDADS system to the Unisys Hybrid Data Center.

The **Governor** recommends enhancements of \$29.7 million, including \$11.0 million from the State General Fund, in FY 2020. The Governor does not recommend the agency's supplemental request for an Information Security Officer position and cybersecurity funding in FY 2020. The Governor recommends several adjustments detailed below.

Problem Gambling and Addictions Grant Fund Adjustment. The Governor recommends increasing estimated revenue and expenditures for the Problem Gambling and Addictions Grant Fund by \$40,000, replacing \$86,659 in planned expenditures from the Problem Gambling and Addictions Grant Fund for human services caseloads with funding from the Title

XIX Federal Fund, and recommends not transferring the projected ending balance of \$424,014 of the Problem Gambling and Addictions Grant Fund to the State General Fund in FY 2020. Also, the Governor recommends an increase in expenditures of \$550,673 from the Problem Gambling and Addictions Grant Fund and a decrease of the same amount from the State General Fund for behavioral health services in FY 2020.

Clubhouse Model Revised Estimate. The Governor recommends decreasing estimated revenue and expenditures for Clubhouse Model Programs from lottery ticket vending machine revenue from \$2.0 million to \$1.0 million in FY 2020. Also, the Governor recommends \$550,673, all from the State General Fund, for Clubhouse Model Programs for FY 2021.

Crisis Center Revised Estimate. The Governor recommends decreasing estimated revenue and expenditures for Community Crisis Centers from lottery ticket vending machine revenue from \$6.0 million to \$3.0 million in FY 2020.

Human Services Consensus Caseloads. The Governor recommends adding \$54.6 million, including \$21.7 million from the State General Fund, to adopt the human services consensus caseload estimates in FY 2020.

HCBS Waiver Expenditures. The Governor recommends deleting \$21.5 million, including \$10.7 million from the State General Fund, for decreased expenditures on Medicaid HCBS waivers to adjust for a revised estimate of the cost of these services. The recommendation does not reduce the number of persons served.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 2,098,506,620	\$ 0	\$ (2,098,506,620)	
FTE Positions	289.0	0.0	(289.0)	
Change from FY 2020:				
Dollar Change:				
State General Fund	\$ 22,060,443	\$ (841,450,384)		
All Other Funds	23,202,566	(1,240,785,802)		
TOTAL	\$ 45,263,009	\$ (2,082,236,186)		
Percent Change:				
State General Fund	2.7 %	(100.0) %		
All Other Funds	1.9	(100.0)		
TOTAL	2.2 %	(100.0) %		
Change in FTE Positions	6.0	(282.0)		

The **agency** requests FY 2021 operating expenditures totaling \$2.1 billion, including \$853.0 million from the State General Fund. This is an all funds increase of \$45.3 million, or 2.2 percent, and a State General Fund increase of \$22.1 million, or 2.7 percent, above the FY 2020

revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests, partially offset by a decrease in expenditures for nursing facilities and nursing facilities for mental health. The request includes 289.0 FTE positions, which is an increase of 6.0 FTE positions above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement requests.

The request includes enhancement requests totaling \$74.6 million, including \$42.0 million from the State General Fund, and 7.0 FTE positions for FY 2021. Projects for FY 2021 include reimbursement rate increases for the Technology Assisted (TA) and Brain Injury (BI) Medicaid Home and Community Based Services (HCBS) waiver services providers, regional mental health inpatient psychiatric beds, reductions to the waiting list for the Medicaid HCBS waiver for individuals with an intellectual or developmental disability, a disability and behavioral health employment program, a new electronic records and patient management system for the state hospitals, youth mobile response services, behavioral health services in jails, mental health services in nursing facilities and nursing facilities for mental health, and other programs. **Absent the FY 2021 enhancements**, for operating expenditures, the FY 2021 request is an all funds decrease of \$29.3 million, or 1.4 percent, and a State General Fund decrease of \$20.0 million, or 2.4 percent, below the FY 2020 revised estimate.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
TA and BI HCBS Waivers Rate Increase	\$ 9,800,000	\$ 24,500,000	0.0	\$ 0	\$ 0	0.0
Regional Mental Health Inpatient Beds	5,000,000	5,000,000	0.0	0	0	0.0
I/DD HCBS Waiver Waitlist Reduction	4,800,000	12,000,000	0.0	0	0	0.0
Disability and Behavioral Health Employment	4,800,000	12,000,000	0.0	0	0	0.0
State Hospitals Electronic Records and Patient Management System	4,771,500	4,771,500	0.0	0	0	0.0
Youth Mobile Response Services	3,000,000	3,000,000	0.0	0	0	0.0
Behavioral Health Services in Jails	3,000,000	3,000,000	0.0	0	0	0.0
Mental Health Services in NF and NFMH	2,800,000	4,000,000	0.0	0	0	0.0
Suicide Prevention Program	1,500,000	1,500,000	0.0	0	0	0.0
Information Security Officer and Cybersecurity	1,078,610	1,203,380	1.0	0	0	0.0
SUD Treatment Services for Uninsured	500,000	500,000	0.0	0	0	0.0
Community Integration Housing First Program	500,000	500,000	0.0	0	0	0.0
Staffing Increase	255,000	425,000	6.0	0	0	0.0
Crisis Intervention Center Pilot at RSI	150,000	150,000	0.0	0	0	0.0
Staff Equipment Modernization	64,965	129,930	0.0	0	0	0.0
Crisis Stabilization Centers Expansion	0	1,500,000	0.0	0	0	0.0
Clubhouse Model Program Expansion	0	400,000	0.0	0	0	0.0
TOTAL	\$ 42,020,075	\$ 74,579,810	7.0	\$ 0	\$ 0	0.0

The **agency** requests 17 enhancement requests totaling \$74.6 million, including \$42.0 million from the State General Fund, and 7.0 FTE positions for FY 2021. The enhancement requests are detailed below.

TA and BI Medicaid HCBS Waiver Rate Increases. The agency requests \$24.5 million, including \$9.8 million from the State General Fund, to provide rate increases for the TA and BI Medicaid HCBS waivers for FY 2021. Within this amount, the agency requests \$18.1 million, including \$7.3 million from the State General Fund, for an increase in the reimbursement rates for the TA waiver and \$6.4 million, including \$2.6 million from the State General Fund, for an increase in the reimbursement rates for the BI waiver.

Regional Mental Health Inpatient Beds. The agency requests \$5.0 million, all from the State General Fund, to provide regional mental health inpatient beds for patients for FY 2021. The agency notes a portion of KDADS' strategic plan to modernize the continuum of care for mental health services in Kansas is to open more regional beds throughout the state. The agency states it is currently identifying community-based organizations that might partner with the State to develop and build capacity for these models.

I/DD Medicaid HCBS Waiver Waitlist Reduction. The agency requests \$12.0 million, including \$4.8 million from the State General Fund, to reduce the waiting list for the Medicaid HCBS waiver for individuals with an intellectual or developmental disability (I/DD) for FY 2021. The agency states this funding would provide services for an additional 250 individuals.

Disability and Behavioral Health Employment. The agency requests \$12.0 million, including \$4.8 million from the State General Fund, for a disability and behavioral health employment pilot program for FY 2021. Services in the voluntary program include pre-vocational services, supported employment, personal assistant services, independent living skills training, assistive technology, and transportation. The request includes funding for a position to administer the program. Eligibility in the program would be for individuals age 16 through 65 who meet one of the following criteria: certain behavioral health primary diagnoses and receive services through Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI); individuals with SSI currently enrolled in Medicaid and waitlisted for the I/DD or PD waiver; or individuals who are receiving services on the I/DD, PD, or BI waiver, who are willing to leave the HCBS waiver. The program is estimated to serve 500 individuals for FY 2021.

State Hospitals Electronic Records and Patient Management System. The agency requests \$4.8 million, all from the State General Fund, to cover costs associated with infrastructure needs and the continued support and maintenance of a new Electronic Health Records system. The request includes \$2.8 million for one-time infrastructure needs and \$2.0 million for ongoing maintenance. This electronic records and patient management system would include programs used to manage patient billing, pharmacy ordering and dispensing, psychological behavior data, inventory tracking, electronic medical records, monitoring of portable defibrillation equipment, accounting and reimbursement, and staff scheduling.

Youth Mobile Response Services. The agency requests \$3.0 million, all from the State General Fund, to support the Mobile Response and Stabilization Service Program and 24/7/365 Crisis Hotline for FY 2021. The agency states the program will provide mobile response and stabilization services to maintain youth in their current residence and prevent repeated hospitalizations. The service program will serve 100 youth and families at risk of out-of-home placement and divert at least 43 youth from Psychiatric Residential Treatment Facilities.

Behavioral Health Services in Jails. The agency requests \$3.0 million, all from the State General Fund, to provide behavioral health services in jails for FY 2021. The agency states this request is intended to implement new programming planned in response to the Legislative Post Audit (LPA) Committee's 2018 Performance Audit Report *Community Mental Health: Evaluating Mental Health Services in Local Jails*. The LPA identified the need for an integrated statewide plan and more consistent collaboration between jails and community mental health. KDADS is developing a statewide plan due to the Legislature July 1, 2020. This funding is requested to help fund local jail liaison positions at 26 Community Mental Health Centers (CMHCs), training for jail staff statewide, and facilitating the coordination of community services prior to release for inmates. Additionally, this request includes funding for a Justice Involved Services Coordinator position for \$80,000, all from the State General Fund, to facilitate the program, provide technical support and training statewide, seek federal funding to enhance the program, and coordinate service delivery efforts across the CMHC system for FY 2021.

Mental Health Services in NFs and NFMHs. The agency requests \$4.0 million, including \$2.8 million from the State General Fund, to provide mental health services in nursing facilities (NFs) and nursing facilities for mental health (NFMHs) for FY 2021. This enhancement includes \$2.0 million, including \$800,000 from the State General Fund, to provide services in NFs and \$2.0 million, all from the State General Fund, to provide services in NFMHs for FY 2021. The agency states federal law requires states provide or arrange for the provision of specialized services needed by an individual while residing in a nursing facility or nursing facility. The agency states these services would be provided by CMHCs to come to the facilities to provide services to patients living with severe persistent mental illnesses.

Suicide Prevention Program. The agency requests \$1.5 million, all from the State General Fund, to establish a statewide suicide prevention program for FY 2021. The enhancement request includes funding for a State Suicide Prevention Coordinator for \$80,000, all from the State General Fund, for FY 2021. The position would be responsible for implementing national prevention strategies and work to identify and apply for federal funding opportunities for statewide suicide prevention. The agency states it would utilize funding to assist service members, veterans, and their families and work with veteran service organizations through peer support programs, community-based services, training, crisis intercept mapping, enhanced follow-up care, and safety planning.

Information Security Officer and Cybersecurity. The agency requests \$1.2 million, including \$1.1 million from the State General Fund, for an information security officer position and cybersecurity expenditures for FY 2021. This request continues the agency's supplemental request in FY 2020. The enhancement request includes: \$140,000, including \$105,000 from the State General Fund, and 1.0 FTE position for an information security officer position; \$402,800, including \$373,390 from the State General Fund, for migration and operating costs of KDADS to the Executive Branch Information Technology Centralized Service Desk; \$120,720, including \$60,360 from the State General Fund, to support migration and operating costs of KDADS system to the Unisys Hybrid Data Center; and \$539,860, all from the State General Fund, for cybersecurity rates for the four state hospitals for FY 2021.

SUD Treatment Services for Uninsured Kansans. The agency requests \$500,000, all from the State General Fund, to increase Substance Use Disorder (SUD) services for uninsured Kansans for FY 2021. The agency states this funding would be used to reimburse SUD providers for treating substance use disorders among uninsured Kansans to support critical treatment interventions needed to prevent overdose deaths, unemployment and loss of productivity, child abuse and neglect, criminal behavior, and corrections involvement. The agency states this increase represents the equivalent of a 3.0 percent increase in total available funding for reimbursing SUD services providers that volunteer to serve uninsured patients.

Community Integration Housing First Program. The agency requests \$500,000, all from the State General Fund, for a Community Integration Housing First Program for FY 2021. The enhancement includes funding for a Housing First Project Coordinator position for \$80,000, all from the State General Fund, for FY 2021. The agency states this program is intended to serve uninsured homeless or at-risk of homelessness consumers with disabilities as they reintegrate into the community from institutional settings, such as a state hospital, correctional facility, county jail, detox unit, or a nursing facility for mental health. Consumers served by the program will be linked to federal benefits for persons with disabilities and the program will focus on teaching computers access and sustain permanent supportive community housing ensuring state compliance with federal law. The agency states this funding is necessary for the KDADS Behavioral Health Services Commission to be compliant with the federal Olmstead Decision, the Mental Parity Act of 1996, the Social Security Act, and potential compliance for the Medical HCBS Final Rule—integrative behavioral health care model.

Staffing Increase. The agency requests \$425,000, including \$255,000 from the State General Fund, and 6.0 FTE positions to increase staff for programs for FY 2021. The request includes:

- 1.0 FTE Health Facility Surveyor position for \$85,000, all from the State General Fund, for FY 2021. The agency states this position would be responsible for licensing and surveying state-only-funded Adult Care Homes, as the agency is struggling to comply with statutory requirements for the survey of these facilities under KSA 39-935(b);
- 1.0 FTE Long-Term Care Data Analyst position for \$80,000, including \$40,000 from the State General Fund, for FY 2021. The agency states this position will provide support in monitoring data pertaining to the Long-Term Services and Supports (LTSS) under the KanCare program, including Medicaid HCBS and NF Quality Outcomes; and
- 4.0 FTE LTSS Quality Review Staff positions totaling \$260,000, including \$130,000 from the State General Fund, for FY 2021. The agency states these position will assist the HCBS monitoring team by working in the field to monitor services provided by the KanCare managed care entities to ensure proper oversight in response to the state's LTSS Corrective Action Plan through the federal Centers for Medicare and Medicaid Services (CMS) and feedback from stakeholders.

Crisis Intervention Center Pilot at RSI. The agency requests \$150,000, all from the the State General Fund, for a Crisis Intervention Center pilot at Rainbow Services Inc. for FY 2021. The agency states a pilot Crisis Intervention Center could accept both voluntary and involuntary patients and the additional dollars would be available for potential increases in operating expenses, such as professional medication prescribers.

Staff Equipment Modernization. The agency requests \$129,930, including \$64,965 from the State General Fund, for staff equipment modernization for FY 2021. The agency states this funding is needed to lease new computers for staff and provide cell phones for staff in the field who are independently conducting home visits, interviews, and surveys in the homes of the service recipients and other residential settings.

Crisis Stabilization Centers Expansion. The agency requests \$1.5 million, all from the Community Crisis Stabilization Fund, to expand crisis stabilization center services for FY 2021. The agency states due to successes experienced in providing crisis stabilization services in communities, hospital admissions have been reduced and pressure has been taken off of emergency departments and county jails. The agency is in the process of exploring how crisis stabilization services can be expanded to and implemented in Western Kansas communities and this request would allow two to three communities in Western Kansas to establish a center to offer these services as a hub to multiple counties.

Clubhouse Model Program Expansion. The agency requests \$400,000, all from the Clubhouse Model Program Fund, to expand Clubhouse Model Programs for FY 2021. Representatives from KDADS state Clubhouse Model Programs assist people with mental illness to stay out of hospitals while achieving educational, financial, and vocational goals; without sustained funding, the four start-up Clubhouses started in FY 2019 will have a difficult time maintaining continuity of operations.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$428,264, including \$153,226 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$23,596, including \$9,235 from the State General Fund. For the purposes of this summary, the Governor's recommendation for FY 2021 is included within the budget for the Department for Children and Families for FY 2021.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	40.7 %	0.0 %
Children's Initiatives Fund	0.2	0.0
Problem Gambling and Addictions Grant Fund	0.3	0.0
Quality Care Service Fund	1.8	0.0
Title XIX Federal Fund	52.8	0.0
Prevention Treatment Substance Abuse Grant	0.6	0.0
All Other Funds	3.7	0.0
TOTAL	100.0 %	0.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	89.0	90.0	89.0	91.0	0.0
Aging and Disability Community Services and Programs Commission	14.0	14.0	14.0	18.0	0.0
Medicaid Program	0.0	0.0	0.0	0.0	0.0
Behavioral Health- Operations and Grant	43.0	43.0	43.0	43.0	0.0
Community Services Administration	28.0	28.0	28.0	28.0	0.0
Survey, Certification, and Credentialing	108.0	108.0	108.0	109.0	0.0
TOTAL	282.0	283.0	282.0	289.0	0.0
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The Administration program includes all administrative functions of KDADS. The Secretary for Aging and Disability Services has organized the program into the Office of the Secretary and the Financial and Information Services Commission. The Office of the Secretary provides general administrative functions of KDADS. The Financial and Information Services Commission is responsible for all fiscal information and technology services for the agency.

Office of the Secretary

KDADS is a cabinet-level agency administered by a Secretary who is appointed by and serves at the pleasure of the Governor. The Secretary serves as the chief executive officer, overseeing all aspects of agency operations. The Secretary has the authority to sign all documents, letters, contracts, and grants related to state and federal aging programs. The divisions within the office of the secretary are described below.

State Advisory Council. The State Advisory Council on Aging was established (KSA 75-5911) to advise the Governor and the Secretary about the needs of older Kansans and to advocate on their behalf. The Council is composed of 15 members, 11 of whom are appointed by the Governor and the remaining 4 are appointed, 1 each, by the majority and minority leaders of the Kansas House of Representatives and the Kansas Senate. Legislative members serve at the pleasure of the appointing authority while gubernatorial appointments are for a 3-year period.

Five Commissions. The five commissions are as follows:

- The **Aging and Disability Community Services and Programs Commission** was created in February 2019 by combining the former Commission on Aging and the Community Services and Programs Commission. The new Commission operates with two primary organizational units: Home and Community Based Services (HCBS) waivers and Aging services. Both units focus on providing choices of long-term services and supports that allow individuals to live in the most integrated community setting;
- The **Behavioral Health Services Commission** is supported by the Substance Abuse and Mental Health Services Administration and KDADS. The Commission serves as the Single State Agency for both federal Mental Health and Substance Abuse Prevention and Treatment Block Grants. The Commission has two divisions: Adult Services and Youth Services. The purpose of the Commission is to promote prevention, treatment, and recovery through partnerships to ensure Kansans with behavioral health needs live safe, healthy, successful, and self-determined lives in their communities;
- The **Survey, Certification, and Credentialing Commission** is composed of five divisions: Survey and Certification; State Licensed Adult Care Homes; Health Occupations and Credentialing; Individuals with Developmental Disability Licensing; and Behavioral Health Service Licensing. The primary purpose of the Commission is to protect public health in Kansas;
- The **Financial and Information Services Commission** is led by the Director of Operations. The purpose of the Commission is to manage and maintain all financial information, data analysis and technology services for the agency. In addition, the Commission manages the nursing facility program. Five divisions make up the Commission: Budget; Accounting; Fiscal and Program Analytics; and Information Technology; and
- The **State Hospital Commission** was created in June 2019. The Commission is responsible for providing leadership, guidance, direction, oversight, training and support of the four state hospitals. The state hospitals are: Kansas Neurological Institute; Parsons State Hospital and Training Center; Larned State Hospital; and Osawatomie State Hospital/Adair Acute Care.

Director of Legislative Affairs Division. The Legislative Affairs Division is within the Office of the Secretary. The Legislative Affairs Director reports directly to the Secretary and monitors legislative policy affecting KDADS.

Legal Division. The Legal Division provides consultation and advice to the Secretary and agency staff. The Division includes three sections: Central Office, State Hospitals and Licensing, and Litigation. Each attorney has specialized knowledge in areas relevant to the legal needs of a state agency having both program and regulatory responsibilities. Specific duties include legal research, oral and written legal opinions, representation of the agency in administrative hearings and before state and federal courts contracts, adoption of rules and regulations, policy review, and legislation. The Division also enforces state and federal laws and regulations pertaining to the licensure and certification of adult care homes.

Human Resources Division. The goal of the Human Resources (HR) Division is to oversee and provide technical and expert assistance on recruitment, selection, performance management, benefits, position management, organizational management, classification, compensation, employee relations, guidance and discipline, employee recognition, employee development and training, layoffs, furloughs, time and leave, payroll, benefits, the Family Medical Leave Act, the Americans with Disabilities Act, the shared leave program, and retirement. HR staff also provides assistance as the agency reassesses and reorganizes operations and staffing needs in furtherance of efficiency..

Communications Division. The Communications Division is responsible for public perception of the agency, which includes the Legislature, constituents, members of the public, service providers, stakeholders, and the media. The Division also is responsible for all Freedom of Information and Kansas Open Records Act requests.

KanCare Ombudsman. The KanCare Ombudsman assists in the resolution of concerns about services, coverage, access, and rights. In addition, the Ombudsman helps participants understand the grievance and appeal process, as well as the State Fair Hearing process, and assists participants in navigating such processes. The services of the Ombudsman are available to all Medicaid-eligible populations, with a focus on KanCare enrollees utilizing long-term services and supports.

Financial and Information Services Commission

The Financial and Information Services Commission is led by the Chief Financial Officer. The goal of the Commission is to manage and maintain all fiscal information and technology services for the agency. The Commission is broken down into four parts: Budget Division, Accounting and Financial Management Division, Fiscal and Program Analysis Division, and Information Technology Services Division.

Budget Division. The goal of the Budget Division is to provide helpful, timely, and accurate budgetary information to all agency personnel. The Division provides program and budget analysis and budgetary recommendations to the Secretary and prepares the agency's annual budget submission. This division also is responsible for preparing the annual federal application for Medicare and Medicaid funds for the Survey and Certification Commission.

Accounting and Financial Management Division. The Accounting and Financial Management Division has the responsibility for payment of the weekly Medicaid claims. Close coordination between the Division, the Kansas Department of Health and Environment, the state Medicaid agency, the Department of Administration, and the Medicaid fiscal agent who manages the Medicaid Management Information System is required to ensure claims are paid in a timely manner. The Division also initiates and processes Medicaid off-system payments upon receipt of inquiries and requests regarding suspended, rejected, or late payments. The Division prepares Medicaid expenditure reports for submission to the state Medicaid agency.

The Contract and Grant Unit of this division oversees the allocation of federal Older American Act and Senior Care Act funds using intrastate funding formulas. It has responsibility for all federal financial status reports, including quarterly and annual financial reports to the federal Centers for Medicare and Medicaid Services for the survey and certification of adult long-term care and quarterly Medicaid estimates reports. The Unit also performs the financial management function for grants and contracts to Area Agencies on Aging and other service providers, including special project grants and contracts.

This division also develops, implements, and maintains a system for allocating KDADS' administrative costs for interpreting and applying federal and state policies governing purchasing, cost principles, and grants management. The Division also ensures its internal processes and systems are in compliance with appropriate state and federal mandates and that appropriate internal controls exist.

Fiscal and Program Analysis Division. The Fiscal and Program Analysis Division supports the agency through collection, analysis, and reporting of data at all levels: statewide, county, city, planning and service area, case management entities, survey and certification regions, federal Centers for Medicare and Medicaid Services regions, and nationwide. The purpose of the analysis activity is to provide information on current status and provide advance notice of trends to program administrators at the state level and to local administrators of aging programs. The Division is responsible for the completion and submission of the Older Americans Act annual program report and Centers for Medicare and Medicaid Services 372 reports and also compiles and publishes the Home and Community Based Services–Frail Elderly Waiver quality assurance reports, annual Older American Act and Senior Care Act quality review reports, and federal Centers for Medicare and Medicaid Services quarterly reports. Additional responsibilities include monitoring and projecting caseloads for all Medicaid programs.

The Division also manages the Medicaid Nursing Facility program. Staff members are responsible for collecting and reviewing Medicaid cost reports, conducting financial audits, setting nursing facility payment rates, and assisting providers with Medicaid financing matters.

Audit Services performs the following tasks: determines that reported nursing facility costs and resident days used to set reimbursement rates for Medicaid residents are in compliance with state and federal regulations and policies; reviews and analyzes all Area Agencies on Aging single audit reports and identifies issues that require management attention; visits audit firms that provide audit services to Area Agencies on Aging and reviews audit work papers as necessary; performs audits of Resident Personal Needs Fund accounts at nursing facilities as requested by the Survey and Certification Commission or the state ombudsman; and performs audits for nursing facilities requesting asset rebases as received during the year.

Promoting Excellent Alternative in Kansas Nursing Homes (PEAK). KDADS began this initiative in 2002 to promote innovation in long-term care. In the first 10 years, 51 different nursing homes were recognized for their achievements in pursuing cultural change. During FY 2013, the agency began to transition PEAK from an education and recognition program to a multi-step quality improvement process. A team of stakeholders, including representatives from KDADS, the nursing homes trade association, and other advocacy groups, was assembled in July 2011 to begin the recreation of PEAK. The program will provide incentives for homes that have made significant achievements with regard to culture change but also will begin to identify homes that have achieved or maintained competency in person-centered care. The goals of the new PEAK will be to move more nursing homes to pursue culture change and adopt person-centered care.

Information Services Division. The Information Services Division's primary function is to maintain, enhance, and secure all technological systems, such as the Kansas Aging Management Information System, data communication systems, the voice communication systems, and the data storage systems. These systems enhance the agency's ability to track customers and services provided by Area Agencies on Aging and other service providers; prevent attacks and breaches of the agency's network, support the e-mail system and maintain a high level of security. Staff manages databases and applications, performs custom data extractions, and monitors data integrity.

Debt Service Interest

The Administration program also includes interest payments on agency debt service. Information on principal payment on debt service is included within the Capital Improvements section of this analysis.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 11.1	\$ 17.5	\$ 14.5	\$ 12.9	\$ 16.1	\$ 0.0
FTE Positions	85.5	96.0	96.0	89.0	89.0	0.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 6,431,681	\$ 6,825,289	\$ 6,685,289	\$ 6,906,094	\$ 0
Contractual Services	4,942,693	8,750,072	8,226,552	7,655,915	0
Commodities	186,005	124,493	124,493	115,619	0
Capital Outlay	93,600	62,011	62,011	58,598	0
Debt Service	1,264,409	1,026,750	1,026,750	771,350	0
Subtotal - Operations	\$ 12,918,388	\$ 16,788,615	\$ 16,125,095	\$ 15,507,576	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 12,918,388	\$ 16,788,615	\$ 16,125,095	\$ 15,507,576	\$ 0
Financing:					
State General Fund	\$ 5,956,259	\$ 6,266,021	\$ 5,727,271	\$ 6,624,974	\$ 0
All Other Funds	6,962,129	10,522,594	10,397,824	8,882,602	0
TOTAL	\$ 12,918,388	\$ 16,788,615	\$ 16,125,095	\$ 15,507,576	\$ 0
FTE Positions	89.0	90.0	89.0	91.0	0.0

The **agency** requests \$15.5 million, including \$6.6 million from the State General Fund, for the Administration program for FY 2021. This is an all funds decrease of \$1.3 million, or 7.6 percent, and a State General Fund increase of \$358,953, or 5.7 percent, from the FY 2020 revised estimate. The program includes enhancement funding totaling \$1.4 million, including \$1.2 million from the State General Fund, for modernization of staff equipment (\$129,930, including \$64,965 from the State General Fund), cybersecurity and an Information Security Officer Position (\$1.2 million, including \$1.1 million from the State General Fund, and 1.0 FTE position), and a Long-Term Care (LTC) Data Analyst (\$80,000, including \$40,000 from the State General Fund, and 1.0 FTE position). The all funds decrease is primarily attributable to a decrease in contractual services as the agency anticipates fewer nursing facilities in receivership. The program includes 91.0 FTE positions, which is an increase of 1.0 FTE position above the number in the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to add an LTC Data Analyst position.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

B. Aging and Disability Community Services and Programs Commission

The Commission on Aging and Disability Community Services and Programs includes two organizational units: 1) Home and Community Based Services Waiver Services Program and 2) Aging Services.

HCBS Waiver Services Programs Overview

The HCBS Waiver Services program oversees the community-based supports and services through the state's managed care plan, KanCare, to approximately 25,000 persons with disabilities to assist them in living an integrated, safe, and healthy community life. KanCare, the state's managed care plan, was implemented on January 1, 2013. HCBS waiver services providers contract with the three KanCare Managed Care Organizations (MCOs) to provide home and community-based services for each of the waivers. Oversight of the Medicaid program services are supported by HCBS Waiver Program Managers, Program Integrity Specialists, Quality Assurance Reviewers, and a Policy and Program Oversight Manager.

Aging Services Overview

The Aging Services Unit includes seven programs: 1) Older Americans Act; 2) Senior Care Act; 3) Transitional Services and Client Assessment, Referral, and Evaluation (CARE); 4) Information and Community Resources; 5) Aging and Disability Resource Centers; 6) Quality Review; and 7) Nutrition Programs. The Aging Services unit is responsible for providing services to Kansas seniors through a privatized network of providers. The unit provides day-to-day management and training and provision of technical assistance to providers funded by the Senior Care Act, Older Americans Act, Medicaid, and the State General Fund. The Area Agencies on Aging (AAA) function as the point of entry for seniors seeking services.

The goal of the Commission is to improve the quality and performance of community programs for Kansas seniors and to rebalance nursing home and community care systems to prevent premature placement in nursing homes through an effective and supportive community aging network.

Older Americans Act Programs

The Older Americans Act (OAA) was established by Congress in 1965 to provide services to seniors age 60 or older. In the 1972 revisions to the OAA, the AAA was created to deliver services in communities.

The U.S. Department of Health and Human Services' Administration on Aging annually determines the level of federal funding allotted to Kansas. Program funding is allocated to each state unit on aging (KDADS), based on the number of older persons in the state, to plan,

develop, and coordinate systems of supportive in-home and community-based services. KDADS then distributes those funds by formula to the AAA or contracts with public or private groups to provide services.

Title III-B Supportive Services (Information and Referral). This part of the OAA program provides Kansans with objective, accessible, and useful information to promote healthy aging, financial security, and long-term care choices to assist them in making informed decisions. It also promotes accessibility of information sources to all Kansans.

Title III-D Disease Prevention and Health Promotion. This portion of the OAA program promotes disease prevention and health promotion services. These services enable seniors to make informed choices about their lifestyle changes and health. This funding can be used to support any of 15 health-related services.

Title III-E Caregiver Support. The National Family Caregiver Support program is designed to be as flexible as possible to support the needs of family caregivers. There are seven categories of service available: Information, Assistance, Counseling, Support Groups, Caregivers Training, Respite, and Supplemental Services. The program targets family caregivers providing in-home or community care to an older adult, caregivers who provide care for individuals with Alzheimer's disease, grandparents or relatives age 55 or older who are relative caregivers for children younger than 19 years of age, and a grandparent or relative age 55 or older providing care to a disabled adult aged 19 to 59. It also directs states to give priority to services for older individuals with the greatest social and economic need, with particular attention to low-income older individuals and grandparents or relatives providing care and support to persons with mental retardation and related developmental disabilities.

Senior Care Act Programs

The Senior Care Act (SCA) provides a critical early intervention component to the Kansas long-term care network. The SCA program provides services in the customer's home, such as homemaker, chore, attendant care, and case management services. The services are designed to prevent premature nursing home placement for persons who have not exhausted their financial resources, unlike the Home and Community Based Services–Frail Elderly Waiver (HCBS/FE) program. The program is targeted at those who are 60 years of age or older. Participants contribute a significantly higher proportion of the cost of SCA services than participants in the HCBS/FE program. Participant contributions are determined by a sliding fee scale based upon self-reported income and liquid assets for individuals served by the program. The program is funded by a Social Services Block Grant, which is passed through the Department for Children and Families to KDADS, and amounts to \$4.5 million per year. KDADS funds SCA services through AAAs. Funds are allocated to AAAs based upon a variation of the OAA formula.

Transition Services and CARE Programs

CARE program. The Client Assessment, Referral, and Evaluation (CARE) program is responsible for diverting seniors from nursing homes and into the community. CARE has the responsibility for managing the statewide screening of applicants for nursing home services and providing information and referral for other optional community-based services. The CARE program meets the federal requirements for the Pre-Admission Screening and Resident Review.

Lifespan Respite. KDADS, along with the Kansas Lifespan Coalition, are partnering on the Lifespan Respite Care grant. The grant has four primary objectives, which include: 1) expanding coordination, participation, and dissemination of respite resources; 2) developing a statewide respite network; 3) increasing family caregiver access to respite services and ease in securing respite providers; and 4) increasing the availability of qualified respite providers and skilled caregivers.

Vulnerable Elder Rights Protection Activities. The program promotes Elder Rights Activities, which provides persons age 60 and older access to the system of justice. Legal service providers (attorneys) act as advocates and offer advice and representation. Activities also include programs for the prevention and awareness of elder abuse, neglect, and exploitation of older individuals.

Information and Community Resources Division—SHICK/SMP/MIPPA

The Information and Community Resources Division provides information and assistance in accessing services through the administration of grant programs. The Senior Health Insurance Counseling for Kansas (SHICK) grant supports a statewide network of trained counselors who provide information, assistance, and counseling to people with questions about Medicare and other health insurance programs. The Senior Medicare Patrol (SMP) grant funds a statewide network of volunteers and partners who educate Kansans about recognizing and reporting health care fraud and abuse. The Division also works with the OAA, Senior Care Act, Vulnerable Elder Rights Protection, and Alzheimer's Disease Innovation, providing state and federal pass-through grants to local units of government and other qualified organizations. Grants provide services to Kansans age 60 or older in their homes or within the community.

SHICK. The federal Centers for Medicare and Medicaid Services (CMS) funds a nationwide network of State Health Insurance Assistance Programs (SHIPs). In Kansas, the SHIP is known as the Senior Health Insurance Counseling for Kansas (SHICK). This counseling program helps seniors navigate their way through the health insurance and Medicare systems and helps them access privately administered Prescription Assistance programs. The SHICK program is free and provides a reliable, confidential, and unbiased source of information.

SHICK uses a statewide network of sponsoring organizations, call centers, and trained volunteers to provide information, assistance, and counseling to Medicare beneficiaries in their communities. The Senior Health Insurance Counseling for Kansas team also has established partnerships with many community-based organizations and other agencies that provide services to people with Medicare and Medicaid in Kansas. In addition to helping beneficiaries understand their options and select plans of their choice, the Senior Health Insurance Counseling for Kansas staff help beneficiaries resolve problems with their Medicare Part D coverage. They also continue to provide education and counseling about Part D, the new preventive benefits available under Medicare, the Low Income Subsidy that can help beneficiaries with prescription costs, and long-term care insurance options.

SMP Program. The Kansas Senior Medicare Patrol (SMP) project educates Kansas Medicare and Medicaid beneficiaries about health care error, fraud, and abuse. SMP is one of the projects funded by the federal Administration on Aging. KDADS collaborates with community-based organizations across the state to recruit retired professionals and train them as volunteer educators. Together with partner organizations, these volunteers create a statewide network of fraud experts who educate beneficiaries about identifying and reporting health care errors, fraud, and abuse.

MIPPA. The Medicare Improvement for Patients and Providers Act (MIPPA) grants providers outreach to eligible Medicare beneficiaries regarding the benefits available under the Title XVIII of the Social Security Act (SSA), including the Medicare prescription drug benefit under Part D of Title XVIII of the SSA and under the Medicare Savings Program, and to coordinate efforts to inform older Americans about benefits available under federal and state programs.

Aging and Disability Resource Center

The Aging and Disability Resource Center grant creates a single point of entry for older individuals and individuals with disabilities; this single point of entry includes program information, application process, and eligibility determination. The Hospital Discharge Model (HDM) grant is developing a person-centered planning model that focuses on discharging HDM patient's Home and Community Based Services (HCBS) and reducing default discharged to nursing homes. Community Transition Opportunities is a federal grant the agency received to help people who have indicated in a nursing home they would like to go back to the community. This program coordinates those residents with the appropriate community services and supports.

Quality Review Division

The Quality Review Division is responsible for collecting data relative to policy compliance of the AAAs. Each quarter, the Division's staff reviews a statistically significant number of customer case files for the OAA and Senior Care Act programs to ensure policies and regulations are being followed and that care is being delivered in line with the customer's plan of care. Additionally, the Division's staff interviews the same customers to determine customer satisfaction. The information is then forwarded to the Fiscal and Program Analysis Division for aggregation, analysis, and dissemination among KDADS' stakeholders in report format.

Nutrition Grants

This program provides grants to AAAs for the provision of nutrition services in either a congregate setting or in the homes of older Kansans who are home bound. Federal, state, and special revenues at the state level are combined with local funds to support the program. Customers also share in the cost of nutrition service by voluntarily contributing toward the cost of their meals.

Title III-C Nutrition Program. This program, which started in 1965, authorizes nutrition services for persons aged 60 or over and their spouses and, in certain conditions, persons with disabilities under the age of 60. Meals are provided to eligible participants on a contribution basis in a congregate setting (Title III-C (1)), or within a home-bound individual's place of residence (Title III-C (2)).

	Actual FFY 2017	Actual FFY 2018	Est. FFY 2019	Est. FFY 2020
Total Meals Served	3,106,570	3,116,304	3,130,000	3,130,000
Cost Per Meal	\$6.03	\$6.20	\$6.20	\$6.20

Note: Federal Fiscal Year (FFY) includes October 1 to September 30 of the following year.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 24.8	\$ 31.8	\$ 33.5	\$ 30.9	\$ 32.0	\$ 0.0
FTE Positions	19.0	15.0	15.0	14.0	14.0	0.0

AGING AND DISABILITY COMMUNITY SERVICES AND PROGRAMS COMMISSION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 849,045	\$ 856,889	\$ 856,889	\$ 1,118,811	\$ 0
Contractual Services	3,034,566	3,357,414	3,357,414	3,222,786	0
Commodities	13,547	14,594	14,594	8,490	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,897,158	\$ 4,228,897	\$ 4,228,897	\$ 4,350,087	\$ 0
Aid to Local Units	9,704,594	9,872,915	9,872,915	9,825,690	0
Other Assistance	17,280,726	17,879,496	17,879,496	17,089,483	0
TOTAL	\$ 30,882,478	\$ 31,981,308	\$ 31,981,308	\$ 31,265,260	\$ 0
Financing:					
State General Fund	\$ 8,288,652	\$ 8,012,250	\$ 8,012,250	\$ 8,087,343	\$ 0
All Other Funds	22,593,826	23,969,058	23,969,058	23,177,917	0
TOTAL	\$ 30,882,478	\$ 31,981,308	\$ 31,981,308	\$ 31,265,260	\$ 0
FTE Positions	14.0	14.0	14.0	18.0	0.0

The **agency** requests \$31.3 million, including \$8.1 million from the State General Fund, for the Aging and Disability Community Services and Programs Commission for FY 2021. This is an all funds decrease of \$716,048, or 2.2 percent, and a State General Fund increase of \$75,093, or 0.9 percent, from the FY 2020 revised estimate. The program includes enhancement funding totaling \$260,000, including \$130,000 from the State General Fund, for a portion of the agency's enhancement request to increase staffing by adding four LTSS Quality Review Staff positions for FY 2021. The all funds decrease is primarily attributable to a federal grant for SHICK ending in FY 2020. The program includes 18.0 FTE positions, which is an increase of 4.0 FTE positions above the number in the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request for four LTSS Quality Review Staff positions.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

C. Medicaid Program

The Medicaid program (formerly the Medical and Community Services program) encompasses all of the medical services programs KDADS manages, most of which are included in KanCare. Services include Mental Health Services, psychiatric residential treatment facilities, nursing facilities for mental health, Substance Use Disorder Services, the Nursing Facility Program, Head Injury Rehabilitation Hospitals, Intermediate Care Facilities for Individuals with Intellectual Disabilities, HCBS Waivers, and the Program for All-Inclusive Care for the Elderly.

Mental Health Services: KanCare

KanCare manages the Medicaid-funded Community Mental Health Services. The three KanCare managed care organizations (MCOs) contract with a variety of community mental health providers that include community mental health centers (CMHCs) and other private mental health practitioners to provide Medicaid-funded mental health services throughout the state. The MCOs are responsible for ensuring persons with mental illness who are Medicaid-eligible receive a comprehensive array of timely, quality, accessible, and effective mental health services in all areas of the state. The goal of these services is for persons with mental illness to experience recovery and live safe, healthy, successful, self-determined lives in their home and community.

Psychiatric Residential Treatment Facilities: KanCare

Psychiatric residential treatment facilities (PRTFs) are licensed facilities that provide comprehensive mental health inpatient treatment for youth who cannot otherwise be served safely and effectively in a less restrictive environment. Youth are screened by CMHCs to determine the medical necessity for this level of care. PRTFs are expected to include family, agencies, and community as they offer strengths-based, culturally competent, medically appropriate mental health treatment. Treatment is uniquely designed to support reintegration to family/community living environment utilizing coordinated care support systems and Community Based Services. In Spring 2011, utilization of PRTFs dropped in response to increased utilization review efforts. Behavioral Health Mental Health Administration staff monitor utilization changes.

Nursing Facilities for Mental Health: KanCare

Nursing facilities for mental health (NFMHs) provide out-of-home residential care and treatment for persons experiencing severe symptoms of mental illness. Persons seeking placement in NFMHs are screened to determine whether or not their needs can be met with community-based services before their admission to the NFMHs is authorized. Currently, persons needing these services are required to travel long distances from their homes due to the limited number of facilities in the state. NFMHs are classified by the Centers for Medicare and Medicaid Services (CMS) as institutions for mental disease (IMDs). CMS does not allow payment of Federal Financial Participation (FFP) to IMDs for persons between 22 and 64 years of age. Public payment for persons in this age range is funded entirely through the State General Fund. NFMHs facilities have experienced an increase in the number of people not eligible for FFP, creating a need for additional state funds. In addition, by state statute, NFMHs reimbursement rates are reviewed each year. This results in annual rate increases.

The Aging and Disability Community Services and Programs Commission (formerly named the Community Services and Programs Commission) established the Hospital and Home Initiative to engage providers, advocates, consumers, and family members in developing a strategic plan that focuses on the necessary components of a comprehensive array of mental health services. The Hospital and Home Initiative strategic plan recommends developing a new vision for NFMHs. The new vision defines the role of NFMHs as mental health rehabilitation facilities. The draft vision also enhances the role of the local CMHCs in assisting NFMHs in transitioning residents to community placement. Finally, alternative models of small Medicaid-funded residential treatment facilities for adults are being explored that could provide these needed services in more Kansas communities. NFMHs also participate in the Medicaid pay-for-performance program (PEAK).

Substance Use Disorder Services: KanCare

Substance Abuse Disorder (SUD) Services administers and manages Medicaid-funded community-based alcohol and drug abuse treatment services. Medicaid-eligible Kansans in need of treatment services can access outpatient, intermediate, reintegration, medical detox, and other related hospital-based services from more than 170 enrolled providers located across the state. The contracted MCO assists SUD Services by contracting with treatment providers across the state to provide treatment services to the greatest number of persons.

Nursing Facility Program: KanCare

The Nursing Facility (NF) Program is responsible for enrollment of nursing homes providing Medicaid services to customers and reimbursement for those services. KDADS also collects Civil Monetary Penalties (CMPs) from nursing facilities in instances of substandard quality of care, as determined by the KDADS surveyors. As of June 30, 2019, there were 317 nursing homes operating in the Kansas as Medicaid providers and, when combined with the 10 nursing homes for mental health, they serve all 105 counties in the state. These homes provide care for a monthly average of 9,539 residents whose care is paid by Medicaid. Nursing homes are reimbursed for Medicaid resident care using a cost-based, facility-specific, prospective payment system. As of July 1, 2019, the average daily reimbursement rate is \$195.71.

In 2010, the Kansas Legislature passed a provider assessment for nursing facilities. This allows Kansas to tax providers, match the providers' funds with federal funds, and reimburse nursing facilities at a higher rate. On July 1, 2016, the provider assessment was increased. In FY 2019, the agency collected \$37.0 million from this assessment.

Head Injury Rehabilitation Hospitals: KanCare

Head Injury Rehabilitation Hospitals provide Medicaid-funded services to individuals with a traumatic brain injury (TBI) who require services at a level of intensity, duration, or frequency that may not be available in the community-based setting. Services must be restorative and rehabilitative in nature. Services include behavioral therapy, cognitive therapy, drug and alcohol abuse therapy, independent living skills training, occupational therapy, and physical therapy. In January 2013, KDADS integrated the services provided under this program with the State's Section 1115 KanCare Demonstration Project.

Positive Behavior Support

Positive Behavior Support (PBS) is the integration of valued outcomes, behavioral and biomedical science, validated procedures, and systems change to enhance an individual's quality of life and reduce problem behaviors. PBS services are funded by Medicaid and made available to Community Services Providers and Community Developmental Disability Organizations to assist them with the design and implementation of a successful service strategy for persons with severe behavior challenges. This service is provided to children under the age of 21 years with a developmental disability, a diagnosis of autism, or a traumatically inflicted head injury who are at risk of out-of-home placement.

Intermediate Care Facilities for Individuals with Intellectual Disabilities: KanCare

The Community Services and Programs Commission (CSP) administers Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs). Private ICF/IIDs are Medicaid-funded, federally regulated, 24-hour care and training facilities that serve persons with intellectual or developmental disabilities. Each ICF/IID is reimbursed a per diem rate for each person living in the facility. Effective January 1, 2013, KDADS integrated the services provided under this program with the State's Section 1115 KanCare Demonstration Project.

Home and Community Based Services Waivers

Home and Community Based Services (HCBS) Waiver Services provides services for more than 24,100 individuals with disabilities throughout the state through six different waiver programs: Intellectual and Developmental Disability (I/DD) Waiver, Physical Disability (PD) Waiver, Brain Injury (BI) Waiver, Technology Assisted (TA) Waiver, Autism Waiver, and Frail Elderly (FE) Waiver. In addition to these waiver programs, community services and programs work through the Money Follows the Person grant to assist with the transitions from institutional settings to services based in the community. The goal of waiver services is to provide individuals with disabilities services within their own communities to improve quality-of-life outcomes. Supports and services provided include day and residential, family support services, and personal care services, which assist people with daily living tasks. Individuals have the opportunity to self-direct their services, including the hiring, training, scheduling, supervising, and releasing of attendants. Services also include assistive services, such as home modifications; technology devices; transitional living services, such as teaching independent living skills; and rehabilitation services, such as physical, occupational, speech, behavioral, and cognitive therapies. Services are coordinated by case managers or independent living counselors.

These services are provided through community providers, such as Community Developmental Disability Organizations, Centers for Independent Living, and home health agencies. Financing is provided by Medicaid Home and Community Based Services Waivers, grants to Community Developmental Disability Organizations, and through the regular medical portion of the Medicaid program.

To be served by a HCBS Waiver, a person must be determined both financially and functionally eligible. Once eligible, the person may receive both waiver services and regular medical services, such as doctors visits and pharmaceuticals.

Institutional Transition Program. Historically, KDADS participated in the federal Money Follows the Person (MFP) program. Since the federal MFP grant program concluded, KDADS

has continued the practice of assisting individuals transition from institutional settings to home and community-based settings. Kansans making long-term care decisions are provided complete information, given the opportunity to discuss their choices and learn how they can be served in the community. The Institutional Transitions program not only allows for the resident to receive HCBS waiver services in the community, but also assistance in transition in order to re-establish a residence making it possible for the resident to return to the community. Four target populations are served by this program: the Frail Elderly (FE), individuals with a Physical Disability (PD), individuals with a Brain Injury (BI), and individuals with an Intellectual or Developmental Disability (I/DD).

To be eligible for this program, an individual must meet the following requirements:

- Be a current resident of a qualified institutional setting for 90 days;
- Be Medicaid-eligible prior to receiving MFP services;
- Meet the functional eligibility for waived services; and
- Have an interest in moving back to the community.

Waiting Lists. Some programs are not entitlements. If more people apply for and need these programs than the available funds can support, a waiting list for the program is established.

I/DD Waiver. As of November 2019, there were 4,048 persons on the waiting list who currently do not receive any HCBS services. The waiver for individuals with an intellectual or developmental disability (I/DD) provides Medicaid funding for a variety of community supports and services for persons whose developmental disabilities are severe enough to qualify them for institutional services. Services provided through the I/DD Waiver include day supports, residential support services, supportive home care, and assistive services, as well as other support services.

PD Waiver. As of November 2019, there were 1,459 persons on the waiting list. The waiver for individuals with a Physical Disability (PD) provides Medicaid funding for a variety of community services for those who prefer to live in their community rather than a nursing facility. The primary service provided through this program is personal services, which assists the individual with activities that an individual would perform for themselves if they did not have a disability.

FE Waiver. The FE Waiver does not have a waiting list as of November 2019. The Frail Elderly (FE) waiver provides Medicaid-eligible customers with the opportunity to receive cost-effective community-based services as an alternate to nursing home care. The federal waiver requires the aggregate cost of serving these customers in their homes be less than if they had elected to enter nursing homes.

Autism Waiver. As of November 2019, there were 326 children on the “proposed waiver recipient” waiting list who currently do not receive any HCBS Autism Waiver services. The Autism Waiver is designed to provide intensive early intervention services to children with an Autism Spectrum Disorder. Services under the waiver include respite care to provide relief for caregivers and parent support and training and intensive individual supports, which provides the therapy needed to assist the child in acquiring, retaining, and improving self-help, socialization, and adaptive skills.

TA Waiver. As of November 2019, there was no waiting list for the Technology Assistance (TA) waiver. In 2017, in order to continue the no waiting list status and control the

cost of the program, the program modified its community and hospital referral process for program access. In addition, the program has instituted a system where waiver recipients graduate from a high level of care to a lower level of care when individuals become medically stable. The cost of the program also is maintained due to the program's emphasis on a parent/legal guardian's participation in the caregiving and as part of the informal support system.

BI Waiver. As of November 2019, there was no waiting list for the Brain Injury (BI) waiver. The 2018 Legislature enacted language requiring KDADS to implement a change to allow coverage for individuals with a documented brain injury acquired from causes not previously covered under the waiver and to eliminate the age restrictions for coverage. Individuals receive services from various professionals (physical, occupational, speech, behavior, and cognitive), transitional living skills specialists, and personal care attendants. Services and community resources are coordinated by care managers. Persons must continue to make progress in their rehabilitation or independent living skills training to maintain eligibility.

Program of All-Inclusive Care for the Elderly. The Program of All-Inclusive Care for the Elderly (PACE) Program is a form of managed care in that the provider accepts a capitated rate in the form of a monthly premium. Most participants are eligible for both Medicare and Medicaid benefits. The PACE Program Medicaid rate is negotiated at a minimum of a federally required 5.0 percent cost savings of the calculated upper payment limit, based on past fee-for-service costs for Medicaid beneficiaries age 55 and older for each unique service coverage area. For this capitated payment, the provider assumes the full risk for their participant's long-term care needs. The monthly capitated payment is a fixed amount that extends over the life of the participant, regardless of changes in the participant's health status or service needs. Participants may be required to pay a portion of the capitated payment depending on their income.

PACE organizations must have a center that is approved by the Centers for Medicare and Medicaid Services and the State to provide adult day care services, clinical services, therapies, meals, social services, assistance with activities of daily living, and medication management. In addition, the sites are required to have a primary care physician who is part of the team of professionals that helps the participants manage their care. Each participant has access to all specialty services covered under either Medicare, Medicaid, or both. The first PACE site, called HOPE, was opened in 2002 by Via Christi Health Services in Wichita. HOPE serves up to 275 participants in Sedgwick County. The Midland Care Connection PACE site, located in Topeka, opened in 2007 and serves up to 300 participants in Shawnee County and the six surrounding counties. A new site located in McPherson County serves 70 participants in McPherson and surrounding counties. KDADS plans to significantly expand PACE over the next few years. The first phase of the expansion included adding capacity to the original two programs, Via Christi HOPE and Midland Care, in FY 2013. The second phase includes adding PACE providers to additional market areas. The agency states the expansion will be budget neutral overall, as PACE rates are similar to the KanCare capitated rates for the frail elderly and nursing home eligible population, and because PACE will be a dual enrollment option to KanCare and an eligible person that enrolls in PACE and will not enroll into a KanCare plan.

To be eligible to enroll, an individual must meet the following requirements:

- Be 55 years of age or older;
- Be determined to meet the nursing facility level-of-care threshold;
- Reside in the service area of the PACE organization; and
- Be able to live in a community setting without jeopardizing his or her health or safety.

PACE Expenditures Shift from KDHE. Beginning in FY 2018, the KDHE portion of the PACE program budget attributable to acute health care was transferred to KDADS, making KDADS responsible for all PACE program payments.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Billions)	\$ 1.4	\$ 1.5	\$ 1.7	\$ 1.6	\$ 1.9	\$ 0.0
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

MEDICAID PROGRAM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	28	24	24	24	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 28	\$ 24	\$ 24	\$ 24	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	1,638,164,082	1,846,653,057	1,879,758,479	1,885,871,413	0
TOTAL	\$ 1,638,164,110	\$ 1,846,653,081	\$ 1,879,758,503	\$ 1,885,871,437	\$ 0
Financing:					
State General Fund	\$ 685,982,563	\$ 739,499,201	\$ 750,514,716	\$ 748,417,557	\$ 0
All Other Funds	952,181,547	1,107,153,880	1,129,243,787	1,137,453,880	0
TOTAL	\$ 1,638,164,110	\$ 1,846,653,081	\$ 1,879,758,503	\$ 1,885,871,437	\$ 0
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests \$1.9 billion, including \$748.4 million from the State General Fund, for the Medicaid program for FY 2021. This is an all funds increase of \$39.2 million, or 2.1 percent, and a State General Fund increase of \$8.9 million, or 1.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests, partially offset by a decrease in expenditures for nursing facilities and nursing facilities for mental health. The program includes enhancement funding of \$50.5 million, including \$20.2 million from the State General Fund, for FY 2021. Enhancement funding in this program includes the request to increase in the reimbursement rates for the TA and BI Medicaid HCBS waivers, mental health services in nursing facilities, the disability and behavioral health employment pilot program, and funding to reduce the waiting list for the Medicaid HCBS waiver for individuals with an intellectual or developmental disability. The program includes 0.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for

Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

D. Behavioral Health Services Commission

The Behavioral Health Services Commission includes Behavioral Health Mental Health Services, Behavioral Health Substance Use Disorders, Behavioral Health Mental Health Administration, Behavioral Health Mental Health Grants, Behavioral Health Substance Use Disorders Administration, Behavioral Health Addiction Services Grants, and the State Hospital Commission.

Behavioral Health Mental Health Services

The foundation for all community mental health services is the Mental Health Reform Act, KSA 39-1601 *et seq.* The Treatment Act for Mentally Ill Persons, KSA 59-2901 *et seq.*, states how patients shall be provided psychiatric treatment on both a voluntary and involuntary basis. KSA 65-4403 describes the procedures for providing state aid to community mental health centers. KSA 75-3307b authorizes the agency to enforce the laws relating to the hospitalization of mentally ill persons in mental health hospitals and community treatment facilities.

Behavioral Health Substance Use Disorders (SUD)

In 1972, the Kansas Legislature established the State Alcohol Program (KSA 65-4001). In 1973, the Kansas Legislature established the Drug Abuse Program (KSA-75-5375). Both programs functioned separately under a five-member commission until 1975, when the commissions were abolished and the Alcohol and Drug programs were brought into the Department of Social and Rehabilitation Services (SRS). In 1980, the Governor issued Executive Reorganization Order (ERO) No. 17. Section 18 of that ERO established the alcohol and drug programs as a full service component in SRS. In 2007, SB 354 merged the separate statutes through an amendment of KSA 65-4001.

KSA 65-4007 *et seq.*, 65-4601 *et seq.*, and 75-5375 *et seq.* deal with alcohol and drug prevention, treatment, and licensing functions. Funding for these programs is through the Community Alcoholism and Intoxication Programs Fund (KSA 41-1126) and the Alcoholism Treatment Fund, KSA 41-2622. Federally, alcohol treatment and prevention activities are governed by PL 97-35. This legislation also provides for federal funding through the Substance Abuse Prevention and Treatment Block Grant.

Since the passage of 2007 SB 66, which designated 2.0 percent of the state proceeds from expanded gaming activities to be made available to treat problem gambling and other addictions, Behavioral Health SUD has worked to heighten awareness of treatment services to problem gamblers in Kansas.

Behavioral Health Mental Health Administration

The Behavioral Health Mental Health (BMMH) Administration monitors and oversees the Kansas public mental health service system. This includes purchasing mental health services

required for persons who do not have the means to pay. Individuals served include adults with a severe and persistent mental illness (SPMI) and children with a severe emotional disturbance (SED). BMMH Administration purchases services through grants and contracts utilizing state funding and Medicaid funding. Funding through grants and contracts is awarded to community mental health centers (CMHCs), private community mental health providers, psychiatric residential treatment facilities (PRTFs), nursing facilities for mental health (NFMH), consumer run organizations, advocacy groups, a pharmacy benefits manager, housing organizations, and universities. BMMH Administration monitors and holds providers and contractors accountable for ensuring persons with mental illness, especially those with a SPMI/SED, receive quality services that meet their needs.

In addition to purchasing services, BMMH Administration strives to improve the lives of persons with mental illness by supporting the development and implementation of person-centered, evidence-based practices; furnishing direct technical assistance to providers; and utilizing a continuous quality improvement process. BMMH Administration also establishes and ensures compliance with licensing standards for CMHCs, private freestanding psychiatric hospitals, PRTFs for youth, and adult residential care facilities. BMMH Administration is responsible for the budget, oversight, and management of NFMHs. BMMH Administration strives to coordinate mental health services across all service systems including, but not limited to, the physical health care, juvenile justice, adult criminal justice, and child welfare systems. BMMH Administration provides support for the Governor's Behavioral Health Services Planning Council charged with providing independent oversight and recommendations for Kansas' mental health system. BMMH Administration also works closely with the state mental health hospitals, NFMHs, PRTFs, private acute care hospitals, and CMHCs to ensure individuals ready for discharge are provided appropriate community-based services.

Behavioral Health Mental Health Grants

BMMH Grants includes services through grants and contracts. Grants and contracts are awarded to community mental health centers, private community mental health providers, housing agencies, pharmacy benefit managers, and others. BMMH Administration monitors and manages these grants and contracts to ensure quality, effective mental health services are provided to Kansans who need them the most.

Behavioral Health Substance Use Disorders Administration

Behavioral Health Substance Use Disorders (BHSUD) Administration supports a system of services for individuals experiencing alcoholism, drug dependence, or a gambling addiction, using federal block grant, Medicaid, and state funds. BHSUD purchases an array of services for the treatment of addictions in Kansas, which utilizes a consumer and community-centered philosophy; encourages collaboration with agencies, including dissemination of information and integrating technology and resources that benefit the client; ensures availability and accessibility to recovery services across the state; and promotes continuous quality improvement based on data, research, and outcomes. BHSUD establishes and monitors compliance to standards for program licensure certification of person-centered case managers, certification of peer mentors, certification of problem gambling counselors, promotes outcomes-based planning and performance improvement, encourages utilization of evidenced-based practices, and provides workforce and leadership development through training opportunities for front-line staff and clinical supervisors.

BHSUD has adopted the National Institute of Drug Abuse principles, a research-based guide that lists science-based treatment strategies for treatment providers. In addition, Addiction

and Prevention Services uses the following National Performance Outcomes Measures as performance measures: Abstinence from Drug/Alcohol Use; Increased and/or Retained Employment; Decreased Criminal Justice Involvement; Increased Stability in Housing; Increased Access to Services; Increased Retention in Treatment; Client Perception of Care; Cost Effectiveness; Use of Evidence-Based Practices; and Increased Social Supports/Social Connectedness.

Problem Gambling. Behavior Health Services administers problem gambling public awareness, prevention, and treatment services through 3.5 FTE positions.

Prevention. Behavior Health Services administers prevention programs designed to address target indicators in addition to providing education and awareness around drug and alcohol concerns. Behavior Health Prevention is also responsible for ensuring Kansas is compliant with federal Synar regulations. Under the Synar Amendment, the State must conduct random, unannounced inspections of tobacco retail outlets to determine a level of compliance with the prohibition of selling tobacco products to minors. The inspections are conducted by the Kansas Department of Revenue's Alcoholic Beverage Control (ABC) Division. Federal rules require 80 percent compliance with the prohibition of selling of tobacco to minors; a "soft" compliance rate of 90 percent has been announced as a goal to states for future years. Failure to reach the required target of 80 percent for FY 2005 resulted in a \$2.8 million penalty and required Kansas to increase its financial investment in reducing youth access to tobacco. The State of Kansas completed this penalty phase in FY 2007. Due to the penalty, \$400,000 was committed to the BHSUD budget to maintain and increase retailers' compliance with federal Synar requirements. Through these efforts, Kansas has both maintained compliance to the required federal standard and achieved the 90 percent goal set by the Center for Substance Abuse Prevention.

Behavioral Health Addiction Services Grants

Addiction Services Treatment. Through a system of contracts and grants managed by a contracted managed care entity. Behavioral Health Addiction Services (BHAS) supports a system of services for low-income individuals experiencing alcoholism, drug dependence, or a gambling addiction. BHAS monitors compliance to standards for program licensure and treatment counselor credentialing, promotes outcomes-based planning and performance improvement, encourages utilization of evidenced-based practices, and provides workforce and leadership development through training opportunities for front-line staff and clinical supervisors.

Prevention. Behavior Health Prevention programs exist across communities throughout Kansas as well as supporting Synar compliance. Through a system of grants and contracts, Behavior Health Prevention supports an infrastructure in reducing past 30-day alcohol use, binge drinking, and 30-day cigarette use among students in grades 6, 8, 10, and 12. Included in this infrastructure are agencies that support the "Kansas Communities That Care" student survey, other evaluation data, and an administrative and logistics coordinator. Behavior Health also supports Synar Compliance in collaboration with the Cigarette and Tobacco Enforcement team through the Kansas Department of Revenue. BHAS Prevention also supports Synar Compliance in collaboration with the Cigarette and Tobacco Enforcement team through the Kansas Department of Revenue.

Problem Gambling. Problem Gambling Services provides first-contact, crisis intervention, and on-demand treatment for problem gamblers and their families. The Problem Gambling Program provides a Help Line 24 hours a day, 365 days a year, staffed by masters level professionals. Prevention Education and awareness activities are also funded, including grants to four community task forces and a statewide coalition.

State Hospital Commission. The State Hospital Commission is responsible for providing leadership, guidance, direction, oversight, training, and support to the state hospitals. The Commission provides day-to-day management and collaboration with Superintendents and executive staff at the state hospitals, to assist the hospitals with conditions of participation for certification with the Centers of Medicaid and Medicare Services and accreditation with the Joint Commission.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Persons with Severe and Persistent Mental Illness Receiving Outpatient Services*	22,075	21,019	N/A	18,764	19,000	20,000
Number of Individuals Served in a KDADS-Funded Crisis Program*	25,099	25,100	N/A	23,796	25,000	27,000
Number of Individuals Receiving Social Detox Through a Crisis Program*	1,705	1,661	N/A	1,837	1,850	1,900
Number of Individuals Referred to MH and/or SUD Treatment from a Crisis Program*	1,973	2,619	N/A	4,315	4,500	4,800
Number of KanCare Children Receiving PRTF Services (Monthly Average)*	282	278	N/A	240	285	300
Number of KanCare Children on the PRTF Waiting List*	82	144	N/A	207	155	90
Number of Individuals Receiving Problem Gambling Treatment*	189	174	N/A	179	184	189
Number of Individuals Receiving SUD Treatment*	12,970	12,355	N/A	12,500	12,500	12,500
Number of Individuals Receiving Community-Based Alcohol and Drug Treatment Services*	6,927	7,077	N/A	7,000	7,000	7,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 76.4	\$ 95.9	\$ 99.9	\$ 94.6	\$ 116.7	\$ 0.0
FTE Positions	28.0	26.0	26.0	43.0	43.0	0.0
* The Governor's Office does not utilize this measure for evaluation purpose.						

BEHAVIORAL HEALTH SERVICES COMMISSION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,544,090	\$ 3,330,156	\$ 3,330,156	\$ 3,343,984	\$ 0
Contractual Services	13,176,248	14,284,872	14,284,872	20,207,833	0
Commodities	10,858	10,253	10,253	9,819	0
Capital Outlay	29,925	26,577	26,577	2,797,933	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 14,761,121</i>	<i>\$ 17,651,858</i>	<i>\$ 17,651,858</i>	<i>\$ 26,359,569</i>	<i>\$ 0</i>
Aid to Local Units	56,334,099	76,814,127	73,364,800	73,237,788	0
Other Assistance	23,527,057	25,634,725	25,634,725	32,396,602	0
TOTAL	\$ 94,622,277	\$ 120,100,710	\$ 116,651,383	\$ 131,993,959	\$ 0
Financing:					
State General Fund	\$ 46,758,656	\$ 61,893,550	\$ 61,893,550	\$ 76,077,866	\$ 0
All Other Funds	47,863,621	58,207,160	54,757,833	55,916,093	0
TOTAL	\$ 94,622,277	\$ 120,100,710	\$ 116,651,383	\$ 131,993,959	\$ 0
FTE Positions	43.0	43.0	43.0	43.0	0.0

The **agency** requests \$132.0 million, including \$76.1 million from the State General Fund, for the Behavioral Health Services Commission for FY 2021. This is an all funds increase of \$11.9 million, or 9.9 percent, and a State General Fund increase of \$14.2 million, or 22.9 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests, partially offset by a decrease in aid to local units of government within the Mental Health Grants subprogram due to reappropriated funding in FY 2020. The program includes enhancement funding of \$22.3 million, including \$20.4 million from the State General Fund, for FY 2021. Enhancement funding in this program includes funding for the electronic medical records and patient management system at the state hospitals, youth mobile response services, regional mental health beds, behavioral health services in jails, the Community Integrated Housing First Program, SUD treatment services for the uninsured, an increase in crisis stabilization services, an increase in Clubhouse Model Program services, a Crisis Intervention Pilot at Rainbow Services Inc., and mental health services in nursing facilities for mental health. The program includes 43.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

E. Community Services Administration

Community Services Administration provides oversight of the purchasing of community-based supports and services, including staff who manage and administer the Medicaid Home

and Community Based Services Waivers. Additionally, this program administers grant funds to Community Developmental Disability Organizations.

Community Services Administration's mission is to support Kansans in living self-determined, meaningful lives by ensuring access to quality person-centered services. Community Services Administration ensures the supports and services purchased allow persons to live successfully in their home and community; persons are treated with dignity and respect; have opportunities for independence; and are free from abuse, neglect, and exploitation.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There were no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 15.8	\$ 15.5	\$ 15.5	\$ 16.0	\$ 19.6	\$ 0.0
FTE Positions	16.0	16.0	16.0	28.0	28.0	0.0

COMMUNITY SERVICES ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 942,971	\$ 1,911,127	\$ 1,911,127	\$ 1,918,471	\$ 0
Contractual Services	10,269,489	10,572,626	10,572,626	10,546,945	0
Commodities	12,426	12,711	12,711	12,681	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 11,224,886	\$ 12,496,464	\$ 12,496,464	\$ 12,478,097	\$ 0
Aid to Local Units	4,765,878	7,118,434	7,118,434	5,802,214	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 15,990,764	\$ 19,614,898	\$ 19,614,898	\$ 18,280,311	\$ 0
Financing:					
State General Fund	\$ 10,197,282	\$ 12,396,390	\$ 12,396,390	\$ 11,059,264	\$ 0
All Other Funds	5,793,482	7,218,508	7,218,508	7,221,047	0
TOTAL	\$ 15,990,764	\$ 19,614,898	\$ 19,614,898	\$ 18,280,311	\$ 0
FTE Positions	28.0	28.0	28.0	28.0	0.0

The **agency** requests \$18.3 million, including \$11.1 million from the State General Fund, for the Community Services Administration program for FY 2021. This is an all funds decrease of \$1.3 million, or 6.8 percent, and a State General Fund decrease of \$1.3 million, or 10.8 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in aid to local units of government expenditures due to reappropriated funding in FY 2020. The program includes 28.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which

would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

F. Survey, Certification, and Credentialing

The primary purpose of the Survey, Certification, and Credentialing Commission is to protect public health through the inspection and licensing of adult care homes in Kansas, as defined by KSA 39-923. The Commission develops and enforces regulations related to adult care homes. Field staff document compliance with state regulations and federal certification standards through on-site surveys. Investigations of alleged abuse, neglect, or exploitation also are conducted. In rare cases, the Commission may assume temporary management of a nursing home facility pursuant to a court order. The Commission is composed of three divisions: Long-Term Care Consulting, Survey and Certification, and Health Occupations Credentialing.

Long-Term Care Consulting Division

The Long-Term Care Consulting Division assures the quality of care and quality of life of residents in adult care homes through several efforts. These initiatives include the development of policies, regulations, and educational offerings, as well as developing and maintaining effective liaison with officials in the federal Centers for Medicare and Medicaid Services (CMS), other state agencies, professional organizations, and the public. This division provides assistance to long-term care providers through consultation on nursing, administration, nutrition, construction, remodeling, and data issues. The Division continues to focus much of its efforts on culture change, or resident-centered care, in nursing home settings. This approach values smaller, more homelike settings and individualized care planning that includes emphasis on quality-of-life concerns.

Survey and Certification Division

The Survey and Certification Division evaluates facilities and providers for state licensure and federal certification purposes. These responsibilities are accomplished through the administrative review of initial qualifications and ongoing surveys conducted by teams composed primarily of registered nurses and a life safety code inspector. Generally speaking, the Survey and Certification Division activities are divided between nursing facilities/long-term care units of hospitals, intermediate care facilities, assisted living facilities, and other "state licensed only" facilities.

The Survey and Certification Division also is responsible for surveyor training and orientation, survey quality improvement efforts, policy and procedure development, and survey management. Beginning in FY 2006, the Commission became a "pilot state" in implementing CMS' Quality Indicator Survey (QIS) process for Medicare- and Medicaid-certified nursing facilities. Full implementation of the QIS process across the state occurred in FY 2011.

Other functions the Commission performs are enforcement and implementation of a Complaint Program. The Enforcement Coordinator assures that corrective actions are imposed accurately and in a timely way when facilities fail to meet conditions of participation and licensure and certification standards. The Complaint Program performs complaint intake activities through the complaint hotline, triage of complaints, and assures that on-site

investigations are coordinated for complaint intakes according to state and federal requirements. These programs report directly to the Commissioner.

Health Occupations Credentialing

Health Occupations Credentialing (HOC) administers the Health Occupations Credentialing Act (KSA 65-5001 *et seq.*), a review process whereby health professions seeking credentialing apply for a credentialing review. The program also issues licenses to dietitians, speech-language pathologists, audiologists, and adult care home administrators. Certification programs administered by the program include nurse aides, home health aides, and medication aides. Related to the certification program is administration of the Kansas Nurse Aide Registry, which is a federally mandated program to ensure that facilities hire nurse aides and home health aides with no abuse, neglect, or exploitation on their records. Other related professions or para-professions administered through this section include operators of residential care facilities or assisted living facilities, activities directors, social service designees, and paid nutrition assistants for adult care homes in Kansas.

The State of Kansas began requiring operators of adult care homes, health home agencies, and staffing agencies to ensure no one worked in those settings who had a criminal history of a prescribed list of crimes. This legislation went into effect July 1, 1997, and the enforcement of the “prohibited criminal histories” began in 1998. In a partnership between KDADS and the Kansas Bureau of investigation (KBI), operators submit information on each person for whom they request a criminal record check to the HOC Criminal Record Check program. HOC is linked to the KBI through a telecommunications system that provides initial data on each person for whom there is a record check requested. The information from KBI then provides the basis upon which operators are guided in determining a person’s eligibility to work in that setting. HOC provides the data entry of these requests, processes the information received back from KBI, and notifies the operators when a criminal record indicates the person should not be employed.

In FY 2016, HOC was awarded a \$3.0 million grant from CMS to develop a Kansas National Criminal Information System. The current criminal record check process is a name-based system that only checks for criminal offenses in Kansas. With this grant, the goal was to develop a fully automated system designed to utilize fingerprints to provide state and national criminal record checks. The central infrastructure components for the system and the related budget items include: 1) live scan equipment for scanning fingerprints as the personal identifier; 2) the Center for Naval Analysis-developed system for implementing the web-based workforce automation and registry checking process; 3) cost subsidy for facilities for the increased cost for KBI fingerprint-based criminal record checks; and 4) integration of existing software with the automated criminal record check system.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Number of Months between Surveys*	17.4	18.9	N/A	13.0	13.0	13.0
Number of Surveys Exited	281	294	N/A	288	290	290
Number of Background Checks Processed in the Health Occupations Credentialing Subprogram* (in thousands)*	63.5	69.2	N/A	73.7	75.0	80.0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 11.3	\$ 10.7	\$ 13.1	\$ 13.1	\$ 18.1	\$ 0.0
FTE Positions	135.0	130.0	130.0	108.0	108.0	0.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

SURVEY, CERTIFICATION, AND CREDENTIALING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,451,994	\$ 7,963,971	\$ 7,963,971	\$ 8,037,814	\$ 0
Contractual Services	5,368,739	9,817,164	9,817,164	7,282,452	0
Commodities	96,172	153,270	153,270	98,960	0
Capital Outlay	185,741	170,594	170,594	168,851	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 13,102,646	\$ 18,104,999	\$ 18,104,999	\$ 15,588,077	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 13,102,646	\$ 18,104,999	\$ 18,104,999	\$ 15,588,077	\$ 0
Financing:					
State General Fund	\$ 3,533,797	\$ 2,906,207	\$ 2,906,207	\$ 2,767,058	\$ 0
All Other Funds	9,568,849	15,198,792	15,198,792	12,821,019	0
TOTAL	\$ 13,102,646	\$ 18,104,999	\$ 18,104,999	\$ 15,588,077	\$ 0
FTE Positions	108.0	108.0	108.0	109.0	0.0

The **agency** requests \$15.6 million, including \$2.8 million from the State General Fund, for the Survey, Certification, and Credentialing program for FY 2021. This is an all funds decrease of \$2.5 million, or 13.9 percent, and a State General Fund decrease of \$139,149, or 4.8 percent, below the FY 2020 revised estimate. The program includes enhancement funding totaling \$85,000, all from the State General Fund, and 1.0 FTE position for part of the agency's enhancement request to increase staffing by adding a Health Facility Surveyor position for FY 2021. The all funds decrease is primarily attributable to a decrease in contractual services for the Health Occupation Credentialing subprogram due to a decrease in federal funding for the Kansas National Background Check Program. The program includes 109.0 FTE positions, which is an increase of 1.0 FTE position above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request for a Health Facility Surveyor position.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Rehab & Repair State Hospitals	\$ 5,573,623	\$ 5,573,623	\$ 3,201,142	\$ 0
Debt Service Principal-State Hospital Rehab & Repair	2,120,000	2,120,000	2,225,000	0
Debt Service Principal State Security Hospital	3,285,000	3,285,000	3,435,000	0
PSH&TC Spruce Cottage Renovation	1,285,000	1,285,000	0	0
TOTAL	\$ 12,263,623	\$ 12,263,623	\$ 8,861,142	\$ 0
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	12,263,623	12,263,623	8,861,142	0
TOTAL	\$ 12,263,623	\$ 12,263,623	\$ 8,861,142	\$ 0

FY 2020 – Current Year. The **agency** requests a revised estimate of \$12.3 million, all from the State Institutions Building Fund, for capital improvements in FY 2020. This is an increase of \$2.4 million, or 24.0 percent, above the amount approved by the 2019 Legislature. The increase is attributable to the reappropriation of \$2.4 million for rehabilitation and repair funding not expended in FY 2019. Rehabilitation and repair funding includes projects at the four state hospitals. The revised estimate includes debt service principal payments for the bonds on the rehabilitation and repairs of the state hospitals and the construction of the State Security Hospital at Larned State Hospital. The last debt service payment for the State Security Hospital is scheduled for November 1, 2022, and the last debt service payment scheduled for the state hospital rehabilitation and repair is scheduled for May 1, 2024. The revised estimate includes \$1.3 million, all from the State Institutions Building Fund, to renovate Spruce Cottage at Parsons State Hospital and Training Center (PSH&TC). The 2019 Legislature approved this funding.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$8.9 million, all from the State Institutions Building Fund, for capital improvements for FY 2021. This is a decrease of \$3.4 million, or 27.7 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the reappropriation of \$2.4 million for rehabilitation and repair funding in FY 2020. A portion of the decrease is also attributable to one-time expenditures for the renovation of Spruce Cottage at PSH&TC in FY 2020.

The **Governor** recommends capital improvement expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disabilities Services, the Department for Children and Families, and Juvenile Services within the Department of Corrections, as well as oversight of the Kansas Juvenile Correctional Complex, for FY 2021. For the purposes of this summary, the Governor's recommendation for FY 2021 services is included within the budget for the Department for Children and Families for FY 2021.

KANSAS NEUROLOGICAL INSTITUTE

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 10,915,751	\$ 11,238,667	\$ 11,238,667	\$ 11,297,103	\$ 11,297,103
Other Funds	14,804,304	15,271,230	15,271,230	15,275,489	15,275,489
Subtotal	\$ 25,720,055	\$ 26,509,897	\$ 26,509,897	\$ 26,572,592	\$ 26,572,592
Capital Improvements:					
State General Fund	\$ 15,500	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
Subtotal	\$ 15,500	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 25,735,555	\$ 26,509,897	\$ 26,509,897	\$ 26,572,592	\$ 26,572,592
Percentage Change:					
Operating Expenditures					
State General Fund	9.3 %	3.0 %	3.0 %	0.5 %	0.5 %
All Funds	4.0	3.1	3.1	0.2	0.2
FTE Positions	437.5	437.5	437.5	437.5	437.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Neurological Institute (KNI) provides treatment for adults with intellectual and developmental disabilities. Individuals with intellectual and developmental disabilities have conditions that originate early in life, most often before birth. Developmental disabilities often require some level of ongoing support throughout a lifetime. As a result, those living in state developmental disability hospitals tend to remain at the facility for much longer than patients at the state mental health hospitals. Therefore, the state developmental disability hospitals are both treatment centers and homes for those individuals who are not served in the community.

KNI was established in 1959 on 183 acres formerly occupied by the Winter Veterans Hospital. The agency's mission is "to support each person who lives at KNI to have a meaningful life," which is accomplished by ensuring well-being, providing opportunities for choice, promoting personal relationships, encouraging participation in the community, and recognizing individuality. The agency has developed a person-centered approach to patient treatment, which focuses on the desires of the resident and not just on the assessments of the various professional disciplines.

Many KNI residents require intensive physical and medical supports, most are unable to speak, about two-thirds have seizure disorders, and about one-third are unable to eat by mouth

and receive their nutrition through feeding tubes. The people who live at KNI are growing older and, due to the aging process, face increasingly complex medical, physical, and behavioral support challenges. Patients at KNI live in 20 homes in 4 residential lodges. In addition, KNI provides dental services to persons with developmental disabilities living in the community.

MAJOR ISSUES FROM PRIOR YEARS

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas State School for the Deaf, the Kansas State School for the Blind, the Beloit Juvenile Correctional Facility, state developmental disability hospitals, and the Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations regarding these and any other facilities studied to the Governor and the Legislature. The Commission recommended the Kansas Department of Social and Rehabilitation Services (SRS) review the residents at KNI who met the requirements for placement in the community or for transfer to Parsons State Hospital and Training Center and that KNI be closed. The Commission also recommended the remaining residents at Parsons State Hospital and Training Center be reviewed for placement in the community. In addition, the Commission recommended that when the Governor prepared his Executive Reorganization Order (ERO) to carry out the recommendations concerning the closure of KNI and downsizing of Parsons State Hospital and Training Center, the ERO be written as clearly and strongly as possible to ensure any savings go to expand funding for the Home and Community Based Services for the Developmentally Disabled Waiver.

The Governor chose not to accept the Commission's recommendation for KNI and Parsons State Hospital and Training Center. However, the Governor agreed that serving individuals in the community can lead to a better quality of life and encouraged SRS to consolidate resources on the developmental disability hospital campuses and identify individuals who could be better served in the community. As a result, KNI consolidated one home on its campus in FY 2009, another in FY 2010, and another in FY 2014.

During the **2011 Session**, the Governor recommended the closure of KNI for FY 2012. The Governor estimated it would take the agency 23 months to close the facility if the agency achieved a goal of moving 7 residents a month to community placements. The deletion of \$658,832 from all funds, including \$277,039 from the State General Fund, represented the savings the Governor estimated as a result of a recommendation to begin the closure of the agency for FY 2012. The 2011 Legislature restored the funding. This addition by the 2011 Legislature fully funded the operation of the agency for FY 2012 and eliminated the Governor's plan to close the KNI facility.

Also during the **2011 Session**, the Senate Committee on Ways and Means recommended SRS reject closure or downsizing plans for KNI and to continue operations at the facility. Further, the Committee requested an audit independent of SRS to investigate and identify 1) management and service efficiencies that could be implemented for KNI/Parsons State Hospital and Training Facility, which would create cost-savings at the facilities while maintaining current operations and care, and 2) additional programs and resources the two developmental disability facilities could implement to assist the entire developmental disabilities community and help reduce Home and Community Based Services for Individuals with Developmental Disabilities Waiver expenditures. The Committee directed SRS to fund the independent audit and report the audit findings to the Senate Committee on Ways and Means

chairperson on September 1, 2011. The audit, conducted by the Legislative Division of Post Audit, was presented to the Legislative Post Audit Committee on December 13, 2011.

The **2013 Legislature** deleted \$753,000, including \$301,000 from the State General Fund, and 12.0 FTE positions as part of the consolidation of a cottage on the KNI campus for FY 2014 and FY 2015.

The **2015 Legislature** implemented the agency's reduced resource option to delete 11.5 FTE positions in FY 2015, 10.0 FTE positions for FY 2016, and 14.0 FTE positions for FY 2017, and transfer the savings under statutory authority to the Kansas Department for Aging and Disability Services (KDADS) Home and Community Based Services Developmentally Disabled Waiver in the amount of \$800,000 in FY 2015, \$1.5 million for FY 2016, and \$1.5 million for FY 2017.

The **2017 Legislature** added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except select groups); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For KNI, the Legislature added \$530,833, all from the State General Fund, for both FY 2018 and FY 2019.

The **2018 Legislature** added \$229,153, including \$96,592 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$853,494, all from the State General Fund, and deleted \$901,057, all from the federal Title XIX Fund, to replace a projected shortfall of federal revenue in FY 2019. The Legislature added \$853,494, all from the State General Fund, to decrease agency salary shrinkage for FY 2020. Also, the Legislature added \$615,339, including \$247,349 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

AVERAGE DAILY CENSUS

Average daily census represents the average number of patients in a hospital over a fiscal year for KNI.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	142	140	140	138	138

ADMISSIONS

The chart below shows admissions for KNI. This does not include transfers in from other KDADS institutions.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	2	6	4	4	4

SEPARATIONS

The chart below shows separations due to discharge and death for KNI.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	6	9	7	4	4

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$26.5 million, including \$11.2 million from the State General Fund, for operating expenditures in FY 2020. The revised estimate is a decrease of \$74,920, or 0.3 percent, all from special revenue funds, below the amount approved by the 2019 Legislature. The State General Fund total is the same amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salaries and wages, fringe benefits, and an adjustment to shrinkage due to the agency experiencing difficulty filling permanent positions. The decrease is also attributable to a decrease in pharmaceutical expenditures for patients. The decrease is partially offset by an increase in contract staffing expenditures, supplies for patient medical care, food for patients, and building and grounds maintenance supplies. The revised estimate includes 437.5 FTE positions, which is an increase of 1.8 FTE positions above the number approved by the 2019 Legislature. The agency states the increase is primarily attributable to the agency adding 2.0 FTE positions as an adjustment back to the correct number of FTE positions, as the agency erred in its budget submission last year. The remaining 0.2 FTE position decrease is due to the agency reorganizing positions within several programs.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$26.6 million, including \$11.3 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$62,695, or 0.2 percent, and a State General Fund increase of \$58,436, or 0.5 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in cybersecurity expenditures and employee fringe benefits, partially offset by an adjustment in employee salary shrinkage. The request includes 437.5 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

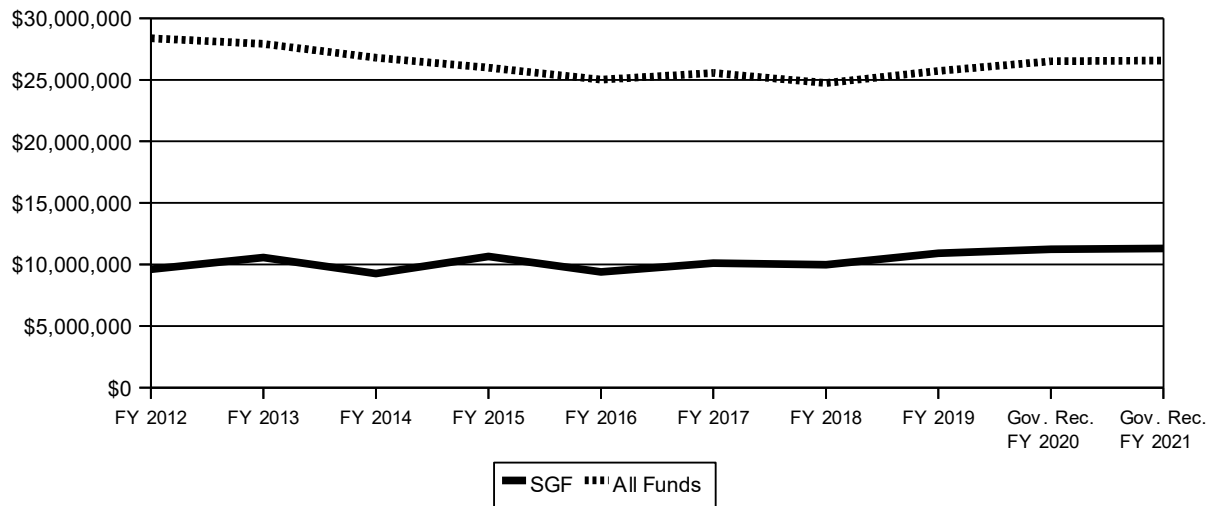
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of On-site Medical Clinic Visits	712	696	N/A	284	500	500
Number of On-site Medical Unit Admissions	39	22	N/A	14	20	20
Average Daily Census	142	140	N/A	140	138	138
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 25.7	\$ 24.9	\$ 25.7	\$ 25.7	\$ 26.5	\$ 26.6
FTE Positions	435.7	435.7	435.7	437.5	437.5	437.5

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 9,605,217	(10.3)%	\$ 28,375,878	(2.2)%	491.7
2013	10,567,612	10.0	27,918,672	(1.6)	491.7
2014	9,261,525	(12.4)	26,795,791	(4.0)	473.2
2015	10,654,029	15.0	25,988,197	(3.0)	461.7
2016	9,401,519	(11.8)	25,018,896	(3.7)	437.7
2017	10,105,827	7.5	25,557,004	2.2	435.7
2018	9,985,763	(1.2)	24,741,327	(3.2)	435.7
2019	10,915,751	9.3	25,720,055	4.0	437.5
2020 Gov. Rec.	11,238,667	3.0	26,509,897	3.1	437.5
2021 Gov. Rec.	11,297,103	0.5	26,572,592	0.2	437.5
Ten-Year Change Dollars/Percent	\$ 1,691,886	17.6 %	\$ (1,803,286)	(6.4)%	(54.2)

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 1,485,709	\$ 1,712,742	\$ 1,760,050	\$ 47,308	2.8 %	\$ 1,712,742	\$ 1,760,050	\$ 47,308	2.8 %
Staff Education and Research	706,855	720,131	720,178	47	0.0	720,131	720,178	47	0.0
Program and Supported Living	13,435,082	13,885,408	13,882,957	(2,451)	(0.0)	13,885,408	13,882,957	(2,451)	(0.0)
Ancillary Services	1,971,858	1,894,593	1,913,237	18,644	1.0	1,894,593	1,913,237	18,644	1.0
Medical and Surgical Services	3,273,738	3,514,746	3,510,563	(4,183)	(0.1)	3,514,746	3,510,563	(4,183)	(0.1)
Physical Plant/Central Services	4,846,813	4,782,277	4,785,607	3,330	0.1	4,782,277	4,785,607	3,330	0.1
TOTAL	\$ 25,720,055	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 20,618,271	\$ 21,563,827	\$ 21,580,307	\$ 16,480	0.1 %	\$ 21,563,827	\$ 21,580,307	\$ 16,480	0.1 %
Contractual Services	2,736,263	2,837,879	2,886,094	48,215	1.7	2,837,879	2,886,094	48,215	1.7
Commodities	1,962,078	1,873,591	1,871,591	(2,000)	(0.1)	1,873,591	1,871,591	(2,000)	(0.1)
Capital Outlay	329,204	234,600	234,600	0	0.0	234,600	234,600	0	0.0
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 25,645,816</i>	<i>\$ 26,509,897</i>	<i>\$ 26,572,592</i>	<i>\$ 62,695</i>	<i>0.2 %</i>	<i>\$ 26,509,897</i>	<i>\$ 26,572,592</i>	<i>\$ 62,695</i>	<i>0.2 %</i>
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	74,239	0	0	0	--	0	0	0	--
TOTAL	\$ 25,720,055	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %
Financing:									
State General Fund	\$ 10,915,751	\$ 11,238,667	\$ 11,297,103	\$ 58,436	0.5 %	\$ 11,238,667	\$ 11,297,103	\$ 58,436	0.5 %
KNI Fee Fund	1,746,152	1,324,436	1,324,436	0	0.0	1,324,436	1,324,436	0	0.0
Title XIX Fund	12,676,244	13,536,586	13,536,586	0	0.0	13,536,586	13,536,586	0	0.0
All Other Funds	381,908	410,208	414,467	4,259	1.0	410,208	414,467	4,259	1.0
TOTAL	\$ 25,720,055	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %	\$ 26,509,897	\$ 26,572,592	\$ 62,695	0.2 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$11,238,667 for the Kansas Neurological Institute in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 11,238,667	\$ 11,238,667	\$ 0	\$ 11,238,667	\$ 0
All Other Funds	15,346,150	15,271,230	(74,920)	15,271,230	(74,920)
TOTAL	\$ 26,584,817	\$ 26,509,897	\$ (74,920)	\$ 26,509,897	\$ (74,920)
FTE Positions	435.7	437.5	1.8	437.5	1.8

The **agency** requests a revised estimate of \$26.5 million, including \$11.2 million from the State General Fund, for operating expenditures in FY 2020. The revised estimate is a decrease of \$74,920, or 0.3 percent, all from special revenue funds, below the amount approved by the 2019 Legislature. The State General Fund total is the same amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salaries and wages, fringe benefits, and an adjustment to shrinkage due to the agency experiencing difficulty filling permanent positions. The decrease is also attributable to a decline in pharmaceutical expenditures for patients. The decrease is partially offset by an increase in contract staffing expenditures, supplies for patient medical care, food for patients, and building and grounds maintenance supplies.

The revised estimate includes 437.5 FTE positions, which is an increase of 1.8 FTE positions above the number approved by the 2019 Legislature. The agency states the increase is primarily attributable to the agency adding 2.0 FTE positions as an adjustment back to the correct number of FTE positions, as the agency erred in its budget submission last year. The remaining 0.2 FTE position decrease is due to the agency reorganizing positions within several programs.

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$21.6 million, including \$9.2 million from the State General Fund, for salaries and wages in FY 2020. This is an all funds decrease of \$328,351, or 1.5 percent, and a State General Fund increase of \$334,559, or 3.8 percent, from the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salaries and wages and fringe benefits and an adjustment in salary shrinkage. The agency is experiencing difficulty filling positions and plans to use more contract staffing than in the budget approved by the 2019 Legislature. The State General Fund

increase is attributable to the agency reallocating expenditures between different funding sources. The budget approved by the 2019 Legislature included \$23.2 million in base salary and \$1.3 million in salary shrinkage for a salary shrinkage rate of 5.7 percent. The agency has reallocated funding for salary expenditures to other categories of expenditure and increased salary shrinkage. The revised estimate includes \$23.0 million in base salary expenditures and \$1.4 million in salary shrinkage for a salary shrinkage rate of 6.3 percent;

- **Contractual Services.** The agency requests \$2.8 million, including \$1.4 million from the State General Fund, for contractual services in FY 2020. This is an all funds increase of \$327,444, or 13.0 percent, and a State General Fund increase of \$586,062, or 70.3 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contract staffing;
- **Commodities.** The agency requests \$1.9 million, including \$567,241 from the State General Fund, for commodities in FY 2020. This is an all funds decrease of \$55,313, or 2.9 percent, and a State General Fund decrease of \$729,921, or 56.3 percent, below the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in pharmaceuticals for patients, partially offset by an increase in supplies for patient medical care, food for patients, and building and grounds maintenance supplies; and
- **Capital Outlay.** The agency requests \$234,600, including \$62,600 from the State General Fund, for capital outlay in FY 2020. This is an all funds decrease of \$18,700, or 7.4 percent, and a State General Fund decrease of \$190,700, or 75.3 percent, below the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in equipment for patient rehabilitation, office furniture, and grounds maintenance equipment, partially offset by an increase in software expenditures.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 26,572,592	\$ 26,572,592	\$	0
FTE Positions	437.5	437.5		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 58,436	\$ 58,436		
All Other Funds	4,259	4,259		
TOTAL	\$ 62,695	\$ 62,695		
<i>Percent Change:</i>				
State General Fund	0.5 %	0.5 %		
All Other Funds	0.0	0.0		
TOTAL	0.2 %	0.2 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests \$26.6 million, including \$11.3 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$62,695, or 0.2 percent, and a State General Fund increase of \$58,436, or 0.5 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in cybersecurity expenditures and employee fringe benefits, partially offset by an adjustment in employee salary shrinkage. The request includes 437.5 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$21.6 million, including \$9.2 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$16,480, or 0.1 percent, and a State General Fund increase of \$35,537, or 0.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in employee fringe benefits, partially offset by an adjustment in salary shrinkage. The request includes \$23.1 million in base salary expenditures and \$1.5 million in salary shrinkage for a salary shrinkage rate of 6.6 percent;
- **Contractual Services.** The agency requests \$2.9 million, including \$1.4 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$48,215, or 1.7 percent, and a State General Fund increase of \$22,899, or 1.6 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in the Administration program for cybersecurity expenditures to the Office of Information Technology Services;
- **Commodities.** The agency requests \$1.9 million, including \$567,241 from the State General Fund, for commodities for FY 2021. This is an all funds decrease of \$2,000, or 0.1 percent, below the FY 2020 revised estimate. The State

General Fund total is the same amount as the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in the Ancillary Services program for supplies for patient activities; and

- **Capital Outlay.** The agency requests \$234,600, including \$62,600 from the State General Fund, for capital outlay for FY 2021. This is the same all funds and State General Fund amounts as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$615,339, including \$247,349 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$114,687, including \$48,874 from the State General Fund, and FY 2021 longevity payments total \$119,039, including \$50,886 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	42.5 %	42.5 %
KNI Fee Fund	5.0	5.0
Title XIX Fund	50.9	50.9
All Other Funds	1.6	1.6
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Kansas Neurological Institute Fee Fund Analysis

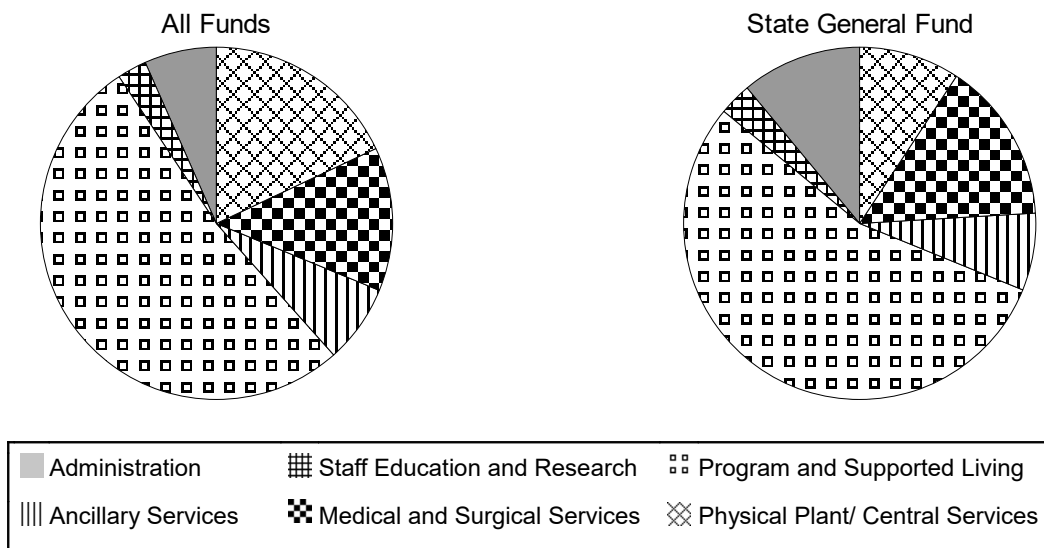
KSA 76-17c01a provides the superintendent of the KNI shall remit all moneys received from charges made under KSA 59-2006 and deposit them into the Kansas Neurological Institute Fee Fund. KSA 59-2006 relates to the duty of parents and spouses to pay for the maintenance, care, and treatment of a patient in a state institution.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 438,666	\$ 72,755	\$ 72,755	\$ 161,465	\$ 161,465
Revenue	1,380,241	1,413,146	1,413,146	1,435,734	1,435,734
Transfers in	0	0	0	0	0
Funds Available	\$ 1,818,907	\$ 1,485,901	\$ 1,485,901	\$ 1,597,199	\$ 1,597,199
Less:					
Expenditures	\$ 1,746,152	\$ 1,324,436	\$ 1,324,436	\$ 1,324,436	\$ 1,324,436
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 72,755	\$ 161,465	\$ 161,465	\$ 272,763	\$ 272,763
Ending Balance as Percent of Expenditures	4.2%	12.2%	12.2%	20.6%	20.6%
Month Highest Ending Balance	November \$ 275,585	November \$ 611,605	November \$ 611,605	November \$ 1,033,184	November \$ 1,033,184
Month Lowest Ending Balance	June \$ 72,755	June \$ 161,465	June \$ 161,465	June \$ 272,763	June \$ 272,763

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 1,760,050	6.6 %	\$ 1,247,891	11.0 %
Staff Education and Research	720,178	2.7	336,556	3.0
Program and Supported Living	13,882,957	52.2	6,191,777	54.8
Ancillary Services	1,913,237	7.2	802,393	7.1
Medical and Surgical Services	3,510,563	13.2	1,673,240	14.8
Physical Plant/Central Services	4,785,607	18.0	1,045,246	9.3
TOTAL	\$ 26,572,592	100.0 %	\$ 11,297,103	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	16.0	16.0	16.0	16.0	16.0
Staff Education and Research	13.0	13.0	13.0	13.0	13.0
Program and Supported Living	297.0	297.0	297.0	297.0	297.0
Ancillary Services	21.0	21.0	21.0	21.0	21.0
Medical and Surgical Services	37.5	37.5	37.5	37.5	37.5
Physical Plant/Central Services	53.0	53.0	53.0	53.0	53.0
TOTAL	437.5	437.5	437.5	437.5	437.5
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The general Administration program provides overall management activities, such as budgeting, planning, and staffing, designed to ensure residents' basic needs are met and proper care and treatment are received. This program ensures the effective and efficient provision of supports and services for people with developmental disabilities who live at KNI and ensures KNI meets the requirements of rules, regulations, policies, and standards of relevant state and federal agencies.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Vacancy Rate for Direct Care Staff*	21.07 %	11.66%	N/A	9.23 %	10.00 %	10.00 %
Vacancy Rate for Non-direct Care Staff*	20.00 %	10.74%	N/A	9.00 %	6.00 %	6.00 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.7	\$ 1.8
FTE Positions	16.0	15.0	15.0	16.0	16.0	16.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 765,098	\$ 901,091	\$ 901,091	\$ 900,399	\$ 900,399
Contractual Services	671,772	776,001	776,001	824,001	824,001
Commodities	13,666	13,550	13,550	13,550	13,550
Capital Outlay	24,729	22,100	22,100	22,100	22,100
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,475,265	\$ 1,712,742	\$ 1,712,742	\$ 1,760,050	\$ 1,760,050
Aid to Local Units	0	0	0	0	0
Other Assistance	10,444	0	0	0	0
TOTAL	\$ 1,485,709	\$ 1,712,742	\$ 1,712,742	\$ 1,760,050	\$ 1,760,050
Financing:					
State General Fund	\$ 977,789	\$ 1,198,616	\$ 1,198,616	\$ 1,247,891	\$ 1,247,891
All Other Funds	507,920	514,126	514,126	512,159	512,159
TOTAL	\$ 1,485,709	\$ 1,712,742	\$ 1,712,742	\$ 1,760,050	\$ 1,760,050
FTE Positions	16.0	16.0	16.0	16.0	16.0

The **agency** requests \$1.8 million, including \$1.2 million from the State General Fund, for the Administration program for FY 2021. This is an all funds increase of \$47,308, or 2.8 percent, and a State General Fund increase of \$49,275, or 4.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in cybersecurity expenditures to the Office of Information Technology Services (OITS). The program includes 16.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$900,399, including \$388,240 from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$692, or 0.1 percent, and a State General Fund increase of \$1,275, or 0.3 percent, from the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in employee fringe benefits;
- **Contractual Services.** The agency requests \$824,001, all from the State General Fund, for contractual services for FY 2021. This is an increase of \$48,000, or 6.2 percent, all from the State General Fund, above the FY 2020 revised estimate. The increase is attributable to increased cybersecurity expenditures to OITS;
- **Commodities.** The agency requests \$13,550, all from the State General Fund, for commodities for FY 2021. This is the same amount as the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$22,100, all from the State General Fund, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

B. Staff Education and Research

The Staff Education and Research program provides, facilitates, and coordinates all training for current and new employees, as well as specialized training for staff working in community developmental disability facilities, to ensure they develop and maintain the skills necessary to provide high quality person-centered services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Hours of Basic Developmental Disability Training Received by New Employees*	5,574	7,712	N/A	4,210	5,000	5,000
Number of Training Hours Provided to Community Groups*	100	82	N/A	70	80	80
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.7
FTE Positions	8.0	11.0	11.0	13.0	13.0	13.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

STAFF EDUCATION AND RESEARCH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 664,791	\$ 674,381	\$ 674,381	\$ 674,428	\$ 674,428
Contractual Services	38,669	45,350	45,350	45,350	45,350
Commodities	263	400	400	400	400
Capital Outlay	3,132	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 706,855	\$ 720,131	\$ 720,131	\$ 720,178	\$ 720,178
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 706,855	\$ 720,131	\$ 720,131	\$ 720,178	\$ 720,178
Financing:					
State General Fund	\$ 256,380	\$ 335,357	\$ 335,357	\$ 336,556	\$ 336,556
All Other Funds	450,475	384,774	384,774	383,622	383,622
TOTAL	\$ 706,855	\$ 720,131	\$ 720,131	\$ 720,178	\$ 720,178
FTE Positions	13.0	13.0	13.0	13.0	13.0

The **agency** requests \$720,178, including \$336,556 from the State General Fund, for the Staff Education and Research program for FY 2021. This is an all funds increase of \$47, or less than 0.1 percent, and a State General Fund increase of \$1,199, or 0.4 percent, above the FY 2020 revised estimate. The program includes 13.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$674,428, including \$290,806 from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$47, or less than 0.1 percent, and a State General Fund increase of \$1,199, or 0.4 percent, above the FY 2020 revised estimate;
- **Contractual Services.** The agency requests \$45,350, all from the State General Fund, for contractual services for FY 2021. This is the same amount as the FY 2020 revised estimate; and
- **Commodities.** The agency requests \$400, all from the State General Fund, for commodities for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

C. Program and Supported Living

The Program and Supported Living program provides supports for the people living at KNI in daily needs and decision-making. The goal of KNI is to support each resident so each person has a meaningful life. This is accomplished by providing opportunities for choice, promoting personal relationships, and encouraging community involvement for KNI residents.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of People Whose Guardians Agree KNI Treats Individuals with Respect and Dignity*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of People Whose Guardians Agree KNI Provides a Comprehensive Array of Services that Meet the Needs of the Individual Living at KNI*	98.0 %	97.0 %	100.0 %	99.0 %	100.0 %	100.0 %
Percent of People Whose Guardians Agree the Person is Supported in Learning New Things of Importance at KNI*	90.0 %	90.0 %	N/A	84.0 %	100.0 %	100.0 %
Percent of People Whose Guardians Agree the Person is Supported by Staff to Participate in the Life of the Community to a Satisfactory Degree*	93.0 %	91.0 %	N/A	87.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 13.4	\$ 13.3	\$ 13.8	\$ 13.4	\$ 13.9	\$ 13.9
FTE Positions	294.0	294.0	294.0	297.0	297.0	297.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

PROGRAM AND SUPPORTED LIVING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 12,953,400	\$ 13,523,933	\$ 13,523,933	\$ 13,521,482	\$ 13,521,482
Contractual Services	52,597	14,800	14,800	14,800	14,800
Commodities	336,122	338,675	338,675	338,675	338,675
Capital Outlay	29,168	8,000	8,000	8,000	8,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 13,371,287	\$ 13,885,408	\$ 13,885,408	\$ 13,882,957	\$ 13,882,957
Aid to Local Units	0	0	0	0	0
Other Assistance	63,795	0	0	0	0
TOTAL	\$ 13,435,082	\$ 13,885,408	\$ 13,885,408	\$ 13,882,957	\$ 13,882,957
Financing:					
State General Fund	\$ 4,416,883	\$ 6,169,195	\$ 6,169,195	\$ 6,191,777	\$ 6,191,777
All Other Funds	9,018,199	7,716,213	7,716,213	7,691,180	7,691,180
TOTAL	\$ 13,435,082	\$ 13,885,408	\$ 13,885,408	\$ 13,882,957	\$ 13,882,957
FTE Positions	297.0	297.0	297.0	297.0	297.0

The **agency** requests \$13.9 million, including \$6.2 million from the State General Fund, for the Program and Supported Living program for FY 2021. This is an all funds decrease of \$2,451, or less than 0.1 percent, and a State General Fund increase of \$22,582, or 0.4 percent, above the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in employee fringe benefits. The program includes 297.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$13.5 million, including \$5.8 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$2,451, or less than 0.1 percent, and a State General Fund increase of \$22,582, or 0.4 percent, from the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in employee fringe benefits;
- **Contractual Services.** The agency requests \$14,800, all from the State General Fund, for contractual services for FY 2021. This is the same amount as the FY 2020 revised estimate;
- **Commodities.** The agency requests \$338,675, all from the State General Fund, for commodities for FY 2021. This is the same amount as the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$8,000, all from the State General Fund, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

D. Ancillary Services

The Ancillary Services program is composed of three subprograms: Activity Therapies, Supported Employment Services, and Allied Clinical Services. The subprograms operate in conjunction with the self-directed work teams where the teams participate in the resident evaluation process and, with other team members, in planning the personalized lifestyle design. Activity Therapies provides an expanded array of individualized social, leisure, and spiritual opportunities for those living at KNI, including activities with their foster grandparents. The Supported Employment subprogram provides support for the people who live at KNI in all aspects of finding, securing, and retaining individualized and meaningful employment either in the community or in one of the entrepreneurial businesses operated at KNI. Allied Clinical Services provides the specialized services required by medical and program needs identified for all residents, such as radiology, dental, psychological, speech and hearing, and chaplaincy services.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Residents in Employment Jobs*	77.0 %	70.0 %	N/A	73.0 %	71.0 %	71.0 %
Number of People with Challenging Behaviors and Medical Needs Provided Consultation and Support*	85	95	N/A	137	100	100
Percent of Residents Who Require/ Receive Assistive Technology Services*	N/A	81.0 %	N/A	92.0 %	80.0 %	80.0 %
Percent of Residents Provided with Dental Consultation and Services*	85.0 %	86.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.2	\$ 2.3	\$ 2.2	\$ 2.0	\$ 1.9	\$ 1.9
FTE Positions	23.7	23.2	23.2	21.0	21.0	21.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

ANCILLARY SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,247,418	\$ 1,241,793	\$ 1,241,793	\$ 1,262,437	\$ 1,262,437
Contractual Services	367,705	393,650	393,650	393,650	393,650
Commodities	302,375	226,650	226,650	224,650	224,650
Capital Outlay	54,360	32,500	32,500	32,500	32,500
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,971,858</i>	<i>\$ 1,894,593</i>	<i>\$ 1,894,593</i>	<i>\$ 1,913,237</i>	<i>\$ 1,913,237</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,971,858	\$ 1,894,593	\$ 1,894,593	\$ 1,913,237	\$ 1,913,237
Financing:					
State General Fund	\$ 879,350	\$ 800,578	\$ 800,578	\$ 802,393	\$ 802,393
All Other Funds	1,092,508	1,094,015	1,094,015	1,110,844	1,110,844
TOTAL	\$ 1,971,858	\$ 1,894,593	\$ 1,894,593	\$ 1,913,237	\$ 1,913,237
FTE Positions	21.0	21.0	21.0	21.0	21.0

The **agency** requests \$1.9 million, including \$802,393 from the State General Fund, for the Ancillary Services program for FY 2021. This is an all funds increase of \$18,644, or 1.0 percent, and a State General Fund increase of \$1,815, or 0.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in employee fringe benefits, partially offset by an adjustment in employee salary shrinkage. The program includes 21.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$1.3 million, including \$464,243 from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$20,644, or 1.7 percent, and a State General Fund increase of \$1,815, or 0.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in employee fringe benefits, partially offset by an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$393,650, including \$132,250 from the State General Fund, for contractual services for FY 2021. This is the same all funds and State General Fund amount as the FY 2020 revised estimate;
- **Commodities.** The agency requests \$224,650, including \$173,400 from the State General Fund, for commodities for FY 2021. This is an all funds decrease of \$2,000, or 0.9 percent, below the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in supplies for patient activities; and
- **Capital Outlay.** The agency requests \$32,500, all from the State General Fund, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

E. Medical and Surgical Services

The Medical and Surgical Services program provides health care for all clients with various types of acute and chronic conditions. It provides intermediate health care 24 hours a day, 7 days a week. When it is not feasible to serve patients at the facility, KNI provides services through contracts with other medical providers or specialists in the community. Therapeutic modifications of diets and other clinical services are provided by a staff dietitian.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Parents and Guardians Who Feel Their Loved Ones Receive the Needed Health Care Services*	99.0 %	94.0 %	N/A	99.0 %	100.0 %	100.0 %
Number of On-site Medical Clinic Visits	712	696	N/A	284	500	500
Number of On-site Medical Unit Admissions	39	22	N/A	14	20	20
Average Number of Days a Patient Receives Services in the Medical Unit*	184	712	N/A	108	150	150
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.0	\$ 2.7	\$ 3.0	\$ 3.3	\$ 3.5	\$ 3.5
FTE Positions	40.0	38.5	38.5	37.5	37.5	37.5

* The Governor's Office does not utilize this measure for evaluation purposes.

MEDICAL AND SURGICAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,523,305	\$ 2,801,630	\$ 2,801,630	\$ 2,797,447	\$ 2,797,447
Contractual Services	466,087	450,900	450,900	450,900	450,900
Commodities	234,642	232,216	232,216	232,216	232,216
Capital Outlay	49,704	30,000	30,000	30,000	30,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,273,738	\$ 3,514,746	\$ 3,514,746	\$ 3,510,563	\$ 3,510,563
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 3,273,738	\$ 3,514,746	\$ 3,514,746	\$ 3,510,563	\$ 3,510,563
Financing:					
State General Fund	\$ 1,185,677	\$ 1,695,247	\$ 1,695,247	\$ 1,673,240	\$ 1,673,240
All Other Funds	2,088,061	1,819,499	1,819,499	1,837,323	1,837,323
TOTAL	\$ 3,273,738	\$ 3,514,746	\$ 3,514,746	\$ 3,510,563	\$ 3,510,563
FTE Positions	37.5	37.5	37.5	37.5	37.5

The **agency** requests \$3.5 million, including \$1.7 million from the State General Fund, for the Medical and Surgical Services program FY 2021. This is an all funds decrease of \$4,183, or 0.1 percent, and a State General Fund decrease of \$22,007, or 1.3 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in

employee salary shrinkage, partially offset by an increase in employee fringe benefits. The program includes 37.5 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$2.8 million, including \$1.2 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$4,183, or 0.1 percent, and a State General Fund increase of \$3,094, or 0.3 percent, from the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in employee fringe benefits;
- **Contractual Services.** The agency requests \$450,900, including \$425,799 from the State General Fund, for contractual services for FY 2021. This is the same all funds amount as the FY 2020 revised estimate. The State General Fund amount is a decrease of \$25,101, or 5.6 percent, below the FY 2020 revised estimate. The State General Fund decrease is primarily attributable to the agency reallocating expenditures from different funding sources between programs;
- **Commodities.** The agency requests \$232,216, including \$41,216 from the State General Fund, for commodities for FY 2021. This is the same all funds and State General Fund amount as the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$30,000, all from special revenue funds, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

F. Physical Plant/Central Services

The Physical Plant and Central Services program operates the central heating and cooling plant; maintains the buildings, grounds, and equipment; provides dietary, safety, security, and purchasing services; and receives goods and supplies. The program is composed of three subprograms: Engineering, Supply Services, and Security and Protection. Engineering and Protection manages the operation of the heating and cooling systems, power plant, water distribution systems, sewage disposal, emergency electrical service, maintenance of 183 acres, parking lots, and roadways as well as performing maintenance on 12 buildings and all types of equipment. Supply Services is responsible for procurement, storage, and issue of all commodities and equipment and for activities including purchasing, warehousing, delivery, clothing fitting, alterations, and clothing repairs. Laundry services are provided through a contract with the Department of Corrections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Parents and Guardians Who Feel the Home Their Loved One Lives in Is Clean*	96.0 %	92.0 %	N/A	97.0 %	100.0 %	100.0 %
Percent of Parents and Guardians Who Feel the Home Their Loved One Lives in Is in Good Repair*	94.0 %	90.0 %	N/A	90.0 %	100.0 %	100.0 %
Percent of Parents and Guardians Who Feel Their Loved One Is Safe at KNI*	98.0 %	96.0 %	N/A	94.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 5.0	\$ 4.4	\$ 4.5	\$ 4.8	\$ 4.8	\$ 4.8
FTE Positions	53.0	54.0	54.0	53.0	53.0	53.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

PHYSICAL PLANT/CENTRAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,464,259	\$ 2,420,999	\$ 2,420,999	\$ 2,424,114	\$ 2,424,114
Contractual Services	1,139,433	1,157,178	1,157,178	1,157,393	1,157,393
Commodities	1,075,010	1,062,100	1,062,100	1,062,100	1,062,100
Capital Outlay	168,111	142,000	142,000	142,000	142,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,846,813	\$ 4,782,277	\$ 4,782,277	\$ 4,785,607	\$ 4,785,607
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 4,846,813	\$ 4,782,277	\$ 4,782,277	\$ 4,785,607	\$ 4,785,607
Financing:					
State General Fund	\$ 3,199,672	\$ 1,039,674	\$ 1,039,674	\$ 1,045,246	\$ 1,045,246
All Other Funds	1,647,141	3,742,603	3,742,603	3,740,361	3,740,361
TOTAL	\$ 4,846,813	\$ 4,782,277	\$ 4,782,277	\$ 4,785,607	\$ 4,785,607
FTE Positions	53.0	53.0	53.0	53.0	53.0

The **agency** requests \$4.8 million, including \$1.0 million from the State General Fund, for the Physical Plant and Central Services program for FY 2021. This is an all funds increase of \$3,330, or 0.1 percent, and a State General Fund increase of \$5,572, or 0.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in employee fringe benefits, partially offset by an adjustment in salary shrinkage. The program includes 53.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$2.4 million, including \$1.0 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$3,115, or 0.1 percent, and a State General Fund increase of \$5,572, or 0.5 percent, above the FY 2020 revised estimate. The increase is

primarily attributable to an increase in employee fringe benefits, partially offset by an adjustment in salary shrinkage;

- **Contractual Services.** The agency requests \$1.2 million, all from special revenue funds, for contractual services for FY 2021. This an increase of \$215, or less than 0.1 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in utilities;
- **Commodities.** The agency requests \$1.1 million, all from special revenue funds, for commodities for FY 2021. This is the same amount as the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$142,000, all from special revenue funds, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

PARSONS STATE HOSPITAL AND TRAINING CENTER

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 13,967,007	\$ 14,416,048	\$ 14,416,048	\$ 17,879,876	\$ 14,516,601
Other Funds	14,665,551	15,158,344	15,158,344	15,200,000	15,200,000
Subtotal	\$ 28,632,558	\$ 29,574,392	\$ 29,574,392	\$ 33,079,876	\$ 29,716,601
Capital Improvements:					
State General Fund	\$ 1,203	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	178,424	91,991	91,991	0	0
Subtotal	\$ 179,627	\$ 91,991	\$ 91,991	\$ 0	\$ 0
TOTAL	\$ 28,812,185	\$ 29,666,383	\$ 29,666,383	\$ 33,079,876	\$ 29,716,601
Percentage Change:					
Operating Expenditures					
State General Fund	13.7 %	3.2 %	3.2 %	24.0 %	0.7 %
All Funds	5.5	3.3	3.3	11.9	0.5
FTE Positions	477.2	477.2	477.2	483.2	477.2

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Parsons State Hospital and Training Center is one of two residential treatment, training, and care facilities operated by the State of Kansas to serve individuals with intellectual and developmental disabilities whose circumstances require specialized residential service provisions. The Parsons State Hospital was opened in 1903 to treat the epileptic. In 1953, the program was changed to provide residential services for mentally retarded children and the name was changed to the Parsons State Training School. Its name was changed a few years later to the Parsons State Hospital and Training Center (PSH&TC) to more accurately describe the treatment programs. PSH&TC's mission is to serve the habilitation, rehabilitation, and residential care needs of each person referred or admitted in ways that fulfill standards of quality and effectiveness and thus enable each person to acquire greater control and additional options for meeting their needs. An individualized treatment plan focusing on clients' needs, wants, and interests is developed for each client in the institution in order to enhance their quality of life. In addition, PSH&TC serves as the statewide resource center for persons with a dual diagnosis of developmental disability and psychiatric impairment in order to provide more appropriate treatment services for these individuals. The facility has a budgeted bed capacity of 188 patients.

MAJOR ISSUES FROM PRIOR YEARS

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas State School for the Deaf, Kansas State School for the Blind, Beloit Juvenile Correctional Facility, state developmental disability hospitals, and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations regarding these and any other facilities studied to the Governor and the Legislature. The Commission recommended the Department of Social and Rehabilitation Services (SRS) review the residents at the Kansas Neurological Institute (KNI) who met the requirements for placement in the community or for transfer to PSH&TC and that KNI be closed. The Commission also recommended the remaining residents at PSH&TC be reviewed for placement in the community. In addition, the Commission recommended that when the Governor prepared his executive reorganization order (ERO) to carry out the recommendations concerning the closure of KNI and downsizing of PSH&TC, the ERO be written as clearly and strongly as possible to ensure any savings go to expand funding for the Home and Community Based Services for the Developmentally Disabled Waiver.

The Governor chose not to accept the Commission's recommendation for KNI and PSH&TC. However, the Governor agreed that serving individuals in the community can lead to a better quality of life and encouraged SRS to consolidate resources on KNI and PSH&TC campuses and identify individuals who could be better served in the community. As a result, PSH&TC consolidated a cottage at the end of December 2009. The residents were moved into other cottages and 19.0 temporary staff were released.

The **2011 Senate Committee on Ways and Means** directed SRS to reject closure and downsizing plans at KNI and to continue operations at the facility. Further, the Committee requested an audit independent of the SRS that would investigate and identify: 1) management and service efficiencies that could be implemented for KNI and PSH&TC, which would create cost savings at the facilities while maintaining current operations and care, and 2) additional programs and resources the two developmental disability facilities can implement to assist the entire developmental disabilities community and help reduce Home and Community Based Services Developmentally Disabled Waiver expenditures. The Committee directed SRS to fund the independent audit and report the audit finding to the Senate Committee on Ways and Means chairperson on September 1, 2011. The Legislative Division of Post Audit report was presented in December 2011.

The **2015 Legislature** added \$500,000, all from the Title XIX Fund, in FY 2015 for increased operating expenditures by PSH&TC in assisting Osawatomie State Hospital with its plan of correction following the surveys by the federal Centers for Medicare and Medicaid Services in Fall 2014.

The **2016 Legislature** added \$973,000 in FY 2016 and \$1.0 million for FY 2017, all from the State General Fund, from moneys transferred from Larned State Hospital and added 10.0 FTE positions in both years to expand the Sexual Predator Treatment Program Transition Unit at PSH&TC. The Legislature also deleted \$117,068, all from the State General Fund, and transferred the same amount to the Kansas Department for Aging and Disability Services in FY 2016 and FY 2017 to reallocate a portion of the funding for a Forensic Psychologist position between the agencies.

The **2017 Legislature** added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except select groups); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For PSH&TC, the Legislature added \$597,198, all from the State General Fund, in both FY 2018 and FY 2019.

The **2018 Legislature** added \$559,765, all from the State General Fund, to provide funding for 12.0 FTE support staff positions due to the hospital experiencing an increased number of patients requiring one-to-one or two-to-one care for extended periods of time for FY 2019. The agency will use the funding to fill vacant unfunded FTE positions, so no additional FTE positions were added.

In addition, the **2018 Legislature** added \$319,369, including \$143,315 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$951,224, all from the State General Fund, and deleted \$703,006, all from the federal Title XIX (Medicaid) Fund, to replace a projected shortfall in federal revenue and decrease agency salary shrinkage in FY 2019; added \$951,224, all from the State General Fund, to decrease agency salary shrinkage for FY 2020; and added \$706,596, including \$409,695 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGETED BED CAPACITY

The chart below shows the budgeted bed capacity at PSH&TC.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	188	188	188	188	188

AVERAGE DAILY CENSUS

Average daily census represents the daily average number of patients in a hospital over a fiscal year.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	159	161	161	161	161

ADMISSIONS

The chart below shows admissions to PSH&TC.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
First Admissions	15	12	7	11	11
Re-admissions and Transfers from Other KDADS Institutions	2	3	2	1	1
Total	17	15	9	12	12

END OF THE YEAR CENSUS

The chart below shows the census at the end of each fiscal year at PSH&TC.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Total	159	161	160	162	162

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$29.6 million, including \$14.4 million from the State General Fund, for operating expenditures in FY 2020. The revised estimate is an all funds increase of \$801,094, or 2.8 percent, above the amount approved by the 2019 Legislature. The State General Fund total is the same amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an adjustment in salary shrinkage, an increase in household supplies for patients, and an increase in building and grounds maintenance supplies, partially offset by a decrease in household furniture for patients and the agency replacing fewer maintenance vehicles than previously estimated. The agency estimates an increase of \$801,094 in Title XIX (Medicaid) revenue above the amount approved by the 2019 Legislature. Summary of capital improvements is included in the capital improvements section of this document, which reflects the same amount approved by the 2019 Legislature. The revised estimate includes 477.2 FTE positions, which is the same number approved by the 2019 Legislature.

The agency requests a revised estimate of \$91,991, all from the State Institutions Building Fund, for capital improvements in FY 2020. This is the same amount approved by the 2019 Legislature. Capital improvement funding will be used for the final bond principal payment to the Department of Administration for the agency's participation in the State's Facility Conservation Improvement Program.

The **Governor** concurs with the agency's revised estimate for operating expenditures and capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$33.1 million, including \$17.9 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$3.5 million, or 11.9 percent, and a State General Fund increase of \$3.5 million, or

24.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's three enhancement requests totaling \$3.4 million, all from the State General Fund, and 6.0 FTE positions for FY 2021. The increase is also attributable to an adjustment in salary shrinkage and an increase in employee fringe benefits. The request includes 483.2 FTE positions, which is an increase of 6.0 FTE positions above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to expand the Outreach Services program by adding 3.0 FTE consultants and 3.0 FTE community training specialists.

The agency does not request capital improvement expenditures for FY 2021. The FY 2020 revised estimate includes the final payment for participation in the State's Facility Conservation Improvement Program.

The **Governor** recommends \$29.7 million, including \$14.5 million from the State General Fund, and 477.2 FTE positions for operating expenditures for FY 2021. This is an all funds decrease of \$3.4 million, or 10.2 percent, all from the State General Fund, and 6.0 FTE positions below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's three enhancement requests for FY 2021.

The Governor concurs with the agency's request for capital improvements for FY 2021.

PERFORMANCE MEASURES

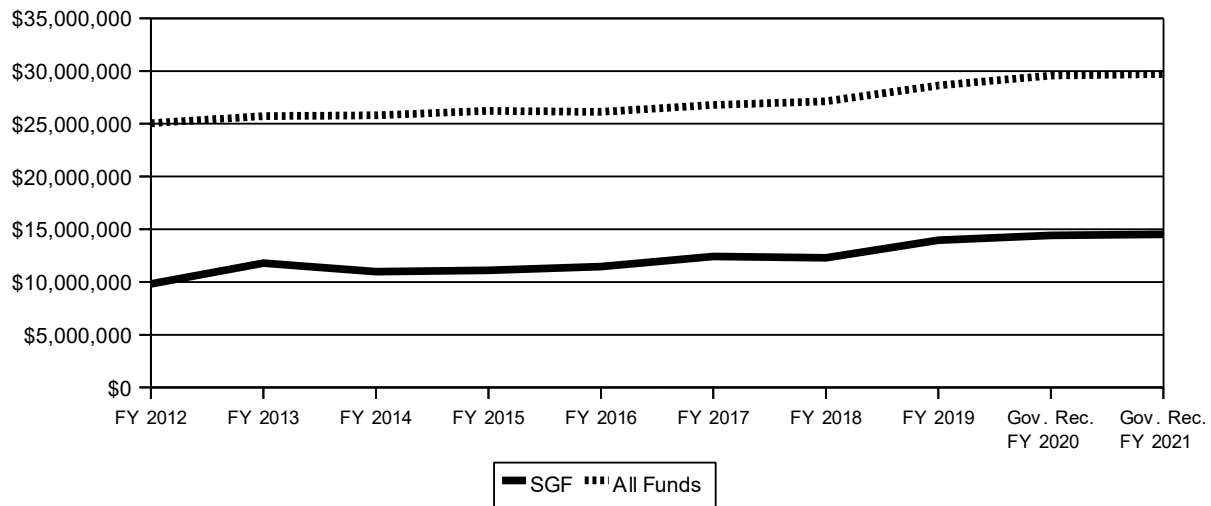
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Daily Census (Habilitation and Treatment Program)	159	161	N/A	160	162	162
Average Daily Census (Sexual Predator Treatment Program)	13	11	N/A	10	10	12
Percent of Compliance with Intermediate Care Facilities for Individuals with an Intellectual Disability (ICF/IID) Certification Survey*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Residents Employed in Work Programs at PSH&TC or in the Community*	91.2 %	93.8 %	94.4 %	67.1 %	68.3 %	67.1 %
Percent of Residents Participating in Community-based Leisure Activities*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 27.0	\$ 27.3	\$ 28.2	\$ 28.8	\$ 29.7	\$ 29.7
FTE Positions	477.2	477.2	477.2	477.2	477.2	477.2

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 9,805,405	(4.1)%	\$ 25,059,402	(0.6)%	455.2
2013	11,800,503	20.3	25,719,965	2.6	466.2
2014	10,980,787	(6.9)	25,799,495	0.3	467.2
2015	11,103,666	1.1	26,224,199	1.6	467.2
2016	11,450,147	3.1	26,126,796	(0.4)	477.2
2017	12,415,691	8.4	26,787,271	2.5	477.2
2018	12,288,766	(1.0)	27,131,219	1.3	477.2
2019	13,967,007	13.7	28,632,558	5.5	477.2
2020 Gov. Rec.	14,416,048	3.2	29,574,392	3.3	477.2
2021 Gov. Rec.	14,516,601	0.7	29,716,601	0.5	477.2
Ten-Year Change Dollars/Percent	\$ 4,711,196	48.0 %	\$ 4,657,199	18.6 %	22.0

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 1,333,776	\$ 1,615,199	\$ 1,605,085	\$ (10,114)	(0.6) %	\$ 1,615,199	\$ 1,605,085	\$ (10,114)	(0.6) %
Staff Education and Research	368,903	414,512	412,425	(2,087)	(0.5)	414,512	412,425	(2,087)	(0.5)
SPTP Transition	1,970,183	2,037,289	2,037,289	0	0.0	2,037,289	2,037,289	0	0.0
Habilitation and Treatment	14,485,682	14,717,388	17,481,052	2,763,664	18.8	14,717,388	14,805,222	87,834	0.6
Ancillary Services	2,983,176	3,177,254	3,179,331	2,077	0.1	3,177,254	3,179,331	2,077	0.1
Medical and Surgical Services	2,662,946	2,689,436	3,402,449	713,013	26.5	2,689,436	2,715,004	25,568	1.0
Physical Plant/Central Services	4,827,892	4,923,314	4,962,245	38,931	0.8	4,923,314	4,962,245	38,931	0.8
TOTAL	\$ 28,632,558	\$ 29,574,392	\$ 33,079,876	\$ 3,505,484	11.9 %	\$ 29,574,392	\$ 29,716,601	\$ 142,209	0.5 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 24,827,385	\$ 25,879,260	\$ 29,238,007	\$ 3,358,747	13.0 %	\$ 25,879,260	\$ 25,967,073	\$ 87,813	0.3 %
Contractual Services	2,184,897	2,202,750	2,321,010	118,260	5.4	2,202,750	2,247,750	45,000	2.0
Commodities	1,410,968	1,417,000	1,425,300	8,300	0.6	1,417,000	1,425,300	8,300	0.6
Capital Outlay	199,911	73,478	95,559	22,081	30.1	73,478	76,478	3,000	4.1
Debt Service	9,367	1,904	0	(1,904)	(100.0)	1,904	0	(1,904)	(100.0)
<i>Subtotal - Operations</i>	<i>\$ 28,632,528</i>	<i>\$ 29,574,392</i>	<i>\$ 33,079,876</i>	<i>\$ 3,505,484</i>	<i>11.9 %</i>	<i>\$ 29,574,392</i>	<i>\$ 29,716,601</i>	<i>\$ 142,209</i>	<i>0.5 %</i>
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	30	0	0	0	--	0	0	0	--
TOTAL	\$ 28,632,558	\$ 29,574,392	\$ 33,079,876	\$ 3,505,484	11.9 %	\$ 29,574,392	\$ 29,716,601	\$ 142,209	0.5 %
Financing:									
State General Fund	\$ 13,967,007	\$ 14,416,048	\$ 17,879,876	\$ 3,463,828	24.0 %	\$ 14,416,048	\$ 14,516,601	\$ 100,553	0.7 %
PSH&TC Fee Fund	1,049,582	1,206,440	1,150,000	(56,440)	(4.7)	1,206,440	1,150,000	(56,440)	(4.7)
Title XIX Fund	13,606,602	13,950,000	14,050,000	100,000	0.7	13,950,000	14,050,000	100,000	0.7
State Institutions Building Fund	9,367	1,904	0	(1,904)	(100.0)	1,904	0	(1,904)	(100.0)
TOTAL	\$ 28,632,558	\$ 29,574,392	\$ 33,079,876	\$ 3,505,484	11.9 %	\$ 29,574,392	\$ 29,716,601	\$ 142,209	0.5 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$14,416,048 for the Parsons State Hospital and Training Center in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 14,416,048	\$ 14,416,048	\$ 0	\$ 14,416,048	\$ 0
All Other Funds	14,449,241	15,250,335	801,094	15,250,335	801,094
TOTAL	\$ 28,865,289	\$ 29,666,383	\$ 801,094	\$ 29,666,383	\$ 801,094
FTE Positions	477.2	477.2	0.0	477.2	0.0

The **agency** requests a revised estimate of \$29.7 million, including \$14.4 million from the State General Fund, for operating expenditures and capital improvements in FY 2020. Of this amount, the agency requests a revised estimate of \$29.6 million, including \$14.4 million from the State General Fund, for operating expenditures in FY 2020. For operating expenditures, the revised estimate is an all funds increase of \$801,094, or 2.8 percent, above the amount approved by the 2019 Legislature. The State General Fund total is the same amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an adjustment in salary shrinkage, an increase in household supplies for patients, and an increase in building and grounds maintenance supplies, partially offset by a decrease in household furniture for patients and the agency replacing fewer maintenance vehicles than previously estimated. The agency estimates an increase of \$801,094 in Title XIX (Medicaid) revenue above the amount approved by the 2019 Legislature.

Summary of capital improvements is included in the capital improvements section of this document, which reflects the same amount approved by the 2019 Legislature. The revised estimate includes 477.2 FTE positions, which is the same number approved by the 2019 Legislature.

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$25.9 million, including \$12.3 million from the State General Fund, for salaries and wages in FY 2020. This is an all funds increase of \$733,033, or 2.9 percent, and a State General Fund decrease of \$645,422, or 5.0 percent, from the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an adjustment in salary shrinkage;

- **Contractual Services.** The agency requests \$2.2 million, including \$1.3 million from the State General Fund, for contractual services in FY 2020. This is an all funds increase of \$9,232, or 0.4 percent, and a State General Fund increase of \$352,012, or 35.4 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contract medical care for patients;
- **Commodities.** The agency requests \$1.4 million, including \$741,672 from the State General Fund, for commodities in FY 2020. This is an all funds increase of \$202,351, or 16.7 percent, and a State General Fund increase of \$316,832, or 74.6 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in household supplies for patients and building and grounds maintenance supplies;
- **Capital Outlay.** The agency requests \$73,478, including \$23,478 from the State General Fund, for capital outlay in FY 2020. This is an all funds decrease of \$143,522, or 66.1 percent, and a State General Fund decrease of \$23,422, or 49.9 percent, below the amount approved by the 2019 Legislature. The decrease is primarily attributable to a decrease in household furniture for patients and the agency replacing fewer maintenance vehicles than previously estimated; and
- **Debt Service Interest.** The agency requests \$1,904, all from the State Institutions Building Fund, for debt service interest expenditures in FY 2020. This is the same amount approved by the 2019 Legislature.

The **Governor** concurs with the agency's revised estimate for operating expenditures and capital improvements in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 33,079,876	\$ 29,716,601	\$	(3,363,275)
FTE Positions	483.2	477.2		(6.0)
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 3,463,828	\$ 100,553		
All Other Funds	41,656	41,656		
TOTAL	\$ 3,505,484	\$ 142,209		
<i>Percent Change:</i>				
State General Fund	24.0 %	0.7 %		
All Other Funds	0.3	0.3		
TOTAL	11.9 %	0.5 %		
Change in FTE Positions	6.0	0.0		

The **agency** requests \$33.1 million, including \$17.9 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$3.5 million, or 11.9 percent, and a State General Fund increase of \$3.5 million, or 24.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's three enhancement requests totaling \$3.4 million, all from the State General Fund, and 6.0 FTE positions for FY 2021. The increase is also attributable to an adjustment in salary shrinkage and an increase in employee fringe benefits. The request includes 483.2 FTE positions, which is an increase of 6.0 FTE positions above FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to expand the Outreach Services program by adding 3.0 FTE consultants and 3.0 FTE community training specialists. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$29.2 million, including \$15.6 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$3.4 million, or 13.0 percent, and a State General Fund increase of \$3.3 million, or 27.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests for expansion of the Outreach Services program, a salary increase for direct care staff, and a salary increase for nursing staff. The increase is also attributable to an adjustment in salary shrinkage and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$2.3 million, including \$1.4 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$118,260, or 5.4 percent, and a State General Fund increase of \$91,455, or 6.8 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in in-state travel expenditures for the agency's enhancement request to expand the Outreach Services program. The increase is also attributable to an increase in contract medical services for patients;
- **Commodities.** The agency requests \$1.4 million, including \$774,650 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$8,300, or 0.6 percent, and a State General Fund increase of \$32,978, or 4.4 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in food for patients, supplies for patient activities, household supplies for patients, and supplies for grounds maintenance; and
- **Capital Outlay.** The agency requests \$95,559, including \$42,559 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$22,081, or 30.1 percent, and a State General Fund increase of \$19,081, or 81.3 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in computer equipment for the agency's enhancement request to expand the Outreach Services program.

The **Governor** recommends \$29.7 million, including \$14.5 million from the State General Fund, and 477.2 FTE positions for operating expenditures for FY 2021. This is an all funds decrease of \$3.4 million, or 10.2 percent, all from the State General Fund, and 6.0 FTE positions below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's three enhancement requests for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Outreach Services	\$ 409,255	\$ 409,255	6.0	\$ 0	\$ 0	0.0
Direct Care Staff Salary Increase	2,266,575	2,266,575	0.0	0	0	0.0
Nursing Staff Salary Increase	687,445	687,445	0.0	0	0	0.0
TOTAL	\$ 3,363,275	\$ 3,363,275	6.0	\$ 0	\$ 0	0.0

The **agency** requests three enhancements totaling \$3.4 million, all from the State General Fund, and 6.0 FTE positions for FY 2021.

Outreach Services. The agency requests \$409,255, all from the State General Fund, and 6.0 FTE positions to expand the Outreach Services program for FY 2021. The Outreach Services program provides behavioral services to both children and adults with intellectual or developmental disabilities, often with concurrent mental disorders, across Kansas. Services provided include behavioral consultation, development of function-based behavior intervention plans, staff or parent training on interventions, data tracking and summation of progress following trainings on behavioral supports and various mental disorders. The enhancement request includes \$316,914 for 3.0 FTE consultants and 3.0 FTE community training specialists, \$73,260 for in-state travel expenditures, and \$19,081 for computer equipment.

Direct Care Staff Salary Increase. The agency requests \$2.3 million, all from the State General Fund, to provide a salary increase for direct support positions on the living units of PSH&TC. The agency states this funding would increase salaries for the following positions: 258.5 FTE Mental Health Developmental Disability Technicians (MHDDTs) (\$1.7 million), 11.0 FTE Activity Specialists (\$95,432), 45.0 FTE Client Training Supervisors (\$395,617), and 9.0 FTE Safety and Security Chief and Officers (\$66,182). The agency states it has experienced loss of staff due to a high risk of danger from severe physical outbursts by residents and competition from higher starting salaries at other state agencies and surrounding manufacturers.

Nursing Staff Salary Increase. The agency requests \$687,445, all from the State General Fund, to provide a salary increase for nursing staff positions. The agency states this funding would increase the salaries for the following positions: 15.5 FTE Licensed Practical Nurse positions (\$138,698) and 26.0 FTE Registered Nurse positions (\$548,747). The agency states it has experienced loss in staff due to the risk of injury to residents and staff and this funding would stabilize the workforce, increase morale of nursing staff, and allow PSH&TC to provide care for residents.

The **Governor** does not recommend the agency's enhancement requests for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$706,596, including \$409,695 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$95,925, including \$45,611 from the State General Fund, and FY 2021 longevity payments total \$100,113, including \$47,631 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Federal Title XIX funding comprises approximately one-third of all funding for state hospitals. Currently, all Title XIX payments for state hospitals are placed in a central account and funds are then transferred to the four state hospitals in amounts equal to its approved appropriations. State developmental disabilities hospitals are Medicaid-certified as intermediate care facilities for persons with mental retardation and nearly all of the people living in the facilities are covered by Medicaid. The state developmental disabilities hospitals submit annual cost reports that establish per diem rates they charge to Medicaid for each day a person covered by Medicaid lives in the facility. PSH&TC is a developmental disabilities hospital.

The state mental health (MH) hospitals establish per diem rates in much the same way as the state developmentally disabled (DD) hospitals, but are classified as institutions for mental disease (IMDs). The result is, due to federal rules, most patients are not eligible for standard Medicaid match but the hospitals are eligible for Medicaid payments through the Disproportionate Share Hospital (DSH) program. This program assists all acute care hospitals that serve a disproportionately high number of indigent persons. Over the last decade, the amount of DSH funding available to the hospitals has decreased, which decreases receipts into the central fund.

PSH&TC is primarily funded through three basic sources. The first is the State General Fund, which consists of money collected through various statewide taxes. The second is the Hospital Fee Fund, which includes collections from Medicare, private payments, Social Security, and insurance. Revenues are based on average resident census and projected changes in Social Security, parent pay, and earnings. The third source is federal Title XIX funding, which is earned by the developmental disability institutions through Medicaid reimbursements for services provided based on a daily room rate. The federal Title XIX funding is transferred to the Kansas Department for Aging and Disability Services central pool and is then redistributed among the four state hospitals in amounts equal to its approved appropriations.

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	54.1 %	48.9 %
PSH&TC Fee Fund	3.5	3.9
Title XIX Fund	42.5	47.3
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Parsons State Hospital and Training Center Fee Fund Analysis

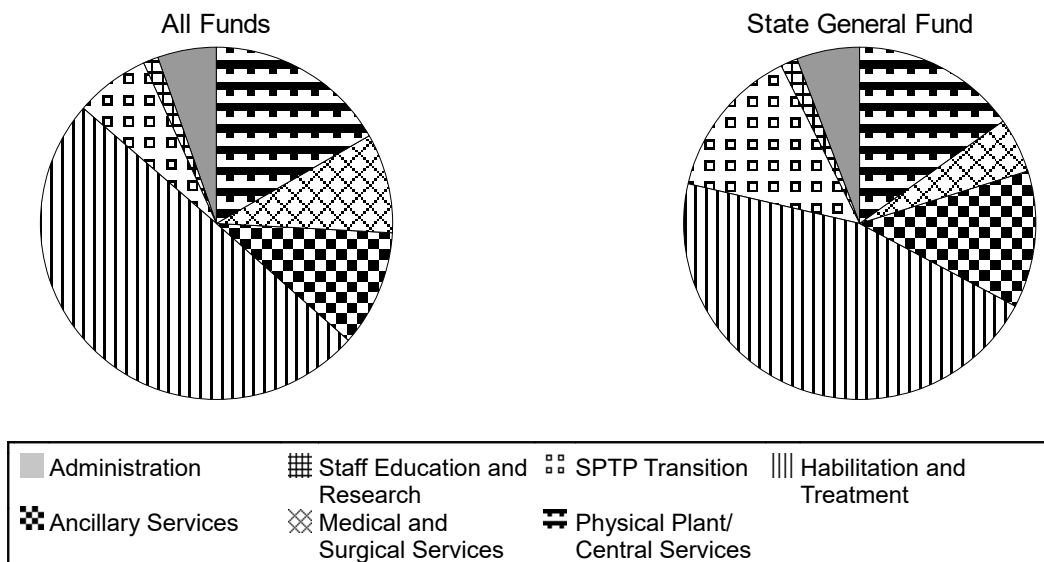
KSA 76-1409a provides that the superintendent of the Parsons State Hospital and Training Center shall remit all moneys received from charges made under KSA 59-2006 and deposit them into the Parsons State Hospital and Training Center Fee Fund. KSA 59-2006 relates to the duty of parents and spouses to pay for the maintenance, care, and treatment of a patient in a state institution.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 4,171	\$ 102,910	\$ 102,910	\$ 102,910	\$ 102,910
Revenue	1,148,321	1,206,440	1,206,440	1,150,000	1,150,000
Transfers in	0	0	0	0	0
Funds Available	\$ 1,152,492	\$ 1,309,350	\$ 1,309,350	\$ 1,252,910	\$ 1,252,910
Less:					
Expenditures	\$ 1,049,582	\$ 1,206,440	\$ 1,206,440	\$ 1,150,000	\$ 1,150,000
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 102,910	\$ 102,910	\$ 102,910	\$ 102,910	\$ 102,910
Ending Balance as Percent of Expenditures	9.8%	8.5%	8.5%	8.9%	8.9%
Month Highest Ending Balance	July \$ 201,649	July \$ 201,649	July \$ 201,649	July \$ 201,649	July \$ 201,649
Month Lowest Ending Balance	June \$ 102,910	June \$ 102,910	June \$ 102,910	June \$ 102,910	June \$ 102,910

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 1,605,085	5.4 %	\$ 843,127	5.8 %
Staff Education and Research	412,425	1.4	225,599	1.6
SPTP Transition	2,037,289	6.9	2,037,289	14.0
Habilitation and Treatment	14,805,222	49.8	6,652,370	45.8
Ancillary Services	3,179,331	10.7	1,829,601	12.6
Medical and Surgical Services	2,715,004	9.1	730,116	5.0
Physical Plant/Central Services	4,962,245	16.7	2,198,499	15.1
TOTAL	\$ 29,716,601	100.0 %	\$ 14,516,601	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	15.1	15.9	15.9	15.9	15.9
Staff Education and Research	5.0	5.8	5.8	5.8	5.8
SPTP Transition	29.4	30.4	30.4	30.4	30.4
Habilitation and Treatment	288.5	281.5	281.5	287.5	281.5
Ancillary Services	35.7	43.7	43.7	43.7	43.7
Medical and Surgical Services	31.0	29.0	29.0	29.0	29.0
Physical Plant/Central Services	72.4	71.0	71.0	71.0	71.0
TOTAL	477.2	477.2	477.2	483.2	477.2
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The agency's Administration program provides an administrative structure for approximately 165 persons residing at PSH&TC. The superintendent and other administrators plan and budget for the institution's needs and manage resources allocated to the institution for the fiscal year. The administrators account for all expenditures for supplies, equipment, and personnel; collect all money for treatment of residents and for other services; recruit personnel and manage fringe benefit programs; maintain client records and statistics; and provide communication services within and outside the institution. The Administration program includes \$32, all from the State General Fund, in FY 2019 actual expenditures for the Trust and Benefits program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent Compliance with ICF/IID Certification Survey*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Final Percent Compliance with Kansas State Fire Marshal Inspection*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Residents Successfully Remaining in Community Placement after Discharge*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.2	\$ 1.4	\$ 1.6	\$ 1.3	\$ 1.6	\$ 1.6
FTE Positions	15.0	15.0	15.1	15.1	15.9	15.9
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 955,324	\$ 1,264,649	\$ 1,264,649	\$ 1,260,964	\$ 1,260,964
Contractual Services	311,178	325,950	325,950	319,521	319,521
Commodities	26,831	24,600	24,600	24,600	24,600
Capital Outlay	40,443	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,333,776</i>	<i>\$ 1,615,199</i>	<i>\$ 1,615,199</i>	<i>\$ 1,605,085</i>	<i>\$ 1,605,085</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,333,776	\$ 1,615,199	\$ 1,615,199	\$ 1,605,085	\$ 1,605,085
Financing:					
State General Fund	\$ 564,999	\$ 846,999	\$ 846,999	\$ 843,127	\$ 843,127
All Other Funds	768,777	768,200	768,200	761,958	761,958
TOTAL	\$ 1,333,776	\$ 1,615,199	\$ 1,615,199	\$ 1,605,085	\$ 1,605,085
FTE Positions	15.1	15.9	15.9	15.9	15.9

The **agency** requests \$1.6 million, including \$843,127 from the State General Fund, for the Administration program for FY 2021. This is an all funds decrease of \$10,114, or 0.6 percent, and a State General Fund decrease of \$3,872, or 0.5 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to a decrease in computer services expenditures and salaries and wages fringe benefits. The program includes 15.9 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$1.3 million, including \$630,481 from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$3,685, or 0.3 percent, and a State General Fund decrease of \$1,843, or 0.3 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$319,521, including \$193,646 from the State General Fund, for contractual services for FY 2021. This is an all funds decrease of \$6,429, or 2.0 percent, and a State General Fund decrease of \$2,029, or 1.0 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in computer services expenditures; and
- **Commodities.** The agency requests \$24,600, including \$19,000 from the State General Fund, for commodities for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

B. Staff Education and Research

The Staff Education and Research program provides basic and advanced training for direct care staff as well as new employee orientation and continuing education for all staff. In addition, this program provides technical support and training for community agencies that receive clients from the institution or request such service.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of New Employees Hired*	82	86	N/A	63	60	52
Percent of New Employees Completing Protective Techniques Training within One Month*	85.2 %	85.5 %	N/A	65.4 %	85.0 %	85.0 %
Percent of New Employees Completing First Aid Procedures within One Month*	51.9 %	34.5 %	N/A	5.8 %	5.0 %	5.0 %
Percent of New Employees Completing CPR Training within One Month*	51.9 %	34.5 %	N/A	5.8 %	5.0 %	5.0 %
Percent of New Employees Completing the Above Trainings within Three Months*	100.0 %	100.0 %	N/A	15.4 %	25.0 %	50.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4
FTE Positions	5.0	4.6	5.0	5.0	5.8	5.8

*The Governor's Office does not utilize this measure for evaluation purposes.

STAFF EDUCATION AND RESEARCH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 329,437	\$ 375,237	\$ 375,237	\$ 373,650	\$ 373,650
Contractual Services	38,999	39,275	39,275	38,775	38,775
Commodities	29	0	0	0	0
Capital Outlay	438	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 368,903</i>	<i>\$ 414,512</i>	<i>\$ 414,512</i>	<i>\$ 412,425</i>	<i>\$ 412,425</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 368,903	\$ 414,512	\$ 414,512	\$ 412,425	\$ 412,425
Financing:					
State General Fund	\$ 368,743	\$ 226,394	\$ 226,394	\$ 225,599	\$ 225,599
All Other Funds	160	188,118	188,118	186,826	186,826
TOTAL	\$ 368,903	\$ 414,512	\$ 414,512	\$ 412,425	\$ 412,425
FTE Positions	5.0	5.8	5.8	5.8	5.8

The **agency** requests \$412,425, including \$225,599 from the State General Fund, for the Staff Education and Research program for FY 2021. This is an all funds decrease of \$2,087,

or 0.5 percent, and a State General Fund decrease of \$795, or 0.4 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in employee fringe benefits and in-state travel expenditures. The program includes 5.8 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$373,650, including \$186,824 from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$1,587, or 0.4 percent, and a State General Fund decrease of \$795, or 0.4 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in salaries and wages fringe benefits; and
- **Contractual Services.** The agency requests \$38,775, all from the State General Fund, for contractual services for FY 2021. This is an all funds decrease of \$500, or 1.3 percent, below the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in budgeted in-state travel expenditures.

The **Governor** concurs with the agency's request for FY 2021.

C. Sexual Predator Treatment Program-Transition Unit

The Sexual Predator Treatment Program (SPTP) is a transition unit at PSH&TC that offers individuals meeting strict, specified objectives a chance to re-enter the public sector. The transition program at PSH&TC began in 2014 and provides a variety of supports to each individual, such as a monthly stipend, travel to and from job searches and work settings, and professional counseling. All medical needs, including physician visits, hospital treatment services, and prescription medications, also are supported by the program utilizing community providers. Only after all objectives have been met will an individual be evaluated for the opportunity to re-enter a public setting. Prior to July 1, 2015, there was a statutory requirement that no more than eight SPTP transition individuals could reside in one county. However, recent legislation allows counties to surpass that total. In 2015, PSH&TC opened a second reintegration facility (Willow House) to support additional clients entering the program. In FY 2019, the average daily census was 10 patients. The agency estimates an average daily census of 10 patients in FY 2020 and 12 patients for FY 2021.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Individuals Served in SPTP Units during the Fiscal Year	14	17	N/A	13	10	12
Number of SPTP Residents Employed in Community Settings*	12	14	N/A	10	10	12
Number of SPTP Residents Returned to LSH Due to Program Violations*	2	3	N/A	1	0	0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.9	\$ 1.9	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0
FTE Positions	21.0	31.2	29.4	29.4	30.4	30.4
*The Governor's Office does not utilize this measure for evaluation purposes.						

SEXUAL PREDATOR TREATMENT PROGRAM TRANSITION UNIT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,657,554	\$ 1,681,151	\$ 1,681,151	\$ 1,684,905	\$ 1,684,905
Contractual Services	321,984	350,503	350,503	345,979	345,979
Commodities	5,332	5,635	5,635	6,405	6,405
Capital Outlay	(14,687)	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,970,183	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,970,183	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289
Financing:					
State General Fund	\$ 1,970,183	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289
All Other Funds	0	0	0	0	0
TOTAL	\$ 1,970,183	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289	\$ 2,037,289
FTE Positions	29.4	30.4	30.4	30.4	30.4

The **agency** requests \$2.0 million, all from the State General Fund, for the SPTP Unit program for FY 2021. This is the same amount as the FY 2020 revised estimate. The program includes 30.4 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$1.7 million, all from the State General Fund, for FY 2021. This is an increase of \$3,754, or 0.2 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in salaries and wages fringe benefits and an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$345,979, all from the State General Fund, for FY 2021. This is an all funds decrease of \$4,524, or 1.3 percent, below the FY 2020 revised estimate. The decrease is primarily

attributable to a decrease in utilities expenditures, partially offset by an increase in contract medical services for patients; and

- **Commodities.** The agency requests \$6,405, all from the State General Fund, for commodities for FY 2021. This is an increase of \$770, or 13.7 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in gas to transport patients.

The **Governor** concurs with the agency's request for FY 2021.

D. Habilitation and Treatment

The Habilitation and Treatment program consists of two subprograms: Developmental Training and Dual Diagnosis and Training Services. The goal of the Developmental Training subprogram is to enable residents to make choices based on their personal preferences for all aspects of their lives. All clients are enrolled in individual training programs that may include adjunctive therapies, education, or special training programs, and are offered additional religious, leisure-time, and recreational activities provided during evenings and weekends. Essential Lifestyle Plans are prepared for all individuals and guardians who request consideration for placement in a community setting.

The Dual Diagnosis and Training Services subprogram provides short-term residential treatment for children and adults who have been dually diagnosed with both a developmental disability and a mental illness. The In-patient Services program is a unit at Parsons that serves up to 13 individuals at one time. In addition, four Outreach Services Teams travel throughout the state to train providers of community services how to serve dually diagnosed individuals.

Finally, through a contract with the Kansas Research Center and the Kansas University Center on Developmental Disabilities at Parsons, community service programs are provided throughout the state. Staff from the University of Kansas has been involved in these two programs for more than 50 years. Both programs have achieved international recognition for the work conducted by university faculty, in close collaboration with the staff of Parsons State Hospital and Training Center. The program's objective is to prevent unnecessary or inappropriate institutionalization of persons with developmental disabilities through respite care.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Client-based Behavioral Program Trainings Provided to Direct Care Staff by the Psychology Department*	219	253	N/A	224	260	270
Number of Abuse or Neglect Reports Received Each Fiscal Year*	21	32	N/A	24	25	25
Percent of Abuse or Neglect Reports Substantiated in Each Fiscal Year*	38.1 %	40.6 %	N/A	33.3 %	40.0 %	40.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 14.0	\$ 14.2	\$ 13.8	\$ 14.5	\$ 14.7	\$ 14.8
FTE Positions	289.0	293.5	288.5	288.5	281.5	281.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

HABILITATION AND TREATMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 13,892,847	\$ 14,155,888	\$ 14,155,888	\$ 16,825,186	\$ 14,241,697
Contractual Services	237,629	237,075	237,075	310,435	237,175
Commodities	321,106	324,425	324,425	326,350	326,350
Capital Outlay	34,070	0	0	19,081	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 14,485,652</i>	<i>\$ 14,717,388</i>	<i>\$ 14,717,388</i>	<i>\$ 17,481,052</i>	<i>\$ 14,805,222</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	30	0	0	0	0
TOTAL	\$ 14,485,682	\$ 14,717,388	\$ 14,717,388	\$ 17,481,052	\$ 14,805,222
Financing:					
State General Fund	\$ 5,926,461	\$ 6,488,003	\$ 6,488,003	\$ 9,328,200	\$ 6,652,370
All Other Funds	8,559,221	8,229,385	8,229,385	8,152,852	8,152,852
TOTAL	\$ 14,485,682	\$ 14,717,388	\$ 14,717,388	\$ 17,481,052	\$ 14,805,222
FTE Positions	288.5	281.5	281.5	287.5	281.5

The **agency** requests \$17.5 million, including \$9.3 million from the State General Fund, for the Habilitation and Treatment for FY 2021. This is an all funds increase of \$2.8 million, or 18.8 percent, and a State General Fund increase of \$2.8 million, or 43.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests to provide a salary increase for staff providing direct services and expansion of the Outreach Services program for FY 2021. The increase is also attributable to an adjustment in salary shrinkage, an increase in salaries and wages fringe benefits, and an increase in food for patients. The program includes 287.5 FTE positions, which is an increase of 6.0 FTE positions above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to expand the Outreach Services program by adding 3.0 consultant FTE positions and 3.0 community-training specialist FTE positions. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$16.8 million, including \$8.9 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$2.7 million, or 18.9 percent, and a State General Fund increase of \$2.7 million, or 42.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for \$2.3 million, all from the State General Fund, for a salary increase for staff providing direct care services for FY 2021. The increase is also attributable to the agency's enhancement request to add \$316,914, all from the State General Fund, for 3.0 consultant FTE positions and 3.0 community-training specialist FTE positions to expand the Outreach Services program for FY 2021; an adjustment in salary shrinkage; and an increase in fringe benefits;
- **Contractual Services.** The agency requests \$310,435, including \$230,185 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$73,360, or 30.9 percent, and a State General Fund increase of \$73,310, or 46.7 percent, above the FY 2020 revised estimate. The all funds

increase is attributable to an increase in budgeted in-state travel expenditures for the agency's enhancement request to expand the Outreach Services program for FY 2021;

- **Commodities.** The agency requests \$326,350, including \$201,650 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$1,925, or 0.6 percent, and a State General Fund increase of \$120,150, or 147.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in food for patients; and
- **Capital Outlay.** The agency requests \$19,081, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$19,081, as the agency did not budget capital outlay expenditures in the FY 2020 revised estimate. The increase is attributable to an increase in computer expenditures for the agency's enhancement request for expansion of the Outreach Services program.

The **Governor** recommends \$14.8 million, including \$6.7 million from the State General Fund, for FY 2021. This is an all funds decrease of \$2.7 million, or 15.3 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests to expand the Outreach Services program and to provide salary increases for staff providing direct services for FY 2021.

E. Ancillary Services

The Ancillary Services program is composed of three subprograms: Activity Therapy, Special Education, and Allied Clinical Services. These three subprograms operate to promote client individualized developmental activities and services. The Activity Therapy subprogram enriches the client lifestyle with religious services, leisure-time activities, and work programs. More than half of the resident population is involved in at least one of the programs offered daily. The Special Education subprogram ensures all school-age children are enrolled in a program accredited by the Kansas Department of Education. Services for the Special Purpose School are contracted with the Southeast Kansas Education Service Center. The Allied Clinical Services subprogram provides support services for all clients (*i.e.*, radiology, medical laboratory, pharmacy, dental, psychological, social, occupational and rehabilitation, speech and hearing, and chaplaincy).

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Residents Participating in Community-based Recreational or Leisure Activities*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Residents Employed through Agency Work Programs or in the Community*	91.2 %	93.8 %	N/A	67.1 %	68.3 %	69.6 %
Percent of School-age Residents Receiving their High School Certificate of Graduation by Age 21*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.3	\$ 2.3	\$ 2.7	\$ 3.0	\$ 3.2	\$ 3.2
FTE Positions	34.2	30.7	35.7	35.7	43.7	43.7
*The Governor's Office does not utilize this measure for evaluation purposes.						

ANCILLARY SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,352,446	\$ 2,555,346	\$ 2,555,346	\$ 2,552,338	\$ 2,552,338
Contractual Services	412,963	435,800	435,800	437,850	437,850
Commodities	173,571	172,630	172,630	175,665	175,665
Capital Outlay	44,196	13,478	13,478	13,478	13,478
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,983,176	\$ 3,177,254	\$ 3,177,254	\$ 3,179,331	\$ 3,179,331
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,983,176	\$ 3,177,254	\$ 3,177,254	\$ 3,179,331	\$ 3,179,331
Financing:					
State General Fund	\$ 1,197,064	\$ 1,828,768	\$ 1,828,768	\$ 1,829,601	\$ 1,829,601
All Other Funds	1,786,112	1,348,486	1,348,486	1,349,730	1,349,730
TOTAL	\$ 2,983,176	\$ 3,177,254	\$ 3,177,254	\$ 3,179,331	\$ 3,179,331
FTE Positions	35.7	43.7	43.7	43.7	43.7

The **agency** requests \$3.2 million, including \$1.8 million from the State General Fund, for the Ancillary Services program FY 2021. This is an all funds increase of \$2,077, or 0.1 percent, and a State General Fund increase of \$833, or less than 0.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for patient activities and contract laboratory services, partially offset by a decrease in salaries and wages fringe benefits. The program includes 43.7 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$2.6 million, including \$1.3 million from the State General Fund, for the Ancillary Services program for FY 2021. This is an all funds decrease of \$3,008, or 0.1 percent, and a State General Fund decrease of \$1,502, or 0.1 percent, below the FY 2020 revised estimate. The all

funds decrease is primarily attributable to a decrease in salaries and wages fringe benefits. The decrease in fringe benefits is primarily attributable to a decrease in worker's compensation expenditures;

- **Contractual Services.** The agency requests \$437,850, including \$414,125 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$2,050, or 0.5 percent, and a State General Fund increase of \$750, or 0.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract laboratory services;
- **Commodities.** The agency requests \$175,665, including \$125,825 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$3,035, or 1.8 percent, and a State General Fund increase of \$1,585, or 1.3 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for patient activities; and
- **Capital Outlay.** The agency requests \$13,478, all from the State General Fund, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

F. Medical and Surgical Services

The Medical and Surgical Services program monitors, evaluates, treats, and engages in preventive medical practices that result in or promote the maximum health of clients. Specifically, this program provides medical and nursing care for those clients with acute and chronic medical conditions, daily clinics for the diagnosis and treatment of individual client health problems, up-to-date immunizations and records, and additional medical services as necessary. Additional services include the coordination of necessary major medical needs and treatments for residents through outside providers. Costs for these services are normally covered by Medicaid under the Title XIX program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Number of On-grounds Agency Doctor Appointments Per Individual*	53	60	N/A	75	78	78
Percent of Residents Receiving Annual Physical Check-ups*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Medication Pass Errors*	0.008 %	0.011 %	N/A	0.008 %	0.006 %	0.005 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.4	\$ 2.4	\$ 2.6	\$ 2.7	\$ 2.7	\$ 2.7
FTE Positions	30.0	29.0	31.0	31.0	29.0	29.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

MEDICAL AND SURGICAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,512,188	\$ 2,573,584	\$ 2,573,584	\$ 3,262,999	\$ 2,575,554
Contractual Services	117,143	96,552	96,552	120,000	120,000
Commodities	19,587	19,300	19,300	19,450	19,450
Capital Outlay	14,028	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,662,946</i>	<i>\$ 2,689,436</i>	<i>\$ 2,689,436</i>	<i>\$ 3,402,449</i>	<i>\$ 2,715,004</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,662,946	\$ 2,689,436	\$ 2,689,436	\$ 3,402,449	\$ 2,715,004
Financing:					
State General Fund	\$ 925,660	\$ 702,705	\$ 702,705	\$ 1,417,561	\$ 730,116
All Other Funds	1,737,286	1,986,731	1,986,731	1,984,888	1,984,888
TOTAL	\$ 2,662,946	\$ 2,689,436	\$ 2,689,436	\$ 3,402,449	\$ 2,715,004
FTE Positions	31.0	29.0	29.0	29.0	29.0

The **agency** requests \$3.4 million, including \$1.4 million from the State General Fund, for the Medical and Surgical Services program for FY 2021. This is an all funds increase of \$713,013, or 26.5 percent, and a State General Fund increase of \$714,856, or 101.7 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for \$687,445, all from the State General Fund, to provide salary increases for nursing staff for FY 2021. The increase is also attributable to an increase in contracted medical services for patients. The program includes 29.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$3.3 million, including \$1.3 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$689,415, or 26.8 percent, and a State General Fund increase of \$690,758, or 117.6 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for \$687,445, all from the State General Fund, to provide a salary increase for nursing staff for FY 2021. The increase is also attributable to an increase in salaries and wages fringe benefit expenditures, partially offset by an adjustment to salary shrinkage;
- **Contractual Services.** The agency requests \$120,000, all from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$23,448, or 24.3 percent, and a State General Fund increase of \$23,948, or 24.9 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract medical services for patients; and
- **Commodities.** The agency requests \$19,450, all from the State General Fund, for commodities for FY 2021. This is an increase of \$150, or 0.8 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in office supplies.

The **Governor** recommends \$2.7 million, including \$730,116 from the State General Fund, for FY 2021. This is an all funds decrease of \$687,445, or 20.2 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to provide salary increases for nursing staff for FY 2021.

G. Physical Plant/Central Services

The Physical Plant and Central Services program is composed of four subprograms: Engineering and Protection, Supply Services, Dietary Services, and Laundry. The Engineering and Protection subprogram maintains and improves the buildings, equipment, and grounds for 366,000 square feet of buildings and 163 acres; provides telephone communications personnel; provides housekeeping/custodial services; provides transportation vehicles, vehicle maintenance, and driver/delivery personnel; and provides security staff and procedures to protect property, residents, and staff. Supply Services makes capital equipment and supplies available for the operation of the facilities and resident programs. Clothing is provided to many of the residents. The Dietary Services subprogram provides a monthly budget for each cottage where three meals a day are prepared within each cottage. Residents dine at a table within their cottage rather than traveling to a cafeteria. Laundry provides clean clothing, towels, and bed linens for all residents and areas requiring laundry service.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent Compliance with ICF/IID Certification Survey for Standards Pertaining to Physical Environment*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Number of Incidents Where Safety and Security Officers Were Needed to Assist with Combative Residents*	242	310	N/A	309	295	290
Average Cost Per Person for All Support Services Rendered by Agency Safety and Security Officers*	\$ 372.6	\$ 432.7	N/A	\$ 436.7	\$ 446.6	\$ 454.4
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4.7	\$ 4.6	\$ 4.9	\$ 4.8	\$ 4.9	\$ 5.0
FTE Positions	81.0	73.2	72.4	72.4	71.0	71.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

PHYSICAL PLANT/CENTRAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,127,589	\$ 3,273,405	\$ 3,273,405	\$ 3,277,965	\$ 3,277,965
Contractual Services	745,001	717,595	717,595	748,450	748,450
Commodities	864,512	870,410	870,410	872,830	872,830
Capital Outlay	81,423	60,000	60,000	63,000	63,000
Debt Service	9,367	1,904	1,904	0	0
<i>Subtotal - Operations</i>	<i>\$ 4,827,892</i>	<i>\$ 4,923,314</i>	<i>\$ 4,923,314</i>	<i>\$ 4,962,245</i>	<i>\$ 4,962,245</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 4,827,892</u>	<u>\$ 4,923,314</u>	<u>\$ 4,923,314</u>	<u>\$ 4,962,245</u>	<u>\$ 4,962,245</u>
Financing:					
State General Fund	\$ 3,013,897	\$ 2,285,890	\$ 2,285,890	\$ 2,198,499	\$ 2,198,499
All Other Funds	1,813,995	2,637,424	2,637,424	2,763,746	2,763,746
TOTAL	<u>\$ 4,827,892</u>	<u>\$ 4,923,314</u>	<u>\$ 4,923,314</u>	<u>\$ 4,962,245</u>	<u>\$ 4,962,245</u>
FTE Positions	72.4	71.0	71.0	71.0	71.0

The **agency** requests \$5.0 million, including \$2.2 million from the State General Fund, for the Physical Plant and Central Services program for FY 2021. This is an all funds increase of \$38,931, or 0.8 percent, and a State General Fund decrease of \$87,391, or 3.8 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in utilities, office furniture, salaries and wages fringe benefits, and an adjustment in employee salary shrinkage. The program includes 71.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$3.3 million, including \$1.7 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$4,560, or 0.1 percent, and a State General Fund increase of \$2,286, or 0.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in salaries and wages fringe benefits and an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$748,450, including \$94,550 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$30,855, or 4.3 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in utilities expenditures;
- **Commodities.** The agency requests \$872,830, including \$402,320 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$2,420, or 0.3 percent, and a State General Fund decrease of \$89,677, or 18.2 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in household supplies and materials for grounds maintenance; and

- **Capital Outlay.** The agency requests \$63,000, including \$10,000 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$3,000, or 5.0 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in office furniture.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Bond Principal	\$ 91,991	\$ 91,991	\$ 0	\$ 0
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	91,991	91,991	0	0
TOTAL	\$ 91,991	\$ 91,991	\$ 0	\$ 0

FY 2020 – Current Year. The **agency** requests a revised estimate of \$91,991, all from the State Institutions Building Fund, for capital improvements in FY 2020. This is the same amount approved by the 2019 Legislature. Capital improvement funding will be used for the final bond principal payment to the Department of Administration for the agency's participation in the State's Facility Conservation Improvement Program. The conservation project was accomplished through a comprehensive energy service performance audit and subsequent contract for improvements to several buildings. The state program was designed to help facilities capture savings in energy costs through improvements, such as lighting retrofits, mechanical improvements, and water conservation measures. The debt service is then paid by the savings generated by the improvements and is amortized over 15 years.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** does not request capital improvement expenditures for FY 2021. The FY 2020 budget includes the final payment for participation in the State's Facility Conservation Improvement Program.

The **Governor** concurs with the agency's capital improvements request for FY 2021.

LARNED STATE HOSPITAL

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 62,668,458	\$ 63,208,696	\$ 63,118,278	\$ 69,006,932	\$ 64,596,434
Other Funds	7,575,424	8,289,647	8,289,647	8,464,031	8,714,031
<i>Subtotal</i>	<i>\$ 70,243,882</i>	<i>\$ 71,498,343</i>	<i>\$ 71,407,925</i>	<i>\$ 77,470,963</i>	<i>\$ 73,310,465</i>
Capital Improvements:					
State General Fund	\$ 20,379	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 20,379</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 70,264,261</u>	<u>\$ 71,498,343</u>	<u>\$ 71,407,925</u>	<u>\$ 77,470,963</u>	<u>\$ 73,310,465</u>
Percentage Change:					
Operating Expenditures					
State General Fund	14.6 %	0.9 %	0.7 %	9.2 %	2.3 %
All Funds	5.5	1.8	1.7	8.4	2.7
FTE Positions	995.5	936.5	936.5	936.5	936.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Larned State Hospital (LSH) provides psychiatric treatment and limited detox facilities to adults from the 61 western counties of the state through collaborative efforts with consumers, community-based mental health providers, the judicial system, and the Department of Corrections. Larned State Hospital was established in 1911. The State Security Hospital, opened in 1937, serves the entire state as a secure setting for criminal forensic patients during evaluation and treatment and non-forensic patients with severe behavioral problems who may be transferred from other hospitals. Since 1994, the Sexual Predator Treatment Program (SPTP) has provided treatment for convicted sex offenders who have completed their prison sentences and have been civilly committed under the Kansas Sexual Predator Law because of ongoing danger to the community. Used in the last phase of treatment, the SPTP Reintegration units are located at LSH, Osawatomie State Hospital, and Parsons State Hospital and Training Center. These units are used to treat patients who have been deemed ready for transition and reintegration from the treatment program.

MAJOR ISSUES FROM PRIOR YEARS

The **2009 Legislature** passed House Sub. for SB 91, which prohibits the Department of Social and Rehabilitation Services (SRS) from placing more than eight sexually violent predators in any one county on transitional release or conditional release, states these patients be housed only on state property, and requires a report to the Governor every year on the status of transitional persons. A representative of SRS testified that House Sub. for SB 91 creates both programmatic and fiscal challenges for the SPTP. The more populated counties, such as Johnson, Sedgwick, Shawnee, and Wyandotte, typically have the optimal resources for affordable housing, employment, and follow-up sex offender treatment, which are critical elements to reduce the risk for re-offending and increase successful reintegration into the community. In addition, current zoning and residency restrictions make it more difficult to place offenders back into the community after treatment. According to SRS, if a court orders an individual to transitional or conditional release and that person cannot be placed because the counties that offer the needed resources have reached the eight-person maximum, and no other county can be found to provide the needed services for that individual, the SRS and the State of Kansas risk contempt of court charges and lawsuits.

As part of a submitted 10.0 percent reduced resources option prepared at the direction of the Senate Committee on Ways and Means in 2009, the SRS included the closure of the Inpatient Psychiatric Treatment Unit for Youth located on the LSH campus and the option to contract out these services to a private facility. The new private program, KVC Behavioral HealthCare, began operation in Spring 2010 in Hays, Kansas. When the space reserved for the Inpatient Psychiatric Treatment Unit for Youth was vacated during Summer 2010, 11 additional Adult Civil Psychiatric Service beds were opened in the building complex. Funding for the staffing of the newly opened 11-bed unit at LSH was from savings realized from contracting out the youth beds at LSH.

The opening of the additional adult beds was determined necessary by the SRS as the agency temporarily suspended voluntary admissions to the three Kansas mental health hospitals during May 2010 and July 2010. The hospitals continued to accept people ordered to the facilities by the courts or escorted by police. Voluntary admissions require a referral by one of the state's 27 Community Mental Health Centers and involve adults who must have the capacity to consent to care, have a treatment facility that agrees the person is in need of services offered by a facility, and are mentally ill as defined by law and medical understanding. When the hospitals are full, the community centers are expected to find placement alternatives for people who otherwise would be admitted. According to the Department, all three facilities were full beyond licensed capacities and did not have additional resources to serve persons seeking voluntary admissions. Additional actions were taken, such as initiating agreements with community partners to establish alternative inpatient resources, but the SRS expected census issues to continue in FY 2012 and FY 2013.

The **2012 Legislature** approved funding to open an additional 30-bed unit for the SPTP, which was completed July 31, 2012, in the Isaac Ray Building on the grounds of the facility. This has improved space constrictions in the main SPTP building.

In **September 2013**, the Legislative Division of Post Audit (LPA) performed a follow-up audit of the SPTP and determined, overall, the Program has sufficiently addressed staff and resident safety and security issues. However, it identified further areas of concern, including inadequate key controls, employees working excessive amounts of overtime, and prohibited items entering the residential buildings. Agency officials concurred with the report's findings for the most part and reported they were taking action to comply with the recommendations from

LPA. The agency did not agree it had not met its own minimum staffing goals because audit findings were based on data errors and that any drop below minimum staffing was planned and approved.

In **April 2015**, LPA performed another follow-up audit of the SPTP and determined that Kansas' program did not adhere to the recommended practices of programs in Iowa, Washington, and Wisconsin regarding emphasizing individualized treatment. It noted that the Kansas SPTP met many legal requirements and most statutory program requirements. However, the program may not have adequately addressed other statutory requirements related to education and rehabilitation. It also was noted the residents who completed the first five phases at LSH did not necessarily arrive at the reintegration facilities with the skills to be successful; program officials had not maintained appropriate records and documentation to effectively manage the program, policies, and program guidance were outdated and not adhered to; and until recently, the Kansas Department for Aging and Disability Services (KDADS) had not filed annual reports with the Legislature as required by statute. The audit also found program costs were anticipated to double by 2025 and an insufficient labor force will create staffing problems for the program as it grows. KDADS officials disagreed with a number of the report findings, noting recent changes to the program after the audit had been completed.

The **2015 Legislature** deleted \$5.4 million, all from the State General Fund, in FY 2015 and \$2.2 million, all from the State General Fund, for FY 2016 to adopt the agency's reduced resource option to delay opening of the Meyer Building for the SPTP until January 2016.

The **2016 Legislature** deleted \$973,000 in FY 2016 and \$1.0 million for FY 2017, all from the State General Fund, and deleted 10.0 FTE positions in both years to decrease operations of the SPTP at LSH and added the same amount to expand the SPTP transition units at Parsons State Hospital and Training Center. Also, the Legislature deleted \$151,461 in FY 2016 and \$155,989 for FY 2017, all from the State General Fund, and 2.0 FTE positions to reallocate a Forensic Psychologist position and Legal Support position to KDADS. Funding for both positions was transferred to KDADS.

The **2016 Legislature** also added \$1.0 million, all from the State General Fund, to address under-staffing issues in FY 2016. The Legislature also added \$1.9 million, all from the State General Fund, and deleted \$1.9 million, all from special revenue funds, in FY 2016 to replace Medicaid Disproportionate Share Hospital revenues lost due to a previous calculation of SPTP patients in the indigent patient population group at LSH.

In addition, the **2016 Legislature** added \$450,000, all from the State General Fund, to provide a 2.5 percent pay increase for mental health technicians at LSH for FY 2017.

The **2017 Legislature** added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers, and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For LSH, the Legislature added \$519,586, all from the State General Fund, for both FY 2018 and FY 2019.

The **2017 Legislature** also added \$6.5 million, all from the State General Fund, in FY 2017, FY 2018, and FY 2019 to replace federal and other funding lost due to the agency

previously counting patients in the SPTP as part of the eligible Disproportionate Share Hospital population and due to a decreased number of patients eligible for Medicaid and Medicare reimbursements.

The **2018 Legislature** added \$2.5 million, all from the State General Fund, and 33.0 FTE positions in FY 2018 and \$4.2 million, all from the State General Fund, and 55.0 FTE positions for FY 2019 for expansion of the SPTP Reintegration facilities. Also, the Legislature added \$580,000 in FY 2018 and \$534,610 for FY 2019, all from the State General Fund, to provide a 4.0 percent salary increase for mental health technicians.

The **2018 Legislature** deleted \$3.7 million, all from the State General Fund, and added \$3.7 million, all from the federal Title XIX Fund, in FY 2018 and deleted \$251,246, all from the State General Fund, and added \$251,246, all from the federal Title XIX Fund, for FY 2019 to more closely match the agency's projections for federal revenue.

In addition, the **2018 Legislature** added \$930,258, including \$899,782 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$253,867, all from the State General Fund, to decrease agency salary shrinkage in both FY 2019 and FY 2020; \$617,164, all from the State General Fund, and deleted the same amount from the federal Title XIX (Medicaid) Fund for an adjustment in the estimate for federal Disproportionate Share Hospital (DSH) revenue in both FY 2019 and FY 2020; \$54,405, all from the State Institutions Building Fund, to replace the Uninterrupted Power Supply for the Isaac Ray Building in FY 2019; and \$567,850, all from the State General Fund, to provide a Personal Protective Device System within the Psychiatric Services Program for FY 2020.

The **2019 Legislature** added \$186,931, all from the State General Fund, for salary adjustments to reduce turnover and the number of vacant positions for FY 2020 and added language requiring the agency to provide a report to the Legislative Budget Committee prior to the beginning of the 2020 Legislative Session on the impact of the funding on vacancy and turnover.

In addition, the **2019 Legislature** added \$899,010, including \$853,624 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGETED BED CAPACITY

The chart below shows the budgeted bed capacity for LSH at the end of the fiscal year.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Psychiatric Services	90	90	90	90	90
State Security Hospital	220	220	220	220	220
SPTP	240	250	270	270	270
Meyer Reintegration	16	16	16	16	16
MiCo Transition House	8	8	16	16	16
TOTAL	574	584	612	612	612

AVERAGE DAILY CENSUS

Average Daily Census represents the average number of patients at LSH over a fiscal year.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Psychiatric Services	70	64	67	70	70
State Security Hospital	156	154	119	120	120
SPTP	232	236	244	247	253
Meyer Reintegration	8	7	9	12	16
MiCo Transition House	8	8	7	12	16
TOTAL	474	469	446	461	475

ADMISSIONS

The chart below shows admissions for LSH.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
First Admissions	663	714	689	632	640
Readmission	670	689	697	585	582
Transfers in—Other KDADS Institutions	34	84	34	33	33
TOTAL	1,367	1,487	1,420	1,250	1,255

AVERAGE LENGTH OF STAY

The chart below shows the average length of days stay for adults at LSH.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Psychiatric Services	46	26	22	24	35
State Security Hospital	342	129	116	122	122

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$71.5 million, including \$63.2 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds decrease of \$400,837, or 0.6 percent, and a State General Fund decrease of \$896,942, or 1.4 percent, below the amount approved by the 2019 Legislature. The revised estimate includes one supplemental request totaling a decrease of \$896,942, all from the State General Fund, and the deletion of 22.0 FTE positions, in FY 2020. The all funds decrease is primarily attributable to the agency's supplemental request to reallocate funding for the Sexual Predator Treatment Program (SPTP) Reintegration Units at Osawatomie State Hospital (OSH)

to the budget of OSH in FY 2020. The all funds decrease is partially offset by an increase in Title XIX (Medicaid) expenditures for an adjustment to salary shrinkage. The agency estimates an increase of \$536,136 in Title XIX revenue above the amount in the budget approved by the 2019 Legislature.

The revised estimate includes 936.5 FTE positions, which is a decrease of 59.0 FTE positions below the FY 2020 number approved by the 2019 Legislature. The decrease is attributable to the agency's supplemental request to reallocate funding and positions to OSH. The agency states the remaining decrease is due to the agency eliminating other positions that have been vacant for a significant period of time.

The **Governor** recommends \$71.4 million, including \$63.1 million from the State General fund, for operating expenditures in FY 2020. This is an all funds decrease of \$90,418, or 0.1 percent, all from the State General Fund, below the agency's FY 2020 revised estimate. The all funds decrease is attributable to the Governor recommending the agency reallocate a higher amount of expenditures for the SPTP Reintegration units at OSH to the budget of OSH as part of the agency's supplemental request to move all expenditures for the SPTP Reintegration units at OSH to the OSH budget in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$77.5 million, including \$69.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$6.0 million, or 8.4 percent, and a State General Fund increase of \$5.8 million, or 9.2 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's six enhancement requests totaling \$5.5 million, all from the State General Fund, for FY 2021. The increase is also attributable to an increase in salaries and wages fringe benefits, contract staffing costs, and food for patients, partially offset by an adjustment in salary shrinkage. The request includes 936.5 FTE positions, which is the same number as the FY 2020 revised estimate.

The **Governor** recommends \$73.3 million, including \$64.6 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$4.2 million, or 5.4 percent, and a State General Fund decrease of \$4.4 million, or 6.4 percent, below the FY 2021 request. The all funds decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for improvements for the Psychiatric Services program and the Sexual Predator Treatment Program (SPTP), not recommending most of the enhancement requests for the State Security Hospital, and recommending a lower amount of funding than requested for salary increases for FY 2021. The Governor recommends the agency's enhancement request for the purchase and installation of security door food pass inserts for 200 doors in the Isaac Ray building, but recommends funding for this project from the State Institutions Building Fund, rather than the State General Fund. The Governor recommends the agency's enhancement request to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH for FY 2021. Also, the Governor recommends the agency's enhancement request for off-site forensic evaluations for the State Security Hospital program.

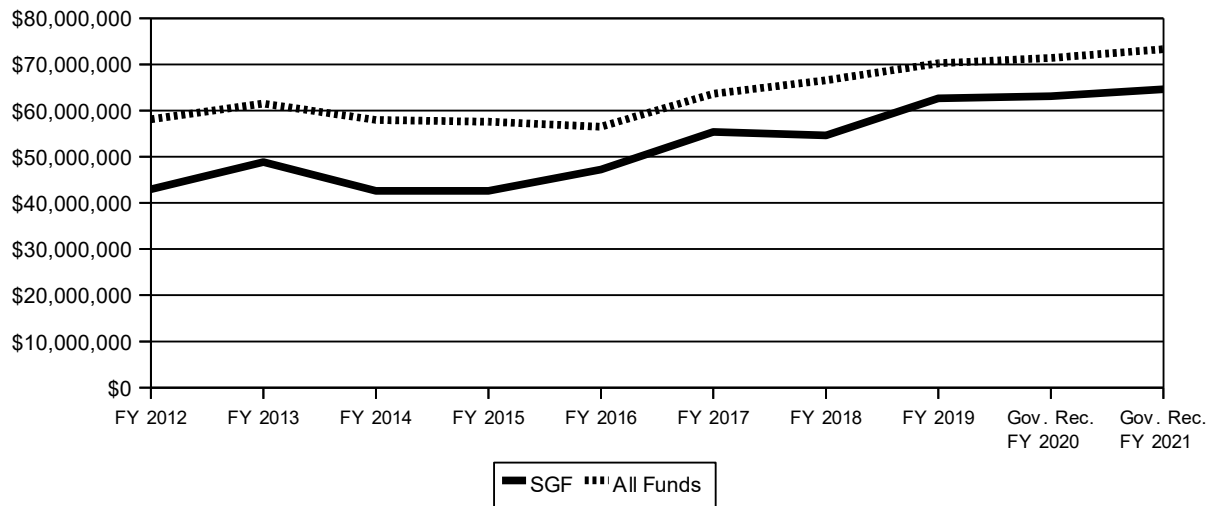
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Daily Census						
PSP	70	64	N/A	67	70	70
SSH	156	154	N/A	119	120	120
SPTP	232	236	N/A	244	247	253
MiCo House	8	8	N/A	7	12	16
Meyer Reintegration	8	7	N/A	9	12	16
Average Length of Stay (in Days)						
PSP	47	26	N/A	22	24	35
SSH	342	129	N/A	116	122	122
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 63.7	\$ 66.6	\$ 70.7	\$ 70.3	\$ 71.4	\$ 73.3
FTE Positions	943.5	943.5	995.5	995.5	936.5	936.5

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 42,935,618	0.1 %	\$ 58,138,073	1.5 %	862.2
2013	48,870,060	13.8	61,519,684	5.8	955.2
2014	42,639,096	(12.8)	57,964,370	(5.8)	959.5
2015	42,588,858	(0.1)	57,595,313	(0.6)	957.5
2016	47,204,418	10.8	56,508,630	(1.9)	947.5
2017	55,364,010	17.3	63,651,862	12.6	943.5
2018	54,663,066	(1.3)	66,584,618	4.6	943.5
2019	62,668,458	14.6	70,243,882	5.5	995.5
2020 Gov. Rec.	63,118,278	0.7	71,407,925	1.7	936.5
2021 Gov. Rec.	64,596,434	2.3	73,310,465	2.7	936.5
Ten-Year Change Dollars/Percent	\$ 21,660,816	50.4 %	\$ 15,172,392	26.1 %	74.3

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	7,330,035	\$ 6,995,807	\$ 9,105,970	\$ 2,110,163	30.2 %	\$ 6,995,807	\$ 9,038,210	\$ 2,042,403	29.2 %
Staff Education and Research		203,425	180,185	174,834	(5,351)	(3.0)	180,185	174,834	(5,351)	(3.0)
Psychiatric Services		10,345,171	10,048,783	11,240,334	1,191,551	11.9	10,048,783	9,731,502	(317,281)	(3.2)
State Security Hospital		15,723,952	15,461,328	17,336,944	1,875,616	12.1	15,461,328	16,624,248	1,162,920	7.5
Sexual Predator Treatment Program		21,465,553	24,648,269	25,779,767	1,131,498	4.6	24,557,851	23,908,557	(649,294)	(2.6)
Ancillary Services		7,425,165	6,991,440	6,811,017	(180,423)	(2.6)	6,991,440	6,811,017	(180,423)	(2.6)
Physical Plant/Central Services		7,750,581	7,172,531	7,022,097	(150,434)	(2.1)	7,172,531	7,022,097	(150,434)	(2.1)
TOTAL	\$	70,243,882	\$ 71,498,343	\$ 77,470,963	\$ 5,972,620	8.4 %	\$ 71,407,925	\$ 73,310,465	\$ 1,902,540	2.7 %
By Major Object of Expenditure:										
Salaries and Wages	\$	45,633,222	\$ 46,240,140	\$ 49,185,801	\$ 2,945,661	6.4 %	\$ 46,240,140	\$ 45,602,932	\$ (637,208)	(1.4)%
Contractual Services		19,470,783	20,755,339	22,265,376	1,510,037	7.3	20,664,921	22,265,376	1,600,455	7.7
Commodities		4,309,107	4,197,934	5,135,525	937,591	22.3	4,197,934	5,135,525	937,591	22.3
Capital Outlay		784,284	285,607	867,293	581,686	203.7	285,607	289,664	4,057	1.4
Debt Service		0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$</i>	<i>70,197,396</i>	<i>\$ 71,479,020</i>	<i>\$ 77,453,995</i>	<i>\$ 5,974,975</i>	<i>8.4 %</i>	<i>\$ 71,388,602</i>	<i>\$ 73,293,497</i>	<i>\$ 1,904,895</i>	<i>2.7 %</i>
Aid to Local Units		0	0	0	0	--	0	0	0	--
Other Assistance		46,486	19,323	16,968	(2,355)	(12.2)	19,323	16,968	(2,355)	(12.2)
TOTAL	\$	70,243,882	\$ 71,498,343	\$ 77,470,963	\$ 5,972,620	8.4 %	\$ 71,407,925	\$ 73,310,465	\$ 1,902,540	2.7 %
Financing:										
State General Fund	\$	62,668,458	\$ 63,208,696	\$ 69,006,932	\$ 5,798,236	9.2 %	\$ 63,118,278	\$ 64,596,434	\$ 1,478,156	2.3 %
LSH Fee Fund		3,893,608	4,025,227	4,741,058	715,831	17.8	4,025,227	4,741,058	715,831	17.8
Title XIX Fund		3,497,903	4,134,800	3,593,353	(541,447)	(13.1)	4,134,800	3,593,353	(541,447)	(13.1)
All Other Funds		183,913	129,620	129,620	0	0.0	129,620	379,620	250,000	192.9
TOTAL	\$	70,243,882	\$ 71,498,343	\$ 77,470,963	\$ 5,972,620	8.4 %	\$ 71,407,925	\$ 73,310,465	\$ 1,902,540	2.7 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$63,845,274 for Larned State Hospital in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$260,364, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

These adjustments change the FY 2020 approved State General Fund amount to \$64,105,638. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 64,105,638	\$ 63,208,696	\$ (896,942)	\$ 63,118,278	\$ (987,360)
All Other Funds	7,793,542	8,289,647	496,105	8,289,647	496,105
TOTAL	\$ 71,899,180	\$ 71,498,343	\$ (400,837)	\$ 71,407,925	\$ (491,255)
FTE Positions	995.5	936.5	(59.0)	936.5	(59.0)

The **agency** requests a revised estimate of FY 2020 operating expenditures of \$71.5 million, including \$63.2 million from the State General Fund. This is an all funds decrease of \$400,837, or 0.6 percent, and a State General Fund decrease of \$896,942, or 1.4 percent, below the FY 2020 amount approved by the 2019 Legislature. The revised estimate includes one supplemental request totaling a decrease of \$896,942, all from the State General Fund, and the deletion of 22.0 FTE positions in FY 2020. The all funds decrease is primarily attributable to the agency's supplemental request to reallocate funding for the Sexual Predator Treatment Program (SPTP) Reintegration Units at Osawatomie State Hospital (OSH) to the budget of OSH in FY 2020. The all funds decrease is partially offset by an increase in Title XIX (Medicaid) expenditures for an adjustment to salary shrinkage. The agency estimates an increase of \$536,136 in Title XIX revenue above the amount approved by the 2019 Legislature.

The revised estimate includes 936.5 FTE positions, which is a decrease of 59.0 FTE positions below the FY 2020 number approved by the 2019 Legislature. The decrease is attributable to the agency's supplemental request to reallocate funding and positions to OSH. The agency states the remaining decrease is due to the agency eliminating other positions that had been vacant for a significant period of time.

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$46.2 million, including \$43.6 million from the State General Fund, for salaries and wages in FY 2020. This is an all funds decrease of \$2.2 million, or 4.6 percent, and a State General Fund decrease of \$3.1 million, or 6.5 percent, below the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in overtime and salaries and wages expenditures, as the agency has shifted some salary expenditures to contractual services due to the agency experiencing difficulty filling permanent positions. The decrease is also attributable to the salary portion of the agency's supplemental request to reallocate expenditures for the SPTP Reintegration Units at Osawatomie State Hospital (OSH) to the budget of OSH (\$731,231). The decrease is partially offset by an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$20.8 million, including \$16.9 million from the State General Fund, for contractual services in FY 2020. This is an all funds increase of \$2.1 million, or 11.4 percent, and a State General Fund increase of \$3.4 million, or 25.3 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contract staffing and food for patients, partially offset by the contractual services portion of the agency's supplemental request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH (\$137,405);
- **Commodities.** The agency requests \$4.2 million, including \$2.4 million from the State General Fund, for commodities in FY 2020. This is an all funds increase of \$78,147, or 1.9 percent, and a State General Fund decrease of \$884,758, or 27.1 percent, from the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in data processing supplies, grounds maintenance supplies, and office supplies, partially offset by the commodities portion of the agency's supplemental request to reallocate expenditures for the SPTP Reintegration Unit at OSH to the budget of OSH (\$20,806);
- **Capital Outlay.** The agency requests \$285,607, including \$272,440 from the State General Fund, for capital outlay in FY 2020. This is an all funds decrease of \$347,784, or 54.9 percent, and a State General Fund decrease of \$360,951, or 57.0 percent, below the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to the agency reallocating expenditures to staff the Personal Protective Device System approved by the 2019 Legislature to the salaries and wages category of expenditure; and
- **Other Assistance.** The agency requests \$19,323, including \$19,113 from the State General Fund, for other assistance in FY 2020. This is an all funds decrease of \$18,028, or 48.3 percent, and a State General Fund decrease of \$18,238, or 48.8 percent, below the amount approved by the 2019 Legislature. Part of the decrease is attributable to the other assistance portion of the agency's supplemental request to reallocate expenditures for the SPTP Reintegration Unit at OSH to the budget of OSH. The all funds decrease is also attributable to a decrease in stipends for patients in the SPTP Reintegration Units at LSH.

The **Governor** recommends \$71.4 million, including \$63.1 million from the State General fund, for operating expenditures in FY 2020. This is an all funds decrease of \$90,418, or 0.1 percent, all from the State General Fund, below the agency's FY 2020 revised estimate. The all funds decrease is attributable to the Governor's recommending the agency reallocate a higher amount of expenditures for the SPTP Reintegration units at OSH to the budget of OSH as part of the agency's supplemental request to move all expenditures for the SPTP Reintegration units at OSH to the OSH budget in FY 2020.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
SPTP Reintegration Expenditures Reallocated to OSH	\$ (896,942)	\$ (896,942)	(22.0)	\$ (987,360)	\$ (987,360)	(22.0)

The **agency** requests one supplemental totaling a negative \$896,942, all from the State General Fund, and the deletion of 22.0 FTE positions in FY 2020.

Sexual Predator Treatment Program (SPTP) Reintegration Expenditures Reallocated to Osawatomie State Hospital. The agency requests a negative \$896,942, all from the State General Fund, and 22.0 FTE positions to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH in FY 2020. While the majority of patients in the SPTP are at Larned State Hospital, the last phase of treatment involves treatment in reintegration units. Currently, two reintegration units are located at OSH; however expenditures and positions for these units have been included in the budget of LSH. This supplemental request would reallocate these expenditures so they would be reflected in the budget of OSH in FY 2020.

The **Governor** recommends the deletion of \$987,360, all from the State General Fund, and 22.0 FTE positions in FY 2020. The Governor recommends the agency's supplemental request to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH and recommends deleting an additional \$90,418, all from the State General Fund, to move all expenditures for the SPTP Reintegration units at OSH to the OSH budget in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 77,470,963	\$ 73,310,465	\$	(4,160,498)
FTE Positions	936.5	936.5		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 5,798,236	\$ 1,478,156		
All Other Funds	174,384	424,384		
TOTAL	\$ 5,972,620	\$ 1,902,540		
<i>Percent Change:</i>				
State General Fund	9.2 %	2.3 %		
All Other Funds	2.1	5.1		
TOTAL	8.4 %	2.7 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests FY 2021 operating expenditures totaling \$77.5 million, including \$69.0 million from the State General Fund. This is an all funds increase of \$6.0 million, or 8.4 percent, and a State General Fund increase of \$5.8 million, or 9.2 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's six enhancement requests totaling \$5.5 million, all from the State General Fund, for FY 2021. The increase is also attributable to an increase in salaries and wages fringe benefits, contract staffing, and food for patients, partially offset by an adjustment in salary shrinkage. The request includes 936.5 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- Salaries and Wages.** The agency requests \$49.2 million, including \$46.7 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$2.9 million, or 6.4 percent, and a State General Fund increase of \$3.1 million, or 7.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests to increase staffing, the enhancement request to provide a salary increase for certain employees, and an increase in salaries and wages fringe benefits, partially offset by the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Unit at the Osawatomie State Hospital (OSH) to the budget of OSH and an adjustment in salary shrinkage;
- Contractual Services.** The agency requests \$22.3 million, including \$18.8 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$1.5 million, or 7.3 percent, and a State General Fund increase of \$1.9 million, or 11.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for off-site forensic evaluations, an increase in contract staffing, and an increase in food services for patients, partially offset by the agency's

enhancement request to reallocate expenditures for the SPTP Reintegration Unit at OSH to the budget of OSH;

- **Commodities.** The agency requests \$5.1 million, including \$2.7 million from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$937,591, or 22.3 percent, and a State General Fund increase of \$293,781, or 12.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for security door food pass inserts for the State Security Hospital program, replacement of the hospital's phone system, and an increase in pharmaceuticals for patients;
- **Capital Outlay.** The agency requests \$867,293, including \$853,863 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$581,686, or 203.7 percent, and a State General Fund increase of \$581,423, or 213.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests for a video surveillance system (\$430,000) and a handicap accessible van for patient transportation (\$53,000) for the Psychiatric Services Program and ligature-resistant furniture for the State Security Hospital program (\$94,629); and
- **Other Assistance.** The agency requests \$16,968, including \$16,754 from the State General Fund, for other assistance for FY 2021. This is an all funds decrease of \$2,355, or 12.2 percent, and a State General Fund decrease of \$2,359, or 12.3 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the other assistance portion of the the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Unit at OSH to the budget of OSH.

The **Governor** recommends \$73.3 million, including \$64.6 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$4.2 million, or 5.4 percent, and a State General Fund decrease of \$4.4 million, or 6.4 percent, below the FY 2021 request. The all funds decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for the Psychiatric Services program and the SPTP, not recommending most of the enhancement requests for the State Security Hospital, and recommending a lower amount of funding for salary increases for FY 2021. The Governor recommends the agency's enhancement request for the purchase and installation of security door food pass inserts for 200 doors in the Isaac Ray building, but recommends funding this project from the State Institutions Building Fund rather than the State General Fund. The Governor recommends the agency's enhancement request to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH for FY 2021. Also, the Governor recommends the agency's enhancement request for off-site forensic evaluations for the State Security Hospital program.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Staffing Salary Increases	\$ 1,521,660	\$ 1,521,660	0.0	\$ 1,453,900	\$ 1,453,900	0.0
Off-Site Forensic Evaluations	850,000	850,000	0.0	850,000	850,000	0.0
SSH Enhancements	962,969	962,969	0.0	0	250,000	0.0
PSP Enhancements	1,508,832	1,508,832	0.0	0	0	0.0
SPTP Enhancements	1,871,210	1,871,210	0.0	0	0	0.0
SPTP Reintegration Expenditures	(1,195,924)	(1,195,924)	(22.0)	(1,195,924)	(1,195,924)	(22.0)
Reallocated to OSH						
TOTAL	\$ 5,518,747	\$ 5,518,747	(22.0)	\$ 1,107,976	\$ 1,357,976	(22.0)

The **agency** requests six enhancements totaling \$5.5 million, all from the State General Fund, and the deletion of 22.0 FTE positions for FY 2021.

Staffing Salary Increases. The agency requests \$1.5 million, all from the State General Fund, to provide salary increases to Safety and Security Officers, Mental Health Developmental Disability Technicians, Licensed Practical Nurses, Licensed Mental Health Technicians, and Client Training Supervisors for FY 2021. The agency states it has experienced difficulty recruiting and retaining staff due to the wage disparity between its salaries and those of other facilities, including Larned Correctional Mental Health Facility, which is in close proximity. The agency states the Kansas Department for Aging and Disability Services (KDADS) provided one-time funding to address increased salaries for staff in FY 2019 and the agency is seeking additional funding to continue these expenditures for FY 2021. (*Staff note:* On November 21, 2019, the Governor released Executive Directive 19-510, which provided step movements for several groups of classified employees, effective December 1, 2019.)

Off-Site Forensic Evaluations. The agency requests \$850,000, all from the State General Fund, for off-site forensic evaluations for the State Security Hospital program. The agency states it has worked with Kansas counties, courts, and licensed clinical staff to begin completing forensic evaluations in secured confinement settings off-site to increase the speed of providing evaluations and decrease the cost of transportation of individuals to the facility. The agency states it used one-time funding received from KDADS to begin off-site evaluations in FY 2020 and is seeking funding to continue this practice for FY 2021.

State Security Hospital Enhancements. The agency requests \$962,969, all from the State General Fund, for enhancements to the State Security Hospital program for FY 2021. These enhancements include the purchase and installation of security door food pass inserts on 200 doors in the Isaac Ray building (\$250,000), ligature-resistant patient room furniture for the Isaac Ray building (\$94,629), funding for one Medical Staff Psychiatrist position for the Security Behavior Unit (\$277,563), and funding for four Psychologist III positions (\$340,504).

Psychiatric Services Program Enhancements. The agency requests \$1.5 million, all from the State General fund, for enhancements to the Psychiatric Services Program for FY 2021. These enhancements include a video surveillance system (\$430,000) and funding for six Safety and Security Officers to monitor the system (\$339,304), a handicap accessible van to

transport patients (\$53,000), funding for two Psychiatrist positions (\$555,126), funding for one Admissions Clerk position (\$41,209), and funding for one Clinical Therapist position (\$90,193).

Sexual Predator Treatment Program (SPTP) Enhancements. The agency requests \$1.9 million, all from the State General Fund, for enhancements to the SPTP for FY 2021. These enhancements include funding for a Program Director position (\$117,112), four Psychotherapist positions (\$600,000), three Property Staff positions (\$136,089), four Escort and Transport Staff positions (\$181,452), one Psychiatrist position (\$277,563), one Psychiatrist Advanced Practice Registered Nurse position (\$153,299), two Psychoeducational Counselor positions (\$108,586), one Community Outing Specialist position (\$67,869), one Treatment Plan Coordinator position (\$46,271), one Social Worker Specialist position (\$62,573), one Social Work Supervisor position (\$79,187), and one Clinical Information Management File Clerk position (\$41,290).

SPTP Reintegration Expenditures Reallocated to OSH. The agency requests the deletion of \$1.2 million, all from the State General Fund, and 22.0 FTE positions, to reallocate expenditures and positions for the SPTP to the budget of Osawatomie State Hospital in FY 2020. This enhancement is a continuation of the supplemental request in FY 2020. The amount for FY 2021 is higher due to projected increased expenditures as more patients are expected to be placed in the reintegration units at OSH in FY 2021.

The **Governor** recommends \$1.4 million, including \$1.1 million from the State General Fund, and the deletion of 22.0 FTE positions for enhancement requests for FY 2021. The Governor recommends the agency's request for off-site forensic evaluations totaling \$850,000, all from the State General Fund. The Governor recommended the agency's request for security doors for the State Security Hospital program, totaling \$250,000, but recommended the funding from the State Institutions Building Fund rather than the State General Fund.

The Governor did not recommend the agency's request for salary increases for staff; however, the Governor recommends \$1.5 million, all from the State General Fund, to address salary and wage disparity for employees at Larned State Hospital in coordination with Executive Order 19-510, which provided step movements for certain classified employees and corresponding salary adjustments for non-classified employees for FY 2021.

The Governor recommends the agency's enhancement request to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH for FY 2021. The Governor did not recommend the remainder of the agency's enhancement requests for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$899,010, including \$853,624 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$76,520, including \$72,164 from the State General Fund, and FY 2021 longevity payments total \$82,560, including \$78,009 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	89.1 %	88.1 %
LSH Fee Fund	6.1	6.5
Title XIX Fund	4.6	4.9
All Other Funds	0.2	0.5
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Larned State Hospital Fee Fund Analysis

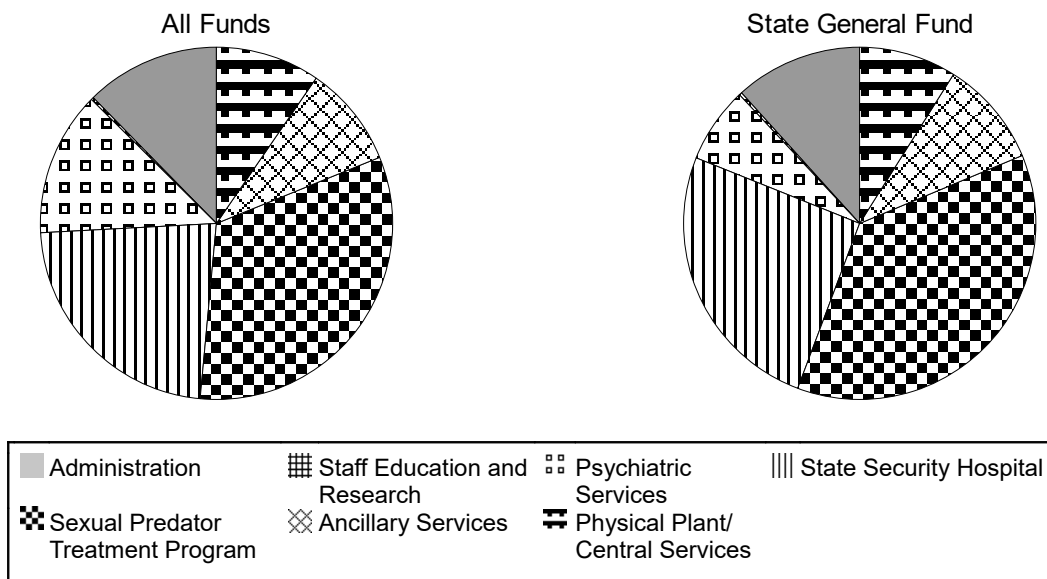
KSA 76-1302a requires the superintendent of LSH to remit all moneys received from charges under KSA 59-2006 and deposit them into the Larned State Hospital Fee Fund. KSA 59-2006 relates to the duty of parents and spouses to pay for the maintenance, care, and treatment of a patient in a state institution. Major sources of revenue for this fund include collection of Medicare A and B reimbursements, insurance reimbursements for eligible patients, and private pay for hospital treatment.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 1,622,674	\$ 1,333,017	\$ 1,333,017	\$ 1,175,963	\$ 1,175,963
Revenue	3,605,292	3,873,570	3,873,570	3,939,953	3,939,953
Transfers in	0	0	0	0	0
Funds Available	\$ 5,227,966	\$ 5,206,587	\$ 5,206,587	\$ 5,115,916	\$ 5,115,916
Less:					
Expenditures	\$ 3,893,608	\$ 4,025,227	\$ 4,025,227	\$ 4,741,058	\$ 4,741,058
Transfers Out	0	0	0	0	0
Off Budget Expenditures	1,341	5,397	5,397	5,505	5,505
Ending Balance	\$ 1,333,017	\$ 1,175,963	\$ 1,175,963	\$ 369,353	\$ 369,353
Ending Balance as Percent of Expenditures	34.2%	29.2%	29.2%	7.8%	7.8%
Month Highest Ending Balance	March \$ 2,449,494	March \$ 2,160,898	March \$ 2,160,898	March \$ 678,707	March \$ 678,707
Month Lowest Ending Balance	May \$ 758,507	May \$ 669,141	May \$ 669,141	May \$ 210,167	May \$ 210,167

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 9,038,210	12.3 %	\$ 7,554,152	11.7 %
Staff Education and Research	174,834	0.2	168,173	0.3
Psychiatric Services	9,731,502	13.3	4,505,994	7.0
State Security Hospital	16,624,248	22.7	16,374,248	25.3
Sexual Predator Treatment Program	23,908,557	32.6	23,908,557	37.0
Ancillary Services	6,811,017	9.3	6,302,187	9.8
Physical Plant/Central Services	7,022,097	9.6	5,783,123	9.0
TOTAL	\$ 73,310,465	100.0 %	\$ 64,596,434	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	44.0	35.0	35.0	35.0	35.0
Staff Education and Research	3.0	3.0	3.0	3.0	3.0
Psychiatric Services	132.0	130.0	130.0	130.0	130.0
State Security Hospital	267.0	231.0	231.0	231.0	231.0
Sexual Predator Treatment Program	331.5	334.5	334.5	334.5	334.5
Ancillary Services	68.0	66.0	66.0	66.0	66.0
Physical Plant/Central Services	150.0	137.0	137.0	137.0	137.0
TOTAL	995.5	936.5	936.5	936.5	936.5
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The Administration program oversees the planning, implementation, and monitoring for the agency's operations. The program includes human resources, financial services, information technology, legal services, quality management, risk management, standards oversight, research, and customer service. The program provides general leadership and oversight of the agency through development, ongoing refinements and implementation of the agency's mission, vision, and strategic plan.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Appropriate Inpatient Admissions and Continued Stays as Evidenced by Meeting Medicare Requirements of Medical Necessity and Clinical Criteria Prior to Authorizing*	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Average Percent Increase in Full-time Staff to Efficiently Provide Support and Safety to the Hospital and Patients*	N/A	(3.0)%	N/A	1.0 %	5.0 %	10.0 %
Number of Campus-wide Performance Improvement Projects Completed per Fiscal Year*	7	4	N/A	5	6	6
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.7	\$ 5.9	\$ 6.8	\$ 7.3	\$ 7.0	\$ 9.0
FTE Positions	48.0	36.0	44.0	44.0	35.0	35.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,221,616	\$ 1,571,071	\$ 1,571,071	\$ 3,038,471	\$ 2,970,711
Contractual Services	4,539,520	4,868,116	4,868,116	4,899,746	4,899,746
Commodities	517,002	526,745	526,745	1,137,281	1,137,281
Capital Outlay	51,897	29,875	29,875	30,472	30,472
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 7,330,035</i>	<i>\$ 6,995,807</i>	<i>\$ 6,995,807</i>	<i>\$ 9,105,970</i>	<i>\$ 9,038,210</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 7,330,035	\$ 6,995,807	\$ 6,995,807	\$ 9,105,970	\$ 9,038,210
Financing:					
State General Fund	\$ 6,681,065	\$ 6,121,397	\$ 6,121,397	\$ 7,621,912	\$ 7,554,152
All Other Funds	648,970	874,410	874,410	1,484,058	1,484,058
TOTAL	\$ 7,330,035	\$ 6,995,807	\$ 6,995,807	\$ 9,105,970	\$ 9,038,210
FTE Positions	44.0	35.0	35.0	35.0	35.0

The **agency** requests \$9.1 million, including \$7.6 million from the State General Fund, for the Administration program for FY 2021. This is an all funds increase of \$2.1 million, or 30.2 percent, and a State General Fund increase of \$1.5 million, or 24.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request to provide salary increases for employees to address disparity, retention, and recruitment concerns (\$1.5 million). Also, the increase is attributable to an increase in computer equipment. The program includes 35.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$3.0 million, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$1.5 million, or 93.4 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's enhancement request to provide a salary increase for employees (\$1.5 million);
- **Contractual Services.** The agency requests \$4.9 million, including \$4.4 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$31,630, or 0.6 percent, and a State General Fund increase of \$22,058, or 0.5 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in food for patients, utilities, and computer services;
- **Commodities.** The agency requests \$1.1 million, including \$133,364 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$610,536, or 115.9 percent, and a State General Fund increase of \$10,460, or 8.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to replacement of the hospital's phone system; and

- **Capital Outlay.** The agency requests \$30,472, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$597, or 2.0 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in computer and software expenditures.

The **Governor** recommends \$9.0 million, including \$7.6 million from the State General Fund, for FY 2021. This is a decrease of \$67,760, or 0.7 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request for salary increases for staff; however, the Governor recommended \$1.5 million, all from the State General Fund, to address salary and wage disparity for employees at Larned State Hospital in coordination with Executive Order 19-510, which provided step movements for certain classified employees and corresponding salary adjustments for non-classified employees for FY 2021.

B. Staff Education and Research

The Staff Education and Research program assists employees in the acquisition of skills and knowledge for personal development and career advancement. The program provides educational opportunities to assist LSH employees in enhancing competent performance through facilitating training opportunities. The agency states the program creates a learning environment that assists staff in enhancing awareness of what they need to learn in acquiring new knowledge and skills to coordinate and conduct programs that provide continuing education for licensed professional staff and offer educational opportunities to mental health professionals and employees of affiliated agencies throughout Kansas. The program is charged with maintaining the training records for LSH staff, creating and monitoring trainings, and writing computer-based trainings as requested.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of New Employees Completing On-board Training within Established Time Frames*	N/A	92.0 %	N/A	94.0 %	93.0 %	94.0 %
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 213.5	\$ 250.6	\$ 229.8	\$ 203.4	\$ 180.2	\$ 174.8
FTE Positions	4.0	4.0	3.0	3.0	3.0	3.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

**STAFF EDUCATION AND RESEARCH
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 193,041	\$ 165,870	\$ 165,870	\$ 160,304	\$ 160,304
Contractual Services	8,621	12,599	12,599	12,781	12,781
Commodities	1,763	1,716	1,716	1,749	1,749
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 203,425</i>	<i>\$ 180,185</i>	<i>\$ 180,185</i>	<i>\$ 174,834</i>	<i>\$ 174,834</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 203,425	\$ 180,185	\$ 180,185	\$ 174,834	\$ 174,834
Financing:					
State General Fund	\$ 184,070	\$ 173,655	\$ 173,655	\$ 168,173	\$ 168,173
All Other Funds	19,355	6,530	6,530	6,661	6,661
TOTAL	\$ 203,425	\$ 180,185	\$ 180,185	\$ 174,834	\$ 174,834
FTE Positions	3.0	3.0	3.0	3.0	3.0

The **agency** requests \$174,834, including \$168,173 from the State General Fund, for the Staff Education and Research program for FY 2021. This is an all funds decrease of \$5,351, or 3.0 percent, and a State General Fund decrease of \$5,482, or 3.2 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in salaries and wages fringe benefits. The program includes 3.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$160,304, all from the State General Fund, for salaries and wages for FY 2021. This is a decrease of \$5,566, or 3.4 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in fringe benefits;
- **Contractual Services.** The agency requests \$12,781, including \$6,418 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$182, or 1.4 percent, and a State General Fund increase of \$57, or 0.9 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in utilities; and
- **Commodities.** The agency requests \$1,749, including \$1,451 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$33, or 1.9 percent, and a State General Fund increase of \$27, or 1.9 percent.

The **Governor** recommends \$174,834, including \$168,173 from the State General Fund, for FY 2021. This is the same all funds and State General Fund amount as the agency's FY 2021 request.

C. Psychiatric Services

The Psychiatric Services program provides psychiatric treatment to Kansas citizens 18 years or older. Service units include a 30-bed Crisis Stabilization Unit for acute stabilization and treatment and two Adult Treatment Units for patients with chronic conditions budgeted for 30 beds each. Patients are admitted for both evaluation and inpatient treatment. Pre-admission screening is completed by Community Mental Health Centers. Upon admission, a comprehensive evaluation is performed and an individualized treatment plan is subsequently developed for each patient. Adults may be admitted either on a voluntary basis or because of a civil commitment. Social detoxification services for up to 72 hours are provided within the Psychiatric Services program at LSH for persons referred by law enforcement agencies or by a district court. The adult units had an average daily census of 67 patients in FY 2019.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Nursing Coverage and Acuity Documentation Entered into Plexus Monthly*	N/A	N/A	N/A	73.0 %	85.0 %	90.0 %
Percent of Monthly Nursing Electronic Progress Notes Completed on Time*	67.0 %	98.0 %	N/A	98.0 %	98.0 %	98.0 %
Percent of Psychosocial Assessments Completed within Policy Time Frames*	97.0 %	95.0 %	N/A	95.0 %	95.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.6	\$ 9.4	\$ 9.7	\$ 10.3	\$ 10.0	\$ 9.7
FTE Positions	128.0	128.0	132.0	132.0	130.0	130.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

PSYCHIATRIC SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,236,907	\$ 6,984,024	\$ 6,984,024	\$ 7,629,333	\$ 6,603,501
Contractual Services	2,582,567	2,582,606	2,582,606	2,636,198	2,636,198
Commodities	459,583	468,776	468,776	478,159	478,159
Capital Outlay	65,908	13,167	13,167	496,430	13,430
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 10,344,965	\$ 10,048,573	\$ 10,048,573	\$ 11,240,120	\$ 9,731,288
Aid to Local Units	0	0	0	0	0
Other Assistance	206	210	210	214	214
TOTAL	\$ 10,345,171	\$ 10,048,783	\$ 10,048,783	\$ 11,240,334	\$ 9,731,502
Financing:					
State General Fund	\$ 6,020,410	\$ 4,841,633	\$ 4,841,633	\$ 6,014,826	\$ 4,505,994
All Other Funds	4,324,761	5,207,150	5,207,150	5,225,508	5,225,508
TOTAL	\$ 10,345,171	\$ 10,048,783	\$ 10,048,783	\$ 11,240,334	\$ 9,731,502
FTE Positions	132.0	130.0	130.0	130.0	130.0

The **agency** requests \$11.2 million, including \$6.0 million from the State General Fund, for the Psychiatric Services program for FY 2021. This is an all funds increase of \$1.2 million, or 11.9 percent, and a State General Fund increase of \$1.2 million, or 24.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests to increase staffing (\$1.0 million), install a video surveillance system (\$430,000), and purchase a handicap accessible van for patient transportation (\$53,000). The increase for the enhancements is partially offset by an adjustment in salary shrinkage. The program includes 130.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$7.6 million, including \$5.1 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$645,309, or 9.2 percent, and a State General Fund increase of \$763,733, or 17.6 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for increased staffing (\$1.0 million), partially offset by an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$2.6 million, including \$409,480 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$53,592, or 2.1 percent, and a State General Fund decrease of \$73,678, or 15.2 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract staffing and food for patients;
- **Commodities.** The agency requests \$478,159, including \$6,983 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$9,383, or 2.0 percent, and a State General Fund increase of \$138, or 2.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in pharmaceuticals for patients;
- **Capital Outlay.** The agency requests \$496,430, including \$483,000 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$483,263, or 3,670.3 percent, above the FY 2020 revised estimate. The State General Fund amount is an increase of \$483,000 above the FY 2020 revised estimate, as the agency did not request capital outlay from the State General Fund in the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests, including the video surveillance system and insulation (\$430,000) and the handicap accessible van for patient transportation (\$53,000); and
- **Other Assistance.** The agency requests \$214, all from special revenue funds, for other assistance for FY 2021. This is an increase of \$4, or 1.9 percent, above the FY 2020 revised estimate.

The **Governor** recommends \$9.7 million, including \$4.5 million from the State General Fund, for FY 2021. This a decrease of \$1.5 million, or 13.4 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for the Psychiatric Services program for FY 2021.

D. State Security Hospital

The State Security Hospital program was originally established in 1939. This program serves male and female mentally ill adults who are admitted through forensic commitment statutes or transferred from the Kansas Department of Corrections (KDOC) for treatment. The program is housed in the Isaac Ray Building and currently serves 140 patients on six units.

Reasons for referral to the program include competency evaluations, competency treatment, mental status evaluation, pre-sentence evaluation, and treatment for those determined not guilty due to lack of mental state, care and treatment in lieu of confinement, as well as treatment and stabilization of acute symptoms for individuals referred by the KDOC. The Security Behavior Unit serves a group of males who are civilly, rather than criminally, committed and who pose a very high risk for dangerousness, have been charged with a felony, or were arrested for a felony and are on a hold order from jail. The State Security Hospital program had an average daily census of 119 patients in FY 2019.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Nursing Coverage and Acuity Documentation Entered into Plexus Monthly*	N/A	N/A	N/A	87.0 %	89.0 %	90.0 %
Percent of Completed Nursing Progress Notes Completed on Time*	80.0 %	96.0 %	N/A	87.0 %	90.0 %	90.0 %
Percent of Psychosocial Assessments Completed within policy Time Frames*	99.0 %	97.0 %	N/A	98.0 %	95.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 15.6	\$ 15.9	\$ 15.7	\$ 15.7	\$ 15.5	\$ 16.6
FTE Positions	263.0	263.0	267.0	267.0	231.0	231.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

**STATE SECURITY HOSPITAL
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 10,913,249	\$ 10,189,615	\$ 10,189,615	\$ 10,472,972	\$ 9,854,905
Contractual Services	3,852,265	4,326,169	4,326,169	5,555,849	5,555,849
Commodities	870,155	836,954	836,954	1,103,693	1,103,693
Capital Outlay	85,949	106,209	106,209	202,002	107,373
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 15,721,618</i>	<i>\$ 15,458,947</i>	<i>\$ 15,458,947</i>	<i>\$ 17,334,516</i>	<i>\$ 16,621,820</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	2,334	2,381	2,381	2,428	2,428
TOTAL	<u>\$ 15,723,952</u>	<u>\$ 15,461,328</u>	<u>\$ 15,461,328</u>	<u>\$ 17,336,944</u>	<u>\$ 16,624,248</u>
Financing:					
State General Fund	\$ 14,394,792	\$ 14,954,515	\$ 14,954,515	\$ 17,336,944	\$ 16,374,248
All Other Funds	1,329,160	506,813	506,813	0	250,000
TOTAL	<u>\$ 15,723,952</u>	<u>\$ 15,461,328</u>	<u>\$ 15,461,328</u>	<u>\$ 17,336,944</u>	<u>\$ 16,624,248</u>
FTE Positions	267.0	231.0	231.0	231.0	231.0

The **agency** requests \$17.3 million, all from the State General Fund, for the State Security Hospital program for FY 2021. This is an all funds increase of \$1.9 million, or 12.1 percent, and a State General Fund increase of \$2.4 million, or 15.9 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement requests for increased staffing (\$616,448), off-site forensic evaluations (\$850,000), security door pass inserts (\$250,000), ligature-resistant furniture for patients (\$94,629), and contractual staffing, partially offset by an adjustment in salary shrinkage. The program includes 231.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$10.5 million, all from the State General fund, for the State Security Hospital program for FY 2021. This is an increase of \$283,357, or 2.8 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's enhancement request for increased staffing (\$618,067), partially offset by an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$5.6 million, all from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$1.2 million, or 28.4 percent, and a State General Fund increase of \$1.7 million, or 45.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for funding to continue providing off-site forensic evaluations (\$850,000). The increase is also attributable to an increase in contract staffing;
- **Commodities.** The agency requests \$1.1 million, all from the State General Fund, for commodities for FY 2021. This is an increase of \$266,739, or 31.9 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's enhancement request for 200 security door food pass inserts (\$250,000). The increase is also attributable to an increase in pharmaceuticals for patients;

- **Capital Outlay.** The agency requests \$202,002, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$95,793, or 90.2 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's enhancement request for ligature-resistant furniture for patient rooms (\$94,629); and
- **Other Assistance.** The agency requests \$2,428, all from the State General Fund, for other assistance for FY 2021. This is an increase of \$47, or 2.0 percent, above the FY 2020 revised estimate.

The **Governor** recommends \$16.6 million, including \$16.4 million from the State General Fund, for FY 2021. This is an all funds decrease of \$712,696, or 4.1 percent, and a State General Fund decrease of \$926,696, or 5.6 percent, below the agency's FY 2021 request. The all funds decrease is attributable to the Governor not recommending the majority of enhancements for the State Security Hospital for FY 2021. The Governor recommends the agency's enhancement request for security doors for the State Security Hospital program totaling \$250,000, but recommends the funding from the State Institutions Building Fund rather than the State General Fund. The Governor's recommends the agency's enhancement request for off-site forensic evaluations totaling \$850,000, all from the State General Fund, for FY 2021.

E. Sexual Predator Treatment Program

The Sexual Predator Treatment Program (SPTP) was established in 1994 by the Sexual Predator Act (KSA 59-29A01 *et seq.*) to provide treatment for convicted sex offenders who have finished their prison sentences and who have been civilly committed by the courts to the SPTP inpatient treatment program at LSH. The SPTP was given a dual mission. First, SPTP's goal is to protect the public from any further victimization by sexual offenders committed to the program. Second, SPTP is required to provide a program of treatment that would assist motivated offenders to reduce their risk for re-offense to the point they could safely live in open society and become contributing citizens. The SPTP initially treats patients at LSH; however, patients progress to treatment at a reintegration and transition unit located at LSH, Osawatomie State Hospital (OSH), or Parsons State Hospital and Training Center (PSH&TC) before moving to conditional release.

The reintegration and transition units are State-funded programs housed on the grounds of LSH, OSH, and PSH&TC and are limited to 16 beds per any one county in Kansas. To be evaluated as ready for the program, a resident must have successfully progressed through the residential portion of the treatment program and have a motivation to re-enter open society and conduct life in a responsible manner. These residents are reviewed and interviewed by the Progress Review Panel and are determined to be appropriate candidates for a reintegration program based on clinical recommendation. Duration of the program depends primarily on the resident's compliance with treatment, therapy, and program rules. Therefore, the estimated completion time for residents of reintegration facilities are individualized due to the individual resident's progress in treatment. The 2018 Legislature added \$2.5 million, all from the State General Fund, and 33.0 FTE positions in FY 2018 and added \$4.2 million, all from the State General Fund, and 55.0 FTE positions in FY 2019 for expansion of the SPTP Reintegration facilities, including opening Meyer West in FY 2019 and making improvements to increase the patient capacity of Meyer East (formerly Meyer) and the MiCo House at OSH. The SPTP had an average daily census in FY 2019 of 260 patients, including 7 patients in the MiCo House transition unit and 9 patients in the Meyer Reintegration facility.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Nursing Coverage and Acuity Documentation Entered into Plexus Monthly*	N/A	N/A	N/A	70.0 %	85.0 %	90.0 %
Percent of Nursing Progress Notes Completed on Time*	65.0 %	99.0 %	N/A	97.0 %	97.0 %	97.0 %
Percent of Psychosocial Assessments Completed within Policy Time Frames*	67.0 %	75.0 %	N/A	100.0 %	90.0 %	90.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 19.5	\$ 20.2	\$ 22.2	\$ 21.5	\$ 24.6	\$ 23.9
FTE Positions	295.5	295.5	331.5	331.5	334.5	334.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

SEXUAL PREDATOR TREATMENT PROGRAM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 12,714,805	\$ 15,556,145	\$ 15,556,145	\$ 16,504,204	\$ 14,632,994
Contractual Services	7,322,599	7,825,128	7,734,710	7,983,141	7,983,141
Commodities	1,105,978	1,179,644	1,179,644	1,206,758	1,206,758
Capital Outlay	307,392	70,620	70,620	71,338	71,338
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 21,450,774	\$ 24,631,537	\$ 24,541,119	\$ 25,765,441	\$ 23,894,231
Aid to Local Units	0	0	0	0	0
Other Assistance	14,779	16,732	16,732	14,326	14,326
TOTAL	\$ 21,465,553	\$ 24,648,269	\$ 24,557,851	\$ 25,779,767	\$ 23,908,557
Financing:					
State General Fund	\$ 21,465,553	\$ 24,648,269	\$ 24,557,851	\$ 25,779,767	\$ 23,908,557
All Other Funds	0	0	0	0	0
TOTAL	\$ 21,465,553	\$ 24,648,269	\$ 24,557,851	\$ 25,779,767	\$ 23,908,557
FTE Positions	331.5	334.5	334.5	334.5	334.5

The **agency** requests \$25.8 million, all from the State General Fund, for the Sexual Predator Treatment Program (SPTP) for FY 2021. This is an increase of \$1.1 million, or 4.6 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's enhancement request for increased staffing (\$1.9 million) and an increase in contract staffing, partially offset by and adjustment to salary shrinkage and the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH. The program includes 334.5 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$16.5 million, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$948,059, or 6.1 percent, above the FY 2020 revised estimate. The increase is

primarily attributable to the agency's enhancement request for increased staffing (\$1.9 million), partially offset by an adjustment in salary shrinkage and the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH;

- **Contractual Services.** The agency requests \$8.0 million, all from the State General Fund, for contractual services for FY 2021. This is an increase of \$158,013, or 2.0 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in contract staffing and food for patients, partially offset by the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH;
- **Commodities.** The agency requests \$1.2 million, all from the State General Fund, for commodities for FY 2021. This is an increase of \$27,114, or 2.3 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in pharmaceuticals and food for patients, partially offset by the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH, which includes supplies for patient housing and treatment;
- **Capital Outlay.** The agency requests \$71,338, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$718, or 1.0 percent, above the FY 2020 revised estimate. The increase is primarily attributable to a decrease in equipment for patient treatment; and
- **Other Assistance.** The agency requests \$14,326, all from the State General Fund, for other assistance for FY 2021. This is a decrease of \$2,406, or 14.4 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the agency's enhancement request to reallocate expenditures for the SPTP Reintegration Units at OSH to the budget of OSH, which includes stipends for patients in the SPTP Reintegration Units.

The **Governor** recommends \$23.9 million, all from the State General Fund, for FY 2021. This is an all funds decrease of \$1.9 million, or 7.3 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for salary increases for the SPTP for FY 2021. The Governor's recommends the agency's enhancement request to reallocate expenditures and positions for the SPTP Reintegration units at OSH to the budget of OSH for FY 2021.

F. Ancillary Services

The Ancillary Services program consists of Allied Clinical Services, which is composed of medical services, nursing services, chaplaincy services, the psychology department, the social services department, activities therapy, the pharmacy, the laboratory, and clinic/infection prevention and control.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.2	\$ 7.7	\$ 8.8	\$ 7.4	\$ 7.0	\$ 6.8
FTE Positions	69.0	69.0	68.0	68.0	66.0	66.0

ANCILLARY SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 6,656,740	\$ 6,222,091	\$ 6,222,091	\$ 6,020,247	\$ 6,020,247
Contractual Services	480,681	478,406	478,406	494,008	494,008
Commodities	284,025	289,700	289,700	295,494	295,494
Capital Outlay	1,219	1,243	1,243	1,268	1,268
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 7,422,665	\$ 6,991,440	\$ 6,991,440	\$ 6,811,017	\$ 6,811,017
Aid to Local Units	0	0	0	0	0
Other Assistance	2,500	0	0	0	0
TOTAL	\$ 7,425,165	\$ 6,991,440	\$ 6,991,440	\$ 6,811,017	\$ 6,811,017
Financing:					
State General Fund	\$ 6,598,966	\$ 6,492,870	\$ 6,492,870	\$ 6,302,187	\$ 6,302,187
All Other Funds	826,199	498,570	498,570	508,830	508,830
TOTAL	\$ 7,425,165	\$ 6,991,440	\$ 6,991,440	\$ 6,811,017	\$ 6,811,017
FTE Positions	68.0	66.0	66.0	66.0	66.0

The **agency** requests \$6.8 million, including \$6.3 million from the State General Fund, for the Ancillary Services program for FY 2021. This is an all funds decrease of \$180,423, or 2.6 percent, and a State General Fund decrease of \$190,683, or 2.9 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in salaries and wages fringe benefits, computer services, and utilities. The program includes 66.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$6.0 million, all from the State General Fund, for salaries and wages for FY 2021. This is a decrease of \$201,844, or 3.2 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in employee salary shrinkage;
- **Contractual Services.** The agency requests \$494,008, including \$195,853 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$15,602, or 3.3 percent, and a State General Fund increase of \$7,514, or 4.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in computer services and utilities;

- **Commodities.** The agency requests \$295,494, including \$84,819 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$5,794, or 2.0 percent, and a State General Fund increase of \$3,622, or 4.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in laboratory supplies for patient treatment; and
- **Capital Outlay.** The agency requests \$1,268, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$25, or 2.0 percent, above the FY 2020 revised estimate.

The **Governor** recommends \$6.8 million, including \$6.3 million from the State General Fund, for FY 2021. This is the same amount as the agency's FY 2021 request.

G. Physical Plant/Central Services

The Physical Plant/Central Services program is composed of the following: Engineering Services, Environmental Services, Safety/Security, Purchasing/Supply, Food Services, and Laundry. Engineering Services is responsible for the repair and upkeep of 78 buildings and 949,579 square feet of space on more than 100 acres of grounds. The Engineering Services subprogram also provides physical plant service for the hospital and Larned Correctional Mental Health Facility (LCMHF). Supply Services provides centralized procurement and warehousing of supplies, equipment, and materials needed to operate LSH, as well as works cooperatively with LCMHF. In July 2013, food services were privatized and contracted through A'viands, which provided meal services for the hospital and LCMHF until June 2018. In July 2018, the food service contract was awarded to Sodexo, which provides food services for all residents, staff, patients, inmates, and visitors for LSH and LCMHF. Also within the Physical Plant/Central Services program, LSH pays a portion of the City of Larned's waste water treatment facility bond payments from the State Institutions Building Fund.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Documentation Maintained 95.0 Percent Current and Deficiencies Corrected within 30 Days of Notice*	95.0 %	90.0 %	N/A	95.0 %	95.0 %	95.0 %
Percent of Utility Systems Deficiencies Corrected Immediately unless Extensions Are Permitted*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.7	\$ 7.2	\$ 7.4	\$ 7.8	\$ 7.2	\$ 7.0
FTE Positions	148.0	148.0	150.0	150.0	137.0	137.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

PHYSICAL PLANT/CENTRAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,696,864	\$ 5,551,324	\$ 5,551,324	\$ 5,360,270	\$ 5,360,270
Contractual Services	684,530	662,315	662,315	683,653	683,653
Commodities	1,070,601	894,399	894,399	912,391	912,391
Capital Outlay	271,919	64,493	64,493	65,783	65,783
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 7,723,914</i>	<i>\$ 7,172,531</i>	<i>\$ 7,172,531</i>	<i>\$ 7,022,097</i>	<i>\$ 7,022,097</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	26,667	0	0	0	0
TOTAL	\$ 7,750,581	\$ 7,172,531	\$ 7,172,531	\$ 7,022,097	\$ 7,022,097
Financing:					
State General Fund	\$ 7,323,602	\$ 5,976,357	\$ 5,976,357	\$ 5,783,123	\$ 5,783,123
All Other Funds	426,979	1,196,174	1,196,174	1,238,974	1,238,974
TOTAL	\$ 7,750,581	\$ 7,172,531	\$ 7,172,531	\$ 7,022,097	\$ 7,022,097
FTE Positions	150.0	137.0	137.0	137.0	137.0

The **agency** requests \$7.0 million, including \$5.8 million from the State General Fund, for the Physical Plant and Central Services program for FY 2021. This is an all funds decrease of \$150,434, or 2.1 percent, and a State General Fund decrease of \$193,234, or 3.2 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in salaries and wages fringe benefits, supplies for grounds maintenance, and supplies and equipment for patient rooms. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$5.4 million, all from the State General Fund, for salaries and wages for FY 2021. This is a decrease of \$191,054, or 3.4 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in fringe benefits;
- **Contractual Services.** The agency requests \$683,653, including \$226,043 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$21,338, or 3.2 percent, and a State General Fund increase of \$10,849, or 5.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract computer services and utilities;
- **Commodities.** The agency requests \$912,391, including \$131,027 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$17,992, or 2.0 percent, and a State General Fund decrease of \$14,319, or 9.9 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for grounds maintenance and household supplies for patient rooms; and

- **Capital Outlay.** The agency requests \$65,783, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$1,290, or 2.0 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in equipment for patient rooms.

The **Governor** recommends \$7.0 million, including \$5.8 million from the State General Fund, for FY 2021. This is the same amount as the agency's FY 2021 request.

OSAWATOMIE STATE HOSPITAL

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 36,681,808	\$ 36,340,778	\$ 36,431,196	\$ 41,138,721	\$ 38,061,781
Other Funds	4,373,697	7,980,801	7,980,801	8,570,047	8,570,047
Subtotal	\$ 41,055,505	\$ 44,321,579	\$ 44,411,997	\$ 49,708,768	\$ 46,631,828
Capital Improvements:					
State General Fund	\$ 1,571	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	1,044,000	1,044,000
Subtotal	\$ 1,571	\$ 0	\$ 0	\$ 1,044,000	\$ 1,044,000
TOTAL	\$ 41,057,076	\$ 44,321,579	\$ 44,411,997	\$ 50,752,768	\$ 47,675,828
Percentage Change:					
Operating Expenditures					
State General Fund	37.6 %	(0.9) %	(0.7) %	13.2 %	4.5 %
All Funds	(1.1)	8.0	8.2	12.2	5.0
FTE Positions	385.9	497.5	497.5	497.5	497.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

Osawatomie State Hospital (OSH) was founded in 1866, originally called the “Kansas Insane Asylum.” The name was changed to OSH in 1901. OSH is an acute mental health care bed facility that serves people 18 years of age and older from 46 eastern and central Kansas counties who require inpatient psychiatric treatment or non-medical detoxification for substance abuse. It is operated and managed by the Kansas Department for Aging and Disability Services and is licensed by the Kansas Department of Health and Environment. In 2014, operations at Rainbow Mental Health Facility were merged with OSH. The hospital is licensed for 206 patient beds, but currently operates at 166 beds due to a self-imposed moratorium on admissions above 166.

In December 2015, OSH was decertified by the federal Centers for Medicare and Medicaid Services (CMS). Beginning in January 2016, the hospital was unable to obtain federal revenue through Medicare and Medicaid reimbursements and federal Disproportionate Share Hospital (DSH) payments. OSH responded to the surveys by making structural changes to improve patient safety, increasing staffing levels, and instituting new operating practices. In August 2016, two living units were functionally separated from OSH to form Adair Acute Care (AAC). AAC is considered a functionally free-standing unit, though it is included in the overall total of licensed OSH beds. AAC passed its initial CMS certification survey in August 2017 and a

second survey in November 2017. In December 2017, OSH was informed by CMS that the 60 beds of AAC were recertified for federal reimbursements and the hospital would begin to receive partial DSH payments.

A Sexual Predator Treatment Program reintegration unit is located on the grounds of OSH; however, this program is administered and funded by Larned State Hospital.

MAJOR ISSUES FROM PRIOR YEARS

During **May 2010** and **July 2010**, the Department of Social and Rehabilitation Services (SRS) temporarily suspended voluntary admissions to the three Kansas mental health hospitals. The hospitals continued to accept individuals ordered to the facilities by the courts or escorted by police. Voluntary admissions require a referral by one of the state's 27 community mental health centers and involve adults who must have the capacity to consent to care, have a treatment facility that agrees the person is in need of services offered by a facility, and are mentally ill as defined by law and medical understanding. When the hospitals are full, the community centers are expected to find placement alternatives for individuals who otherwise would be admitted. According to SRS, all three facilities were full beyond licensed capacities and did not have additional resources to serve persons seeking voluntary admissions. In FY 2010, the number of days over census was 123, or 34.0 percent of the time. In FY 2011, the number of days over census was 119, or 33.0 percent of the time. The agency indicated a hospital of similar size and serving a similar population as OSH should run at an 85.0 percent capacity for its average daily census over the course of a year.

Beginning **November 9, 2011**, all patients previously served by Rainbow Mental Health Facility were served at OSH after all but six beds were closed at Rainbow Mental Health Facility due to a failed Fire Marshal inspection. A 30-bed wing was subsequently opened at OSH.

The **2013 Legislature** concurred with the Governor's recommendation to combine the operations of OSH and Rainbow Mental Health Facility into one agency to eliminate redundancies in one management operating two separate agencies.

The **2014 Legislature** transferred the remaining balance and liabilities of the Rainbow Mental Health Facility's fee funds to the OSH fee funds as part of the closure of Rainbow Mental Health Facility, as well as transferred 112.2 FTE positions to OSH. Thirty beds at OSH that had previously been operating as Rainbow Mental Health Facility beds were officially designated as OSH beds, increasing OSH's budgeted bed capacity from 176 to 206 in FY 2015.

In **Fall 2014**, CMS conducted surveys at OSH and determined the hospital would need to take action to address over-census numbers and safety concerns.

The **2015 Legislature** added \$2.0 million, all from special revenue funds, in FY 2015 for operating expenditures for the plan of correction following the surveys by the federal CMS in Fall 2014. The Legislature added \$500,000, all from the State General Fund, for FY 2016 and FY 2017 for additional operational expenditures related to ongoing replacement of equipment and other expenses necessary for compliance following the CMS surveys. The Legislature also deleted \$247,080, all from the State General Fund, for FY 2016 and FY 2017 to implement agency-submitted reduced resource options concerning inventory and dispensing of medication and reduced supplies and other resources.

In **December 2015**, CMS conducted follow-up surveys at OSH and cited the facility for staffing and patient safety concerns. CMS decertified the facility, meaning it could not bill for Medicaid or Medicare reimbursements.

The **2016 Legislature** added \$2.0 million, all from the State General Fund, to address recertification and under-staffing issues in FY 2016. The Legislature also added \$9.5 million, all from the State General Fund, and deleted \$5.9 million, all from special revenue funds, for increased operational expenditures, a consulting contract to regain federal CMS certification, and to offset reductions in fee fund and Title XIX revenue in FY 2016. The Legislature deleted \$1.5 million, all from the State General Fund, in FY 2016 and FY 2017 and added \$1.5 million, all from the Osawatomie State Hospital Fee Fund, in FY 2016 and FY 2017 to change the source of operational funding in FY 2016 and FY 2017. The Legislature added \$1.3 million, all from the State General Fund, to increase registered nurse pay by 10.0 percent and mental health technician pay by 12.0 percent for FY 2017.

The **2016 Legislature** also added language prohibiting the privatization of OSH in FY 2016, FY 2017, and FY 2018 without prior specific authorization by the Legislature. The Legislature added language that any request for proposal to provide services and management at OSH in FY 2016 and FY 2017 must include provisions for electronic medical records. Provisions noted patient data must not be hosted offshore and any selection of entity providing services or management must be approved by the Legislature.

In **August 2016**, two living units were functionally separated from the hospital to form AAC, which is functionally considered a free-standing unit, though it is included among the 206 overall licensed beds on the grounds. The agency notes certification from CMS for these beds will be sought during FY 2017 and if certification is gained, will be maintained during the remainder of FY 2017 and future fiscal years.

The **2017 Legislature** added \$11.8 million, including \$9.0 million from the State General Fund; deleted \$9.0 million, all from special revenue funds, in FY 2017; and added \$6.6 million, including \$2.3 million from the State General Fund, for FY 2018 for increased operating costs and to replace federal and other funding lost due to the hospital being decertified for Medicaid and Medicare reimbursements. The Legislature also added \$4.7 million, all from the State General Fund, for both FY 2018 and FY 2019 and added language to open at least 20 additional beds for patients at OSH. If the facility could not open the beds at OSH, the funding was to be used to enter into a contract to provide patient beds through third-party facilities. The Legislature added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers, and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For OSH, the Legislature added \$435,825, all from the State General Fund, for both FY 2018 and FY 2019.

In addition, the **2017 Legislature** added language to require the agency issue a request for proposal for the construction of a 100-bed psychiatric care facility at OSH. The Legislature also added language to require the agency conduct an engineering survey on all buildings on the grounds of OSH to determine whether buildings can be renovated and the cost of renovation, or, if buildings cannot be renovated, the cost of demolition. The Legislature included language that reports on both topics should be presented to certain legislative committee's at the beginning of the 2018 Legislative Session.

The **2018 Legislature** added \$8.2 million, including \$7.9 million from the State General Fund, in FY 2018 and \$16.1 million, including \$7.2 million from the State General Fund, for FY 2019 for additional operating expenditures at OSH. Also, the Legislature deleted \$2.2 million, all from the State General Fund, and added \$2.2 million, all from the federal Title XIX Fund, in FY 2018 and added \$5.1 million, all from the State General Fund, and deleted \$5.1 million, all from

the federal Title XIX Fund, for FY 2019 to more closely match the agency's projections for federal revenue.

In addition, the **2018 Legislature** added \$603,774, including \$513,710 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$1.4 million in FY 2019 and \$2.0 million for FY 2020, all from the State General Fund, to decrease agency salary shrinkage; added \$4.0 million in FY 2019 and \$1.1 million for FY 2020, all from the State General Fund, and delete the same amounts from the federal Title XIX (Medicaid) Fund for an adjustment in the estimate for federal DSH revenue; and added \$668,099, including \$622,811 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGETED BED CAPACITY

The chart below shows the budgeted bed capacity at OSH.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
OSH Hospital	94	106	106	114	114
Adair Acute Care	52	52	60	60	60
TOTAL	146	158	166	174	174

AVERAGE DAILY CENSUS

The chart below shows the patient average daily census at OSH.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
OSH Hospital	100	96	100	102	103
Adair Acute Care	42	42	43	50	52
TOTAL	142	138	143	152	155

ADMISSIONS

The chart below shows admissions to OSH.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
OSH Hospital	295	244	250	315	315
Adair Acute Care	905	923	1,107	1,100	1,100
TOTAL	1,200	1,167	1,357	1,415	1,415

AVERAGE LENGTH OF STAY

The following chart shows the average length of stay for patients at OSH in days.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
OSH Hospital	66	171	140	140	140
Adair Acute Care	17	15	14	14	14

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$44.3 million, including \$36.3 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds increase of \$1.1 million, or 2.7 percent, and a State General Fund increase of \$896,942, or 2.5 percent, above the total amount approved by the 2019 Legislature. The increase is primarily attributable to the agency's supplemental request totaling \$869,942, all from the State General Fund, and 22.0 FTE positions to reallocate Sexual Predator Treatment Program (SPTP) Reintegration unit expenditures at OSH to the OSH budget in FY 2020. The increase is also attributable to an increase in supplies for patient medical care and an increase in the purchase of patient furniture. The revised estimate includes 497.5 FTE positions, which is an increase of 19.5 FTE positions above the number approved by the 2019 Legislature. The increase is primarily attributable to the agency supplemental request to reallocate positions for the SPTP Reintegration unit at OSH to the OSH budget, partially offset by the agency deleting 2.5 FTE vacant social work positions for FY 2020.

The agency's revised estimate does not include capital improvement expenditures in FY 2020.

The **Governor** recommends \$44.4 million, including \$36.4 million from the State General Fund, for operating expenditures in FY 2020. This is an all funds increase of \$90,418, or 0.2 percent, all from the State General Fund, above the agency's FY 2020 revised estimate. The increase is attributable to the Governor recommending the agency's supplemental request to reallocate expenditures and positions for the SPTP Reintegration unit at OSH from the LSH budget to the OSH budget and recommending adding an additional \$90,418, all from the State General Fund, to reallocate all expenditures for the SPTP Reintegration unit at OSH to the OSH budget in FY 2020.

The Governor concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$49.7 million, including \$41.1 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$5.4 million, or 12.2 percent, and a State General Fund increase of \$4.8 million, or 13.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's two enhancement requests totaling \$6.3 million, including \$5.8 million from the State General Fund, and 22.0 FTE positions for FY 2021. The FY 2021 request includes 497.5 FTE positions, which is the same number as the FY 2020 revised estimate.

The agency requests \$1.0 million, including \$500,000 from the State Institutions Building Fund and \$544,000 from special revenue funds, for capital improvements for FY 2021. The agency requests \$500,000, all from the State Institutions Building Fund, to renovate and remodel a building for patient care as part of the agency's enhancement request to open a 26-bed unit for patients. The agency requests \$544,000, all from the Osawatomie State Hospital Fee Fund, for new campus roads (\$300,000), new campus sidewalks (\$60,000), an air conditioning unit for the patient gymnasium (\$100,000), and resurfacing the patient indoor pool and repairing the pump (\$84,000).

The **Governor** recommends \$46.6 million, including \$38.1 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$3.1 million, or 6.2 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to remodel existing facilities to open a new 26-bed unit for patients for the full fiscal year, but recommending a lower amount of funding for the agency to remodel existing facilities to open a new 14-bed patient unit for half of the fiscal year for FY 2021. The Governor recommends the agency's enhancement request to reallocate expenditures and positions for the OSH SPTP Reintegration unit to the OSH budget for FY 2021.

The Governor concurs with the same amount of funding as the agency's request for capital improvements for FY 2021. However the Governor recommends that the agency's request for \$500,000 from the State Institutions Building Fund be used to open a 14-bed unit for patients rather than the agency's enhancement request for a 26-bed unit for patients.

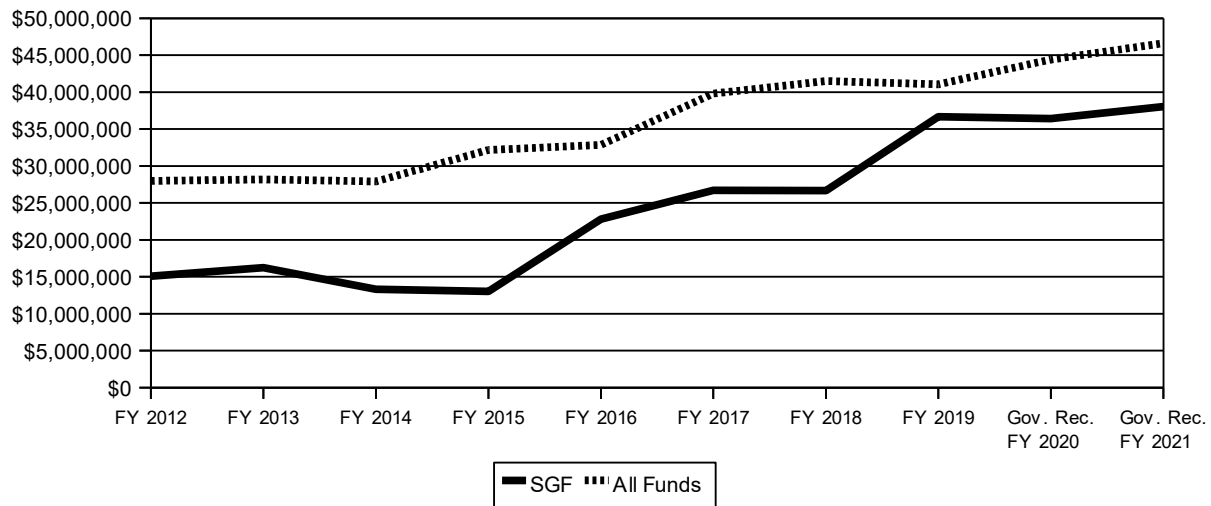
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Osawatomie State Hospital						
Average Daily Census	100	96	N/A	100	102	103
Average Restraint Hours per 1,000 Inpatient Hours	0.20	0.15	0.10	0.13	0.10	0.10
Average Seclusion Hours per 1,000 Inpatient Hours	0.15	0.15	N/A	0.19	0.15	0.15
Adair Acute Care						
Average Daily Census	42	42	N/A	43	50	52
Average Restraint Hours per 1,000 Inpatient Hours	0.42	0.42	0.31	0.11	0.30	0.30
Average Seclusion Hours per 1,000 Inpatient Hours	0.46	0.32	N/A	0.17	0.30	0.30
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 39.9	\$ 41.5	\$ 43.0	\$ 41.1	\$ 44.4	\$ 47.7
FTE Positions	217.6	374.1	478.0	385.9	497.5	497.5

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 15,064,074	0.3 %	\$ 27,979,050	(3.5)%	396.4
2013	16,215,056	7.6	28,186,959	0.7	396.4
2014	13,324,384	(17.8)	27,909,161	(1.0)	385.9
2015	13,031,486	(2.2)	32,163,859	15.2	483.1
2016	22,795,150	74.9	32,862,967	2.2	483.1
2017	26,696,212	17.1	39,811,533	21.1	217.6
2018	26,658,268	(0.1)	41,497,812	4.2	374.1
2019	36,681,808	37.6	41,055,505	(1.1)	385.9
2020 Gov. Rec.	36,431,196	(0.7)	44,411,997	8.2	497.5
2021 Gov. Rec.	38,061,781	4.5	46,631,828	5.0	497.5
Ten-Year Change Dollars/Percent	\$ 22,997,707	152.7 %	\$ 18,652,778	66.7 %	101.1

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	3,880,659	\$ 4,747,496	\$ 5,085,342	\$ 337,846	7.1 %	\$ 4,747,496	\$ 4,947,839	\$ 200,343	4.2 %
Staff Development and Training		44,788	183,983	191,492	7,509	4.1	183,983	191,492	7,509	4.1
Medical and Surgical Services		8,379,010	8,791,715	9,530,847	739,132	8.4	8,791,715	8,623,865	(167,850)	(1.9)
Clinical Services		21,199,231	21,964,649	24,223,178	2,258,529	10.3	21,964,649	23,144,701	1,180,052	5.4
SPTP Reintegration		0	896,942	1,195,924	298,982	33.3	987,360	1,195,924	208,564	21.1
Physical Plant/Central Services		7,551,817	7,736,794	9,481,985	1,745,191	22.6	7,736,794	8,528,007	791,213	10.2
TOTAL	\$	41,055,505	\$ 44,321,579	\$ 49,708,768	\$ 5,387,189	12.2 %	\$ 44,411,997	\$ 46,631,828	\$ 2,219,831	5.0 %
By Major Object of Expenditure:										
Salaries and Wages	\$	29,781,908	\$ 31,926,658	\$ 36,045,417	\$ 4,118,759	12.9 %	\$ 31,926,658	\$ 34,228,343	\$ 2,301,685	7.2 %
Contractual Services		7,696,615	9,102,920	9,378,184	275,264	3.0	9,193,338	8,678,898	(514,440)	(5.6)
Commodities		3,230,847	3,024,001	3,644,500	620,499	20.5	3,024,001	3,086,920	62,919	2.1
Capital Outlay		267,530	260,500	630,667	370,167	142.1	260,500	627,667	367,167	140.9
Debt Service		0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$	40,976,900	\$ 44,314,079	\$ 49,698,768	\$ 5,384,689	12.2 %	\$ 44,404,497	\$ 46,621,828	\$ 2,217,331	5.0 %
Aid to Local Units		0	0	0	0	--	0	0	0	--
Other Assistance		78,605	7,500	10,000	2,500	33.3	7,500	10,000	2,500	33.3
TOTAL	\$	41,055,505	\$ 44,321,579	\$ 49,708,768	\$ 5,387,189	12.2 %	\$ 44,411,997	\$ 46,631,828	\$ 2,219,831	5.0 %
Financing:										
State General Fund	\$	36,681,808	\$ 36,340,778	\$ 41,138,721	\$ 4,797,943	13.2 %	\$ 36,431,196	\$ 38,061,781	\$ 1,630,585	4.5 %
OSH Fee Fund		55,286	332,569	997,899	665,330	200.1	332,569	997,899	665,330	200.1
OSH Adair Fee Fund		2,063,733	1,991,909	2,588,906	596,997	30.0	1,991,909	2,588,906	596,997	30.0
Title XIX Fund		2,225,536	5,553,323	4,880,242	(673,081)	(12.1)	5,553,323	4,880,242	(673,081)	(12.1)
All Other Funds		29,142	103,000	103,000	0	0.0	103,000	103,000	0	0.0
TOTAL	\$	41,055,505	\$ 44,321,579	\$ 49,708,768	\$ 5,387,189	12.2 %	\$ 44,411,997	\$ 46,631,828	\$ 2,219,831	5.0 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$35,259,990 for Osawatomie State Hospital in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$183,846, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

These adjustments change the FY 2020 approved State General Fund amount to \$35,443,836. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 35,443,836	\$ 36,340,778	\$ 896,942	\$ 36,431,196	\$ 987,360
All Other Funds	7,732,999	7,980,801	247,802	7,980,801	247,802
TOTAL	\$ 43,176,835	\$ 44,321,579	\$ 1,144,744	\$ 44,411,997	\$ 1,235,162
FTE Positions	478.0	497.5	19.5	497.5	19.5

The **agency** requests a revised estimate of \$44.3 million, including \$36.3 million from the State General Fund, for operating expenditures and capital improvements in FY 2020. For total expenditures, this is an all funds increase of \$1.1 million, or 2.7 percent, and a State General Fund increase of \$896,942, or 2.5 percent, above the amount approved by the 2019 Legislature. The increase is primarily attributable to the agency's supplemental request totaling \$869,942, all from the State General Fund, and 22.0 FTE positions to reallocate Sexual Predator Treatment Program (SPTP) Reintegration unit expenditures at OSH to the OSH budget in FY 2020. The increase is also attributable to an increase in supplies for patient medical care and an increase in the purchase of patient furniture.

The agency's FY 2020 revised estimate does not include capital improvement expenditures, which is a decrease of \$10,000, as the total agency budget approved by the 2019 Legislature included \$10,000 in capital improvement expenditures for minor projects. The revised estimate includes 497.5 FTE positions, which is an increase of 19.5 FTE positions above the number approved by the 2019 Legislature. The increase is primarily attributable to the agency's supplemental request to reallocate positions for the SPTP Reintegration unit at OSH to the OSH budget, partially offset by the agency deleting 2.5 FTE vacant social work positions for FY 2020.

Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$31.9 million, including \$26.4 million from the State General Fund, for salaries and wages in FY 2020. This is an all funds decrease of \$491,893, or 1.5 percent, and a State General Fund decrease of \$3.5 million, or 11.6 percent, below the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salary expenditures, as the agency reallocated some salary expenditures to contractual services due to difficulty filling permanent positions. The decrease is partially offset by the increase in salary expenditures due to the agency's supplemental request to reallocate SPTP Reintegration unit expenditures at OSH to the OSH budget in FY 2020;
- **Contractual Services.** The agency requests \$9.1 million, including \$7.2 million from the State General Fund, for contractual services in FY 2020. This is an all funds increase of \$489,613, or 5.7 percent, and a State General Fund increase of \$2.8 million, or 64.1 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contract staffing and an increase in contract services for patients due to the agency's supplemental request to reallocate expenditures for the SPTP Reintegration unit at OSH to the OSH budget in FY 2020;
- **Commodities.** The agency requests \$3.0 million, including \$2.5 million from the State General Fund, for commodities in FY 2020. This is an all funds increase of \$921,184, or 43.8 percent, and a State General Fund increase of \$1.3 million, or 117.0 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in supplies for patient treatment in the Medical and Surgical Services program;
- **Capital Outlay.** The agency requests \$260,500, all from the State General Fund, for capital outlay in FY 2020. This is an all funds increase of \$228,340, or 710.0 percent, and a State General Fund increase of \$236,500, or 985.4 percent, above the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in the purchase of furniture and fixtures for patient rooms and an increase in computer expenditures; and
- **Other Assistance.** The agency requests \$7,500, all from the State General Fund, in FY 2020. This is an increase of \$7,500, as the agency's budget approved by the 2019 Legislature did not include other assistance expenditures in FY 2020. The increase is attributable to an increase in stipends for patients due to the agency's supplemental request to reallocate expenditures for the SPTP Reintegration unit at OSH to the OSH budget in FY 2020.

The **Governor** recommends \$44.4 million, including \$36.4 million from the State General Fund, for total expenditures in FY 2020. This is an all funds increase of \$90,418, or 0.2 percent, all from the State General Fund, above the agency's FY 2020 revised estimate. The increase is attributable to the Governor recommending the agency's supplemental request to reallocate expenditures and positions for the SPTP Reintegration unit at OSH from the LSH budget to the OSH budget and recommending adding an additional \$90,418, all from the State General Fund, to reallocate all expenditures for the SPTP Reintegration unit at OSH to the OSH budget in FY 2020.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
SPTP Reintegration Expenditures Reallocated to OSH	\$ 869,942	\$ 869,942	22.0	\$ 987,360	\$ 987,360	22.0

The **agency** requests one supplemental request totaling \$869,942, all from the State General Fund, and 22.0 FTE positions in FY 2020.

SPTP Reintegration Expenditures Reallocated to OSH. The agency requests \$869,942, all from the State General Fund, and 22.0 FTE positions, to reallocate expenditures and positions for the Sexual Predator Treatment Program (SPTP) Reintegration unit at OSH from the Larned State Hospital (LSH) budget to the OSH budget in FY 2020. The FY 2020 total reflects funding for three quarters for the fiscal year, while expenditures for the first quarter of the fiscal year are reflected in the LSH budget.

The **Governor** recommends one supplemental totaling \$987,360, all from the State General Fund and 22.0 FTE positions, in FY 2020. The Governor recommends the agency's supplemental request to reallocate expenditures and positions for the SPTP Reintegration unit at OSH from the LSH budget to the OSH budget and recommends adding an additional \$90,418, all from the State General Fund, to reallocate all expenditures for the SPTP Reintegration unit at OSH to the OSH budget in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 49,708,768	\$ 46,631,828	\$	(3,076,940)
FTE Positions	497.5	497.5		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 4,797,943	\$ 1,630,585		
All Other Funds	589,246	589,246		
TOTAL	\$ 5,387,189	\$ 2,219,831		
<i>Percent Change:</i>				
State General Fund	13.2 %	4.5 %		
All Other Funds	7.4	7.4		
TOTAL	12.2 %	5.0 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests \$49.7 million, including \$41.1 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$5.4 million, or 12.2 percent, and a State General Fund increase of \$4.8 million, or 13.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's two enhancement requests totaling \$6.3 million, including \$5.8 million from the State General Fund, and 22.0 FTE positions for FY 2021. The FY 2021 request includes 497.5 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$36.0 million, including \$31.2 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$4.1 million, or 12.9 percent, and a State General Fund increase of \$4.8 million, or 18.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in salary expenditures and an adjustment in salary shrinkage associated with the enhancement request to open a 26-bed unit for patients, the enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget, and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$9.4 million, including \$6.8 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$275,264, or 3.0 percent, and a State General Fund decrease of \$454,686, or 6.3 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contractual services for patient care as part of the agency's enhancement request to open a 26-bed unit for patients and the enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget, partially offset by a decrease in contract staffing expenditures;
- **Commodities.** The agency requests \$3.6 million, including \$2.9 million from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$620,499, or 20.5 percent, and a State General Fund increase of \$423,613, or 17.6 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for patient care due to the agency's enhancement request to open a 26-bed unit for patients, the enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget, and an increase in food for patients;
- **Capital Outlay.** The agency requests \$630,667, including \$263,500 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$370,167, or 142.1 percent, and a State General Fund increase of \$3,000, or 1.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the purchase of four half-ton facility service trucks, one facility services cab and chassis, one escort van, a new patient food tray operating system, and a new washer in the laundry department; and
- **Other Assistance.** The agency requests \$10,000, all from the State General Fund, for other assistance for FY 2021. This is an increase of \$2,500, or 33.3 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in patient stipends, due to the agency's enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget for four quarters of the fiscal year for FY 2021.

The **Governor** recommends \$46.6 million, including \$38.1 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$3.1 million, or 6.2 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to remodel existing facilities to open a new 26-bed unit for patients for the full fiscal year, but recommending a lower amount of funding for the agency to remodel existing facilities to open a new 14-bed patient unit for half of the fiscal year for FY 2021. The Governor recommends the agency's enhancement request to reallocate expenditures and positions for the OSH SPTP Reintegration unit to the OSH budget for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
26-Bed Patient Unit for a Full Year	\$ 4,576,940	\$ 5,076,940	0.0	\$ 0.0	\$ 0.0	0.0
SPTP Reintegration Expenditures Reallocated to OSH	1,195,924	1,195,924	22.0	1,195,924	1,195,924	22.0
14-Bed Patient Unit for Half a Year	0.0	0.0	0.0	1,500,000	2,000,000	0.0
TOTAL	\$ 5,772,864	\$ 6,272,864	22.0	\$ 2,695,924	\$ 3,195,924	22.0

The **agency** requests two enhancements totaling \$6.3 million, including \$5.8 million from the State General Fund, for 22.0 FTE positions for FY 2021.

New Patient Unit. The agency requests \$5.1 million, including \$4.6 million from the State General Fund, to open a new 26-bed inpatient bed unit for FY 2021. The agency states it would use this funding to remodel and renovate a current building to house the new unit in anticipation of lifting the moratorium that limits involuntary admissions at a number below the licensed capacity of the hospital and prohibits all voluntary admissions. The agency states these additional inpatient psychiatric beds would be included within the hospital's licensed beds, but would not be certified for federal reimbursements for the cost of patient care. In order to open the additional beds, the agency states it will need to hire qualified employees to staff the facility at all times, including hiring clinical staff, nurses, mental health developmental disability technicians, social workers, safety and security officers, and housekeepers. The agency is also requesting funding to cover operating costs, such as dietary services, pharmacy services, and other supplies necessary for patient care.

SPTP Reintegration Expenditures Reallocated to OSH. The agency requests \$1.2 million, all from the State General Fund, and 22.0 FTE positions to reallocate expenditures and positions for the Sexual Predator Treatment Program (SPTP) Reintegration unit at OSH to the OSH budget for FY 2021. This enhancement continues the supplemental request in FY 2020 for four quarters for the fiscal year, while the FY 2020 supplemental request includes three quarters of the fiscal year.

The **Governor** recommends two enhancements totaling \$3.2 million, including \$2.7 million from the State General Fund, and 22.0 FTE positions for FY 2021. The Governor recommends the agency's request to reallocate expenditures and positions for the SPTP Reintegration unit at OSH from the LSH budget to the OSH budget for four quarters of the fiscal year for FY 2021. The Governor does not recommend the agency's request to open a new 26-bed patient unit for the full year, but recommends \$2.0 million, including \$1.5 million from the State General Fund, for a 14-bed patient unit for half of the fiscal year for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$668,099, including \$622,811 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$34,840, including \$28,812 from the State General Fund, and FY 2021 longevity payments total \$37,160, including \$31,918 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	82.8 %	81.6 %
OSH Fee Fund	2.0	2.1
OSH Adair Fee Fund	5.2	5.6
Title XIX Funds	9.8	10.5
All Other Funds	0.2	0.2
TOTAL	100.0 %	100.0 %

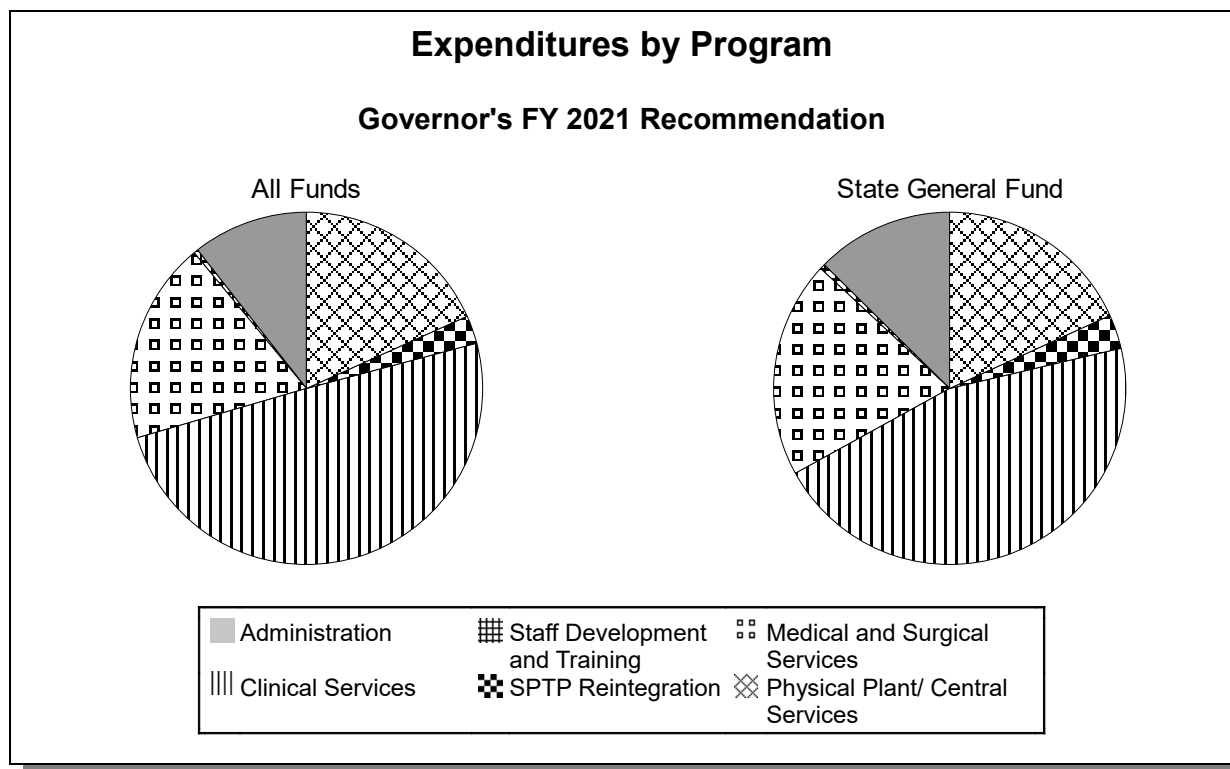
Note: Totals may not add due to rounding.

Osawatomie State Hospital Fee Fund Analysis

KSA 76-1201c provides that the superintendent of OSH shall remit all moneys received from charges made under KSA 59-2006 and deposit the moneys into the Osawatomie State Hospital Fee Fund. KSA 59-2006 relates to the duty of parents and spouses to pay for the maintenance, care, and treatment of a patient in a state institution. Revenue and expenditures in this section include both the Osawatomie State Hospital Fee Fund and the Osawatomie State Hospital Adair Fee Fund.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 1,097,139	\$ 2,613,464	\$ 2,613,464	\$ 3,924,199	\$ 3,924,199
Revenue	3,635,344	3,635,213	3,635,213	3,635,213	3,635,213
Transfers in	0	0	0	0	0
Funds Available	\$ 4,732,483	\$ 6,248,677	\$ 6,248,677	\$ 7,559,412	\$ 7,559,412
Less:					
Expenditures	\$ 2,119,019	\$ 2,324,478	\$ 2,324,478	\$ 4,130,805	\$ 4,130,805
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 2,613,464	\$ 3,924,199	\$ 3,924,199	\$ 3,428,607	\$ 3,428,607
Ending Balance as Percent of Expenditures	123.3%	168.8%	168.8%	83.0%	83.0%
Month Highest Ending Balance	February \$ 4,226,923	February \$ 6,346,859	February \$ 6,346,859	February \$ 5,545,307	February \$ 5,545,307
Month Lowest Ending Balance	July \$ 2,381,373	July \$ 3,575,707	July \$ 3,575,707	July \$ 3,124,127	July \$ 3,124,127

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 4,947,839	10.6 %	\$ 4,719,655	12.4 %
Staff Development and Training	191,492	0.4	182,127	0.5
Medical and Surgical Services	8,623,865	18.5	7,600,217	20.0
Clinical Services	23,144,701	49.6	17,423,513	45.8
SPTP Reintegration	1,195,924	2.6	1,195,924	3.1
Physical Plant/Central Services	8,528,007	18.3	6,940,345	18.2
TOTAL	\$ 46,631,828	100.0 %	\$ 38,061,781	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	33.0	39.5	39.5	39.5	39.5
Staff Development and Training	0.0	2.0	2.0	2.0	2.0
Medical and Surgical Services	24.0	30.0	30.0	30.0	30.0
Clinical Services	249.3	313.4	313.4	313.4	313.4
SPTP Reintegration	0.0	22.0	22.0	22.0	22.0
Physical Plant	79.6	90.6	90.6	90.6	90.6
TOTAL	385.9	497.5	497.5	497.5	497.5
<i>Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.</i>					

A. Administration

The Administration program provides the overarching structure for the hospital. This program ensures the activities necessary to manage the facility are completed, treatment standards are upheld to ensure that patients receive proper care and treatment, and the hospital maintains accreditation. Activities included within this program are planning, accounting, budgeting, human resources, reimbursement, payroll systems, legal services, technology management, performance improvement, and accreditation. Expenditures for staff education are also included under the Administration program. The Administration program includes \$2,864, including \$1,930 from the State General Fund, in FY 2019 actual expenditures for the Trust and Benefits program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Osawatomie State Hospital						
Employee Turnover Rate*	36.00 %	12.00 %	N/A	14.70 %	5.00 %	5.00 %
Vacancy Rate for Direct Care Staff*	8.60 %	11.30 %	N/A	24.80 %	10.00 %	10.00 %
Adair Acute Care						
Employee Turnover Rate*	36.00 %	11.50 %	N/A	10.00 %	5.00 %	5.00 %
Vacancy Rate for Direct Care Staff*	8.60 %	11.30 %	N/A	10.00 %	10.00 %	10.00 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.7	\$ 3.9	\$ 4.5	\$ 3.9	\$ 4.7	\$ 4.9
FTE Positions	28.0	36.0	42.5	33.0	39.5	39.5
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,215,351	\$ 2,449,309	\$ 2,449,309	\$ 2,707,901	\$ 2,648,651
Contractual Services	1,442,011	2,089,983	2,089,983	2,167,886	2,090,133
Commodities	62,243	50,204	50,204	51,555	51,055
Capital Outlay	160,659	158,000	158,000	158,000	158,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 3,880,264</i>	<i>\$ 4,747,496</i>	<i>\$ 4,747,496</i>	<i>\$ 5,085,342</i>	<i>\$ 4,947,839</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	395	0	0	0	0
TOTAL	\$ 3,880,659	\$ 4,747,496	\$ 4,747,496	\$ 5,085,342	\$ 4,947,839
Financing:					
State General Fund	\$ 3,602,370	\$ 4,519,342	\$ 4,519,342	\$ 4,857,158	\$ 4,719,655
All Other Funds	278,289	228,154	228,154	228,184	228,184
TOTAL	\$ 3,880,659	\$ 4,747,496	\$ 4,747,496	\$ 5,085,342	\$ 4,947,839
FTE Positions	33.0	39.5	39.5	39.5	39.5

The **agency** requests \$5.1 million, including \$4.9 million from the State General Fund, for the Administration program for FY 2021. This is an all funds increase of \$337,846, or 7.1 percent, and a State General Fund increase of \$337,816, or 7.5 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to expenditures associated with the agency's enhancement request to open a new 26-bed unit for patients (\$137,503) and an increase in salaries and wages fringe benefits. The program includes 39.5 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$2.7 million, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$258,592, or 10.6 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an adjustment in salary shrinkage as part of the agency's enhancement request to open a 26-bed unit for patients and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$2.2 million, including \$1.9 million from the State General Fund, for contractual services for FY 2021. This is an increase of \$77,903, or 3.7 percent, all from the State General Fund, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in contract services related to increased staffing for the agency's enhancement request to open a 26-bed unit for patients;
- **Commodities.** The agency requests \$51,555, including \$50,025 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$1,351, or 2.7 percent, and a State General Fund increase of \$1,321, or 2.7 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in supplies as part of the agency's enhancement request to open a new 26-bed unit for patients and an increase in office supplies; and

- **Capital Outlay.** The agency requests \$158,000, all from the State General Fund, for capital outlay for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** recommends \$4.9 million, including \$4.7 million from the State General Fund, for FY 2021. This is a decrease of \$137,503, or 2.7 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to open a 26-bed unit for patients for FY 2021.

B. Staff Development and Training

The Staff Development and Training program provides competency-based training and educational opportunities that promote individual performance, facilitate personal growth, and enhance positive outcomes

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Osawatomie State Hospital						
Percent of Staff to Complete Orientation*	69.0 %	69.0 %	N/A	73.0 %	75.0 %	80.0 %
Adair Acute Care						
Percent of Staff to Complete Orientation*	69.0 %	69.0 %	N/A	73.0 %	75.0 %	80.0 %
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 93.5	\$ 112.7	\$ 100.9	\$ 44.8	\$ 184.0	\$ 191.5
FTE Positions	0.0	2.0	2.0	0.0	2.0	2.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

STAFF DEVELOPMENT AND TRAINING SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 19,146	\$ 151,644	\$ 151,644	\$ 158,629	\$ 158,629
Contractual Services	2,365	3,139	3,139	3,139	3,139
Commodities	23,277	29,200	29,200	29,724	29,724
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 44,788	\$ 183,983	\$ 183,983	\$ 191,492	\$ 191,492
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 44,788	\$ 183,983	\$ 183,983	\$ 191,492	\$ 191,492
Financing:					
State General Fund	\$ 42,793	\$ 174,733	\$ 174,733	\$ 182,127	\$ 182,127
All Other Funds	1,995	9,250	9,250	9,365	9,365
TOTAL	\$ 44,788	\$ 183,983	\$ 183,983	\$ 191,492	\$ 191,492
FTE Positions	0.0	2.0	2.0	2.0	2.0

The **agency** requests \$191,492, including \$182,127 from the State General Fund, for the Staff Development and Training program for FY 2021. This is an all funds increase of \$7,509, or 4.1 percent, and a State General Fund increase of \$7,394, or 4.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in salaries and wages fringe benefits. The program includes 2.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$158,629, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$6,985, or 4.6 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$3,139, including \$2,639 from the State General Fund, for contractual services for FY 2021. This is the same all funds and State General Fund amounts as the FY 2020 revised estimate; and
- **Commodities.** The agency requests \$29,724, including \$20,859 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$524, or 1.8 percent, and a State General Fund increase of \$409, or 2.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for employee training.

The **Governor** concurs with the agency's request for FY 2021.

C. Medical and Surgical Services

The Medical and Surgical Services program includes all psychiatric and medical services provided to the hospital patients. From the initial evaluation, through day-to-day care, and up to

the point of discharge, the medical staff provides medical and medication management for the patients being treated at the hospital. Coverage is provided around the clock, 365 days a year, so that a physician is always available to address the treatment needs of the patients. In addition, ancillary treatment is provided by the Medical Laboratory, Pharmacy, Dentistry, Podiatry, Physical Therapy, and other contracted services as appropriate to meet the needs of the patient.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Osawatomie State Hospital						
Percent of Patients Having a Discharge Summary Completed within 30 Days of Discharge*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Patients Having an Evaluation Completed and Documented within 24 Hours of Admission*	94.0 %	92.0 %	N/A	99.0 %	100.0 %	100.0 %
Adair Acute Care						
Percent of Patients Having a Discharge Summary Completed within 30 Days of Discharge*	N/A	100.0 %	N/A	97.0 %	97.0 %	97.0 %
Percent of Patients Having an Evaluation Completed and Documented within 24 Hours of Admission*	N/A	100.0 %	N/A	99.0 %	99.0 %	99.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.0	\$ 7.9	\$ 7.8	\$ 8.4	\$ 8.8	\$ 8.6
FTE Positions	7.0	24.0	26.0	24.0	30.0	30.0
*The Governor's Office does not utilize this measure for evaluation purposes.						

MEDICAL AND SURGICAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,819,172	\$ 4,727,449	\$ 4,727,449	\$ 5,059,999	\$ 4,530,479
Contractual Services	1,460,184	2,172,100	2,172,100	2,323,033	2,168,033
Commodities	2,092,952	1,883,166	1,883,166	2,135,815	1,916,353
Capital Outlay	6,702	9,000	9,000	12,000	9,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 8,379,010</i>	<i>\$ 8,791,715</i>	<i>\$ 8,791,715</i>	<i>\$ 9,530,847</i>	<i>\$ 8,623,865</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 8,379,010	\$ 8,791,715	\$ 8,791,715	\$ 9,530,847	\$ 8,623,865
Financing:					
State General Fund	\$ 7,703,340	\$ 8,632,909	\$ 8,632,909	\$ 8,507,199	\$ 7,600,217
All Other Funds	675,670	158,806	158,806	1,023,648	1,023,648
TOTAL	\$ 8,379,010	\$ 8,791,715	\$ 8,791,715	\$ 9,530,847	\$ 8,623,865
FTE Positions	24.0	30.0	30.0	30.0	30.0

The **agency** requests \$9.5 million, including \$8.5 million from the State General Fund, for the Medical and Surgical Services program for FY 2021. This is an all funds increase of \$739,132, or 8.4 percent, and a State General Fund decrease of \$125,710, or 1.5 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to expenditures associated with the agency's enhancement request to open a 26-bed unit for patients (\$906,982), partially offset by an adjustment in salary shrinkage. The program includes 30.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$5.1 million, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$332,550, or 7.0 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an adjustment in salary shrinkage as part of the agency's enhancement request to open a 26-bed unit for patients and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$2.3 million, including \$1.5 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$150,933, or 6.9 percent, and a State General Fund decrease of \$584,737, or 28.7 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in rent, contract medical services for patients, and other contract medical services for patients related to increased staffing for the agency's enhancement request to open a 26-bed unit for patients;
- **Commodities.** The agency requests \$2.1 million, including \$2.0 million from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$252,649, or 13.4 percent, and a State General Fund increase of \$123,447, or 6.7 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in supplies for medical treatment for patients as part of the agency's enhancement request to open a 26-bed unit for patients; and
- **Capital Outlay.** The agency requests \$12,000, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$3,000, or 33.3 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in medical equipment for patient care as part of the agency's enhancement request to open a 26-bed unit for patients.

The **Governor** recommends \$8.6 million, including \$7.6 million from the State General Fund, for FY 2021. This is an all fund decrease of \$906,982, or 9.5 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to open a 26-bed unit for patients for FY 2021.

D. Clinical Services

The Clinical Services program provides most group and individual psychotherapy for inpatient care at OSH. Service is provided to 158 licensed beds across five distinct treatment programs and therapeutic activities occur seven days a week, 365 days a year. Within each treatment program, the care for the patient is individualized per the patient's unique presenting concerns, with coordination and oversight being provided by an interdisciplinary team of mental

health professionals. The approach used in each program is drawn from evidenced-based practices, and this approach is regularly reviewed to ensure it remains an accepted and effective standard of care. Clinical Services includes the activity therapies subprogram, which provides patients with specialized clinical services in music, vocational, and recreational therapy, as well as more general leisure skills training consistent with their presenting psychiatric concerns.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Osawatomie State Hospital						
Percent of Nursing Assessments Completed within 8 Hours of Admission for All Patients*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Nursing Care Plans Initiated within 8 Hours of Admission*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Patients with a Comprehensive Discharge Plan Developed and Implemented Prior to Discharge*	100.0 %	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Percent of Patients Who Are Readmitted within 30 Days of Discharge*	3.0 %	3.0 %	N/A	6.0 %	3.0 %	3.0 %
Adair Acute Care						
Percent of Patients with a Comprehensive Discharge Plan Developed and Implemented Prior to Discharge*	N/A	95.0 %	N/A	88.0 %	95.0 %	95.0 %
Percent of Patients who are Readmitted within 30 Days of Discharge*	N/A	4.0 %	N/A	8.3 %	5.0 %	5.0 %
Percent of Treatment Plans Completed within 72 Hours of Admission*	N/A	N/A	N/A	97.0 %	99.0 %	99.0 %
Percent of Treatment Plan Goals that Are Measurable*	N/A	N/A	N/A	88.5 %	99.0 %	99.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 21.7	\$ 22.5	\$ 23.0	\$ 21.2	\$ 22.0	\$ 23.1
FTE Positions	127.0	247.5	320.9	249.3	313.4	313.4
*The Governor's Office does not utilize this measure for evaluation purposes.						

CLINICAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 18,728,152	\$ 19,554,285	\$ 19,554,285	\$ 22,039,236	\$ 21,237,452
Contractual Services	2,396,898	2,344,136	2,344,136	2,109,313	1,839,644
Commodities	74,181	66,228	66,228	74,629	67,605
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 21,199,231</i>	<i>\$ 21,964,649</i>	<i>\$ 21,964,649</i>	<i>\$ 24,223,178</i>	<i>\$ 23,144,701</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 21,199,231	\$ 21,964,649	\$ 21,964,649	\$ 24,223,178	\$ 23,144,701
Financing:					
State General Fund	\$ 18,055,664	\$ 15,536,623	\$ 15,536,623	\$ 18,501,990	\$ 17,423,513
All Other Funds	3,143,567	6,428,026	6,428,026	5,721,188	5,721,188
TOTAL	\$ 21,199,231	\$ 21,964,649	\$ 21,964,649	\$ 24,223,178	\$ 23,144,701
FTE Positions	249.3	313.4	313.4	313.4	313.4

The **agency** requests \$24.2 million, including \$18.5 million from the State General Fund, for the Clinical Services program for FY 2021. This is an all funds increase of \$2.3 million, or 10.3 percent, and a State General Fund increase of \$3.0 million, or 19.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to expenditures associated with the agency's enhancement request to open a 26-bed unit for patients (\$2.6 million) and an increase in salaries and wages fringe benefits, partially offset by a decrease in contract staffing expenditures. The program includes 313.4 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$22.0 million, including \$17.2 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$2.5 million, or 12.7 percent, and a State General Fund increase of \$3.2 million, or 22.7 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an adjustment in salary shrinkage as part of the agency's enhancement request to open a 26-bed unit for patients and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$2.1 million, including \$1.2 million from the State General Fund, for contractual services for FY 2021. This is an all funds decrease of \$234,823, or 10.0 percent, and a State General Fund decrease of \$228,103, or 15.4 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in contract staffing; and
- **Commodities.** The agency requests \$74,629, including \$42,609 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$8,401, or 12.7 percent, and a State General Fund increase of \$12,762, or 42.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to supplies associated with the agency's enhancement request to open a 26-bed unit for patients.

The **Governor** recommends \$23.1 million, including \$17.4 million from the State General Fund, for FY 2021. This is an all funds decrease of \$1.1 million, or 4.5 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is primarily attributable to a decrease of \$2.6 million due to the Governor not recommending the agency's enhancement request to open a 26-bed unit for patients for the full fiscal year, partially offset by an increase of \$1.5 million associated with the Governor's recommendation to open a 14-bed patient unit for half of the fiscal year for FY 2021.

E. Sexual Predator Treatment Program Reintegration Unit

The Sexual Predator Treatment Program (SPTP) is a reintegration unit at OSH that offers individuals meeting strict, specified objectives a chance to re-enter the public sector. The reintegration program at OSH provides a variety of supports to each individual, such as a monthly stipend, travel to and from job searches and work settings, and professional counseling. All medical needs, including physician visits, hospital treatment services, and prescription medications, also are supported by the program utilizing community providers. Only after all objectives have been met will an individual be evaluated for the opportunity to re-enter a public setting. In FY 2019, the average daily census was 7 patients. The agency estimates an average daily census of 12 patients in FY 2020 and 16 patients for FY 2021. (*Note: Prior to the current budget request, expenditures for the SPTP Reintegration unit at OSH were included within the budget of Larned State Hospital.*)

PERFORMANCE MEASURES							
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021	
No performance measures were submitted for this program							
Agency Expenditures							
All Funds (Dollars in Millions)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 1.0	\$ 1.2	
FTE Positions	N/A	N/A	N/A	N/A	22.0	22.0	

**SEXUAL PREDATOR TREATMENT PROGRAM REINTEGRATION UNIT
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 731,231	\$ 731,231	\$ 956,175	\$ 956,175
Contractual Services	0	137,405	227,823	201,454	201,454
Commodities	0	20,806	20,806	28,295	28,295
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 0</i>	<i>\$ 889,442</i>	<i>\$ 979,860</i>	<i>\$ 1,185,924</i>	<i>\$ 1,185,924</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	7,500	7,500	10,000	10,000
TOTAL	\$ 0	\$ 896,942	\$ 987,360	\$ 1,195,924	\$ 1,195,924
Financing:					
State General Fund	\$ 0	\$ 896,942	\$ 987,360	\$ 1,195,924	\$ 1,195,924
All Other Funds	0	0	0	0	0
TOTAL	\$ 0	\$ 896,942	\$ 987,360	\$ 1,195,924	\$ 1,195,924
FTE Positions	0.0	22.0	22.0	22.0	22.0

The **agency** requests \$1.2 million, all from the State General Fund, for the Sexual Predator Treatment Program Reintegration program for FY 2021. This is an increase of \$298,982, or 33.3 percent, above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to reallocate SPTP Reintegration unit funding for the SPTP Reintegration unit at OSH to the OSH budget for FY 2021. The amount for FY 2021 is higher than the revised estimate in FY 2020, as the agency states the FY 2021 amount reflects funding for four quarters for the fiscal year, while the FY 2020 supplemental request includes three quarters of the fiscal year. The program includes 22.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$956,175, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$224,944, or 30.8 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in salary expenditures due to the agency's enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget for four quarters of FY 2021;
- **Contractual Services.** The agency requests \$201,454, all from the State General Fund, for contractual services for FY 2021. This is an increase of \$64,049, or 46.6 percent, above the FY 2020 revised estimate. The increase is attributable to increased contract services for patients, including utilities and medical services, due to the agency's enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget for all four quarters of FY 2021;
- **Commodities.** The agency requests \$28,295, all from the State General Fund, for commodities for FY 2021. This is an increase of \$7,489, or 36.0 percent, above the FY 2020 revised estimate. The increase is attributable to an increase in computer supplies and gasoline for patient transportation due to the agency's

enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget for four quarters of FY 2021; and

- **Other Assistance.** The agency requests \$10,000, all from the State General Fund, for other assistance for FY 2021. This is an increase of \$2,500, or 33.3 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in patient stipends due to the agency's enhancement request to reallocate expenditures for the SPTP Reintegration unit to the OSH budget for four quarters of FY 2021.

The **Governor** concurs with the agency's request for FY 2021.

F. Physical Plant/Central Services

The Physical Plant and Central Services program operates a central heating plant; maintains buildings, grounds, and equipment; furnishes dietary and laundry services; and provides supplies for other programs. The OSH campus includes 130 acres and 48 buildings.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
No performance measures were submitted for this program						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.3	\$ 7.2	\$ 7.6	\$ 7.6	\$ 7.7	\$ 8.5
FTE Positions	55.6	64.6	86.6	79.6	90.6	90.6

PHYSICAL PLANT/CENTRAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,000,087	\$ 4,312,740	\$ 4,312,740	\$ 5,123,477	\$ 4,696,957
Contractual Services	2,395,157	2,356,157	2,356,157	2,573,359	2,376,495
Commodities	978,194	974,397	974,397	1,324,482	993,888
Capital Outlay	100,169	93,500	93,500	460,667	460,667
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 7,473,607</i>	<i>\$ 7,736,794</i>	<i>\$ 7,736,794</i>	<i>\$ 9,481,985</i>	<i>\$ 8,528,007</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	78,210	0	0	0	0
TOTAL	\$ 7,551,817	\$ 7,736,794	\$ 7,736,794	\$ 9,481,985	\$ 8,528,007
Financing:					
State General Fund	\$ 7,277,641	\$ 6,580,229	\$ 6,580,229	\$ 7,894,323	\$ 6,940,345
All Other Funds	274,176	1,156,565	1,156,565	1,587,662	1,587,662
TOTAL	\$ 7,551,817	\$ 7,736,794	\$ 7,736,794	\$ 9,481,985	\$ 8,528,007
FTE Positions	79.6	90.6	90.6	90.6	90.6

The **agency** requests \$9.5 million, including \$7.9 million from the State General Fund, for the Physical Plant and Central Services program for FY 2021. This is an all funds increase of \$1.7 million, or 22.6 percent, and a State General Fund increase of \$1.3 million, or 20.0 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to expenditures for the agency's enhancement request to open a 26-bed unit for patients (\$953,978), an increase in salaries and wages fringe benefits, replacement of vehicles for patient transportation and grounds maintenance, and equipment for road and sidewalk repairs. The program includes 90.6 FTE positions, which is the same number as the FY 2020 revised estimate. The categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$5.1 million, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$810,737, or 18.8 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in salary expenditures and an adjustment in salary shrinkage as part of the agency's enhancement request to open a 26-bed unit for patients and an increase in salaries and wages fringe benefits;
- **Contractual Services.** The agency requests \$2.6 million, including \$1.9 million from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$217,202, or 9.2 percent, and a State General Fund increase of \$216,202, or 12.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request to open a 26-bed unit for patients and an increase in contract grounds maintenance expenditures;
- **Commodities.** The agency requests \$1.3 million, including \$772,526 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$350,085, or 35.9 percent, and a State General Fund increase of \$287,155, or 59.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request to open a 26-bed unit for patients and an increase in food services for patients; and
- **Capital Outlay.** The agency requests \$460,667, including \$93,500 from the State General Fund, for capital outlay for FY 2021. This is an increase of \$367,167, or 392.7 percent, all from special revenue funds, above the FY 2020 revised estimate. The increase is primarily attributable to four half-ton facility service trucks, one facility services cab and chassis, one escort van, a new patient food tray operating system, and a new washer in the laundry department.

The **Governor** recommends \$8.5 million, including \$6.9 million from the State General Fund, for FY 2021. This is an all funds decrease of \$953,978, or 10.1 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to renovate and remodel an existing building to open a new 26-bed unit for patients for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
26-Bed Patient Unit Remodel	\$ 0	\$ 0	\$ 500,000	\$ 0
Campus Roads	0	0	300,000	300,000
Campus Sidewalks	0	0	60,000	60,000
Air Conditioning Unit for Patient Gymnasium	0	0	100,000	100,000
Indoor Pool Resurfacing and Pump Repairs	0	0	84,000	84,000
14-Bed Patient Unit Remodel	0	0	0	500,000
TOTAL	\$ 0	\$ 0	\$ 1,044,000	\$ 1,044,000
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	0	0	500,000	500,000
All Other Funds	0	0	544,000	544,000
TOTAL	\$ 0	\$ 0	\$ 1,044,000	\$ 1,044,000

FY 2020 – Current Year. The **agency** does not request any capital improvement expenditures in FY 2020.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$1.0 million, including \$500,000 from the State Institutions Building Fund and \$544,000 from special revenue funds, for capital improvements for FY 2021. The agency requests \$500,000, all from the State Institutions Building Fund, to renovate and remodel a building for patient care as part of the agency's enhancement request to open a 26-bed unit for patients. The agency requests \$544,000, all from the Osawatomie State Hospital Fee Fund, for new campus roads (\$300,000), new campus sidewalks (\$60,000), an air conditioning unit for the patient gymnasium (\$100,000), and resurfacing the patient indoor pool and repairing the pump (\$84,000).

The **Governor** concurs with the same amount of funding as the agency's request for capital improvements for FY 2021. However, the Governor recommends the agency's request for \$500,000 from the State Institutions Building Fund be used to open a 14-bed unit for patients rather than the agency's enhancement request concerning a 26-bed unit for patients.

KANSAS COMMISSION ON VETERANS' AFFAIRS OFFICE

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 5,715,188	\$ 5,865,714	\$ 5,865,714	\$ 5,970,859	\$ 5,854,967
Other Funds	18,797,508	16,915,043	16,915,043	16,963,924	16,900,924
Subtotal	\$ 24,512,696	\$ 22,780,757	\$ 22,780,757	\$ 22,934,783	\$ 22,755,891
Capital Improvements:					
State General Fund	\$ 0	\$ 49,965	\$ 49,965	\$ 80,884	\$ 80,884
Other Funds	1,964,931	3,701,331	3,701,331	1,432,970	1,247,970
Subtotal	\$ 1,964,931	\$ 3,751,296	\$ 3,751,296	\$ 1,513,854	\$ 1,328,854
TOTAL	\$ 26,477,627	\$ 26,532,053	\$ 26,532,053	\$ 24,448,637	\$ 24,084,745
Percentage Change:					
Operating Expenditures					
State General Fund	(13.3) %	2.6 %	2.6 %	1.8 %	(0.2) %
All Funds	7.5	(7.1)	(7.1)	0.7	(0.1)
FTE Positions	373.0	373.0	373.0	373.0	373.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The mission of the Kansas Commission on Veterans' Affairs Office (KCVAO) is to serve Kansas veterans and their families, relatives, and dependents with information, advice, direction, and assistance through the coordination of programs and services in the fields of education, health, vocational guidance and placement, and economic security.

Services provided by the agency include long-term nursing and assisted living care to eligible veterans, completion and maintenance of four state veterans' cemeteries, and coordination with federal agencies to provide financial assistance to Kansas veterans for health care and disability income.

The agency serves veterans through 13 field offices, 6 service organization offices, 2 mobile vans, and the central office located in Topeka. Additional services are provided through services grants to veterans' service organizations. Nursing and assisted living care are provided through the Kansas Soldiers' Home (KSH) at Fort Dodge and the Kansas Veterans' Home (KVH) in Winfield.

MAJOR ISSUES FROM PRIOR YEARS

The **2011 Legislature** eliminated 158.0 FTE positions for FY 2012, all of which were vacant. The revised position limitation reflects the agency's FTE position funding.

The **2012 Legislature** added \$518,126, all from special revenue funds, to increase expenditure authority at KVV, and \$623,592, all from special revenue funds, to increase expenditure authority at KSH to allow the agency to expend Medicare and Medicaid funds for existing resident services within facilities in FY 2012. The Legislature also eliminated 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June 30, 2012, resulting in 29.5 non-FTE positions being eliminated from the agency.

In **May 2013**, the Legislative Division of Post Audit (LPA) identified a number of concerns with the KCVA, including inadequate financial controls, credit card controls, canteen fund controls, benefit fund controls, and employee travel reimbursement controls at KVV and KSH. The report also concluded the central office had not provided adequate oversight of either facility. In response, the agency instituted a number of reforms and reported its progress to both LPA and the Joint Committee on Kansas Security.

The **2013 Legislature** deleted \$492,830, including \$194,264 from the State General Fund, for FY 2014 and \$516,888, including \$203,755 from the State General Fund, for FY 2015 to maintain funding for salaries and wages at FY 2013 levels after adjusting for both committee action and Kansas Public Employees Retirement System (KPERs) increases for FY 2014 and FY 2015.

In addition, the **2013 Legislature** added language giving authority to transfer existing State General Fund appropriations to the Vietnam War Era Veteran Recognition Award Fund in FY 2013, FY 2014, and FY 2015.

The **2014 Legislature** passed HB 2681, which abolished the KCVA, establishing KCVAO in its place, with similar duties and functions. The 2014 Legislature added \$820,000, all from special revenue funds, for enhancements at KSH and KVV. The Legislature added 32.0 FTE positions and approved an increase in salaries and wages and contractual services, primarily attributable to the Triplett Hall expansion, higher expenditures to decrease shrinkage in the Veterans' Services program, and the addition of an unclassified Chief Financial Officer position within the agency with reallocated funds from the administrative program. The Legislature also added 4.0 FTE positions for Veterans' Services positions.

The **2015 Legislature** added language to allow the agency to exceed the expenditure limitations for select funds upon specific authorization by the State Finance Council for FY 2016 and FY 2017.

The **2016 Legislature** added \$600,000, all from the Federal Long Term Care Per Diem Fund, in FY 2016 due to an increase in pharmaceutical supply costs. The Legislature also added \$161,500, all from the State Institutions Building Fund, to remodel several rooms in the Custer House at KSH in FY 2017.

The **2017 Legislature** added \$240,000 in FY 2017, \$260,000 for FY 2018, and \$280,000 for FY 2019, all from federal funds, for increased pharmaceutical expenditures for patients at KSH and KVV due to increased costs of medicine at the homes. The Legislature added \$250,000, all from the State Institutions Building Fund, for emergency sewer repairs at KVV. The Legislature also added funding for a 2.5 percent adjustment for all state employees

with less than five years of service (except select groups); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For the KCVAO, the Legislature added \$297,457, including \$63,542 from the State General Fund, for both FY 2018 and FY 2019.

The **2018 Legislature** added \$281,292, including the deletion of \$918,708 from the State General Fund, to modify the agency's funding sources for FY 2019. The Legislature added \$1.2 million, all from the Veterans Benefit Lottery Game Fund, due to the receipt of such funding from the Kansas Lottery Operating Fund, and deleted \$918,708 from the State General Fund to modify the agency's funding from lottery proceeds for FY 2019. The Legislature added language to transfer \$1.2 million from the Kansas Lottery Operating Fund to the Veterans Benefit Lottery Game Fund for FY 2019. The Legislature added \$1.3 million, all from the Veterans Benefit Lottery Game Fund, due to the receipt of such funding from the Kansas Lottery Operating Fund to modify the agency's funding from lottery proceeds for FY 2020. The Legislature added language to transfer \$1.3 million, all from the Kansas Lottery Operating Fund to the Veterans Benefit Lottery Game Fund, for FY 2020.

In addition, the **2018 Legislature** added \$125,000, all from the State Institutions Building Fund, for a waste disposal vehicle for KVVH for FY 2019. Also, the Legislature added \$208,247, including \$46,554 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$265,275, all from the State Institutions Building Fund, for the Halsey Hall Kitchen Renovation capital improvements project at KSH in FY 2019. The 2017 Legislature approved expenditures for this project totaling \$412,500, all from the State Institutions Building Fund; however, construction bids came in above previous estimates and this additional funding was needed for completion of the project. This provides total funding for the project of \$677,775, all from the State Institutions Building Fund, in FY 2019.

In addition, the **2019 Legislature** added \$88,232, all from the State Institutions Building Fund, for fire damage repairs at the Kansas Veterans' Home in FY 2019; \$50,000, all from the State General Fund, for increased funding for the Veterans' Claims Assistance Program for FY 2020; and \$406,559, including \$100,490 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

AVERAGE DAILY CENSUS

Average daily census represents the daily average number of patients in a home over a fiscal year.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Projected	FY 2021 Projected
Kansas Soldiers' Home	105	105	112	107	112
Kansas Veterans' Home	129	139	128	118	125
Total	234	244	240	225	237

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$22.8 million, including \$5.9 million from the State General Fund, for operating expenditures in FY 2020. The revised estimate is an all funds decrease of \$276,772, or 1.2 percent, below the amount approved by the 2019 Legislature. The State General Fund total is the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salary expenditures, fringe benefit expenditures, and an adjustment in salary shrinkage. The decrease is partially offset by an increase in contract staffing expenditures, pharmaceuticals, and food for patients at the Kansas Soldiers' Home (KSH) and Kansas Veterans' Home (KVH). The agency states it has experienced difficulty hiring new employees and is using more contract staffing than originally anticipated. The agency anticipates a higher portion of Medicaid-eligible residents than previously estimated and some of the increase in contractual services expenditures is reflected in the agency's off-budget Medicaid program. The agency's revised estimate includes 373.0 FTE positions, which is the same number approved by the 2019 Legislature.

The agency requests revised capital improvement expenditures of \$3.8 million, including \$49,965 from the State General Fund, in FY 2020. This is an all funds increase of \$2.1 million, or 128.5 percent, above the amount approved by the 2019 Legislature. The State General Fund total is the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to the agency reappropriating funding from the State Institutions Building Fund for projects not completed in previous fiscal years. Capital improvement expenditures include projects at KSH, KVH, and the four state cemeteries.

The **Governor** concurs with the agency's revised estimate for operating expenditures and capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$22.9 million, including \$6.1 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$154,026, or 0.7 percent, and a State General Fund increase of \$243,405, or 4.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's requests for enhancement funding for cybersecurity (\$65,892) and increased expenditures for the Veterans' Claims Assistance Program (\$50,000). The increase is also attributable to an increase in contract staffing at KSH and KVH. The request includes 373.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The agency requests capital improvement expenditures of \$1.5 million, including \$80,884 from the State General Fund, for FY 2021. This is an all funds decrease of \$2.2 million, or 59.6 percent, and a State General Fund increase of \$30,919, or 61.9 percent, from the FY 2020 revised estimate. The decrease is primarily attributable to the use of reappropriated capital improvements funding in FY 2020 for projects not yet completed. Capital improvement expenditures include projects at KSH, KVH, and the four state cemeteries.

The **Governor** recommends \$22.8 million, including \$5.9 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$178,892, or 0.8 percent, and a State General Fund decrease of \$115,892, or 1.9 percent, below the agency's FY 2021 request. The all funds decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for cybersecurity and additional Veterans' Claims Assistance Program funding, and recommending a lower amount of funding for the agency's enhancement request for operating funding from transfers from the Lottery for FY 2021.

The Governor recommends \$1.3 million, including \$80,884 from the State General Fund, for capital improvements for FY 2021. This is a decrease of \$158,000, or 12.2 percent, all from the State Institutions Building Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the KSH visitor parking and welcome center capital improvements project for FY 2021.

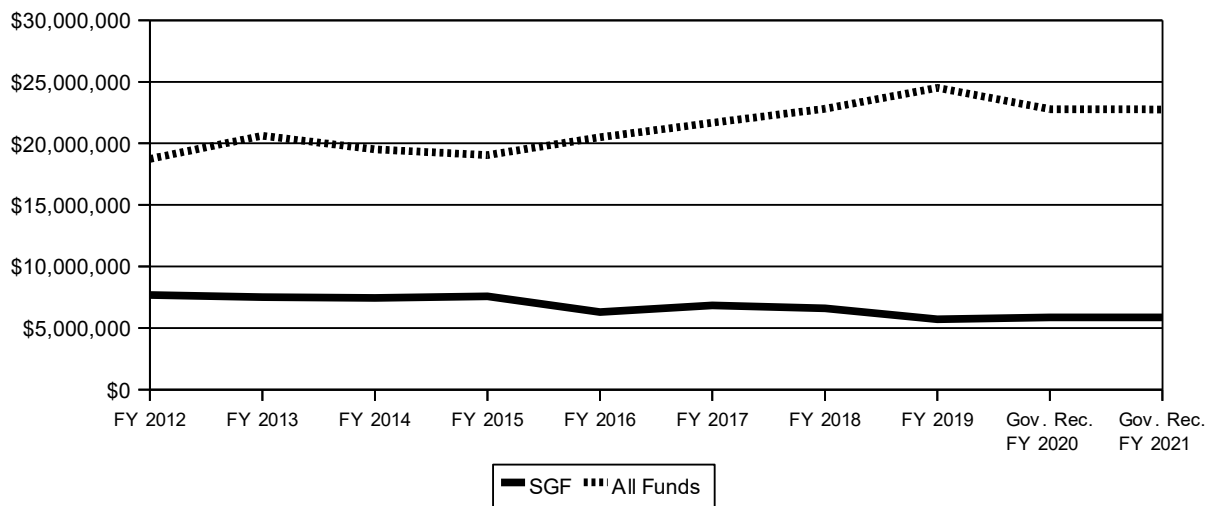
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Contacts with Veterans, Spouses, and Dependents for the Veterans' Services Program (In Thousands)	142.8	144.6	180.0	156.2	180.0	180.0
Average Daily Census at the Kansas Soldiers' Home	105	99	123	114	112	115
Average Daily Census at the Kansas Veterans' Home	129	139	143	128	118	125
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 22.8	\$ 24.3	\$ 26.9	\$ 26.5	\$ 26.5	\$ 24.1
FTE Positions	331.0	308.8	373.0	373.0	373.0	373.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 7,682,999	(7.4)%	\$ 18,742,923	(0.6)%	305.0
2013	7,503,064	(2.3)	20,619,320	10.0	315.0
2014	7,453,957	(0.7)	19,514,881	(5.4)	304.8
2015	7,569,396	1.5	19,048,736	(2.4)	317.8
2016	6,289,492	(16.9)	20,496,206	7.6	320.5
2017	6,843,533	8.8	21,676,852	5.8	331.0
2018	6,589,784	(3.7)	22,812,845	5.2	308.8
2019	5,715,188	(13.3)	24,512,696	7.5	373.0
2020 Gov. Rec.	5,865,714	2.6	22,780,757	(7.1)	373.0
2021 Gov. Rec.	5,854,967	(0.2)	22,755,891	(0.1)	373.0
Ten-Year Change Dollars/Percent	\$ (1,828,032)	(23.8)%	\$ 4,012,968	21.4 %	68.0

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	549,515	\$ 597,972	\$ 639,373	\$ 41,401	6.9 %	\$ 597,972	\$ 573,481	\$ (24,491)	(4.1)%
Veterans' Services		2,857,911	3,063,633	3,152,562	88,929	2.9	3,063,633	3,071,023	7,390	0.2
Kansas Soldiers' Home		8,518,993	7,791,350	7,870,733	79,383	1.0	7,791,350	7,860,173	68,823	0.9
Kansas Veterans' Home		11,509,183	10,205,955	10,195,590	(10,365)	(0.1)	10,205,955	10,187,320	(18,635)	(0.2)
Kansas Veterans' Cemeteries		1,077,094	1,121,847	1,076,525	(45,322)	(4.0)	1,121,847	1,063,894	(57,953)	(5.2)
TOTAL	\$	24,512,696	\$ 22,780,757	\$ 22,934,783	\$ 154,026	0.7 %	\$ 22,780,757	\$ 22,755,891	\$ (24,866)	(0.1)%
By Major Object of Expenditure:										
Salaries and Wages	\$	15,091,085	\$ 16,592,126	\$ 16,387,494	\$ (204,632)	(1.2) %	\$ 16,592,126	\$ 16,350,276	\$ (241,850)	(1.5)%
Contractual Services		6,335,083	3,165,424	3,416,843	251,419	7.9	3,165,424	3,356,986	191,562	6.1
Commodities		2,297,988	2,076,438	2,104,986	28,548	1.4	2,076,438	2,093,298	16,860	0.8
Capital Outlay		172,116	267,161	295,852	28,691	10.7	267,161	275,723	8,562	3.2
Debt Service		0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$	23,896,272	\$ 22,101,149	\$ 22,205,175	\$ 104,026	0.5 %	\$ 22,101,149	\$ 22,076,283	\$ (24,866)	(0.1) %
Aid to Local Units		0	0	0	0	--	0	0	0	--
Other Assistance		616,424	679,608	729,608	50,000	7.4	679,608	679,608	0	0.0
TOTAL	\$	24,512,696	\$ 22,780,757	\$ 22,934,783	\$ 154,026	0.7 %	\$ 22,780,757	\$ 22,755,891	\$ (24,866)	(0.1)%
Financing:										
State General Fund	\$	5,715,188	\$ 5,865,714	\$ 5,970,859	\$ 105,145	1.8 %	\$ 5,865,714	\$ 5,854,967	\$ (10,747)	(0.2)%
Federal Domiciliary Per Diem Fund		1,022,996	1,517,347	1,597,692	80,345	5.3	1,517,347	1,597,692	80,345	5.3
Federal Long Term Care Per Diem Fund		8,774,609	7,969,578	7,654,163	(315,415)	(4.0)	7,969,578	7,654,163	(315,415)	(4.0)
KSH Fee Fund		1,767,590	1,493,797	1,672,595	178,798	12.0	1,493,797	1,672,595	178,798	12.0
KVH Fee Fund		4,289,989	3,397,108	3,513,454	116,346	3.4	3,397,108	3,513,454	116,346	3.4
All Other Funds		2,942,324	2,537,213	2,526,020	(11,193)	(0.4)	2,537,213	2,463,020	(74,193)	(2.9)
TOTAL	\$	24,512,696	\$ 22,780,757	\$ 22,934,783	\$ 154,026	0.7 %	\$ 22,780,757	\$ 22,755,891	\$ (24,866)	(0.1)%

Note: Revenues from Medicaid reimbursements at KSH and KVH are paid to the agency from the Kansas Department for Aging and Disability Services (KDADS). This disbursement of funds is considered to be an expenditure for KDADS, so expenditures from these Medicaid funds are considered to be off-budget expenditures. These off-budget expenditures are not included in standard operating expenditures, but are included in further detail in the program level analysis as an off-budget program.

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$5,915,679 for the Kansas Commission on Veterans' Affairs Office in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 5,915,679	\$ 5,915,679	\$ 0	\$ 5,915,679	\$ 0
All Other Funds	18,811,756	20,616,374	1,804,618	20,616,374	1,804,618
TOTAL	\$ 24,727,435	\$ 26,532,053	\$ 1,804,618	\$ 26,532,053	\$ 1,804,618
FTE Positions	373.0	373.0	0.0	373.0	0.0

The **agency** requests a revised estimate of \$26.5 million, including \$5.9 million from the State General Fund, for operating expenditures and capital improvements in FY 2020. Of this amount, the agency requests a revised estimate of \$22.8 million, including \$5.9 million from the State General Fund, for operating expenditures in FY 2020. The revised estimate for operating expenditures is an all funds decrease of \$276,772, or 1.2 percent, below the amount approved by the 2019 Legislature. The State General Fund total is the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in salary expenditures, fringe benefit expenditures, and an adjustment in salary shrinkage. The decrease is partially offset by an increase in contract staffing expenditures, pharmaceuticals, and food for patients at the Kansas Soldiers' Home (KSH) and Kansas Veterans' Home (KVH). The agency states it has experienced difficulty hiring new employees and is using more contract staffing than originally anticipated. The agency anticipates a higher portion of Medicaid-eligible residents than previously estimated and some of the increase in contractual services expenditures is reflected in the agency's off-budget Medicaid program.

Summary of capital improvement expenditures is included within the capital improvements section of this document, which reflects a capital improvements all funds increase of \$2.1 million or 124.6 percent, above the amount approved by the 2019 Legislature. For capital improvements, the all funds increase is primarily attributable to the agency reappropriating funding from the State Institutions Building Fund for projects not completed in previous fiscal years.

The agency's revised estimate includes 373.0 FTE positions, which is the same number approved by the 2019 Legislature. The revised estimate is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$16.6 million, including \$5.0 million from the State General Fund, for salaries and wages in FY 2020. This is an all

funds decrease of \$2.2 million, or 11.6 percent, and a State General Fund increase of \$879,637, or 21.5 percent, from the amount approved by the 2019 Legislature. The all funds decrease is primarily attributable to a decrease in base salary and fringe benefit expenditures and an adjustment in salary shrinkage. The agency states it has experienced difficulty hiring new employees and is using more contract staffing than previously anticipated which is contained in contractual services;

- **Contractual Services.** The agency requests \$3.2 million, including \$151,243 from the State General Fund, for contractual services in FY 2020. This is an all funds increase of \$1.1 million, or 52.1 percent, and a State General Fund decrease of \$667,609, or 81.5 percent, from the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in contract staffing expenditures;
- **Commodities.** The agency requests \$2.1 million, including \$67,583 from the State General Fund, for commodities in FY 2020. This is an all funds increase of \$682,020, or 48.9 percent, and a State General Fund decrease of \$159,004, or 70.2 percent, from the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in pharmaceuticals and food for patients;
- **Capital Outlay.** The agency requests \$267,161, including \$19,309 from the State General Fund, for capital outlay in FY 2020. This is an all funds increase of \$116,797, or 77.7 percent, and a State General Fund decrease of \$53,024, or 73.3 percent, from the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in maintenance equipment, replacement of computer and information technology equipment, and the replacement of a maintenance vehicle at KSH; and
- **Other Assistance.** The agency requests \$679,608, including \$650,000 from the State General Fund, for other assistance in FY 2020. This is an all funds increase of \$21,384, or 3.2 percent, above the amount approved by the 2019 Legislature. The State General Fund total is the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to an increase in comfort money for residents of KSH.

The **Governor** concurs with the agency's revised estimate for operating expenditures and capital improvements in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 22,934,783	\$ 22,755,891	\$ (178,892)
FTE Positions	373.0	373.0	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 105,145	\$ (10,747)	
All Other Funds	48,881	(14,119)	
TOTAL	\$ 154,026	\$ (24,866)	
<i>Percent Change:</i>			
State General Fund	1.8 %	(0.2) %	
All Other Funds	0.3	(0.1)	
TOTAL	0.7 %	(0.1) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$22.9 million, including \$6.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds increase of \$154,026, or 0.7 percent, and a State General Fund increase of \$105,145, or 1.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's requests for enhancement funding for cybersecurity (\$65,892) and increased expenditures for the Veterans' Claims Assistance Program (VCAP) (\$50,000). The increase is also attributable to an increase in contract staffing at the Kansas Soldiers' Home (KSH) and the Kansas Veterans' Home (KVH). The request includes 373.0 FTE positions, which is the same number as the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$16.4 million, including \$4.8 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$204,632, or 1.2 percent, and a State General Fund decrease of \$205,169, or 4.1 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by a decrease in fringe benefit expenditures;
- **Contractual Services.** The agency requests \$3.4 million, including \$379,928 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$251,419, or 7.9 percent, and a State General Fund increase of \$228,685, or 151.2 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's request for enhancement funding for cybersecurity and an increase in contract staffing expenditures;
- **Commodities.** The agency requests \$2.1 million, including \$101,142 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$28,548, or 1.4 percent, and a State General Fund increase of \$33,559, or 49.7 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in food and pharmaceuticals for patients at KSH and KVH;

- **Capital Outlay.** The agency requests \$295,852, including \$17,379 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$28,691, or 10.7 percent, and a State General Fund decrease of \$1,930, or 10.0 percent, from the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in computer expenditures as the agency states it is replacing older computers used by staff; and
- **Other Assistance.** The agency requests \$729,608, including \$700,000 from the State General Fund, for other assistance for FY 2021. This is an all funds increase of \$50,000, or 7.4 percent, above the FY 2020 revised estimate. The increase is all from the State General Fund. The increase is attributable to the agency's enhancement request for additional funding for the VCAP.

The **Governor** recommends \$22.8 million, including \$5.9 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$178,892, or 0.8 percent, and a State General Fund decrease of \$115,892, or 1.9 percent, below the agency's FY 2021 request. The all funds decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for cybersecurity and additional VCAP funding, and recommending a lower amount of funding for the agency's enhancement request for operating funding from transfers from the Lottery for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Cybersecurity	\$ 65,892	\$ 65,892	0.0	\$ 0	\$ 0	0.0
VCAP Funding Increase	50,000	50,000	0.0	0	0	0.0
Lottery Transfers	0	1,323,000	0.0	0	1,260,000	0.0
KSH Visitor Parking and Welcome Center	0	0	0.0	0	(185,000)	0.0
TOTAL	\$ 115,892	\$ 1,438,892	0.0	\$ 0	\$ 1,075,000	0.0

The **agency** submits the following three requests for enhancement funding totaling \$1.4 million, including \$115,892 from the State General Fund, for FY 2021.

Cybersecurity. The agency requests \$65,892, all from the State General Fund, for FY 2021. The agency states it was provided an estimate of \$65,892 for cybersecurity costs from the Office of Information Technology Services and without this additional funding, the agency may need to increase its salary shrinkage rate.

VCAP Increased Funding. The agency requests \$50,000, all from the State General Fund, for FY 2021. The agency provides service grants to eligible veteran services organizations, which are used to hire service officers. These individuals provide support at the federal Veterans' Affairs Hospitals and the federal Veterans' Affairs Regional Office. The American Legion and Veterans of Foreign Wars organizations each receive half of the agency grant funding, and each entity has requested an additional \$25,000 per year. All agency grants for VCAP are funded from the State General Fund. The agency states yearly VCAP expenditures totaled \$500,000 from FY 2006 to FY 2013, \$600,000 from FY 2014 to FY 2019,

and the amount approved by the 2019 Legislature for FY 2020 totals \$650,000. If approved, this request would increase total VCAP expenditures to \$700,000 for FY 2021.

Lottery Transfers. The agency requests \$1.3 million, all from the Veterans Benefit Lottery Game Fund, for FY 2021. KSA 74-872 directs the Kansas Lottery to establish a veterans' benefit lottery game and direct how profits from the game are distributed. The agency's request for funding from the lottery transfer is an increase of \$63,000, or 5.0 percent, above the FY 2020 revised estimate. The 2018 Legislature removed State General Fund appropriations from the agency's budget from veterans' benefit lottery game proceeds, and in its place the Legislature created the Veterans' Benefit Lottery Game Fund and authorized transfers from the Lottery Operating Fund of \$1,200,000 for FY 2019 and \$1,260,000 for FY 2020, a 5.0 percent increase above the FY 2019 amount. No transfer has been approved for FY 2021. The agency states that without transfers in FY 2021, the agency would be required to close certain regional offices and greatly reduce the use of mobile units to accommodate the reduction in revenue.

The **Governor** recommends \$1.1 million, all from special revenue funds, for enhancements for FY 2021. The Governor recommends \$1,260,000, all from the Veterans Benefit Lottery Game Fund, for FY 2021, which is the same amount of funding from a Lottery transfer as the agency's FY 2020 revised estimate. The Governor does not recommend the agency's other enhancement requests. In addition, the Governor does not recommend the KSH visitor parking and welcome center capital improvements project for FY 2021, which is a decrease of \$185,000, all from the State Institutions Building Fund, below the agency's request.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$406,559, including \$100,490 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$49,196, including \$14,759 from the State General Fund, and FY 2021 longevity payments total \$52,929, including \$15,449 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	26.0 %	25.7 %
Federal Domiciliary Per Diem Fund	7.0	7.0
Federal Long Term Care Per Diem Fund	33.4	33.6
KSH Fee Fund	7.3	7.4
KVH Fee Fund	15.3	15.4
All Other Funds	11.0	10.8
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Soldiers' Home Fee Fund Analysis

The Soldiers' Home Fee Fund includes revenues from resident fees and other miscellaneous revenues, such as farm and garage rentals, interest, and obsolete equipment and material sales. Determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of his or her financial status. Veterans and eligible dependents with limited resources are required to apply for all programs for which they are eligible, including Medicaid, Medicare, Social Security, or any Veterans' Affairs pension or compensation program. The Solders' Home Fee Fund is authorized by KSA 76-1952.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 105,174	\$ 49,770	\$ 49,770	\$ 114,013	\$ 114,013
Revenue	1,712,705	1,558,040	1,558,040	1,558,582	1,558,582
Transfers in	0	0	0	0	0
Funds Available	\$ 1,817,879	\$ 1,607,810	\$ 1,607,810	\$ 1,672,595	\$ 1,672,595
Less:					
Expenditures	\$ 1,768,109	\$ 1,493,797	\$ 1,493,797	\$ 1,672,595	\$ 1,672,595
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 49,770	\$ 114,013	\$ 114,013	\$ 0	\$ 0
Ending Balance as Percent of Expenditures	2.8%	7.6%	7.6%	0.0%	0.0%
Month Highest Ending Balance	July \$ 113,749	July \$ 260,576	July \$ 260,576	July \$ 187,163	July \$ 187,163
Month Lowest Ending Balance	June \$ 49,770	June \$ 114,013	June \$ 114,013	June \$ 0	June \$ 0

Veteran's Home Fee Fund Analysis

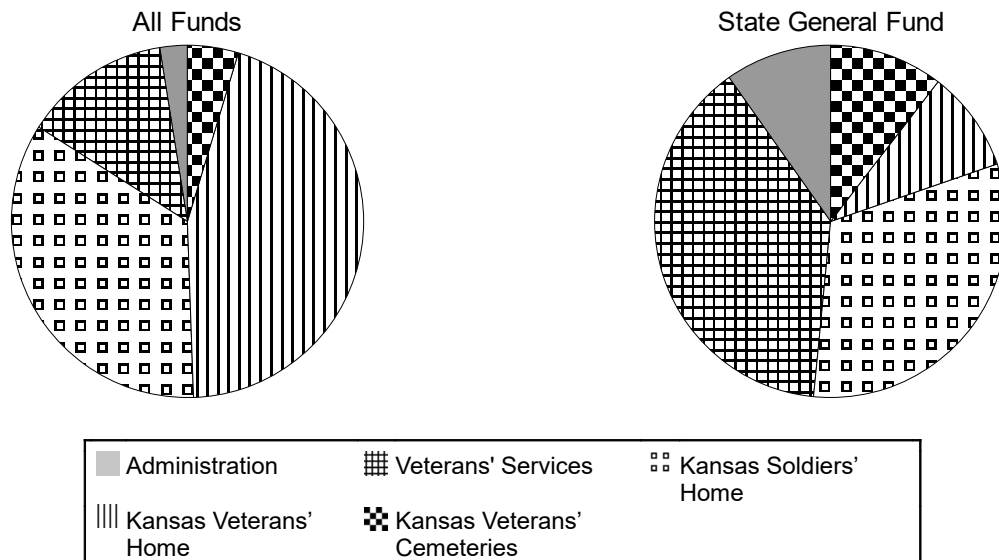
The Veterans' Home Fee Fund includes revenues from resident fees, interest, rent of unimproved lands, oil royalties, and other miscellaneous sources. Determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of his or her financial status. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, or any Veterans' Affairs pension or compensation program. This fund is authorized by KSA 76-1952.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 494,381	\$ 38,869	\$ 38,869	\$ 39,714	\$ 39,714
Revenue	3,874,357	3,397,953	3,397,953	3,473,740	3,473,740
Transfers in	0	0	0	0	0
Funds Available	\$ 4,368,738	\$ 3,436,822	\$ 3,436,822	\$ 3,513,454	\$ 3,513,454
Less:					
Expenditures	\$ 4,329,869	\$ 3,397,108	\$ 3,397,108	\$ 3,513,454	\$ 3,513,454
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 38,869	\$ 39,714	\$ 39,714	\$ 0	\$ 0
Ending Balance as Percent of Expenditures	0.9%	1.2%	1.2%	0.0%	0.0%
Month Highest Ending Balance	September \$ 143,675	September \$ 168,538	September \$ 168,538	September \$ 138,907	September \$ 138,907
Month Lowest Ending Balance	June \$ 38,869	June \$ 39,714	June \$ 39,714	June \$ 0	June \$ 0

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 573,481	2.5 %	\$ 573,481	9.8 %
Veterans' Services	3,071,023	13.5	2,262,633	38.6
Kansas Soldiers' Home	7,860,173	34.5	1,864,563	31.8
Kansas Veterans' Home	10,187,320	44.8	542,843	9.3
Kansas Veterans' Cemeteries	1,063,894	4.7	611,447	10.4
TOTAL	\$ 22,755,891	100.0 %	\$ 5,854,967	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	7.0	7.0	7.0	7.0	7.0
Veterans Services	34.0	34.0	34.0	34.0	34.0
Kansas Soldiers' Home	119.0	119.0	119.0	119.0	119.0
Kansas Veterans' Home	196.0	196.0	196.0	196.0	196.0
Kansas Veterans' Cemeteries	17.0	17.0	17.0	17.0	17.0
TOTAL	373.0	373.0	373.0	373.0	373.0
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration

The Administration program provides guidance and oversight for all veteran programs while also providing leadership, direction, technical guidance, and support for all agency staff. The program contains the agency's fiscal services, human resources, and information technology functions. The program oversees the Central Office in Topeka, which includes the Agency Director and administrative staff, the State Veteran Services Program Director, the State Cemetery Program Director, the Human Resource Director, and the Chief Property and Fiscal Officer and staff.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.5	\$ 0.6	\$ 0.6
FTE Positions	6.0	6.0	7.0	7.0	7.0	7.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 463,283	\$ 510,919	\$ 510,919	\$ 485,566	\$ 485,566
Contractual Services	77,946	78,684	78,684	145,354	79,462
Commodities	4,759	4,807	4,807	4,855	4,855
Capital Outlay	3,527	3,562	3,562	3,598	3,598
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 549,515</i>	<i>\$ 597,972</i>	<i>\$ 597,972</i>	<i>\$ 639,373</i>	<i>\$ 573,481</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 549,515	\$ 597,972	\$ 597,972	\$ 639,373	\$ 573,481
Financing:					
State General Fund	\$ 549,515	\$ 597,972	\$ 597,972	\$ 639,373	\$ 573,481
All Other Funds	0	0	0	0	0
TOTAL	\$ 549,515	\$ 597,972	\$ 597,972	\$ 639,373	\$ 573,481
FTE Positions	7.0	7.0	7.0	7.0	7.0

The **agency** requests \$639,373, all from the State General Fund, for the Administration program for FY 2021. This is an increase of \$41,401, or 6.9 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's request for enhancement funding for cybersecurity (\$65,892), partially offset by an adjustment in salary shrinkage. The request includes 7.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$485,566, all from the State General Fund, for salaries and wages for FY 2021. This is a decrease of \$25,353, or 5.0 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$145,354, all from the State General Fund, for contractual services for FY 2021. This is an increase of \$66,670, or 84.7 percent, above the FY 2020 revised estimate. The increase is primarily attributable to the agency's request for enhancement funding for cybersecurity expenditures for FY 2021;
- **Commodities.** The agency requests \$4,855, all from the State General Fund, for commodities for FY 2021. This is an increase of \$48, or 1.0 percent, above the FY 2020 revised estimate; and
- **Capital Outlay.** The agency requests \$3,598, all from the State General Fund, for capital outlay for FY 2021. This is an increase of \$36, or 1.0 percent, above the FY 2020 revised estimate.

The **Governor** recommends \$573,481, all from the State General Fund, for FY 2021. This is a decrease of \$65,892, or 10.3 percent, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request for cybersecurity funding for FY 2021.

B. Veterans' Services

The purpose of the Veterans' Services program is to provide and administer a system by which the eligible residents of Kansas can obtain assistance and advice in procuring benefits from the state and federal governments in the area of veterans' or survivors' benefits. Services are provided through 13 field offices located throughout the state, 2 mobile vans, and 6 offices located in the federal Department of Veterans' Affairs (VA) Medical Centers in Topeka, Leavenworth, and Wichita.

Additional services are provided through service grants to Veterans' Service Organizations (VSOs). Where services through VSOs are not available, the KCVAO Veterans' Service Representatives provide services. Quality control measures are performed at the Wichita VA Medical Center. Services provided by the program include assistance with obtaining services in the areas of education, health, vocational guidance, and economic security. KCVAO is the state approving agency for the federal GI Bill Education program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Contacts with Veterans, Spouses, and Dependents (In Thousands)	142.8	144.6	180.0	156.2	180.0	180.0
Monetary Value of Claims Awarded (Dollars in Millions)	N/A	\$ 128.7	N/A	\$ 168.1	\$ 150.0	\$ 150.0
Number of Public Outreach Events	625	665	500	533	500	500
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.7	\$ 2.7	\$ 3.0	\$ 2.9	\$ 3.1	\$ 3.1
FTE Positions	34.0	31.0	34.0	34.0	34.0	34.0

VETERANS' SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,710,189	\$ 1,845,470	\$ 1,845,470	\$ 1,847,042	\$ 1,845,572
Contractual Services	498,204	502,677	502,677	509,735	509,911
Commodities	37,756	38,134	38,134	48,270	38,154
Capital Outlay	11,762	27,352	27,352	47,515	27,386
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,257,911	\$ 2,413,633	\$ 2,413,633	\$ 2,452,562	\$ 2,421,023
Aid to Local Units	0	0	0	0	0
Other Assistance	600,000	650,000	650,000	700,000	650,000
TOTAL	\$ 2,857,911	\$ 3,063,633	\$ 3,063,633	\$ 3,152,562	\$ 3,071,023
Financing:					
State General Fund	\$ 2,174,996	\$ 2,262,633	\$ 2,262,633	\$ 2,312,633	\$ 2,262,633
All Other Funds	682,915	801,000	801,000	839,929	808,390
TOTAL	\$ 2,857,911	\$ 3,063,633	\$ 3,063,633	\$ 3,152,562	\$ 3,071,023
FTE Positions	34.0	34.0	34.0	34.0	34.0

The **agency** requests \$3.2 million, including \$2.3 million from the State General Fund, for the Veterans' Services program for FY 2021. This is an all funds increase of \$88,929, or 2.9 percent, and a State General Fund increase of \$50,000, or 2.2 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to the agency's enhancement request for increased funding for the Veterans' Claims Assistance Program (VCAP) (\$50,000) and an increase in computer equipment and office supplies. The program includes 34.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$1.8 million, including \$1.6 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$1,572, or 0.1 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in fringe benefit expenditures;
- **Contractual Services.** The agency requests \$509,735, including \$7,559 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$7,058, or 1.4 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract staffing;
- **Commodities.** The agency requests \$48,270, including \$24,497 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$10,136, or 26.6 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in office supplies;
- **Capital Outlay.** The agency requests \$47,515, including \$7,485 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$20,163, or 73.7 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in computer equipment. The agency states it is replacing older computers used by staff; and
- **Other Assistance.** The agency requests \$700,000, all from the State General Fund, for other assistance for FY 2021. This is an increase of \$50,000, or 7.7 percent, above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to increase funding for the VCAP.

The **Governor** recommends \$3.1 million, including \$2.3 million from the State General Fund, for FY 2021. This is an all funds decrease of \$81,539, or 2.6 percent, and a State General Fund decrease of \$50,000, or 2.2 percent, below the agency's FY 2021 request. The decrease is primarily attributable to the Governor not recommending the agency's enhancement request for increased funding for VCAP. The decrease is also attributable to the Governor recommending a lower amount of funding from the Veterans' Benefit Lottery Fund than the agency's enhancement request to continue funding from a direct transfer from the lottery.

C. Kansas Soldiers' Home

The mission of the Kansas Soldiers' Home (KSH) at Fort Dodge is to provide nursing home care to veterans who require skilled or intermediate nursing care, and related medical services if such nursing care and medical services are prescribed by or performed under the general direction of persons duly licensed to provide such care. The care includes intensive care where the nursing service is under the supervision of a registered nurse. Also, the KSH provides domiciliary and cottage care, such as shelter, food, and necessary medical care, on an ambulatory self-care basis to assist eligible veterans who are suffering from a disability, disease, or defect of such a degree that incapacitates the veteran from earning a living. These veterans are not in need of hospitalization or nursing care services to attain physical, mental, and social well-being through a coordinated treatment plan to restore the residents to, or maintain the residents at, their highest level of functioning. Eligible applicants may apply for cottage living at KSH if they are capable of handling the day-to-day routine of independent living, provide their own furniture and appliances, and maintain the upkeep of the cottage residences. KSH may also provide nursing home care and domiciliary care on a space-available basis to veteran family members, such as spouses, surviving spouses, and gold star parents. In FY 2019, the average daily census at KSH was 112 individuals.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Daily Census at KSH	105	99	123	114	112	115
Hours Per Resident Day for LTC	4.40	4.63	4.26	4.25	4.25	4.25
Percent of Compliance with State, CMS, and USDVA Regulations	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.3	\$ 7.1	\$ 7.1	\$ 8.5	\$ 7.8	\$ 7.9
FTE Positions	107.0	107.0	119.0	119.0	119.0	119.0

KANSAS SOLDIERS' HOME SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,757,829	\$ 4,759,699	\$ 4,759,699	\$ 4,733,037	\$ 4,709,998
Contractual Services	2,686,831	1,868,955	1,868,955	1,950,000	1,962,479
Commodities	1,040,920	1,018,000	1,018,000	1,043,000	1,043,000
Capital Outlay	25,673	120,000	120,000	120,000	120,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 8,511,253	\$ 7,766,654	\$ 7,766,654	\$ 7,846,037	\$ 7,835,477
Aid to Local Units	0	0	0	0	0
Other Assistance	7,740	24,696	24,696	24,696	24,696
TOTAL	\$ 8,518,993	\$ 7,791,350	\$ 7,791,350	\$ 7,870,733	\$ 7,860,173
Financing:					
State General Fund	\$ 1,822,619	\$ 1,825,684	\$ 1,825,684	\$ 1,864,563	\$ 1,864,563
All Other Funds	6,696,374	5,965,666	5,965,666	6,006,170	5,995,610
TOTAL	\$ 8,518,993	\$ 7,791,350	\$ 7,791,350	\$ 7,870,733	\$ 7,860,173
FTE Positions	119.0	119.0	119.0	119.0	119.0

The **agency** requests \$7.9 million, including \$1.9 million from the State General Fund, for the Kansas Soldiers' Home for FY 2021. This is an all funds increase of \$79,383, or 1.0 percent, and a State General Fund increase of \$38,879, or 2.1 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in contract staffing, utilities, pharmaceuticals, and food for patients, partially offset by a decrease in employee fringe benefit expenditures and an adjustment in salary shrinkage. The program includes 119.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$4.7 million, including \$1.8 million from the State General Fund, for salaries and wages for FY 2021. This is an all funds decrease of \$26,662, or 0.6 percent, and a State General Fund decrease of \$1, or less than 0.1 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in fringe benefit expenditures and an adjustment in salary shrinkage;
- **Contractual Services.** The agency requests \$2.0 million, including \$59,795 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$81,045, or 4.3 percent, and a State General Fund increase of \$15,090, or 33.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract staffing and utilities expenditures;
- **Commodities.** The agency requests \$1.0 million, including \$38,840 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$25,000, or 2.5 percent, and a State General Fund increase of \$23,790, or 158.1 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in pharmaceutical expenditures and food for patients;
- **Capital Outlay.** The agency requests \$120,000, including \$1,000 from the State General Fund, for capital outlay for FY 2021. This is the same all funds and State General Fund amount as the FY 2020 revised estimate; and
- **Other Assistance.** The agency requests \$24,696, all from special revenue funds, for other assistance for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** recommends \$7.9 million, including \$1.9 million from the State General Fund, for the Kansas Soldiers' Home for FY 2021. This is an all funds decrease of \$10,560, or 0.1 percent, all from special revenue funds, below the agency's FY 2021 request. The decrease is attributable to the Governor recommending a lower amount of funding from the Veterans' Benefit Lottery Fund than the agency's enhancement request to continue funding from a direct transfer from the Lottery.

D. Kansas Veterans' Home

The primary mission of the Kansas Veterans' Home (KVH) in Winfield is to provide long-term care to veterans who require skilled or intermediate nursing care, and other medical services. The secondary mission is to provide domiciliary care, such as shelter, food, and necessary medical care, on an ambulatory self-care basis to assist eligible veterans who are suffering from a disability, disease, or defect of such a degree that incapacitates the veteran

from earning a living, but who are not in need of hospitalization or nursing care services. KVH may also provide nursing home care and domiciliary care on a space-available basis to veteran family members, such as spouses, surviving spouses, and gold star parents. KVH officially opened May 1, 2000, on the grounds of the former Winfield State Hospital and Training Center. In FY 2019, the average daily census at KVH was 128 individuals.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Daily Census at KVH	129	139	143	128	118	125
Hours Per Resident Day for Long-Term Care Services	4.50	4.40	4.25	4.25	4.24	4.25
Percent in Compliance with State, CMS, and USDVA Regulations	N/A	100.0 %	N/A	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 10.2	\$ 11.3	\$ 11.1	\$ 11.5	\$ 10.2	\$ 10.2
FTE Positions	170.0	155.8	196.0	196.0	196.0	196.0

KANSAS VETERANS' HOME SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,366,749	\$ 8,643,792	\$ 8,643,792	\$ 8,485,164	\$ 8,476,894
Contractual Services	2,944,315	586,485	586,485	683,131	683,131
Commodities	1,111,500	911,432	911,432	941,330	941,330
Capital Outlay	77,935	59,334	59,334	81,053	81,053
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 11,500,499</i>	<i>\$ 10,201,043</i>	<i>\$ 10,201,043</i>	<i>\$ 10,190,678</i>	<i>\$ 10,182,408</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	8,684	4,912	4,912	4,912	4,912
TOTAL	\$ 11,509,183	\$ 10,205,955	\$ 10,205,955	\$ 10,195,590	\$ 10,187,320
Financing:					
State General Fund	\$ 569,840	\$ 567,978	\$ 567,978	\$ 542,843	\$ 542,843
All Other Funds	10,939,343	9,637,977	9,637,977	9,652,747	9,644,477
TOTAL	\$ 11,509,183	\$ 10,205,955	\$ 10,205,955	\$ 10,195,590	\$ 10,187,320
FTE Positions	196.0	196.0	196.0	196.0	196.0

The **agency** requests \$10.2 million, including \$542,843 from the State General Fund, for the Kansas Veterans' Home for FY 2021. This is an all funds decrease of \$10,365, or 0.1 percent, and a State General Fund decrease of \$25,135, or 4.4 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage, partially offset by an increase in contract staffing, food for patients, equipment for patient care, and furniture and fixtures for patient rooms. The program includes 196.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$8.5 million, including \$342,139 from the State General Fund, for salaries and wages for FY 2021. This is an all funds

decrease of \$158,628, or 1.8 percent, and a State General Fund decrease of \$179,815, or 34.5 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to an adjustment in salary shrinkage;

- **Contractual Services.** The agency requests \$683,131, including \$162,857 from the State General Fund, for contractual services for FY 2021. This is an all funds increase of \$96,646, or 16.5 percent, and a State General Fund increase of \$143,762, or 752.9 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in contract staffing and food service expenditures;
- **Commodities.** The agency requests \$941,330, including \$32,950 from the State General Fund, for commodities for FY 2021. This is an all funds increase of \$29,898, or 3.3 percent, and a State General Fund increase of \$9,721, or 41.8 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in pharmaceutical expenditures and food for patients;
- **Capital Outlay.** The agency requests \$81,053, including \$4,897 from the State General Fund, for capital outlay for FY 2021. This is an all funds increase of \$21,719, or 36.6 percent, and a State General Fund increase of \$1,197, or 32.4 percent, above the FY 2020 revised estimate. The all funds increase is primarily attributable to an increase in medical equipment for patient care and household furniture and fixtures for patient rooms; and
- **Other Assistance.** The agency requests \$4,912, all from special revenue funds, for other assistance for FY 2021. This is the same amount as the FY 2020 revised estimate.

The **Governor** recommends \$10.2 million, including \$542,843 from the State General Fund, for FY 2021. This is an all funds decrease of \$8,270, or 0.1 percent, all from special revenue funds, below the agency's FY 2021 request. The decrease is attributable to the Governor recommending a lower amount of funding from the Veterans' Benefit Lottery Fund than the agency's enhancement request to continue funding from a direct transfer from the Lottery.

E. Kansas Veterans' Cemeteries

The Kansas Veterans' Cemeteries program provides veterans and their eligible dependents with interment opportunities for burial in a Kansas veterans' cemetery. The program manages and operates the four veterans' cemeteries and provides staff support and assistance to veterans statewide regarding their interment options and procedures for pre-certification. Cemetery construction was 100.0 percent funded by federal grants from the federal Department of Veterans' Affairs National Cemetery Administration, State Cemetery Grants Programs. Ongoing cemetery operations are largely funded by the State, with minimal federal funding. The cemeteries are located at Fort Dodge, Fort Riley, WaKeeney, and Winfield.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Pre-certifications	464	464	464	374	464	464
Number of Funeral Homes Visited or Contacted	26	28	25	24	25	25
Number of Events Attended Locally and Statewide	16	17	15	19	15	15
Number of Burials Per Year	380	380	380	399	380	380
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 1.0	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1
FTE Positions	15.8	17.0	17.0	17.0	17.0	17.0

KANSAS VETERANS' CEMETERIES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 793,035	\$ 832,246	\$ 832,246	\$ 836,685	\$ 832,246
Contractual Services	127,787	128,623	128,623	128,623	122,003
Commodities	103,053	104,065	104,065	67,531	65,959
Capital Outlay	53,219	56,913	56,913	43,686	43,686
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,077,094	\$ 1,121,847	\$ 1,121,847	\$ 1,076,525	\$ 1,063,894
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,077,094	\$ 1,121,847	\$ 1,121,847	\$ 1,076,525	\$ 1,063,894
Financing:					
State General Fund	\$ 598,218	\$ 611,447	\$ 611,447	\$ 611,447	\$ 611,447
All Other Funds	478,876	510,400	510,400	465,078	452,447
TOTAL	\$ 1,077,094	\$ 1,121,847	\$ 1,121,847	\$ 1,076,525	\$ 1,063,894
FTE Positions	17.0	17.0	17.0	17.0	17.0

The **agency** requests \$1.1 million, including \$611,447 from the State General Fund, for the Kansas Veterans' Cemeteries program for FY 2021. This is an all funds decrease of \$45,322, or 4.0 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to a decrease in maintenance supplies and equipment, partially offset by an adjustment in salary shrinkage. The program includes 17.0 FTE positions, which is the same number as the FY 2020 revised estimate. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$836,685, including \$606,685 from the State General Fund, for salaries and wages for FY 2021. This is an all funds increase of \$4,439, or 0.5 percent, above the FY 2020 revised estimate. The State General Fund total is the same amount as the FY 2020 revised estimate. The all funds increase is primarily attributable to an adjustment in salary shrinkage, partially offset by a decrease in temporary staffing expenditures;

- **Contractual Services.** The agency requests \$128,623, including \$4,363 from the State General Fund, for contractual services for FY 2021. This is the same all funds amount as the FY 2020 revised estimate. The State General Fund amount is an increase of \$3,163, or 263.6 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the agency reallocating funding between categories of expenditure;
- **Commodities.** The agency requests \$67,531, all from special revenue funds, for commodities for FY 2021. This is a decrease of \$36,534, or 35.1 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to a decrease in maintenance supplies; and
- **Capital Outlay.** The agency requests \$43,686, including \$399 from the State General Fund, for capital outlay for FY 2021. This is an all funds decrease of \$13,227, or 23.2 percent, and a State General Fund decrease of \$3,163, or 88.8 percent, below the FY 2020 revised estimate. The all funds decrease is primarily attributable to a decrease in maintenance equipment and machinery.

The **Governor** recommends \$1.1 million, including \$611,447 from the State General Fund, for FY 2021. This is an all funds decrease of \$12,631, or 1.2 percent, all from special revenue funds, below the agency's FY 2021 request. The decrease is attributable to the Governor recommending a lower amount of funding from the Veterans' Benefit Lottery Fund than the agency's enhancement request to continue funding from a direct transfer from the Lottery.

F. Off-Budget Program

Operations at KSH and KVH are financed by expenditures from several revenue sources, including Federal Veterans Affairs Per Diem, the State General Fund, Medicare reimbursements, and Medicaid reimbursements. Revenues from Medicaid reimbursements at KSH and KVH are paid to the agency from the Kansas Department for Aging and Disability Services (KDADS). This disbursement of funds is considered to be an expenditure for KDADS, so expenditures from these Medicaid funds are considered to be off-budget expenditures within the KCVAO budget. These off-budget expenditures are not included in the KCVAO's total on-budget standard operating expenditures, but are noted below as an off-budget program to provide a fuller picture of total agency operations and expenditures.

PERFORMANCE MEASURES												
Measure	Actual FY 2017		Actual FY 2018		Gov. Rec. FY 2019		Actual FY 2019		Gov. Rec. FY 2020		Gov. Rec. FY 2021	
There are no performance measures for this program.												
Agency Expenditures												
All Funds (Dollars in Millions)	\$	2.3	\$	2.7	\$	2.7	\$	2.8	\$	3.5	\$	3.6
FTE Positions		0.0		0.0		0.0		0.0		0.0		0.0

OFF-BUDGET PROGRAM SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,249,274	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	1,386,169	3,520,607	3,520,607	3,595,797	3,595,797
Commodities	134,239	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,769,682</i>	<i>\$ 3,520,607</i>	<i>\$ 3,520,607</i>	<i>\$ 3,595,797</i>	<i>\$ 3,595,797</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 2,769,682</u>	<u>\$ 3,520,607</u>	<u>\$ 3,520,607</u>	<u>\$ 3,595,797</u>	<u>\$ 3,595,797</u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,769,682	3,520,607	3,520,607	3,595,797	3,595,797
TOTAL	<u>\$ 2,769,682</u>	<u>\$ 3,520,607</u>	<u>\$ 3,520,607</u>	<u>\$ 3,595,797</u>	<u>\$ 3,595,797</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests \$3.6 million, all from special revenue funds, for off-budget expenditures for FY 2021. This is an increase of \$75,190, or 2.1 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an estimated increase in patients eligible for Medicaid reimbursements and the reallocation of contractual services expenditures to available Medicaid funding.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
KVH Rehab and Repair and Other Projects	\$ 502,061	\$ 502,061	\$ 602,750	\$ 602,750
KVH Maintenance Building	418,800	418,800	0	0
KSH Rehab and Repair and Other Projects	641,680	641,680	830,220	645,220
KVCP Rehab and Repair	49,965	49,965	80,884	80,884
Reappropriated Funding for Projects Not Completed	2,138,790	2,138,790	0	0
TOTAL	\$ 3,751,296	\$ 3,751,296	\$ 1,513,854	\$ 1,328,854
Financing:				
State General Fund	\$ 49,965	\$ 49,965	\$ 80,884	\$ 80,884
State Institutions Building Fund	3,701,331	3,701,331	1,432,970	1,247,970
TOTAL	\$ 3,751,296	\$ 3,751,296	\$ 1,513,854	\$ 1,328,854

FY 2020 – Current Year. The **agency** requests revised capital improvement expenditures of \$3.8 million, including \$49,965 from the State General Fund, in FY 2020. This is an all funds increase of \$2.1 million, or 128.5 percent, above the amount approved by the 2019 Legislature. The State General Fund total is the amount approved by the 2019 Legislature. The all funds increase is primarily attributable to the agency reappropriating funding from the State Institutions Building Fund for projects not completed in previous fiscal years. The FY 2020 projects are listed by location.

Kansas Veterans' Home (KVH)

Rehabilitation and Repair and Other Projects. The request totals \$502,061, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KVH. Projects include emergency repairs and maintenance as needed, resurfacing of parking lots, replacement of a boiler, installing a covered walkway for Donlon Hall, and replacement of roofs at resident staff homes. Funding for these projects was approved by the 2019 Legislature.

Maintenance Building Construction. The request totals \$418,800, all from the State Institutions Building Fund, to construct a maintenance building at the Kansas Veterans' Home. The agency reports there is currently no dedicated space large enough to accommodate the maintenance staff and equipment. Funding for this project was approved by the 2019 Legislature.

Kansas Soldiers' Home (KSH)

Rehabilitation and Repair and Other Projects. The request totals \$641,680, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KSH. Expenditures include emergency repairs and maintenance as needed, upgrading an elevator at

Halsey Hall, construction of automatic doors for long-term care and domiciliary patient buildings, construction of a welcome center and visitor parking area, construction of a new parking lot for the employee and visitor parking area for the long-term care facility, and construction of a parking area for the Pershing Barracks. Funding for these projects was approved by the 2019 Legislature.

Kansas Veterans' Cemeteries

Rehabilitation and Repair and Other Projects. The request totals \$49,965, all from the State General Fund, for rehabilitation and repair projects at the four state cemeteries. Projects include installation of security cameras at all cemeteries (\$18,500), repairs to the base of the flag pole (\$2,180) and the Columbarium Wall (\$9,665) at the Winfield cemetery, and repairs to the Scattering Garden Wall at the Fort Dodge cemetery (\$19,620). This amount of funding was approved by the 2019 Legislature.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvement expenditures of \$1.5 million, including \$80,884 from the State General Fund, for FY 2021. This is an all funds decrease of \$2.2 million, or 59.6 percent, and a State General Fund increase of \$30,919, or 61.9 percent, from the FY 2020 revised estimate. The decrease is primarily attributable to the use of reappropriated capital improvements funding in FY 2020 for projects not yet completed. For FY 2021, rehabilitation and repairs have been combined with funding for most projects in the capital improvements table. The FY 2021 projects are listed by location.

Kansas Veterans' Home (KVH)

Rehabilitation and Repair and Other Projects. The request totals \$602,750, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KVH. Expenditures include Acrovyn wall protections for Bleckley Hall nursing wings (\$333,000), replacing siding and trim for cottages (\$77,000), replacing doors in Bleckley and Donlon Halls (\$37,000), replacing doors and windows for the Timmerman Hall walkway (\$12,000), and general rehabilitation and repair of campus structures (\$143,750).

Kansas Soldiers' Home (KSH)

Rehabilitation and Repair and Other Projects. The request totals \$830,220, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KSH. Expenditures include constructing a visitor parking area and welcome center (\$185,000), replacing stucco walls and porches for the Pershing Barracks (\$305,000), renovating campus cottages (117,720), replacing the fire alarm system in Halsey Hall (\$50,000), and general rehabilitation and repair of campus structures (\$172,500).

Kansas Veterans' Cemeteries

Rehabilitation and Repair and Other Projects. The request totals \$80,884, all from the State General Fund, for rehabilitation and repair projects at the four state cemeteries. The project is to repair concrete roads at the Kansas Veterans' Cemetery at Winfield by replacing a concrete panel and patching holes and cracks in the concrete roads.

The **Governor** recommends \$1.3 million, including \$80,884 from the State General Fund, for capital improvements for FY 2021. This is a decrease of \$158,000, or 12.2 percent, all from the State Institutions Building Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the KSH visitor parking and welcome center capital improvements project for FY 2021.

KANSAS DEPARTMENT OF LABOR

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 563,373	\$ 962,767	\$ 962,767	\$ 1,522,906	\$ 1,449,906
Other Funds	169,894,754	160,151,742	160,151,742	171,485,676	171,485,676
Subtotal	\$ 170,458,127	\$ 161,114,509	\$ 161,114,509	\$ 173,008,582	\$ 172,935,582
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	704,930	990,000	990,000	1,135,000	1,135,000
Subtotal	\$ 704,930	\$ 990,000	\$ 990,000	\$ 1,135,000	\$ 1,135,000
TOTAL	\$ 171,163,057	\$ 162,104,509	\$ 162,104,509	\$ 174,143,582	\$ 174,070,582
Percentage Change:					
Operating Expenditures					
State General Fund	(1.8) %	70.9 %	70.9 %	58.2 %	50.6 %
All Funds	(15.7)	(5.5)	(5.5)	7.4	7.3
FTE Positions	392.9	392.9	392.9	392.9	392.9

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department of Labor's (KDOL) mission is to provide workers and employers with information and services that are accurate and timely, efficient and effective, and fair and impartial. The Department has six programs to assist with the agency's mission: Administration and Support Services, Labor Market Information Services, Unemployment Insurance (UI) Services, Industrial Safety and Health, Workers Compensation, and Labor Relations and Employment Standards. The agency also operates several off budget programs which are funded by moneys expended at other state agencies or expenses charged to other programs within KDOL. These include the New Hire Cross-match Program (funded by the Department of Children and Families), the Workplace Safety Program (funded by the Kansas Department of Health and Environment), and the Motor Pool Program (expenses are charged to other KDOL programs).

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** transferred \$800,000 from the Workmen's Compensation Fund to the State General Fund and deleted \$11,712 from the State General Fund.

The **2011 Legislature** deleted \$77,400, all from special revenue funds, to remove funding for the roof replacement project at 417 SW Jackson Street in Topeka. The Governor recommended and the Legislature approved deleting 53.0 vacant FTE positions from the FY 2011 approved number of 552.0 positions, leaving 499.0 FTE positions for FY 2012.

The **2011 Legislature** also passed SB 77, which revised provisions of the unemployment security laws pertaining to loan interest payments, the taxable wage base, and the extension of tax rate caps on positive balance employers, as well as the number of rate groups for negative balance employer and benefits. The law authorized the creation of the Employment Security Interest Assessment Fund to pay interest owed to the U.S. Department of Labor for advances received by the Kansas Employment Security Trust Fund.

The **2012 Legislature** added \$41,865, all from the State General Fund, to restore funding for salaries and wages the Governor deleted as part of the Voluntary Retirement Incentive Program for FY 2013. This amount was offset with a reduction of \$22,534 from the Workmen's Compensation Fee Fund and \$19,331 from the Employment Security Administration Fund for FY 2013.

The **2013 Legislature** transferred \$300,000 and \$200,000 from the Federal Indirect Cost Offset Fund to the State General Fund for FY 2014 and FY 2015, respectively. The Legislature also deleted \$592,913, including \$3,031 from the State General Fund, to reflect reduced funding for salaries and wages for FY 2014. The Legislature similarly deleted \$601,960, including \$3,077 from the State General Fund, to reflect reduced funding for salaries and wages for FY 2015.

The **2013 Legislature** also passed SB 135, which transferred the boiler inspection duties from the Department of Labor to the State Fire Marshal.

The **2014 Legislature** added \$111,141, including \$598 from the State General Fund, for FY 2015 for employee bonuses of \$250 for all full-time employees, except elected officials, who were employed on December 6, 2013. The Legislature also deleted 40.0 vacant FTE positions and 10.0 vacant non-FTE positions in FY 2014 and for FY 2015.

The **2015 Legislature** passed SB 154, which revised provisions of the Employment Security Law pertaining to the calculation of weekly benefits and the assessment of employer contributions and may affect revenue into and expenditures from the Employment Security Administration Fund.

The **2016 Legislature** added \$15.9 million, all from special revenue funds, for increased projected unemployment insurance benefit payments and additional grant funding from the U.S. Department of Labor for information technology projects, partially offset by a reduction in wages for the Unemployment Insurance and Workers Compensation programs resulting from workload reductions and unfilled vacancies in FY 2016.

The **2017 Legislature** added \$311,924, including \$267,399 from the State General Fund, and 3.0 non-FTE positions for the implementation of 2017 House Sub. for SB 86 concerning the Amusement Ride Safety Act. The Legislature added language to appropriate the Amusement Ride Safety Fund as a no limit fund and for a new State General Fund account to delineate funds intended for implementation of the law in FY 2018.

The **2017 Legislature** also added \$443,389, including \$3,858 from the State General Fund, for FY 2018 and FY 2019 for salary increases pursuant to the state employee pay plan authorized by the 2017 Legislature.

The **2018 Legislature** added \$339,545, including \$5,829 from the State General Fund, for salary increases pursuant to the state employee pay plan authorized by the 2018 Legislature.

The **2019 Legislature** added \$388,665, all from the State General Fund, for information technology modernization for FY 2020. The Legislature also added \$627,162, including \$10,721 from the State General Fund, for salary increases pursuant to the FY 2020 state employee pay plan authorized by the 2019 Legislature.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$162.1 million, including \$962,767 from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$46.4 million, or 22.3 percent, below the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund decrease of \$46.4 million, or 22.4 percent, below the FY 2020 approved amount. The State General Fund revised estimate is the same as the approved amount. The revised estimate includes 392.9 FTE positions, which is an increase of 11.1 FTE positions above the approved number.

The revised estimate includes an operating budget of \$161.1 million, including \$962,767 from the State General Fund. The operating budget is an all funds decrease of \$46.5 million, or 22.4 percent, below the FY 2020 approved budget. This includes a special revenue fund decrease of \$46.5 million, or 22.5 percent, below the amount approved by the 2019 Legislature. The State General Fund estimate is the same as the approved amount. The special revenue fund decrease is primarily attributable to decreased estimates for unemployment services benefits.

The revised estimate includes a capital improvements budget of \$1.0 million, all from special revenue funds. This is an increase of \$70,000, or 7.6 percent, above the approved amount. The increase is attributable to renovation projects at three agency-owned buildings.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests total expenditures of \$174.1 million, including \$1.5 million from the State General Fund, for FY 2021. The request is an all funds increase of \$12.0 million, or 7.4 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$560,139, or 58.2 percent, and a special revenue fund increase of \$11.5 million, or 7.1 percent, above the FY 2020 revised estimate. The request includes 392.9 FTE positions, which is the same as the FY 2020 number.

The request includes an operating budget of \$173.0 million, including \$1.5 million from the State General Fund. The operating budget is an all funds increase of \$11.9 million, or 7.4 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$560,139, or 58.2 percent, and a special revenue fund increase of \$11.3 million, or 7.1 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the agency's enhancement request for additional information technology expenditures. The

special revenue fund increase is primarily attributable to increased estimates for unemployment services benefits.

The request includes a capital improvements budget of \$1.1 million, all from special revenue funds. This is an increase of \$145,000, or 14.6 percent, above the FY 2020 revised estimate. The increase is attributable to the start of several new projects and increased expenditures for rehabilitation and repair and debt service.

The **Governor** recommends total expenditures of \$174.1 million, including \$1.4 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$73,000, or less than 0.1 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$73,000, or 4.8 percent, below the agency's request. The State General Fund decrease is attributable to the Governor recommending the agency's enhancement request for Data Center as a Service, but not recommending funding for the cybersecurity initiative. The recommendation includes 392.9 FTE positions, which is the same number as the agency's request.

PERFORMANCE MEASURES

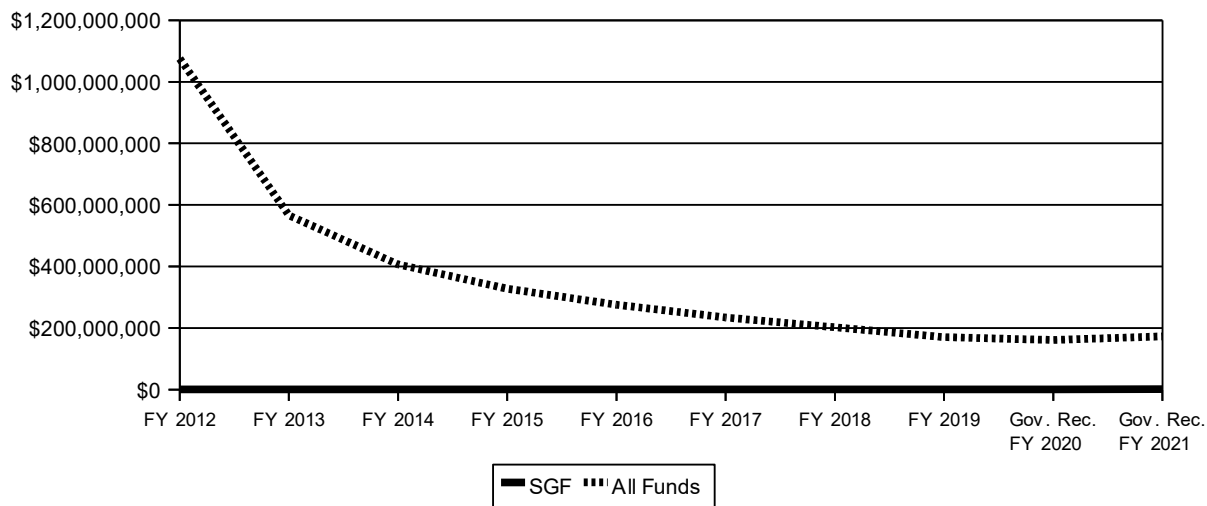
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Unemployment Insurance Benefits Paid within 14 Days	89.9 %	87.6 %	87.0 %	88.7 %	87.0 %	87.0 %
Average Number of Days to Process Applications for Preliminary Hearings for Workers Compensation Claims	1.6	1.5	N/A	1.5	1.5	1.5
Average Number of Days to Issue Orders after Preliminary Hearings for Workers Compensation Claims	2.1	2.0	N/A	4.6	2.9	2.9
Percent of Labor Market Information Requests Processed within Three Days	94.9 %	92.5 %	95.0 %	94.1 %	95.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 234.8	\$ 203.5	\$ 205.8	\$ 171.2	\$ 162.1	\$ 174.1
FTE Positions	400.7	382.8	382.8	392.9	392.9	392.9

According to the agency, the implementation of a new online claims system in FY 2019 contributed to the spike in the average number of days to issue orders after preliminary hearings for workers compensation claims.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 347,858	(20.6)%	\$ 1,075,691,350	5.6 %	465.7
2013	337,594	(3.0)	566,076,719	(47.4)	506.7
2014	294,102	(12.9)	406,615,906	(28.2)	492.6
2015	279,191	(5.1)	327,680,482	(19.4)	425.9
2016	314,545	12.7	275,520,580	(15.9)	421.9
2017	300,087	(4.6)	234,185,919	(15.0)	400.7
2018	573,465	91.1	202,186,177	(13.7)	382.8
2019	563,373	(1.8)	170,458,127	(15.7)	392.9
2020 Gov. Rec.	962,767	70.9	161,114,509	(5.5)	392.9
2021 Gov. Rec.	1,449,906	50.6	172,935,582	7.3	392.9
Ten-Year Change Dollars/Percent	\$ 1,102,048	316.8 %	\$ (902,755,768)	(83.9)%	(72.9)

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 10,287,753	\$ 12,113,009	\$ 16,090,846	\$ 3,977,837	32.8 %	\$ 12,113,009	\$ 16,017,846	\$ 3,904,837	32.2 %
Labor Market Info.	1,436,820	1,288,820	1,283,658	(5,162)	(0.4)	1,288,820	1,283,658	(5,162)	(0.4)
Unemployment Insurance	145,875,874	135,229,618	143,854,997	8,625,379	6.4	135,229,618	143,854,997	8,625,379	6.4
Industrial Safety & Health	1,841,998	1,902,084	1,905,010	2,926	0.2	1,902,084	1,905,010	2,926	0.2
Workers Compensation	10,734,463	10,218,036	9,521,065	(696,971)	(6.8)	10,218,036	9,521,065	(696,971)	(6.8)
Labor Relations & Employment Stand.	236,109	327,952	328,816	864	0.3	327,952	328,816	864	0.3
Debt Service	45,110	34,990	24,190	(10,800)	(30.9)	34,990	24,190	(10,800)	(30.9)
TOTAL	\$ 170,458,127	\$ 161,114,509	\$ 173,008,582	\$ 11,894,073	7.4 %	\$ 161,114,509	\$ 172,935,582	\$ 11,821,073	7.3 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 24,451,585	\$ 25,559,373	\$ 25,639,937	\$ 80,564	0.3 %	\$ 25,559,373	\$ 25,639,937	\$ 80,564	0.3 %
Contractual Services	9,478,826	11,354,991	12,999,760	1,644,769	14.5	11,354,991	12,926,760	1,571,769	13.8
Commodities	177,465	185,460	185,480	20	0.0	185,460	185,480	20	0.0
Capital Outlay	3,420,619	1,126,695	2,727,215	1,600,520	142.1	1,126,695	2,727,215	1,600,520	142.1
Debt Service	45,110	34,990	24,190	(10,800)	(30.9)	34,990	24,190	(10,800)	(30.9)
Subtotal - Operations	\$ 37,573,605	\$ 38,261,509	\$ 41,576,582	\$ 3,315,073	8.7 %	\$ 38,261,509	\$ 41,503,582	\$ 3,242,073	8.5 %
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	132,884,522	122,853,000	131,432,000	8,579,000	7.0	122,853,000	131,432,000	8,579,000	7.0
TOTAL	\$ 170,458,127	\$ 161,114,509	\$ 173,008,582	\$ 11,894,073	7.4 %	\$ 161,114,509	\$ 172,935,582	\$ 11,821,073	7.3 %
Financing:									
State General Fund	\$ 563,373	\$ 962,767	\$ 1,522,906	\$ 560,139	58.2 %	\$ 962,767	\$ 1,449,906	\$ 487,139	50.6 %
Workmen's Compensation FF	13,384,809	13,665,096	13,063,224	(601,872)	(4.4)	13,665,096	13,063,224	(601,872)	(4.4)
Employment Security Administration Fund	16,800,644	16,347,444	16,403,409	55,965	0.3	16,347,444	16,403,409	55,965	0.3
Employment Security Fund-Benefits	126,290,990	122,853,000	131,432,000	8,579,000	7.0	122,853,000	131,432,000	8,579,000	7.0
All Other Funds	13,418,311	7,286,202	10,587,043	3,300,841	45.3	7,286,202	10,587,043	3,300,841	45.3
TOTAL	\$ 170,458,127	\$ 161,114,509	\$ 173,008,582	\$ 11,894,073	7.4 %	\$ 161,114,509	\$ 172,935,582	\$ 11,821,073	7.3 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$962,767 for the Kansas Department of Labor in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 962,767	\$ 962,767	\$ 0	\$ 962,767	\$ 0
All Other Funds	207,576,387	161,141,742	(46,434,645)	161,141,742	(46,434,645)
TOTAL	\$ 208,539,154	\$ 162,104,509	\$ (46,434,645)	\$ 162,104,509	\$ (46,434,645)
FTE Positions	381.8	392.9	11.1	392.9	11.1

The **agency** requests a revised estimate of \$162.1 million, including \$962,767 from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$46.4 million, or 22.3 percent, below the FY 2020 amount approved by the 2019 Legislature. This includes a special revenue fund decrease of \$46.4 million, or 22.4 percent, below the approved amount. The State General Fund revised estimate is the same as the approved amount. The revised estimate includes 392.9 FTE positions, which is an increase of 11.1 FTE positions above the approved number.

The revised estimate includes an operating budget of \$161.1 million, including \$962,767 from the State General Fund. The operating budget is an all funds decrease of \$46.5 million, or 22.4 percent, below the approved amount. This includes a special revenue fund decrease of \$46.5 million, or 22.5 percent, below the approved amount. The State General Fund estimate is the same as the approved amount. The special revenue fund decrease is primarily attributable to decreased estimates for unemployment services benefits. The FY 2020 approved budget included expenditures of \$168.7 million for unemployment services benefits. However, the agency's revised estimate for unemployment benefits is \$122.9 million, which is a decrease of \$45.8 million, or 27.2 percent, below the approved amount. Compared to FY 2019 actual expenditures, the revised estimate for unemployment benefits is a decrease of \$10.0 million, or 7.5 percent. Additionally, the increase in FTE positions is attributable to the agency bringing the FY 2020 revised estimate number in line with the FY 2019 actual number.

The revised estimate includes a capital improvements budget of \$1.0 million, all from special revenue funds. This is an increase of \$70,000, or 7.6 percent, above the approved amount. The increase is attributable to renovation projects at three agency-owned buildings. These projects were adjusted due to renovations at one building being rebid for better bidding participation in FY 2020. For additional detail on capital improvements projects, see the capital improvements section below.

The **Governor** concurs with the agency's revised estimate in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 173,008,582	\$ 172,935,582	\$ (73,000)
FTE Positions	392.9	392.9	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 560,139	\$ 487,139	
All Other Funds	11,333,934	11,333,934	
TOTAL	\$ 11,894,073	\$ 11,821,073	
<i>Percent Change:</i>			
State General Fund	58.2 %	50.6 %	
All Other Funds	7.1	7.1	
TOTAL	7.4 %	7.3 %	
Change in FTE Positions	0.0	0.0	

The **agency** requests an operating budget of \$173.0 million, including \$1.5 million from the State General Fund, for FY 2021. The request is an all funds increase of \$11.9 million, or 7.4 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$560,139, or 58.2 percent, and a special revenue fund increase of \$11.3 million, or 7.1 percent, above the FY 2020 revised estimate. The request includes 392.9 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to the agency's enhancement request for costs related to Office of Information Technology Services (OITS) initiatives.

The special revenue fund increase is primarily attributable to an increase in estimated expenditures for unemployment services benefits. Estimated expenditures for FY 2021 are \$131.4 million. This is an increase of \$8.6 million, or 7.0 percent, above the FY 2020 revised estimate. The increase is also attributable to the following factors:

- Increased capital outlay expenditures of \$2.3 million, or 1,150.0 percent, from the Special Employment Security Fund, which is due to planned updates to the legacy mainframe that holds all unemployment insurance data; and
- Increased contractual services expenditures of \$1.0 million, or 40.8 percent, from the Special Employment Security Fund, which is due to a decrease in funds available from several federal grants.

The **Governor** recommends operating expenditures of \$172.9 million, including \$1.4 million from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$73,000, or less than 0.1 percent, below the agency's FY 2021 request. This includes a State General Fund decrease of \$73,000, or 4.8 percent, below the agency's request. The decrease is

attributable to the Governor recommending the agency's enhancement request for Data Center as a Service (\$485,000), but not recommending funding for cybersecurity (\$73,000). The recommendation includes 392.9 FTE positions, which is the same number as the agency's FY 2021 request.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
OITS Initiatives	\$ 558,000	\$ 558,000	0.0	\$ 485,000	\$ 485,000	0.0

The **agency** requests enhancement funding of \$558,000, all from the State General Fund, for FY 2021.

OITS Initiatives. The agency requests \$558,000, all from the State General Fund, to cover costs associated with OITS initiatives. This includes \$485,000 for the OITS Data Center as a Service initiative and \$73,000 for a cybersecurity initiative. The agency indicates it does not have adequate federal funding to support the full cost of the initiatives and is therefore requesting State General Fund enhancement funding.

Absent the enhancement request, the agency's FY 2021 operating budget request totals \$172.5 million, including \$994,906 from the State General Fund.

The **Governor** recommends enhancement funding of \$485,000, all from the State General Fund, for FY 2021. The Governor's recommendation includes funding for the OITS Data Center as a Service initiative, but does not include funding for cybersecurity (\$73,000).

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$627,162, including \$10,721 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$51,395, including \$1,208 from the State General Fund, and FY 2021 longevity payments total \$53,545, including \$1,259 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	0.9 %	0.8 %
Workmen's Compensation Fee Fund	7.6	7.6
Employment Security Administration Fund	9.5	9.5
Employment Security Fund–Benefits	76.0	76.0
All Other Funds	6.1	6.1
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Unemployment Insurance Trust Fund (Employment Security Fund–Trust Account) Analysis

KSA 44-712 authorizes the Employment Security Fund, which consists of the following three accounts:

- **Clearing Account.** Receipts into the clearing account are unemployment insurance taxes collected from employers;
- **Trust Account.** Also known as the Unemployment Insurance Trust Fund (UI Trust Fund), receipts into the trust account are transfers from the clearing account, interest earnings on the UI Trust Fund balance, and deposits made by the federal government for payment of benefits to ex-federal employees, ex-military, and the Temporary Extended Unemployment Compensations; and
- **Benefit Account.** Receipts into the benefit account are transfers from the UI Trust Fund to pay unemployment insurance benefits.

The following table shows the status of the UI Trust Fund, also known as the Trust Account of the Employment Security Fund.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 765,535,000	\$ 950,814,484	\$ 950,814,484	\$ 1,150,766,817	\$ 1,150,766,817
Revenue	29,612,856	17,150,527	17,150,527	21,248,024	21,248,024
Transfers in	288,367,764	304,569,850	304,569,850	295,785,000	295,785,000
Funds Available	\$ 1,083,515,620	\$ 1,272,534,861	\$ 1,272,534,861	\$ 1,467,799,841	\$ 1,467,799,841
Less:					
Expenditures	\$ 6,593,532	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out	126,107,604	121,768,044	121,768,044	131,432,000	131,432,000
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 950,814,484	\$ 1,150,766,817	\$ 1,150,766,817	\$ 1,336,367,841	\$ 1,336,367,841
Ending Balance as Percent of Expenditures	14,420.4%	--	--	--	--
Month Highest Ending Balance	May \$ 953,678,000	June \$ 1,150,766,817	June \$ 1,150,766,817	June \$ 1,336,367,841	June \$ 1,336,367,841
Month Lowest Ending Balance	July \$ 801,984,000	July \$ 979,575,000	July \$ 979,575,000	September \$ 1,172,600,000	September \$ 1,172,600,000

Workmen's Compensation Fee Fund Analysis

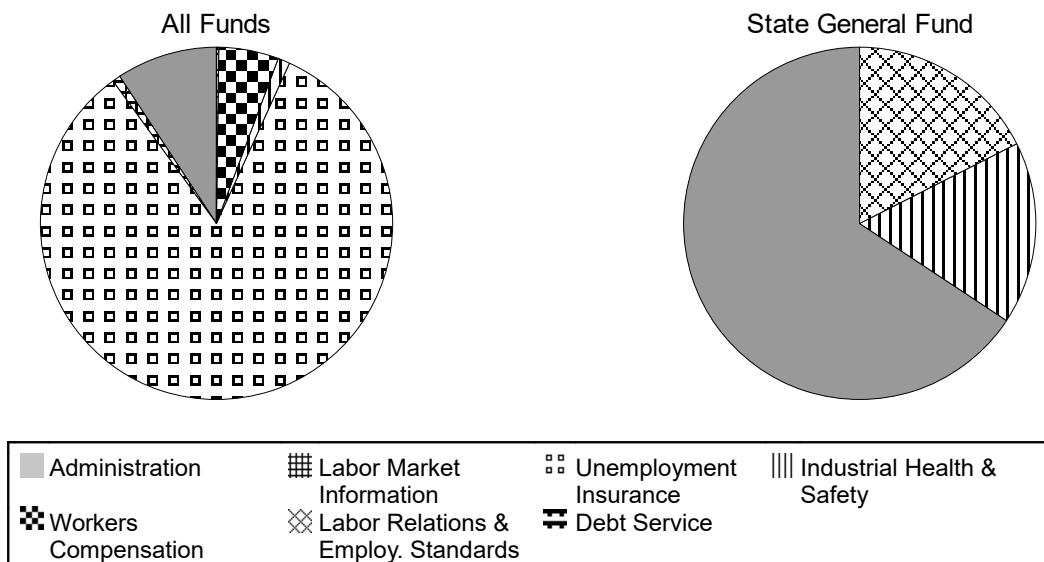
The Workmen's Compensation Fee Fund is supported by fees paid by insurance companies and employers based on an assessment rate applied to insurance benefit payments. The assessment rate, which is the product of the total amount of revenue needed for the state fiscal year divided by the total amount of claims paid, is 2.75 percent in FY 2020. This fund is authorized under KSA 74-715.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 23,710,380	\$ 18,622,103	\$ 18,622,103	\$ 14,674,662	\$ 14,674,662
Revenue	8,894,041	10,569,000	10,569,000	10,657,000	10,657,000
Transfers in	2	3,209,467	3,209,467	1,930,102	1,930,102
Funds Available	\$ 32,604,423	\$ 32,400,570	\$ 32,400,570	\$ 27,261,764	\$ 27,261,764
Less:					
Expenditures	\$ 13,940,239	\$ 14,499,096	\$ 14,499,096	\$ 14,035,724	\$ 14,035,724
Transfers Out	0	3,209,467	3,209,467	1,930,102	1,930,102
Off Budget Expenditures	42,081	17,345	17,345	16,584	16,584
Ending Balance	\$ 18,622,103	\$ 14,674,662	\$ 14,674,662	\$ 11,279,354	\$ 11,279,354
Ending Balance as Percent of Expenditures	133.6%	101.2%	101.2%	80.4%	80.4%
Month Highest Ending Balance	July \$ 22,835,368	July \$ 18,863,803	July \$ 18,863,803	July \$ 16,265,000	July \$ 16,265,000
Month Lowest Ending Balance	April \$ 11,918,839	March \$ 8,840,000	March \$ 8,840,000	March \$ 6,565,000	March \$ 6,565,000

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 16,017,846	9.3 %	\$ 952,812	65.7 %
Labor Market Information	1,283,658	0.7	0	0.0
Unemployment Insurance	143,854,997	83.2	0	0.0
Industrial Safety and Health	1,905,010	1.1	242,768	16.7
Workers Compensation	9,521,065	5.5	0	0.0
Labor Relations & Employment Standards	328,816	0.2	254,326	17.5
Debt Service	24,190	0.0	0	0.0
TOTAL	\$ 172,935,582	100.0 %	\$ 1,449,906	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	93.9	93.9	93.9	93.9	93.9
Labor Market Information	16.0	16.0	16.0	16.0	16.0
Unemployment Insurance	182.8	182.8	182.8	182.8	182.8
Industrial Safety and Health	19.7	19.7	19.7	19.7	19.7
Workers Compensation	71.0	71.0	71.0	71.0	71.0
Labor Relations and Employment Stand.	3.1	3.1	3.1	3.1	3.1
Off-Budget	6.4	6.4	6.4	6.4	6.4
TOTAL	392.9	392.9	392.9	392.9	392.9
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. Administration and Support Services

The Administration and Support Services program includes the central management and administrative support function of the Department of Labor. The program is composed of six subprograms: General Administration, Legal, Fiscal, Human Resources, Communications, and Information Systems and Technology.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Average Number of Days to Process Vouchers for Payment	2.0	2.0	2.0	2.0	2.0	2.0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 12.6	\$ 11.4	\$ 11.4	\$ 10.3	\$ 12.1	\$ 16.0
FTE Positions	83.8	82.9	82.9	93.9	93.9	93.9

ADMINISTRATION AND SUPPORT SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 6,222,691	\$ 7,162,035	\$ 7,162,035	\$ 7,180,521	\$ 7,180,521
Contractual Services	3,524,557	4,562,839	4,562,839	6,222,150	6,149,150
Commodities	7,813	52,100	52,100	52,120	52,120
Capital Outlay	532,692	336,035	336,035	2,636,055	2,636,055
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 10,287,753</i>	<i>\$ 12,113,009</i>	<i>\$ 12,113,009</i>	<i>\$ 16,090,846</i>	<i>\$ 16,017,846</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 10,287,753</u>	<u>\$ 12,113,009</u>	<u>\$ 12,113,009</u>	<u>\$ 16,090,846</u>	<u>\$ 16,017,846</u>
Financing:					
State General Fund	\$ 169,439	\$ 466,508	\$ 466,508	\$ 1,025,812	\$ 952,812
All Other Funds	10,118,314	11,646,501	11,646,501	15,065,034	15,065,034
TOTAL	<u>\$ 10,287,753</u>	<u>\$ 12,113,009</u>	<u>\$ 12,113,009</u>	<u>\$ 16,090,846</u>	<u>\$ 16,017,846</u>
FTE Positions	93.9	93.9	93.9	93.9	93.9

The **agency** estimates revised expenditures of \$12.1 million, including \$466,508 from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$597,653, or 5.2 percent, above the FY 2020 budget approved by the 2019 Legislature. This includes a State General Fund decrease of \$51,238, or 9.9 percent, and a special revenue fund increase of \$648,891, or 5.9 percent, from the FY 2020 approved amount. The revised estimate includes 93.9 FTE positions, which is an increase of 11.0 FTE positions above the approved number.

The State General Fund decrease is primarily attributable to decreased contractual services expenditures, including repair services for computers, furniture, and other equipment. This decrease is partially offset by increased expenditures for salaries and wages due to the agency filling some vacant positions.

The special revenue fund increase is primarily attributable to increased expenditures for salaries and wages due to the agency filling some vacant positions. It is also attributable to increased capital outlay expenditures as the agency begins the process of updating the legacy mainframe that holds all the unemployment insurance data.

The increase in FTE positions is attributable to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$16.1 million, including \$1.0 million from the State General Fund, for FY 2021. The request is an all funds increase of \$4.0 million, or 32.8 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$559,304, or 119.9 percent, and a special revenue fund increase of \$3.4 million, or 29.4 percent. The request includes 93.9 FTE positions, which is the same as the FY 2020 number.

The State General Fund increase is primarily attributable to the agency's enhancement request for additional funding for Office of Information Technology Services initiatives.

The special revenue fund increase is primarily attributable to the following factors:

- Increased capital outlay expenditures of \$2.3 million, or 1,150.0 percent, from the Special Employment Security Fund, which is due to planned updates to the legacy mainframe that holds all unemployment insurance data; and
- Increased contractual services expenditures of \$1.0 million, or 40.8 percent, from the Special Employment Security Fund, which is due to a decrease in available grant funds.

The **Governor** recommends expenditures of \$16.0 million, including \$952,812 from the State General Fund, for FY 2021. The recommendation is an all funds decrease of \$73,000, or 0.5 percent, below the agency's FY 2021 request. This includes a State General Fund increase of \$73,000, or 7.1 percent, above the request. The all funds decrease is attributable to the Governor recommending the agency's enhancement request for Data Center as a Service (\$485,000), but not recommending funding for cybersecurity (\$73,000). The recommendation includes 93.9 FTE positions, which is the same number as the agency's request.

B. Labor Market Information Services

The Labor Market Information Services program is the major research and statistical arm of the agency. The program maintains the State's reporting requirements for the U.S. Department of Labor–Bureau of Labor Statistics. The Labor Market Information Services program is also responsible for the following items:

- Calculating and reporting the monthly and annual unemployment rates for the state, each county, and the metropolitan statistical areas of the state;
- Calculating the number of people employed in each industrial sector;
- Preparing periodic reports and survey concerning the labor market in Kansas; and
- Serving as the actuarial trustee for the Unemployment Insurance Trust Fund.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Labor Market Information Requests Process within Three Days	94.9 %	92.5 %	95.0 %	94.1 %	95.0 %	95.0 %
Number of Labor Market Information Requests Received	392	373	400	255	350	350
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,787.5	\$ 1,748.8	\$ 1,758.5	\$ 1,436.8	\$ 1,288.8	\$ 1,283.7
FTE Positions	25.5	24.0	24.0	16.0	16.0	16.0

LABOR MARKET INFORMATION SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,249,919	\$ 1,086,350	\$ 1,086,350	\$ 1,080,358	\$ 1,080,358
Contractual Services	168,081	176,290	176,290	177,120	177,120
Commodities	4,208	6,180	6,180	6,180	6,180
Capital Outlay	14,612	20,000	20,000	20,000	20,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,436,820</i>	<i>\$ 1,288,820</i>	<i>\$ 1,288,820</i>	<i>\$ 1,283,658</i>	<i>\$ 1,283,658</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,436,820	\$ 1,288,820	\$ 1,288,820	\$ 1,283,658	\$ 1,283,658
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,436,820	1,288,820	1,288,820	1,283,658	1,283,658
TOTAL	\$ 1,436,820	\$ 1,288,820	\$ 1,288,820	\$ 1,283,658	\$ 1,283,658
FTE Positions	16.0	16.0	16.0	16.0	16.0

The **agency** estimates revised expenditures of \$1.3 million, all from special revenue funds, in FY 2020. This is a decrease of \$521,120, or 28.8 percent, below the FY 2020 amount approved by the 2019 Legislature. The revised estimate includes 16.0 FTE positions, which is a decrease of 8.0 FTE positions below the approved number.

The special revenue fund decrease is primarily attributable to decreased expenditures for salaries and wages, particularly in unclassified salaries and employer contributions for health insurance and KPERS. This is due to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$1.3 million, all from special revenue funds, for FY 2021. This is a decrease of \$5,162, or 0.4 percent, below the FY 2020 revised estimate. The request includes 16.0 FTE positions, which is the same as the FY 2020 number.

The special revenue fund decrease is primarily attributable to decreased salaries and wages expenditures, particularly employer contributions for health insurance and KPERS. This decrease is partially offset by increased contractual services expenditures for utilities.

The **Governor** concurs with the agency's request for FY 2021.

C. Unemployment Insurance Services

The Unemployment Insurance Services program provides benefits to eligible applicants to replace part of the wages lost from involuntary unemployment. The agency collects funds for benefits from employers and deposits the revenue in the Unemployment Trust Fund. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services Administration expenditures. The federal Unemployment Tax Act allows the

IRS to collect taxes from employers to administer the Unemployment Insurance program. Unemployment Insurance Services receives a base budget from the ESAF. The program also can receive contingency funds from ESAF in proportion to increases in workload. Unemployment Insurance Services operates through the following units:

- **Benefits Section.** This unit is responsible for processing unemployment insurance claims and oversees the call center that takes claims;
- **Contributions Section.** This unit is responsible for ensuring employers in Kansas pay unemployment taxes on qualifying employees;
- **Appeals Section.** This unit is composed of unemployment insurance hearing judges who review appeals of determinations concerning unemployment insurance benefits eligibility and whether employers are charged for provided benefits; and
- **Board of Review.** This unit confirms, denies, or changes any appeal made by the unemployment insurance judges.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Initial Claims Filed for Benefits (In Thousands)	121.6	98.4	102.1	86.7	102.4	103.9
Percent of Unemployment Insurance Benefits Paid within 14 Days	89.9 %	87.6 %	87.0 %	88.7 %	87.0 %	87.0 %
Average Duration of Unemployment Benefits (In Weeks)	10.8	11.2	10.7	11.5	10.8	10.8
Number of Claimants Exhausting Unemployment Benefits	19,182	16,029	12,100	12,680	13,190	12,960
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 205.9	\$ 175.2	\$ 177.5	\$ 145.9	\$ 135.2	\$ 143.9
FTE Positions	187.5	174.8	174.8	182.8	182.8	182.8

UNEMPLOYMENT INSURANCE SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 9,646,702	\$ 9,853,118	\$ 9,853,118	\$ 9,899,497	\$ 9,899,497
Contractual Services	2,918,662	2,461,660	2,461,660	2,461,660	2,461,660
Commodities	58,412	61,840	61,840	61,840	61,840
Capital Outlay	367,576	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 12,991,352</i>	<i>\$ 12,376,618</i>	<i>\$ 12,376,618</i>	<i>\$ 12,422,997</i>	<i>\$ 12,422,997</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	132,884,522	122,853,000	122,853,000	131,432,000	131,432,000
TOTAL	<u>\$ 145,875,874</u>	<u>\$ 135,229,618</u>	<u>\$ 135,229,618</u>	<u>\$ 143,854,997</u>	<u>\$ 143,854,997</u>
Financing:					
State General Fund	\$ 1,455	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	145,874,419	135,229,618	135,229,618	143,854,997	143,854,997
TOTAL	<u>\$ 145,875,874</u>	<u>\$ 135,229,618</u>	<u>\$ 135,229,618</u>	<u>\$ 143,854,997</u>	<u>\$ 143,854,997</u>
FTE Positions	182.8	182.8	182.8	182.8	182.8

The **agency** estimates revised expenditures of \$135.2 million, all from special revenue funds, in FY 2020. This is a decrease of \$46.4 million, or 25.6 percent, below the FY 2020 amount approved by the 2019 Legislature. The revised estimate includes 182.8 FTE positions, which is an increase of 7.9 FTE positions above the approved number.

The special revenue fund decrease is primarily attributable to decreased estimates for unemployment services benefits. The FY 2020 approved budget included expenditures of \$168.7 million for unemployment services benefits. However, the agency's revised estimate for unemployment benefits is \$122.9 million, which is a decrease of \$45.8 million, or 27.2 percent, below the approved amount. Compared to FY 2019 actual expenditures, the revised estimate for unemployment benefits is a decrease of \$10.0 million, or 7.5 percent. The special revenue fund decrease is also attributable to the following factors:

- Decreased salaries and wages expenditures of \$505,386, or 4.9 percent, due to the agency increasing the program's shrinkage rate;
- Decreased contractual services expenditures of \$39,110, or 1.6 percent, due to a decrease in planned travel for program employees; and
- Decreased capital outlay expenditures of \$55,650, or 100.0 percent, due to a decrease in available grant funding for the program.

The increase in FTE positions is attributable to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$143.9 million, all from special revenue funds, for FY 2021. This is an increase of \$8.6 million, or 6.4 percent, above the FY 2020 revised estimate. The request includes 182.8 FTE positions, which is the same as the FY 2020 number.

The special revenue fund increase is primarily attributable to an increase in estimated expenditures for unemployment services benefits. Estimated expenditures for FY 2021 are \$131.4 million. This is an increase of \$8.6 million, or 7.0 percent, above the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

D. Industrial Safety and Health

The Industrial Safety and Health program coordinates six programs: Accident Prevention, 21(d) Consultation Project, Public Sector Compliance, Kansas Workplace Health and Safety, Annual Safety and Health Conference, and Amusement Ride Inspections. Additional information regarding the programs includes the following items:

- **Workers Compensation Accident Prevention.** This program is responsible for reviewing the quantity and quality of safety and health services provided by insurance companies. The Workers Compensation Act required insurance carriers to provide these services for their clients. This program is administered by the Industrial Safety and Health program, but is funded through the Workmen's Compensation Fee Fund;
- **21(d) Consultation Project.** This is partially funded by a federal grant and offers free and confidential advice to small- and medium-sized businesses with priority given to high-hazard work sites. Consultants from the Kansas Department of Labor work with employers to identify workplace hazards, provide advice on compliance with Occupational Safety and Health Act (OSHA) standards, and assist in establishing safety and health management systems;
- **Public Sector Compliance.** This area covers state and local government workers who are excluded from federal coverage under the Occupational Safety and Health Act of 1970;
- **Kansas Workplace Health and Safety.** This program is operated with the Kansas Department of Health and Environment and provides free safety and health consultations to state agencies;
- **Annual Safety and Health Conference.** This program is fee-funded and offers workplace health and safety education and training education for emergency personnel, employers, employees, and safety professionals; and
- **Amusement Ride Inspections.** This program ensures amusement ride owners and operators comply with the Kansas Amusement Ride Act.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Consultations Performed under Federal Contracts	350	375	375	284	375	375
Number of Serious or Imminent Hazards Identified	907	666	800	639	700	700
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,598.7	\$ 1,716.0	\$ 1,935.6	\$ 1,842.0	\$ 1,902.1	\$ 1,905.0
FTE Positions	20.3	20.3	20.3	19.7	19.7	19.7

INDUSTRIAL SAFETY AND HEALTH SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,375,341	\$ 1,359,226	\$ 1,359,226	\$ 1,362,834	\$ 1,362,834
Contractual Services	398,835	493,258	493,258	492,076	492,076
Commodities	18,288	17,100	17,100	17,100	17,100
Capital Outlay	49,534	32,500	32,500	33,000	33,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,841,998	\$ 1,902,084	\$ 1,902,084	\$ 1,905,010	\$ 1,905,010
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,841,998	\$ 1,902,084	\$ 1,902,084	\$ 1,905,010	\$ 1,905,010
Financing:					
State General Fund	\$ 193,836	\$ 242,797	\$ 242,797	\$ 242,768	\$ 242,768
All Other Funds	1,648,162	1,659,287	1,659,287	1,662,242	1,662,242
TOTAL	\$ 1,841,998	\$ 1,902,084	\$ 1,902,084	\$ 1,905,010	\$ 1,905,010
FTE Positions	19.7	19.7	19.7	19.7	19.7

The **agency** estimates revised expenditures of \$1.9 million, including \$242,797 from the State General Fund, in FY 2020. The revised estimate is an all funds decrease of \$87,144, or 4.4 percent, below the FY 2020 amount approved by the 2019 Legislature. This includes a State General Fund decrease of \$15,188, or 5.9 percent, and a special revenue fund decrease of \$71,956, or 4.2 percent, below the approved amount. The revised estimate includes 19.7 FTE positions, which is an increase of 0.2 FTE positions above the approved number.

The State General Fund and special revenue fund decreases are primarily attributable to the following factors:

- Decreased salaries and wages expenditures of \$99,952, or 4.6 percent, particularly in unclassified salaries and employer contributions for health insurance and KPERS; and
- Decreased contractual services expenditures of \$11,242, or 2.2 percent, including for communications, repair services, and utilities.

These decreases are partially offset by increased expenditures of \$25,300, or 351.4 percent, above the approved amount for capital outlay, particularly computer software. The revised estimate for capital outlay is a decrease of \$17,034, or 34.4 percent, below FY 2019 actual expenditures.

The increase in FTE positions is attributable to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$1.9 million, including \$242,768 from the State General Fund, for FY 2021. The request is an all funds increase of \$2,926, or 0.2 percent, above the FY 2020 revised estimate. This includes a State General Fund decrease of \$29, or less than 0.1 percent, and a special revenue fund increase of \$2,955, or 0.2 percent, from the FY 2020 revised estimate. The request includes 19.7 FTE positions, which is the same as the FY 2020 number.

The special revenue fund increase is primarily attributable to increased expenditures for employer contributions for health insurance. It is partially offset by decreased expenditures for KPERS employer contributions and for travel by program employees.

The **Governor** concurs with the agency's request for FY 2021.

E. Workers Compensation Services

The Workers Compensation Services program administers the Kansas Workers Compensation Act, pursuant to KSA 44-501, *et seq.* The program files and maintains required reports of industrial accidents and discretionary notices of the employment of disabled workers; directs and audits physical and vocational rehabilitation for injured workers; provides the trial court, appellate review, and records repository for contested workers compensation claims; certifies qualified employers as self-insured; and, through its Claims Advisory Section, provides information and claims assistance to injured workers, insurance carriers, employers, and attorneys. Workers Compensation Services is fee-funded by assessments from insurance carriers and self-insured employers. Assessments are based on paid claims during the most recent calendar year in relation to the approved budget. This program is funded entirely from special revenue funds.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Accident Reports	51,081	46,991	46,000	45,920	47,088	47,088
Number of Fraud Abuse Cases Investigated	513	445	500	320	426	426
Average Number of Days to Process Applications for Preliminary Hearings	1.6	1.5	N/A	1.5	1.5	1.5
Avg. Number of Days to Issue Orders after Preliminary Hearing	2.1	2.0	N/A	4.6	2.9	2.9
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 11.9	\$ 11.9	\$ 11.8	\$ 10.7	\$ 10.2	\$ 9.5
FTE Positions	74.8	72.0	72.0	71.0	71.0	71.0

WORKERS COMPENSATION SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,741,230	\$ 5,863,282	\$ 5,863,282	\$ 5,880,502	\$ 5,880,502
Contractual Services	2,452,770	3,572,754	3,572,754	3,558,563	3,558,563
Commodities	87,994	47,000	47,000	47,000	47,000
Capital Outlay	2,452,469	735,000	735,000	35,000	35,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 10,734,463</i>	<i>\$ 10,218,036</i>	<i>\$ 10,218,036</i>	<i>\$ 9,521,065</i>	<i>\$ 9,521,065</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 10,734,463	\$ 10,218,036	\$ 10,218,036	\$ 9,521,065	\$ 9,521,065
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	10,734,463	10,218,036	10,218,036	9,521,065	9,521,065
TOTAL	\$ 10,734,463	\$ 10,218,036	\$ 10,218,036	\$ 9,521,065	\$ 9,521,065
FTE Positions	71.0	71.0	71.0	71.0	71.0

The **agency** estimates revised expenditures of \$10.2 million, all from special revenue funds, in FY 2020. This is a decrease of \$130,566, or 1.3 percent, below the FY 2020 amount approved by the 2019 Legislature. The revised estimate includes 71.0 FTE positions, which is a decrease of 1.0 FTE position below the approved number.

The special revenue fund decrease is primarily attributable to decreased expenditures for salaries and wages, including classified salaries and KPERS employer contributions. This decrease is partially offset by increased expenditures for contractual services, including OITS initiatives.

The decrease in FTE positions is attributable to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$9.5 million, all from special revenue funds, for FY 2021. This is a decrease of \$696,971, or 6.8 percent, below the FY 2020 revised estimate. The request includes 71.0 FTE positions, which is the same as the FY 2020 revised estimate.

The special revenue fund decrease is primarily attributable to decreased expenditures for capital outlay. This is due to the agency planning the one-time purchase of a business analytics application for the Online System for Claims Administration Research/Regulation during FY 2020. That expenditure will no longer be required for FY 2021. This decrease is partially offset by increased expenditures for salaries and wages, particularly employer contributions for health insurance.

The **Governor** concurs with the agency's request for FY 2021.

F. Labor Relations and Employment Standards

The Labor Relations and Employment Standards program enforces laws relating to the following areas:

- **Employment Standards.** This is primarily responsible for the enforcement of minimum wages, wage payment, and child labor laws and regulates private employment agencies. The Employment Standards section consists of the Labor Relations and Employment Standards program and the Public Employee Relations Board;
- **Labor Relations.** This provides assistance in the organizational or collective bargaining process to employers and employees in the private sector who are exempt from federal laws, agricultural employers and employees, and all public employers and employees of the State and its agencies, as well as other public employers who elect to be brought under the provision of KSA 75-4321, *et seq.* Assistance provided by staff includes holding bargaining unit determination hearings, conducting elections, and holding hearings to resolve prohibited practice charges. Mediation, fact-finding, and arbitration services are available in the event of an impasse; and
- **Public Employee Relations.** This administers the Public Employer-Employee Relations Act, which covers employees of the State and its agencies, cities, counties, fire districts, school districts (except for teachers), and some colleges.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Impasse Cases	12	11	12	11	12	12
Number of Prohibited Practice Cases Processed	4	3	5	7	7	7
Number of Wage Claims Filed	758	823	775	808	800	800
Amount of Wages Collected/Recovered	\$ 940,665	\$ 534,700	\$ 575,000	\$ 735,141	\$ 650,000	\$ 650,000
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 231.9	\$ 224.1	\$ 245.9	\$ 236.1	\$ 328.0	\$ 328.8
FTE Positions	3.2	3.0	3.0	3.1	3.1	3.1

LABOR RELATIONS AND EMPLOYMENT STANDARDS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 215,702	\$ 235,362	\$ 235,362	\$ 236,225	\$ 236,225
Contractual Services	15,921	88,190	88,190	88,191	88,191
Commodities	750	1,240	1,240	1,240	1,240
Capital Outlay	3,736	3,160	3,160	3,160	3,160
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 236,109	\$ 327,952	\$ 327,952	\$ 328,816	\$ 328,816
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 236,109	\$ 327,952	\$ 327,952	\$ 328,816	\$ 328,816
Financing:					
State General Fund	\$ 198,643	\$ 253,462	\$ 253,462	\$ 254,326	\$ 254,326
All Other Funds	37,466	74,490	74,490	74,490	74,490
TOTAL	\$ 236,109	\$ 327,952	\$ 327,952	\$ 328,816	\$ 328,816
FTE Positions	3.1	3.1	3.1	3.1	3.1

The **agency** estimates revised expenditures of \$327,952, including \$253,462 from the State General Fund, in FY 2020. The revised estimate is an all funds increase of \$73,478, or 28.9 percent, above the FY 2020 amount approved by the 2019 Legislature. This includes a State General Fund increase of \$66,426, or 35.5 percent, and a special revenue fund increase of \$7,052, or 10.5 percent, above the FY 2020 approved amount. The revised estimate includes 3.1 FTE positions, which is an increase of 0.1 FTE positions above the approved number.

The State General Fund increase is primarily attributable to the agency shifting salaries and wages expenditures from special revenue funds to the State General Fund.

The special revenue fund increase is attributable to increased contractual services expenditures, particularly for Office of Information Technology Services initiatives and an increase in expenditures for services through the Office of Administrative Hearings. These increases are partially offset by the agency shifting some salaries and wages expenditures from special revenue funds to the State General Fund.

The increase in FTE positions is attributable to the agency adjusting the program's FTE distribution to reflect the FY 2019 actual number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

The **agency** requests expenditures of \$328,816, including \$254,326 from the State General Fund, for FY 2021. The request is an all funds increase of \$864, or 0.3 percent, above the FY 2020 revised estimate. This includes a State General Fund increase of \$864, or 0.3 percent, above the approved amount. The special revenue fund request is the same as the FY 2020 amount. The request includes 3.1 FTE positions, which is the same as the FY 2020 revised estimate.

The State General Fund increase is attributable to increased salaries and wages expenditures, particularly employer contributions for health insurance.

The **Governor** concurs with the agency's request for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Rehabilitation & Repair	\$ 150,000	\$ 150,000	\$ 175,000	\$ 175,000
1309 SW Topeka—First Floor Renovation (Phase 2)	160,000	160,000	0	0
1309 SW Topeka—First Floor Renovation (Phase 3)	160,000	160,000	0	0
2650 E. Circle Dr. South— Electrical Wiring	100,000	100,000	100,000	100,000
401 SW Topeka—Sidewalk Repair	30,000	30,000	0	0
2650 E. Circle Dr. South— Lighting & Ceiling	150,000	150,000	150,000	150,000
2650 E. Circle Dr. South— HVAC	0	0	300,000	300,000
2650 E. Circle Dr. South— Intercom System	0	0	100,000	100,000
Parking Lots	0	0	60,000	60,000
Debt Service Principal	240,000	240,000	250,000	250,000
TOTAL	\$ 990,000	\$ 990,000	\$ 1,135,000	\$ 1,135,000
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	990,000	990,000	1,135,000	1,135,000
TOTAL	\$ 990,000	\$ 990,000	\$ 1,135,000	\$ 1,135,000

FY 2020 – Current Year. The **agency** estimates revised capital improvements expenditures of \$990,000, all from special revenue funds, in FY 2020. This is an increase of \$70,000, or 7.6 percent, above the FY 2020 amount approved by the 2019 Legislature. The increase is attributable to renovation projects at 401 SW Topeka, 1309 SW Topeka, and 2650 East Circle Drive South. These projects were adjusted due to renovations at one building being rebid for better bidding participation in FY 2020. Individual capital improvements projects are described below.

Rehabilitation and Repair. The agency estimates expenditures of \$150,000, all from the Workmen's Compensation Fee Fund, for rehabilitation and repair projects. Rehabilitation and repair projects include overlaying parking lots, replacing sidewalks, painting, carpeting, and caulking. Additionally, the agency indicates reconfiguration of the work space in agency-owned buildings is sometime necessary when programs and staff are relocated in an effort to be more efficient.

1309 SW Topeka—First Floor Renovation (Phase 2). The agency estimates expenditures of \$160,000, all from the Workmen's Compensation Fee Fund, to complete the second phase of the renovation of the first floor at 1309 SW Topeka. This phase of the renovation will include new paint and new flooring throughout the first floor, including hallways and open office space.

1309 SW Topeka–First Floor Renovation (Phase 3). The agency estimates expenditures of \$160,000, all from the Workmen's Compensation Fee Fund, to complete the third phase of the renovation of the first floor at 1309 SW Topeka. This phase of the renovation will include lowering the ceiling, installing new ceiling lights, and any completing possible ductwork that may be required due to the ceiling remodel. This phase includes hallways and open office space.

2650 East Circle Drive South–Electrical Wiring. The agency estimates expenditures of \$100,000, all from the Workmen's Compensation Fee Fund, to upgrade the electrical wiring at 2650 East Circle Drive South. The agency indicates an inspection of the current wiring revealed fraying and peeling issues. This project would coincide with the renovation of the lighting and ceiling at 2650 East Circle Drive South and would be completed over a two-year period.

401 SW Topeka–Sidewalk Repair. The agency estimates expenditures of \$30,000, all from the Workmen's Compensation Fee Fund, for general concrete and sidewalk repairs at the agency's headquarters building at 401 SW Topeka. This project would include the addition of a walkway apron from the rear entrance of the building to the main sidewalk that runs along Topeka Boulevard, the repair of the steps at the rear entrance to the building, and the repair of the sidewalk at the front entrance to the building.

2650 East Circle Drive South–Lighting and Ceiling. The agency estimates expenditures of \$150,000, all from the Workmen's Compensation Fee Fund, for renovation to the lighting and ceiling at 2650 East Circle Drive South. A new drop ceiling will be installed throughout the second floor and in the portion of the first floor without a drop ceiling. After that is completed, new LED lighting will be installed throughout the entire building. The agency indicates this will result in lower electrical expenses and reduced maintenance. This project will be completed over a two-year period and in conjunction with the upgrade of the electrical wiring at the building.

Debt Service Principal. The agency estimates expenditures of \$240,000, all from special revenue funds, to pay principal on existing capital improvements debts.

The **Governor** concurs with the agency's revised capital improvements budget in FY 2020.

FY 2021 – Budget Year. The **agency** requests capital improvements expenditures of \$1.1 million, all from special revenue funds, for FY 2021. This is an increase of \$145,000, or 14.6 percent, above the FY 2020 revised estimate. The increase is attributable to the start of several new projects and increased expenditures for rehabilitation and repair and debt service. Individual capital improvements projects are described below.

Rehabilitation and Repair. The agency requests expenditures of \$175,000, all from the Workmen's Compensation Fee Fund, for rehabilitation and repair projects. Rehabilitation and repair projects include overlaying parking lots, replacing sidewalks, painting, carpeting, and caulking. Additionally, the agency indicates reconfiguration of the work space in agency-owned buildings is sometimes necessary when programs and staff are relocated in an effort to be more efficient.

2650 East Circle Drive South–Electrical Wiring. The agency requests expenditures of \$100,000, all from the Workmen's Compensation Fee Fund, to upgrade the electrical wiring at 2650 East Circle Drive South. The agency indicates an inspection of the current wiring revealed

fraying and peeling issues. This project would coincide with the renovation of the lighting and ceiling at 2650 East Circle Drive South and would be completed over a two-year period.

2650 East Circle Drive South—Lighting and Ceiling. The agency requests expenditures of \$150,000, all from the Workmen's Compensation Fee Fund, for renovation to the lighting and ceiling at 2650 East Circle Drive South. A new drop ceiling will be installed throughout the second floor and in the portion of the first floor without a drop ceiling. After that is completed, new LED lighting will be installed throughout the entire building. The agency indicates this will result in lower electrical expenses and reduced maintenance. This project will be completed over a two-year period and in conjunction with the upgrade of the electrical wiring at the building.

2650 East Circle Drive South—HVAC. The agency requests \$300,000, all from the Workmen's Compensation Fee Fund, to repair and replace the HVAC vents in the building at 2650 East Circle Drive South. The agency indicates much of the ventilation system in the building needs significant repair or replacement, especially since the system was not part of the renovations to the building that occurred a decade ago. Due to the design of the building, the renovations needed to the system are extensive and would require repair and remodeling of the area around the ventilation work. The current preliminary estimated cost for the project is \$600,000 (\$300,000 in both FY 2021 and FY 2022). This project was included in the agency's FY 2020 budget approved by the 2019 Legislature, but was delayed by one year.

2650 East Circle Drive South—Intercom System. The agency requests \$100,000, all from the Workmen's Compensation Fee Fund, to install an intercom system at 2650 East Circle Drive South. The agency's headquarters at 401 SW Topeka has an intercom system, but no such system exists to send out important messages or emergency information at this building.

Parking Lots. The agency requests \$60,000, all from the Workmen's Compensation Fee Fund, to repair and conduct routine maintenance of the parking lots for the buildings located at 401 SW Topeka and 1309 SW Topeka. The parking lot at 401 SW Topeka is approximately 8,500 square yards and, according to the agency, will require repaving one section and a seal coating for the remaining sections. The agency indicates the parking lot at 1309 SW Topeka is approximately 4,400 square yards and is anticipated to require a seal coating only. This project was included in the agency's FY 2020 budget approved by the 2019 Legislature, but was delayed by one year.

Debt Service Principal. The agency estimates expenditures of \$250,000, all from special revenue funds, to pay principal on existing capital improvements debts.

The **Governor** concurs with the agency's requested capital improvements budget for FY 2021.

KANSAS GUARDIANSHIP PROGRAM

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 1,164,026	\$ 1,320,953	\$ 1,320,953	\$ 1,371,975	\$ 1,314,717
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 1,164,026</i>	<i>\$ 1,320,953</i>	<i>\$ 1,320,953</i>	<i>\$ 1,371,975</i>	<i>\$ 1,314,717</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	\$ 1,164,026	\$ 1,320,953	\$ 1,320,953	\$ 1,371,975	\$ 1,314,717
Percentage Change:					
Operating Expenditures					
State General Fund	1.1 %	13.5 %	13.5 %	3.9 %	(0.5) %
All Funds	1.1	13.5	13.5	3.9	(0.5)
FTE Positions	10.0	10.0	10.0	10.0	10.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Guardianship Program is a quasi-state agency that was established in 1995. Prior to that time, the program had been a part of Kansas Advocacy and Protective Services, Inc. (KAPS). A 1994 federal audit found a conflict of interest with KAPS administering the State's guardianship program. As a result, 1995 SB 342 established the Kansas Guardianship Program as a distinct legal entity whose employees are not considered to be state employees. The entire agency is financed through the State General Fund.

The Kansas Guardianship Program serves adults who are without family or financial resources and who, through either physical or mental impairment or disability, are identified by the Department for Children and Families or the Kansas Department for Aging and Disability Services as in need of a court-appointed guardian or conservator. The Kansas Guardianship Program recruits volunteers who become qualified and trained to serve in that capacity. The State serves as the surety on the bond for volunteer conservators serving in the Kansas Guardianship Program. Program volunteers receive a monthly stipend of \$40 to defray out-of-pocket expenses incurred while providing service to their wards or conservatees.

The program is governed by a seven-member board of directors, six of whom are appointed by the Governor and one by the Chief Justice of the Kansas Supreme Court.

MAJOR ISSUES FROM PRIOR YEARS

The **2008 Legislature** added \$8,500, all from the State General Fund, to re-establish a regional office in Kansas City. The Legislature also added \$5,000, all from the State General Fund, for additional travel expenditures to fund consistent travel to recruit, train, and support new and existing volunteers.

The **2009 Legislature** directed the staff of the Kansas Guardianship Program to be included as part of the State Employee Health Plan, partially to offset budgetary reductions of \$47,448, all from the State General Fund, for FY 2010. In November 2009, the Governor allotted \$34,632 from the agency's State General Fund budget for FY 2010.

The **2010 Legislature** passed SB 372, which granted court orders establishing and governing guardianship or conservatorship in other states full faith and credit within Kansas, except when doing so would violate Kansas law.

The **2011 Legislature** added \$44,418, all from the State General Fund, for FY 2012 to restore funding to FY 2011 levels.

The **2015 Legislature** added \$46,493 for both FY 2016 and FY 2017, all from the State General Fund, to restore reductions in operating expenditures.

The **2018 Legislature** added \$12,566, all from the State General Fund, for FY 2019 to fund salary adjustments for agency staff.

The **2019 Legislature** added \$143,920, all from the State General Fund, to increase volunteer stipends from \$30 to \$40 a month. The additional funds were also earmarked to upgrade desktop computers for FY 2020. An additional \$13,007, all from the State General Fund, was added by the Legislature for staff salary adjustments in FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a FY 2020 revised estimate of \$1.3 million, all from the State General Fund, and 10.0 FTE positions in FY 2020. The revised estimate is the same as the amount approved by the 2019 Legislature.

The **Governor** concurs with the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests \$1.4 million, all from the State General Fund, and 10.0 FTE positions for FY 2021. This is an increase of \$51,022, or 3.9 percent, above the FY 2020 revised estimate. The increase is due to an enhancement request to increase base salaries and wages.

The **Governor** recommends \$1.3 million, all from the State General Fund, for FY 2021. The recommendation is a decrease of \$57,258, or 4.2 percent, below the agency's request for FY 2021. This is due to the Governor not recommending the agency's enhancement request to increase base salaries and wages.

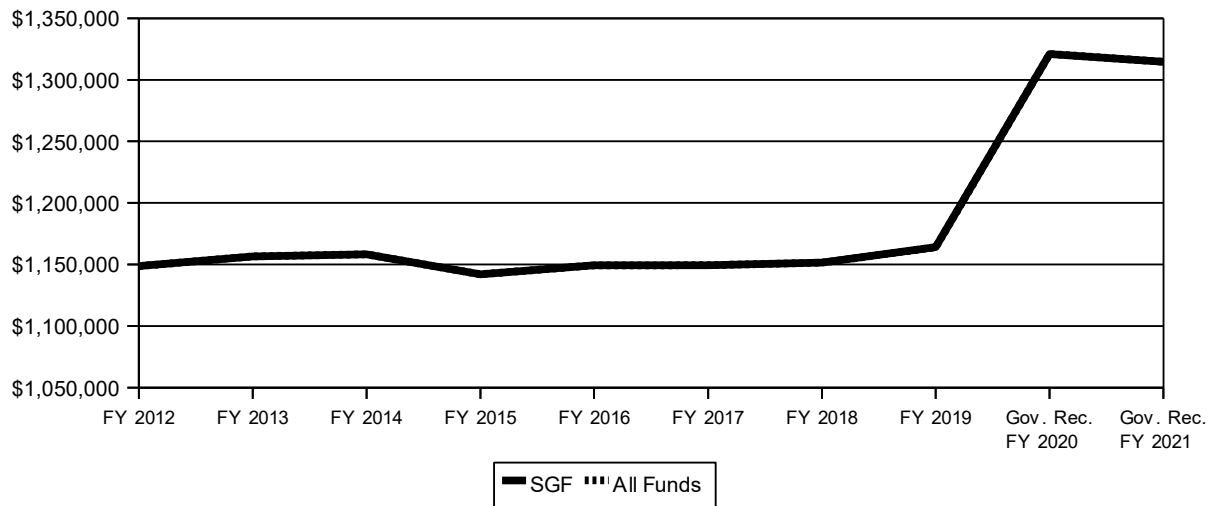
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Wards and Conservatees Served	1,388	1,409	1,398	1,384	1,398	1,412
Number of Volunteers Serving	768	768	768	764	771	779
Percentage of Volunteer Recruits who Make Application to Become a KGP Volunteer and Complete Initial Screening and Training in the FY*	N/A	N/A	N/A	89 %	89 %	89 %
Average Cost Per Day All Adults Served Within Fiscal Year*	N/A	N/A	N/A	\$ 2.30	\$ 2.59	\$ 2.55
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 1,149.4	\$ 1,151.5	\$ 1,164.0	\$ 1,164.0	\$ 1,321.0	\$ 1,314.7
FTE Positions	10.0	10.0	10.0	10.0	10.0	10.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 1,148,577	(0.8)%	\$ 1,148,577	(0.8)%	10.0
2013	1,156,598	0.7	1,156,598	0.7	10.0
2014	1,158,250	0.1	1,158,250	0.1	10.0
2015	1,142,052	(1.4)	1,142,052	(1.4)	10.0
2016	1,149,265	0.6	1,149,265	0.6	10.0
2017	1,149,415	0.0	1,149,415	0.0	10.0
2018	1,151,460	0.2	1,151,460	0.2	10.0
2019	1,164,026	1.1	1,164,026	1.1	10.0
2020 Gov. Rec.	1,320,953	13.5	1,320,953	13.5	10.0
2021 Gov. Rec.	1,314,717	(0.5)	1,314,717	(0.5)	10.0
Ten-Year Change Dollars/Percent	\$ 166,140	14.5 %	\$ 166,140	14.5 %	0.0

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 1,164,026	\$ 1,320,953	\$ 1,371,975	\$ 51,022	3.9 %	\$ 1,320,953	\$ 1,314,717	\$ (6,236)	(0.5)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 605,243	\$ 623,044	\$ 683,142	\$ 60,098	9.6 %	\$ 623,044	\$ 625,884	\$ 2,840	0.5 %
Contractual Services	547,900	680,451	679,833	(618)	(0.1)	680,451	679,833	(618)	(0.1)
Commodities	9,133	7,008	9,000	1,992	28.4	7,008	9,000	1,992	28.4
Capital Outlay	1,750	10,450	0	(10,450)	(100.0)	10,450	0	(10,450)	(100.0)
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 1,164,026</i>	<i>\$ 1,320,953</i>	<i>\$ 1,371,975</i>	<i>\$ 51,022</i>	<i>3.9 %</i>	<i>\$ 1,320,953</i>	<i>\$ 1,314,717</i>	<i>\$ (6,236)</i>	<i>(0.5)%</i>
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 1,164,026	\$ 1,320,953	\$ 1,371,975	\$ 51,022	3.9 %	\$ 1,320,953	\$ 1,314,717	\$ (6,236)	(0.5)%
Financing:									
State General Fund	\$ 1,164,026	\$ 1,320,953	\$ 1,371,975	\$ 51,022	3.9 %	\$ 1,320,953	\$ 1,314,717	\$ (6,236)	(0.5)%
All Other Funds	0	0	0	0	--	0	0	0	--
TOTAL	\$ 1,164,026	\$ 1,320,953	\$ 1,371,975	\$ 51,022	3.9 %	\$ 1,320,953	\$ 1,314,717	\$ (6,236)	(0.5)%

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$1,320,953 for the Kansas Guardianship Program in FY 2020. No adjustments have been made subsequently to that amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 1,320,953	\$ 1,320,953	\$ 0	\$ 1,320,953	\$ 0
All Other Funds	0	0	0	0	0
TOTAL	\$ 1,320,953	\$ 1,320,953	\$ 0	\$ 1,320,953	\$ 0
FTE Positions	10.0	10.0	0.0	10.0	0.0

The **agency** requests a revised estimate for \$1.3 million, all from the State General Fund, and 10.0 FTE positions in FY 2020. This corresponds with the amount approved by the 2019 Legislature in FY 2020. Though the overall FY 2020 budget is the same as the approved amount, the details by category of expenditures in FY 2020 have changed and include:

- **Salaries and Wages.** The agency requests \$623,044 for salaries and wages in FY 2020. This is an increase of \$243, or less than 0.1 percent, above the amount approved by the 2019 Legislature. The increase is due to an increase in fringe benefit payments costs;
- **Contractual Services.** The agency requests \$680,451 for contractual services in FY 2020. This is a decrease of \$10,701, or 1.5 percent, below the amount approved by the 2019 Legislature. The decrease is due to the approval by the 2019 Legislature to use additional funding provided in FY 2020 to upgrade agency desktop computers. As such, the funds were moved from contractual services to capital outlay;
- **Commodities.** The agency requests \$7,008 for commodities in FY 2020. This is an increase of \$8, or 0.1 percent, above the amount approved by the 2019 Legislature. The increase is due to an increase in data processing supplies; and
- **Capital Outlay.** The agency requests \$10,450 for capital outlay in FY 2020. This is an increase of \$10,450 amount approved by the 2019 Legislature. This increase coincides with the decrease in contractual services and is to purchase new desktop computers for the agency as approved by the 2019 Legislature when it provided additional funding in FY 2020.

The **Governor** concurs with the agency's FY 2020 revised estimate.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 1,371,975	\$ 1,314,717	\$ (57,258)
FTE Positions	10.0	10.0	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 51,022	\$ (6,236)	
All Other Funds	0	0	
TOTAL	\$ 51,022	\$ (6,236)	
<i>Percent Change:</i>			
State General Fund	3.9 %	(0.5) %	
All Other Funds	--	--	
TOTAL	3.9 %	(0.5) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$1.4 million, all from the State General Fund, for FY 2021. This is an increase of \$51,022, or 3.9 percent, above the FY 2020 revised estimate. The agency's request includes 10.0 FTE positions, which is the same number as the FY 2020 revised estimate.

The agency's FY 2021 request includes an enhancement request totaling \$57,258, all from the State General Fund, to increase the base salaries of employees. Absent the enhancement, the agency requests \$1.3 million, all from the State General Fund, which is a decrease of \$6,236, or 0.5 percent, below the FY 2020 revised estimate. Details by category of expenditure include:

- **Salaries and Wages.** The agency requests \$683,142, all from the State General Fund, for salaries and wages for FY 2021. This is an increase of \$60,098, or 9.6 percent, above the FY 2020 revised estimate. The request includes the agency's enhancement request for \$57,258, all from the State General Fund, for a base salary increase and maintains the current level of staffing with fringe benefits, employer contribution to retirement plan, and non-state employee health plan rates. The remainder of the increase is due to an increase in group health insurance costs;
- **Contractual Services.** The agency requests \$679,833, all from the State General Fund, for contractual services for FY 2021. This is a State General Fund decrease of \$618, or 0.1 percent, below the FY 2020 revised estimate. The decrease is due to decreases in professional service fees and other contractual

services, while increases in printing and in-state travel offset a portion of the decrease;

- **Commodities.** The agency requests \$9,000, all from the State General Fund, for commodities for FY 2021. This is a State General Fund increase of \$1,992, or 28.4 percent, above the FY 2020 revised estimate. The increase is due to revised estimates that better reflect expected expenditures; and
- **Capital Outlay.** The agency requests \$0, all from the State General Fund, for capital outlay for FY 2021. This is a decrease of \$10,450, or 100.0 percent, below the FY 2020 revised estimate. The decrease is due to no anticipated need for capital outlay purchases.

The **Governor** recommends \$1.3 million, all from the State General Fund, for FY 2021. The recommendation is a decrease of \$57,258, or 4.2 percent, below the agency's request for FY 2021. This is due to the Governor not recommending the agency's enhancement request to increase base salaries.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Base Salaries	\$ 57,258	\$ 57,258	0.0	\$ 0	\$ 0	0.0

The **agency** requests an enhancement of \$57,258, all from the State General Fund, to increase the base salaries of employees, including Kansas Public Employee Retirement Systems (KPERS) and fringe benefits. The agency states the last base line adjustment for salaries and wages for staff became effective July 1, 2008. During a periodic review, the agency found base line adjustments have occurred in the last 13 years within the civil service system. The agency believes the increase is necessary to maintain a stable and experienced workforce, reduce staff turnover, attract qualified personnel, and maintain a more competitive peer level base line.

The **Governor** does not recommend the agency's enhancement request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$13,007, including \$13,007 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

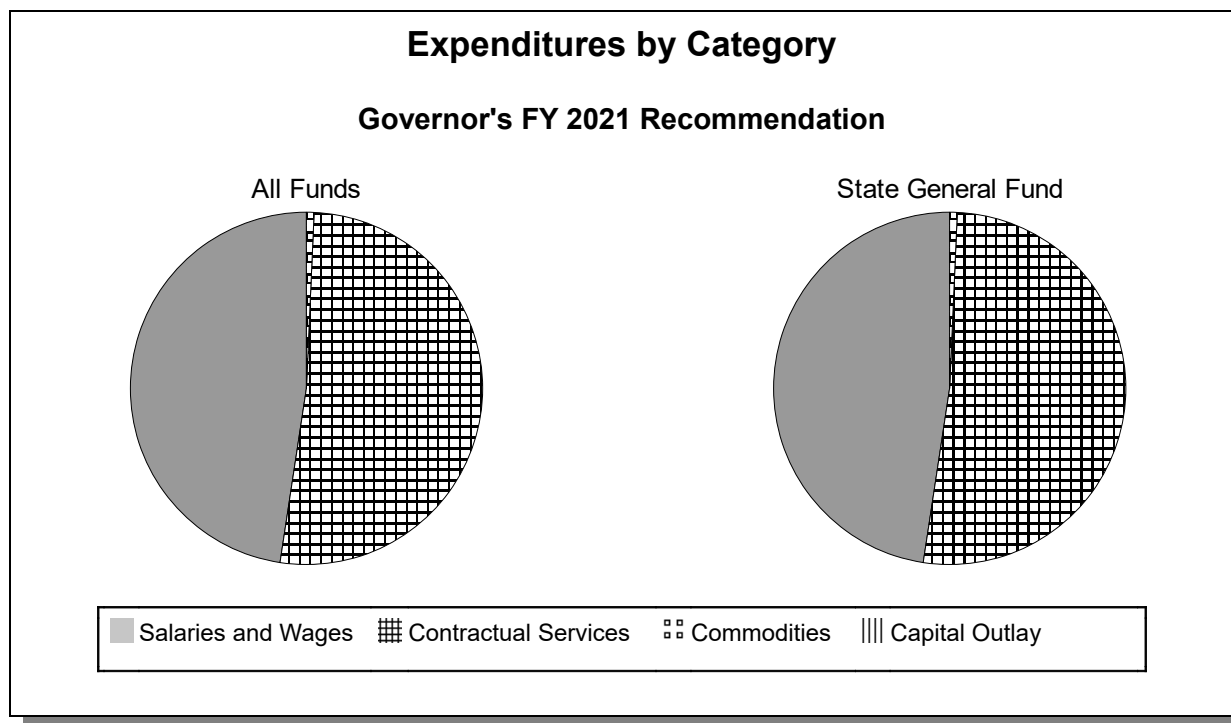
Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **The agency has no longevity payments for FY 2020 or FY 2021.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	100.0 %	100.0 %
All Other Funds	0.0	0.0
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

CATEGORY DETAIL



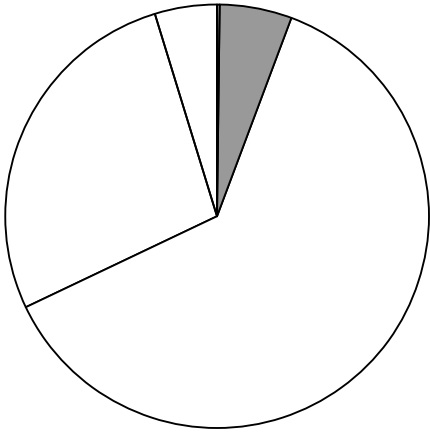
Category	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Salaries and Wages	\$ 625,884	47.6 %	\$ 625,884	47.6 %
Contractual Services	679,833	51.7	679,833	51.7
Commodities	9,000	0.7	9,000	0.7
Capital Outlay	0	--	0	--
TOTAL	\$ 1,314,717	100.0 %	\$ 1,314,717	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	10.0	10.0	10.0	10.0	10.0

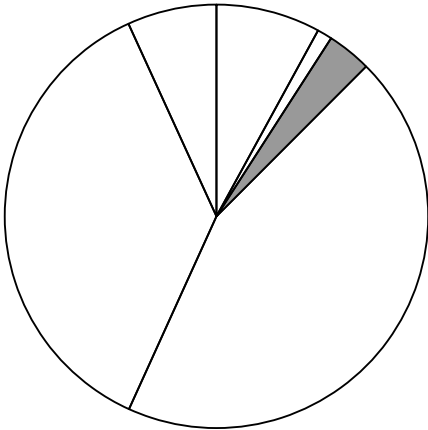
Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

PUBLIC SAFETY

State General Fund



All Funds



Public Safety provides safety and security to Kansas citizens. This function includes law enforcement agencies and correctional facilities, including the Adjutant General’s Department, Kansas Bureau of Investigation, Kansas Commission on Peace Officers’ Standards and Training, Emergency Medical Services Board, State Fire Marshal, Kansas Highway Patrol, Sentencing Commission, and Department of Corrections and its eight adult facilities and one juvenile facility.

The Governor's FY 2021 recommendation for the Public Safety function totals \$671.9 million from all funding sources, including \$439.0 million from the State General Fund.

Agencies in this Function:

Department of Corrections.....	621
Kansas Sentencing Commission.....	690
Adjutant General's Department.....	706
Kansas Highway Patrol.....	746
Kansas Bureau of Investigation.....	781
Kansas Commission on Peace Officers'	
Standards and Training.....	817
Emergency Medical Services Board.....	831
State Fire Marshal.....	846

The FY 2021 recommendation represents a State General Fund decrease of 4.2 percent, or \$19.4 million, below FY 2020. This is also an all funds decrease of 2.7 percent, or \$18.3 million, below FY 2020.

A total of 4,939.1 FTE positions are recommended by the Governor for the Public Safety function for FY 2021, which is a decrease of 115.9 FTE positions below FY 2020. Of all state FTE positions, 12.1 percent are in this function.

Agencies in this function comprise 5.6 percent of the total State General Fund budget for FY 2021, which is a decrease from 5.9 percent in FY 2020. They comprise 3.4 percent of expenditures from all funding sources in FY 2021, which is a decrease from 3.7 percent in FY 2020.

DEPARTMENT OF CORRECTIONS

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 366,272,504	\$ 464,275,870	\$ 401,382,440	\$ 477,119,682	\$ 383,407,736
Other Funds	31,024,785	34,512,415	34,512,415	33,104,253	33,602,787
<i>Subtotal</i>	<i>\$ 397,297,289</i>	<i>\$ 498,788,285</i>	<i>\$ 435,894,855</i>	<i>\$ 510,223,935</i>	<i>\$ 417,010,523</i>
Capital Improvements:					
State General Fund	\$ 866,038	\$ 495,000	\$ 6,584,218	\$ 0	\$ 7,208,190
Other Funds	9,482,566	15,063,406	13,563,406	6,082,000	8,082,000
<i>Subtotal</i>	<i>\$ 10,348,604</i>	<i>\$ 15,558,406</i>	<i>\$ 20,147,624</i>	<i>\$ 6,082,000</i>	<i>\$ 15,290,190</i>
TOTAL	<u>\$ 407,645,893</u>	<u>\$ 514,346,691</u>	<u>\$ 456,042,479</u>	<u>\$ 516,305,935</u>	<u>\$ 432,300,713</u>
Percentage Change:					
Operating Expenditures					
State General Fund	5.2 %	26.8 %	9.6 %	2.8 %	(4.5) %
All Funds	5.4	25.5	9.7	2.3	(4.3)
FTE Positions	3,564.3	3,438.0	3,438.0	3,376.5	3,320.1

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department of Corrections (DOC) provides supervision to adult felony offenders in the state, including inmates incarcerated in one of the eight correctional facilities, post-release supervision (parole), and community-based supervision (probation and treatment-oriented sentencing). The system consists of the DOC Central Office and eight adult correctional facilities. While all nine components are independent agencies, the system structure allows for some commonly utilized items to be budgeted in a central location (e.g., the inmate health care contract). In FY 2014, the DOC added two juvenile correctional facilities into its system and abolished the Juvenile Justice Authority (JJA). The annual appropriations bill grants the Secretary of Corrections the authority to transfer State General Fund dollars between the facilities and the Central Office. In 2017, the Larned Juvenile Correctional Complex was closed. All youth housed at the facility were transferred to the Kansas Juvenile Correctional Complex.

MAJOR ISSUES FROM PRIOR YEARS

The **2013 Legislature** approved Executive Reorganization Order (ERO) No. 42, which abolished the Juvenile Justice Authority (JJA) and moved all functions, duties, and the commissioner of the JJA into the Department of Corrections underneath the Secretary of Corrections. ERO 42 added \$63.8 million, including \$48.8 million from the State General Fund, and 18.0 FTE positions for FY 2014.

The **2016 Legislature** passed SB 367 and HB 2447; both were signed by the Governor. SB 367 changed the law in several ways, one of which was creating the Kansas Juvenile Justice Improvement Fund. The Fund is to be used for the development and implementation of evidence-based community programs and practices for juvenile offenders and their families by community supervision offices, including juvenile intake and assessment, court services, and community corrections. On or before June 30 of each year, the Secretary of Corrections must determine and certify to the Director of Accounts and Reports the amount in each account of the State General Fund of a state agency the Secretary has determined is an actual or projected cost savings due to cost avoidance from decreased reliance on incarceration in a juvenile correctional facility or youth residential center, with a baseline calculated on the cost of incarceration and placement in FY 2015. HB 2447 increased the maximum number of days an inmate's sentence may be shortened for earning program credits from 90 to 120 days. The Kansas Sentencing Commission estimated HB 2447 will save 115 prison beds in FY 2018.

The **2017 Legislature** added language allowing the agency to enter into a lease-purchase agreement for the demolition, design, and construction of a new facility at Lansing Correctional Facility (LCF), or, if more cost-effective, allow the agency to bond with the Kansas Development Finance Authority to demolish, design, and construct a correctional institution at LCF, capping expenditures related to the project at \$155.0 million. The Legislature passed SB 42, which deleted the Kansas Juvenile Justice Improvement Fund and replaced it with State General Fund account named the Evidence Based Juvenile Program Account.

In **2018**, the State Finance Council approved plans for the agency to enter into a lease-purchase agreement for the demolition, design, and construction of a new facility at LCF.

The **2018 Legislature** passed SB 328, which requires prior legislative authorization for any state agency to enter into any agreement or take any action to outsource or privatize security operations of any correctional or juvenile correctional facility operated by a state agency. The bill applies to security operations or job classifications and duties associated with a security operation of correctional or juvenile correctional facilities.

The **2019 Legislature** passed HB 2290, which established the Kansas Criminal Justice Reform Commission to address issues involving the Kansas criminal justice system, such as sentencing guidelines, evidence-based offender programming, information data systems, and DOC policies regarding geriatric, healthcare, and substance abuse treatment. The Legislature added \$6.0 million for evidence-based programs in FY 2019. The Legislature added \$4.5 million for hepatitis C treatment and \$11.6 million for correctional officer salary adjustments for FY 2020. The Legislature also added \$16.5 million for inmate outsourcing to non-state facilities, with \$11.0 million pending approval of the State Finance Council, for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agencies** estimate FY 2020 total revised expenditures for the entire **DOC System** of \$514.3 million, including \$464.8 million from the State General Fund. The revised estimate is an all funds increase \$19.6 million, or 4.0 percent, and a State General Fund increase of \$13.0 million, or 2.9 percent, above the FY 2020 approved amount. The revised estimate includes 3,438.0 FTE positions, which is a decrease of 132.3 FTE positions, or 3.7 percent, below the approved number. The position decrease is mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2020 revised estimate includes systemwide operating expenditures of \$498.8 million, including \$464.3 million from the State General Fund. The revised estimate is an all

funds increase of \$14.1 million, or 2.9 percent, and a State General Fund increase of \$13.0 million, or 2.9 percent, above the approved amount. The increase is attributable to increased expenditures for salaries and wages (\$14.9 million); contractual services, including evidence-based juvenile programs (\$8.1 million); and capital outlay, including security equipment (\$927,105). The increase is partially offset by a decrease in state aid to local units of government and local assistance (\$11.5 million). The revised estimate includes supplemental requests totaling \$14.5 million, all from the State General Fund, primarily for salaries and wages shrinkage reduction (\$12.5 million).

The FY 2020 revised estimate includes systemwide capital improvements expenditures of \$15.6 million, including \$495,000 from the State General Fund. This is an all funds increase of \$5.5 million, or 54.7 percent, all from special revenue funds, above the approved amount. The increase is mainly attributable to improvements at the Kansas Juvenile Justice Complex (\$1.1 million) and the Hutchinson Correctional Facility (\$1.3 million).

The **agency** estimates FY 2020 total revised expenditures for the **DOC Central Office** of \$295.1 million, including \$252.3 million from the State General Fund. The revised estimate is an all funds increase of \$7.5 million, or 2.6 percent, and a State General Fund increase of \$5.9 million, or 2.4 percent, above the approved amount. The revised estimate includes 507.0 FTE positions, which is an increase of 28.3 FTE positions, or 5.9 percent, above the approved number. The position increase is mainly within Offender Programs.

The FY 2020 revised estimate includes operating expenditures for the DOC Central Office of \$284.4 million, including \$251.8 million from the State General Fund. The revised estimate is an all funds increase of \$6.9 million, or 2.5 percent, and a State General Fund increase of \$5.9 million, or 2.4 percent, above the approved amount. The increase is attributable to increased expenditures for contractual services, including evidence-based juvenile programs (\$8.1 million), and inmate outsourcing to non-state facilities (\$5.5 million), an expenditure originally appropriated to El Dorado Correctional Facility but reallocated to the Central Office to consolidate systemwide inmate outsourcing. The increase also includes expenditures for capital outlay, including security equipment (\$927,105). The increase is partially offset by a decrease in state aid to local units of government and local assistance (\$11.5 million). The revised estimate includes supplemental requests for server and network infrastructure improvements (\$645,000) and Office of Information Technology Services fees (\$427,980).

The FY 2020 revised estimate includes capital improvements expenditures for the DOC Central Office of \$10.7 million, including \$495,000 from the State General Fund. This is an all funds increase of \$638,200, or 6.3 percent, all from special revenue funds, above the approved amount.

The **agencies** estimate FY 2020 total revised expenditures for the **DOC facilities** of \$219.3 million, including \$212.5 million from the State General Fund. The revised estimate is an all funds increase of \$11.9 million, or 5.7 percent, and a State General Fund increase of \$6.9 million, or 3.4 percent, above the FY 2020 approved amount. The revised estimate includes 2,931.0 FTE positions, which is a decrease of 160.5 FTE positions, or 5.2 percent, below the approved number. The position decrease is mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2020 revised estimate includes operating expenditures for the DOC facilities of \$214.4 million, including \$212.5 million from the State General Fund. The revised estimate is an all funds increase of \$7.0 million, or 3.4 percent, and a State General Fund increase of \$6.9 million, or 3.4 percent, above the approved amount. The increase is attributable to increased expenditures for salaries and wages (\$12.7 million), partially offset by decreased contractual

services for inmate outsourcing to non-state facilities (\$5.5 million), an expenditure originally appropriated to El Dorado Correctional Facility but reallocated to the Central Office to consolidate systemwide outsourcing.

The FY 2020 revised estimate includes capital improvements expenditures for the DOC facilities of \$4.9 million, all from special revenue funds. This is an increase of 100.0 percent as the Secretary of Corrections is authorized to transfer moneys from the Central Office to facilities in accordance with the five-year capital improvement plan.

The **Governor** recommends FY 2020 total expenditures for the entire **DOC System** of \$456.0 million, including \$408.0 million from the State General Fund. The recommendation is an all funds decrease of \$58.3 million, or 11.3 percent, and a State General Fund decrease of \$56.8 million, or 12.2 percent, below the agencies' FY 2020 revised estimate. The recommendation includes operating expenditures for the DOC System of \$435.9 million, including \$401.4 million from the State General Fund. The recommendation is an all funds decrease of \$62.9 million, or 12.6 percent, and a State General Fund decrease of \$62.9 million, or 13.5 percent, below the agencies' FY 2020 revised estimate. The decrease is mainly due to the Governor not recommending several agency supplemental requests, including a shrinkage rate reduction (\$12.4 million). The decrease is also due to the Governor's recommendation to reduce expenditures from the Evidence-Based Juvenile Programs Account (\$42.3 million). The recommendation includes 3,438.0 FTE positions, which is unchanged from the agencies' FY 2020 revised estimate.

The Governor's recommendation includes systemwide capital improvement expenditures of \$20.1 million, including \$6.6 million from the State General Fund. The recommendation is an all funds increase of \$4.6 million, or 29.5 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agencies' FY 2020 revised estimate. The increase is attributable to the first year of expenditures totaling \$6.1 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse center at the Winfield Correctional Facility.

The **Governor** recommends FY 2020 total expenditures for the **DOC Central Office** of \$236.8 million, including \$196.5 million from the State General Fund. The recommendation is an all funds decrease of \$58.3 million, or 19.8 percent, and a State General Fund decrease of \$56.8 million, or 22.5 percent, below the agency's FY 2020 revised estimate. The recommendation includes operating expenditures for the DOC Central Office of \$221.5 million, including \$188.9 million from the State General Fund. The recommendation is a decrease of \$62.9 million, or 22.1 percent, all from the State General Fund, below the FY 2020 revised estimate. The recommendation includes 507.0 FTE positions, which is unchanged from the agency's FY 2020 revised estimate. The Governor's recommendation includes the following adjustments:

- A decrease of \$14.5 million, all from the State General Fund, due to the Governor not recommending the agency's supplemental requests;
- A decrease of \$42.3 million, all from the State General Fund, in expenditures from the Evidence-Based Juvenile Programs Account to align with expenditures approved by the Juvenile Justice Oversight Committee at the time of the agency's budget submission;
- A decrease of \$6.3 million, all from the State General Fund, for inmate outsourcing to non-state facilities due to lower-than-anticipated expenditures; and

- An increase of \$250,000, all from the State General Fund, for payments to local jails for the purposes of housing parole violators.

The Governor's recommendation includes DOC Central Office capital improvement expenditures of \$15.3 million, including \$6.6 million from the State General Fund. This is an all funds increase of \$5.2 million, or 52.0 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agency's FY 2020 revised estimate. The increase is attributable to the first year of expenditures for expansion projects at the Lansing Correctional Facility and the Winfield Correctional Facility (\$6.1 million).

The **Governor** concurs with the **DOC facilities'** FY 2020 revised estimates.

FY 2021 – Budget Year. The **agencies** request FY 2021 total expenditures for the entire **DOC System** of \$516.3 million, including \$477.1 million from the State General Fund. The request is an all funds increase of \$2.0 million, or 0.4 percent, and State General Fund increase of \$12.3 million, or 2.7 percent, above the FY 2020 revised estimate. The request includes 3,376.5 FTE positions, which is a decrease of 61.5 FTE positions, or 1.8 percent, below the number in the FY 2020 revised estimate. The position decrease is mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2021 request includes systemwide operating expenditures of \$510.2 million, including \$477.1 million from the State General Fund. The request is an all funds increase of \$11.4 million, or 2.3 percent, and a State General Fund increase of \$12.8 million, or 2.8 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for health care and hepatitis C Treatment (\$7.7 million), offender data management software (\$17.5 million), pay increases for parole officers and team counselors (\$4.8 million), and Office of Information Technology Services fees (\$2.7 million). The increase is also attributable to the first full-year lease payment for the Lansing Correctional Facility totaling \$15.1 million, which is an increase (\$8.3 million) above the FY 2020 partial payment. The increase is partially offset by the lack of reappropriated State General Fund moneys in FY 2021 (\$37.2 million) and a decrease in operating expenditures (\$7.9 million) in the Lansing Correctional Facility due to efficiencies at the new facility. In total, the agency is requesting enhancements of \$55.4 million, all from the State General Fund, which is primarily for the requests mentioned above, but also includes the transfer in KPERs classification for parole officers and juvenile correctional officers (\$1.6 million), vehicle replacement (\$1.3 million), and full funding of the food service contract (\$866,204).

The FY 2021 request includes systemwide capital improvements expenditures of \$6.1 million, all from special revenue funds. This is an all funds decrease of \$9.5 million, or 60.9 percent, and a State General Fund decrease of \$495,000, or 100.0 percent, below the FY 2020 revised estimate.

The **agency** requests FY 2021 total expenditures for the **DOC Central Office** of \$309.0 million, including \$271.6 million from the State General Fund. The request is an all funds increase of \$13.9 million, or 4.7 percent, and a State General Fund increase of \$19.4 million, or 7.7 percent, above the FY 2020 revised estimate. The request includes 543.0 FTE positions, which is an increase of 36.0 FTE positions, or 7.1 percent, above the FY 2020 revised estimate. The position increases are mainly among Unit Team Counselors and Victims Services Staff assigned to facilities.

The FY 2021 request includes operating expenditures for the DOC Central Office of \$302.9 million, including \$271.6 million from the State General Fund. The request is an all funds increase of \$18.5 million, or 6.5 percent, and a State General Fund increase of \$19.9 million, or 7.9 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for inmate health care and hepatitis C treatment (\$7.7 million), offender management software (\$17.5 million), pay increases for parole and unit team counselors (\$4.8 million), and Office of Information Technology Services fees (\$2.7 million). The increase is also attributable to the first full-year lease payment for the Lansing Correctional Facility totaling \$15.1 million, which is an increase (\$8.3 million) above partial payment in FY 2020. The increase is offset by the lack of reappropriated State General Fund monies in FY 2021 (\$35.0 million). In total, the agency is requesting enhancements of \$55.4 million, all from the State General Fund, which is primarily for the requests mentioned above, but also includes the transfer in KPERs classification for parole officers and juvenile correctional officers (\$1.6 million), vehicle replacement (\$1.3 million), and full funding of the food service contract (\$866,204).

The FY 2021 request includes capital improvements expenditures for the Central Office of \$6.1 million, all from special revenue funds. This is an all funds decrease \$4.1 million, or 40.4 percent, and a State General Fund decrease of \$495,000, or 100.0 percent, below the FY 2020 revised estimate.

The **agencies** request FY 2021 total expenditure for the **DOC facilities** of \$207.3 million, including \$205.5 million from the State General Fund. The request is an all funds decrease of \$12.0 million, or 5.5 percent, and a State General Fund decrease of \$7.0 million, or 3.3 percent, below the FY 2020 revised estimate. The request includes 2,833.5 FTE positions, which is a decrease of 97.5 FTE positions, or 3.3 percent, below the FY 2020 revised estimate. The decrease is mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2021 request includes operating expenditures for the DOC facilities of \$207.3 million, including \$205.5 million from the State General Fund. The request is an all funds decrease of \$7.0 million, or 3.3 percent, and a State General Fund decrease of \$7.0 million, or 3.3 percent, below the FY 2020 revised estimate. The decrease is attributable to decreased salaries and wages (\$6.0 million), mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2021 request does not include capital improvements expenditures for the DOC facilities. Capital improvements are planned at the Central Office and the Secretary of Corrections is authorized to transfer moneys to facilities in accordance with the five-year capital improvement plan.

The **Governor** recommends FY 2021 total expenditures for the entire **DOC System** of \$432.3 million, including \$390.6 million from the State General Fund. The recommendation is an all funds decrease of \$84.0 million, or 16.3 percent, and a State General Fund decrease of \$86.5 million, or 18.1 percent, below the agencies' FY 2021 request. The recommendation includes operating expenditures for the DOC System of \$417.0 million, including \$383.4 million from the State General Fund. The recommendation is an all funds decrease of \$93.2 million, or 18.3 percent, and a State General Fund decrease of \$93.7 million, or 19.6 percent, below the agency's FY 2021 request. The decrease is mainly due to the Governor's recommendation that all juvenile components be reorganized into the newly created Department of Human Services (DHS), as part of the Governor's Executive Reorganization Order (ERO) (\$39.6 million). The decrease is also due to the Governor not recommending several of the agencies' enhancement requests. The recommendation includes 3,320.1 FTE positions, which is a decrease of 56.4

FTE positions below the agency's FY 2021 request. The decrease is mainly at the DOC Central Office and attributable to the relocation of the Juvenile Services program as part of the ERO.

The Governor's FY 2021 recommendation includes systemwide capital improvement expenditures of \$15.3 million, including \$7.2 million from the State General Fund. The recommendation is an increase of \$9.2 million, or 151.4 percent, all from special revenue funds, above the agency's FY 2021 request. The increase is mainly due to the second year of expenditures totaling \$7.7 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse treatment center at the Winfield Correctional Facility.

The **Governor** recommends FY 2021 total expenditures for the **DOC Central Office** of \$226.1 million, including \$186.2 million from the State General Fund. The recommendation is an all funds decrease of \$82.9 million, or 26.8 percent, and a State General Fund decrease of \$85.4 million, or 31.4 percent, below the agency's FY 2021 request. The FY 2021 recommendation includes operating expenditures for the DOC Central Office of \$210.8 million, including \$179.0 million from the State General Fund. The recommendation is an all funds decrease of \$92.1 million, or 30.4 percent, and a State General Fund decrease of \$92.6 million, or 34.1 percent, below the agency's FY 2021 request. The decrease is mainly due to the Governor's recommendation that the Juvenile Services program be reorganized into the newly created DHS, as part of the Governor's ERO (\$39.6 million). The decrease is also due to the Governor not recommending several of the agencies enhancement requests. The recommendation includes 484.6 FTE positions, which is a decrease of 58.4 FTE positions below the agency's FY 2021 request. The decrease is mainly due to the relocation of 22.4 FTE positions in the Juvenile Services program as part of the ERO. The Governor's recommendation includes the following adjustments from the agency's request:

- A decrease of \$9.9 million from the agency's request for a shrinkage rate reduction, all from the State General Fund, allowing for the retention of \$5.0 million in the shrinkage rate reduction to be distributed systemwide based on the needs of each facility;
- A decrease of \$4.5 million, all from the State General Fund, due to lower-than-anticipated expenditures for inmate outsourcing to non-state facilities (\$2.6 million) and housing of adult female inmates at the Kansas Juvenile Correctional Complex (KJCC) (\$2.8 million);
- A decrease of \$1.7 million, all from the State General Fund, for Office of Information Technology Services fees, allowing the retention of \$915,804 for data center as a service;
- An increase of \$750,000, all from the State General Fund, for payments to local jails for the purposes of housing parole violators;
- An increase of \$160,000, all from the State General Fund, for the addition of 2.0 FTE positions for substance abuse recovery within the Offender Program;
- A shift of \$1.8 million to support the agency's enhancement requests for the food service contract (\$866,204) and safety and security equipment (\$927,105). The recommendation changes the funding source from the State General Fund to Kansas Correctional Industries Fund; and

- A shift of \$1.4 million to support the agency's enhancement request to replace 62 vehicles (\$1.3 million) and purchase video conferencing equipment for parole officers (\$32,358). The recommendation would change the funding source from the State General Fund to General Fees Fund using a transfer from the Office of the Attorney General derived from the Equifax data breach settlement.

The Governor's FY 2021 recommendation includes DOC Central Office capital improvement expenditures of \$15.3 million, including \$7.2 million from the State General Fund. This is an all funds increase of \$9.2 million, or 151.4 percent, and a State General Fund increase of \$7.2 million, or 100.0 percent, above the agency's FY 2021 request. The increase is mainly due to the second year of expenditures for the substance abuse treatment center at the Lansing Correctional Facility and the geriatric and substance abuse treatment center at the Winfield Correctional Facility (\$7.2 million). These expansion projects are financed from lower-than-anticipated expenditures for inmate outsourcing to non-state facility and housing female inmates at KJCC (\$4.5 million) and additional moneys from the State General Fund (\$2.7 million)

The **Governor** concurs with the **DOC facilities'** FY 2020 request. However, the Governor recommends that oversight of the Kansas Juvenile Correctional Complex be transferred to the newly created DHS, as part of the Governor's ERO.

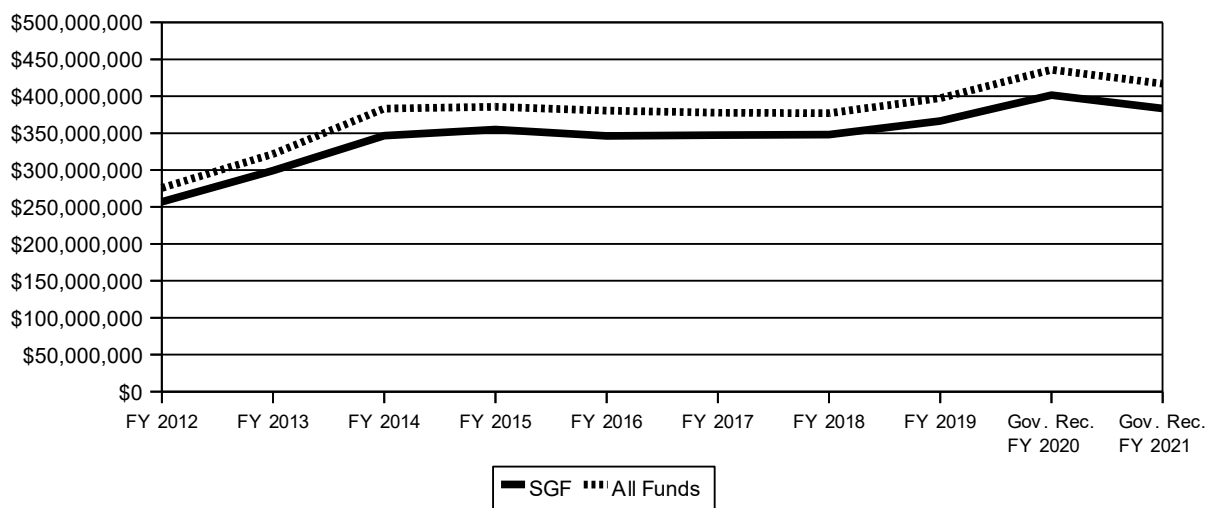
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Offenders under Parole Supervision Returned to Prison for Condition Violations	1,142	1,104	1,162	1,090	1,200	1,200
Number of Meals Served to Offenders (In Millions)	10.4	10.1	10.3	10.3	10.1	10.3
Number of Inmates Treated for Hepatitis C	N/A	44	N/A	110	567	605
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 377.6	\$ 386.5	\$ 421.3	\$ 407.6	\$ 456.0	\$ 432.3
FTE Positions	3,669.5	3,654.3	3,562.3	3,564.2	3,438.0	3,320.1

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 256,993,688	21.2 %	\$ 275,770,501	(0.4)%	3,013.5
2013	299,408,983	16.5	321,795,284	16.7	3,496.5
2014	346,709,721	15.8	383,248,969	19.1	3,496.0
2015	354,863,864	2.4	385,648,455	0.6	3,688.5
2016	346,331,858	(2.4)	380,489,595	(1.3)	3,669.5
2017	347,179,899	0.2	377,608,250	(0.8)	3,669.5
2018	348,182,560	0.3	376,985,089	(0.2)	3,654.3
2019	366,272,504	5.2	397,297,289	5.4	3,564.3
2020 Gov. Rec.	401,382,440	9.6	435,894,855	9.7	3,438.0
2021 Gov. Rec.	383,407,736	(4.5)	417,010,523	(4.3)	3,320.1
Ten-Year Change Dollars/Percent	\$ 126,414,048	49.2 %	\$ 141,240,022	51.2 %	306.6

Summary of DOC System Operating Budget FY 2019 - FY 2021

Department of Corrections

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Central Office	\$	196,523,724	\$ 284,382,457	\$ 302,904,429	\$ 18,521,972	6.5 %	\$ 221,489,027	\$ 210,807,864	\$ (10,681,163)	(4.8)%
Ellsworth CF		15,526,041	17,134,573	16,943,692	(190,881)	(1.1)	17,134,573	16,943,692	(190,881)	(1.1)
El Dorado CF		32,842,100	34,123,049	33,973,579	(149,470)	(0.4)	34,123,049	33,973,579	(149,470)	(0.4)
Hutchinson CF		34,936,428	36,852,450	36,799,956	(52,494)	(0.1)	36,852,450	36,799,956	(52,494)	(0.1)
Kansas Juvenile CC		19,367,017	21,071,065	21,146,621	75,556	0.4	21,071,065	21,146,621	75,556	0.4
Lansing CF		37,676,712	39,834,241	31,982,653	(7,851,588)	(19.7)	39,834,241	31,982,653	(7,851,588)	(19.7)
Larned CF		11,934,852	13,004,912	12,998,466	(6,446)	(0.0)	13,004,912	12,998,466	(6,446)	(0.0)
Norton CF		17,436,025	18,759,457	18,675,337	(84,120)	(0.4)	18,759,457	18,675,337	(84,120)	(0.4)
Topeka CF		16,959,328	18,073,875	19,262,242	1,188,367	6.6	18,073,875	18,145,395	71,520	0.4
Winfield CF		14,095,062	15,552,206	15,536,960	(15,246)	(0.1)	15,552,206	15,536,960	(15,246)	(0.1)
TOTAL	\$	397,297,289	\$ 498,788,285	\$ 510,223,935	\$ 11,435,650	2.3 %	\$ 435,894,855	\$ 417,010,523	\$ (18,884,332)	(4.3)%
By Major Object of Expenditure:										
Salaries and Wages	\$	199,711,479	\$ 228,298,229	\$ 233,155,663	\$ 4,857,434	2.1 %	\$ 215,809,242	\$ 212,468,617	\$ (3,340,625)	(1.5)%
Contractual Services		135,133,741	162,928,515	191,691,658	28,763,143	17.7	156,411,317	162,961,857	6,550,540	4.2
Commodities		14,513,933	15,693,368	15,098,012	(595,356)	(3.8)	15,693,368	15,034,804	(658,564)	(4.2)
Capital Outlay		2,838,003	3,724,903	21,471,154	17,746,251	476.4	2,152,798	3,631,763	1,478,965	68.7
Debt Service		437,035	210,388	0	(210,388)	(100.0)	210,388	0	(210,388)	(100.0)
<i>Subtotal - Operations</i>	<i>\$</i>	<i>352,634,191</i>	<i>\$ 410,855,403</i>	<i>\$ 461,416,487</i>	<i>\$ 50,561,084</i>	<i>12.3 %</i>	<i>\$ 390,277,113</i>	<i>\$ 394,097,041</i>	<i>\$ 3,819,928</i>	<i>1.0 %</i>
Aid to Local Units		42,365,705	86,842,428	47,730,994	(39,111,434)	(45.0)	44,527,288	21,891,277	(22,636,011)	(50.8)
Other Assistance		2,297,393	1,090,454	1,076,454	(14,000)	(1.3)	1,090,454	1,022,205	(68,249)	(6.3)
TOTAL	\$	397,297,289	\$ 498,788,285	\$ 510,223,935	\$ 11,435,650	2.3 %	\$ 435,894,855	\$ 417,010,523	\$ (18,884,332)	(4.3)%
Financing:										
State General Fund	\$	366,272,504	\$ 464,275,870	\$ 477,119,682	\$ 12,843,812	2.8 %	\$ 401,382,440	\$ 383,407,736	\$ (17,974,704)	(4.5)%
Federal Funds		4,596,286	3,382,947	3,332,486	(50,461)	(1.5)	3,382,947	2,854,618	(528,329)	(15.6)
Correctional Industries		10,610,525	12,185,828	12,131,261	(54,567)	(0.4)	12,185,828	12,131,261	(54,567)	(0.4)
All Other Funds		15,817,974	18,943,640	17,640,506	(1,303,134)	(6.9)	18,943,640	18,616,908	(326,732)	(1.7)
TOTAL	\$	397,297,289	\$ 498,788,285	\$ 510,223,935	\$ 11,435,650	2.3 %	\$ 435,894,855	\$ 417,010,523	\$ (18,884,332)	(4.3)%

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$414,574,979 for the Department of Corrections and facilities in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$37,175,034, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$451,750,013. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 451,750,013	\$ 464,770,870	\$ 13,020,857	\$ 407,966,658	\$ (43,783,355)
All Other Funds	43,034,769	49,575,821	6,541,052	48,075,821	5,041,052
TOTAL	\$ 494,784,782	\$ 514,346,691	\$ 19,561,909	\$ 456,042,479	\$ (38,742,303)
FTE Positions	3,570.3	3,438.0	(132.3)	3,438.0	(132.3)

The **agencies** estimate total FY 2020 expenditures for the **DOC System**, including capital improvements, of \$514.3 million, including \$464.8 million from the State General Fund. This is an all funds increase \$19.6 million, or 4.0 percent, and State General Fund increase of \$13.0 million, or 2.9 percent, above the FY 2020 approved amount. The revised estimate includes 3,438.0 FTE positions, which is a decrease of 132.3 FTE positions below the approved number.

The **agency** estimates FY 2020 total revised expenditures for the **DOC Central Office** of \$295.1 million, including \$252.3 million from the State General Fund. This is an all funds increase \$7.5 million, or 2.6 percent, and a State General Fund increase of \$5.9 million, or 2.4 percent, above the approved amount. The FY 2020 revised estimate includes operating expenditures for the DOC Central Office of \$284.4 million, including \$251.8 million from the State General Fund. This is an all funds increase of \$6.9 million, or 2.5 percent, and a State General Fund increase of \$5.9 million, or 2.4 percent, above the approved amount. The increase is attributable to increased expenditures for contractual services, including evidence-based juvenile programs (\$8.1 million), and inmate outsourcing to non-state facilities (\$5.5 million), an expenditure originally appropriated to the El Dorado Correctional Facility but reallocated to the Central Office to consolidate systemwide inmate outsourcing. The increase also includes expenditures for capital outlay including security equipment (\$927,105). The

increase is partially offset by a decrease in state aid to local units of government and local assistance (\$11.5 million). The revised estimate includes supplemental requests totaling \$14.5 million, all from the State General Fund, primarily for a salaries and wages shrinkage reduction (\$12.5 million). The revised estimate also includes 507.0 FTE positions, which is an increase of 28.3 FTE positions, or 5.9 percent, above the approved number. The increase is mainly in Offender Programs and primarily for sex offender treatment upon reentry into the community. Major changes by category of expenditure are outlined below:

- **Salaries and Wages.** The agency estimates FY 2020 revised salaries and wages expenditures for the Central Office of \$46.5 million, including \$39.8 million from the State General Fund. The revised estimate is an all funds increase of \$2.1 million, or 4.7 percent, and a State General Fund increase of \$632,465, or 1.6 percent, above the approved amount. The increase is attributable to increased expenditures for the offenders program (\$2.6 million) that includes new positions for sex abuse treatment and reentry programs, offset by a decrease in administration salaries and wages expenditures (\$10.6 million). The majority of the FY 2020 salary and wage adjustments were originally appropriated to the Central Office and distributed out to the facilities. The increase is further attributable to a supplemental request for a salaries and wages shrinkage reduction (\$12.5 million);
- **Contractual Services.** The agency estimates FY 2020 revised contractual services expenditures for the Central Office of \$140.7 million, including \$126.6 million from the State General Fund. The revised estimate is an all funds increase of \$14.8 million, or 11.8 percent, and a State General Fund increase of \$14.0 million, or 12.5 percent, above the approved amount. The increase is attributable to increased expenditures for evidence-based juvenile programs (\$8.1 million), such as juvenile crisis intervention centers, functional family therapy, and youth offender information management software. The increase includes \$5.5 million for outsourcing male inmates to non-state facilities, including county jails in Kansas (130 beds) and a private prison in Eloy, Arizona (360 beds), to relieve overcrowding within the DOC system. These funds were appropriated to the El Dorado Correctional Facility, but reallocated to the Central Office to consolidate systemwide inmate outsourcing;
- **Commodities.** The agency estimates FY 2020 commodities expenditures for the Central Office of \$5.6 million, including \$297,288 from the State General Fund. The revised estimate is an all funds decrease of \$1.1 million, or 16.1 percent, and a State General Fund decrease of \$519,536, or 63.6 percent, below the approved amount. The decrease is attributable to a decrease in expenditures for supplies and fuel at the Central Office, and manufacturing material in the Kansas Correctional Industries program;
- **Capital Outlay.** The agency estimates FY 2020 total revised capital outlay expenditures for the Central Office of \$3.5 million, including \$2.0 million from the State General Fund. The revised estimate is an all funds increase of \$2.5 million, or 260.5 percent, and a State General Fund increase of \$1.8 million, or 747.3 percent, above the approved amount. The increase is attributable to systemwide supplemental requests for the purchase of safety and security equipment (\$927,105), server and network infrastructure replacement (\$645,000), and Desktop as a Service leasing fees (\$427,980);

- **Debt Service.** The agency estimates FY 2020 total revised debt service interest for the Central Office of \$210,388, including \$22,388 from the State General Fund. The revised estimate is unchanged from the approved amount. The expenditure includes debt service interest for final payments of all bonds;
- **Aid to Local Units of Government.** The agency estimates FY 2020 total revised aid to the local units of government expenditures for the Central Office of \$86.8 million, including \$82.7 million from the State General Fund. The revised estimate is an all funds decrease of \$4.5 million, or 4.9 percent, and a State General Fund decrease of \$3.5 million, or 4.1 percent, below the approved amount. The decrease is attributable to a decrease in grants (\$100,000) to community corrections agencies for intensive supervision programs, adult residential centers, and behavioral health programs. The decrease is also attributable to a reduction in grants for evidence-based juvenile programs as a result of reallocating \$4.2 million to contractual services for the purposes of replacing juvenile offender management software. A total of \$40.5 million is budgeted for future evidence-based juvenile programs grant opportunities as recommended by the Juvenile Justice Oversight Committee; and
- **Other Assistance.** The agency estimates FY 2020 total revised other assistance expenditures for the Central Office of \$1.1 million, including \$324,249 from the State General Fund. The revised estimate is an all funds decrease of \$7.0 million, or 86.7 percent, and a State General Fund decrease of \$6.5 million, or 95.2 percent, below the approved amount. The decrease is attributable to a decrease in expenditures for out-of-home services among juvenile offenders.

The FY 2020 revised estimate includes capital improvements expenditures for the DOC Central Office of \$10.7 million, including \$495,000 from the State General Fund. This is an all funds increase of \$638,200, or 6.3 percent, all from special revenue funds, above the approved amount. The increase is mainly attributable to the construction of a Kansas Correctional Industries building (\$1.5 million) at the new Lansing Correctional Facility.

The **agencies** estimate FY 2020 revised expenditures for the **DOC facilities** of \$219.3 million, including \$212.5 million from the State General Fund. This is an all funds increase of \$11.9 million, or 5.7 percent, above the FY 2020 approved amount. The FY 2020 revised estimate includes operating expenditures for the DOC facilities of \$214.4 million, including \$212.5 million from the State General Fund. This is an all funds increase of \$7.0 million, or 3.4 percent, and a State General Fund increase of \$6.9 million, or 3.4 percent, above the approved amount. The increase is attributable to increased expenditures for salaries and wages (\$12.7 million), offset by a decrease in contractual services for inmate outsourcing to non-state facilities (\$5.5 million), an expenditure appropriated to the El Dorado Correctional Facility but reallocated to the Central Office to consolidate systemwide inmate outsourcing. The revised estimate includes 2,931.0 FTE positions, which is a decrease of 160.5 FTE positions, or 5.2 percent, below the approved number. The position decrease is mainly at the Lansing Correctional Facility, where efficiencies at the new facility allow for reduced staff.

The FY 2020 revised estimate includes capital improvement expenditures for the DOC facilities of \$4.9 million, all from special revenue funds. This is an increase of 100.0 percent as the Secretary of Corrections is authorized to transfer moneys from the Central Office to facilities in accordance with the five-year capital improvement plan.

The **Governor** recommends FY 2020 total expenditures for the entire **DOC System** of \$456.0 million, including \$408.0 million from the State General Fund. The recommendation is an all funds decrease of \$58.3 million, or 11.3 percent, and a State General Fund decrease of

\$56.8 million, or 12.2 percent, below the agencies' FY 2020 revised estimate. The recommendation includes operating expenditures for the DOC System of \$435.9 million, including \$401.4 million from the State General Fund. The recommendation is an all funds decrease of \$62.9 million, or 12.6 percent, and a State General Fund decrease of \$62.9 million, or 13.5 percent, below the agencies' FY 2020 revised estimate. The decrease is mainly due to the Governor not recommending several of the agency's supplemental requests, including a shrinkage rate reduction (\$12.4 million). The decrease is also due to the Governor's recommendation to reduce expenditures from the Evidence-Based Juvenile Programs Account (\$42.3 million). The recommendation includes 3,438.0 FTE positions, which is unchanged from the agencies' FY 2020 revised estimate.

The Governor's recommendation includes systemwide capital improvement expenditures of \$20.1 million, including \$6.6 million from the State General Fund. The recommendation is an all funds increase of \$4.6 million, or 29.5 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agency's FY 2020 revised estimate. The increase is attributable to the first year of expenditures totaling \$6.1 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse treatment center at the Winfield Correctional Facility.

The **Governor** recommends FY 2020 total expenditures for the **DOC Central Office** of \$236.8 million, including \$196.5 million from the State General Fund. The recommendation is an all funds decrease of \$58.3 million, or 19.8 percent, and a State General Fund decrease of \$56.8 million, or 22.5 percent, below the agency's FY 2020 revised estimate. The recommendation includes operating expenditures for the DOC Central Office of \$221.5 million, including \$188.9 million from the State General Fund. The recommendation is a decrease of \$62.9 million, or 22.1 percent, all from the State General Fund, below the FY 2020 revised estimate. The recommendation includes 507.0 FTE positions, which is unchanged from the agency's FY 2020 revised estimate. The Governor's recommendation includes the following adjustments from the agency's request:

- A decrease of \$14.5 million, all from the State General Fund, due to the Governor not recommending the agency's supplemental requests;
- A decrease of \$42.3 million, all from the State General Fund, in expenditures from the Evidence-Based Juvenile Programs Account to align with expenditures approved by the Juvenile Justice Oversight Committee at the time of the agency's budget submission;
- A decrease of \$6.3 million, all from the State General Fund, for inmate outsourcing to non-state facilities due to lower-than-anticipated expenditures; and
- An increase of \$250,000, all from the State General Fund, for payments to local jails for the purposes of housing parole violators.

The Governor's recommendation includes DOC Central Office capital improvement expenditures of \$15.3 million, including \$6.6 million from the State General Fund. This is an all funds increase of \$5.2 million, or 52.0 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agency's FY 2020 revised estimate. The increase is attributable to the first year of expenditures for expansion projects at the Lansing Correctional Facility and the Winfield Correctional Facility (\$6.1 million).

The **Governor** concurs with the **DOC facilities'** FY 2020 revised estimates.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Shrinkage Rate Reduction	\$ 12,488,987	\$ 12,488,987	0.0	\$ 0	\$ 0	0.0
Safety and Security Equipment	927,105	927,105	0.0	0	0	0.0
Server & Network Infrastructure	645,000	645,000	0.0	0	0	0.0
Desktop as a Service	427,980	427,980	0.0	0	0	0.0
TOTAL	\$ 14,489,072	\$ 14,489,072	0.0	\$ 0	\$ 0	0.0

The **agency** requests FY 2020 supplementals for the **DOC Central Office** of \$14.5 million, all from the State General Fund. The supplementals include a shrinkage rate reduction (\$12.5 million), safety and security equipment (\$927,105), server and network infrastructure replacement (\$645,000), and Desktop as a Service (\$427,980).

Shrinkage Rate Reduction. The agency requests \$12.5 million, all from the State General Fund, to decrease shrinkage rates at each facility. Shrinkage includes the intentional reduction of salary and wage expenditures for authorized positions to account for planned vacancies. The agency states that due to increased costs for good and services, approximately 250 positions, or 7.0 percent of authorized staffing, are left unfilled to stay within budget allocations. The amount requested would result in a systemwide shrinkage rate of 3.0 percent.

The **Governor** does not recommend this enhancement.

Safety and Security Equipment. The agency requests \$927,105, all from the State General Fund, to replace equipment utilized by staff to maintain safe operations at correctional facilities. The request is for approximately 2,100 items and includes stab vests, portable radios, metal detectors, pepper-spray weapons, firearms, and other items.

The **Governor** does not recommend this enhancement.

Server and Network Infrastructure Replacement. The agency requests \$645,000, all from the State General Fund, to begin routine replacement of systemwide data network components, including servers. The agency states the average age of a DOC server is six years, while the industry standard is replacement every three years. The DOC System is increasingly reliant on data networks to support daily operations, such as inmate containment and educational programs. The Central Office manages servers and provides connectivity to correctional facilities, parole offices, and community corrections offices throughout the state.

The **Governor** does not recommend this enhancement.

Desktop as a Service. The agency requests \$427,980, all from the State General Fund, for the consolidated procurement and management of devices, such as desktop computers, laptops, and tablets. The agency states it previously used end-of-year funds to replace equipment, but the transition to the more efficient consolidated service requires monthly lease payments. This additional funding would allow for replacement of outdated devices at correctional facilities.

The **Governor** does not recommend this enhancement.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 510,223,935	\$ 417,010,523	\$ (93,213,412)
FTE Positions	3,376.5	3,320.1	(56.4)
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 12,843,812	\$ (17,974,704)	
All Other Funds	(1,408,162)	(909,628)	
TOTAL	\$ 11,435,650	\$ (18,884,332)	
<i>Percent Change:</i>			
State General Fund	2.8 %	(4.5) %	
All Other Funds	(4.1)	(2.6)	
TOTAL	2.3 %	(4.3) %	
Change in FTE Positions	(61.5)	(117.9)	

The **agencies** request **DOC System** FY 2021 operating expenditures of \$510.2 million, including \$477.1 million from the State General Fund. The request is an all funds increase of \$11.4 million, or 2.3 percent, and a State General Fund increase of \$12.8 million, or 2.8 percent, above the FY 2020 revised estimate. The request includes 3,376.5 FTE positions, which is a decrease of 61.5 FTE positions below the FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures for the **DOC Central Office** of \$302.9 million, including \$271.6 million from the State General Fund. This is an all funds increase of \$18.5 million, or 6.5 percent, and a State General Fund increase of \$19.9 million, or 7.9 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for inmate health care and hepatitis C treatment (\$7.7 million), offender management software (\$17.5 million), pay increases for parole and unit team counselors (\$4.8 million), and Office of Information Technology Services fees (\$2.7 million). The increase is also attributable to the first full-year lease payment for the Lansing Correctional Facility totaling \$15.1 million, which is an increase (\$8.3 million) above partial payment in FY 2020. The increase is offset by the lack of reappropriated State General Fund moneys in FY 2021 (\$35.0 million). In total, the agency is requesting enhancements of \$55.4 million, all from the State General Fund, which is primarily for the requests mentioned above, but also includes the transfer in KPERs classification for parole officers and juvenile correctional officers (\$1.6 million), vehicle replacement (\$1.3 million), and full funding of the food service contract (\$866,204). The request includes 543.0 FTE positions, which is an increase of 36.0 FTE positions, or 7.1 percent, above the FY 2020 revised estimate. The position increases are mainly among Unit Team Counselors and Victims Services Staff assigned to facilities. Major changes by category of expenditure are outlined below:

- **Salaries and Wages.** The agency requests FY 2021 total salaries and wages expenditures of \$56.8 million, including \$50.1 million from the State General Fund. The request is an all funds increase of \$10.3 million, or 22.2 percent, and a State General Fund increase of \$10.3 million, or 25.8 percent, above the FY 2020 revised estimate. The increase is mainly attributable to enhancements for

parole officer and unit counselor wage adjustments (\$3.8 million), employer contributions to KPERS (\$1.7 million), shrinkage reduction (\$2.2 million), and new employees (\$2.6 million);

- **Contractual Services.** The agency requests FY 2021 total contractual services expenditures of \$170.1 million, including \$157.2 million from the State General Fund. The request is an all funds increase of \$29.4 million, or 20.9 percent, and a State General Fund increase of \$30.6 million, or 24.2 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for inmate health care and hepatitis C treatment (\$7.7 million), and Office of Information Technology Services fees (\$2.7 million). The increase is also attributed to the first full-year lease payment for the Lansing Correctional Facility totaling \$15.1, which is an increase (\$8.3 million) above partial payment in FY 2020, and expenditures for evidence-based juvenile programs (\$4.9 million);
- **Commodities:** The agency requests FY 2021 total commodities expenditures of \$5.9 million, including \$306,405 from the State General Fund. The request is an all funds increase of \$310,002, or 5.6 percent, and a State General Fund increase of \$9,117, or 3.1 percent, above the FY 2020 revised estimate. The increase is attributable to increase expenditures for computer parts (\$5,000) and gasoline (\$5,000). The increase also includes increased expenditures for manufacturing material (\$273,500) in the Kansas Correctional Industries program;
- **Capital Outlay.** The agency requests FY 2021 total capital outlay expenditures of \$21.3 million, including \$20.1 million from the State General Fund. The request is an all funds increase of \$17.8 million, or 513.7 percent, and a State General Fund increase of \$18.1 million, or 883.3 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for offender management software (\$17.5 million) and vehicle replacement (\$1.3 million);
- **Debt Service.** The agency requests FY 2021 debt service interest expenditures of \$0. The request is an all funds decrease of \$210,388, or 100.0 percent, and a State General Fund decrease of \$22,388, or 100.0 percent, below the FY 2020 revised estimate. The decrease is attributable to final debt service interest payments for all bonds occurring in FY 2020;
- **Aid to Local Units of Government.** The agency requests FY 2021 total aid to local units of government expenditures of \$47.7 million, including \$43.6 million from the State General Fund. This request is an all funds decrease of \$39.1 million, or 45.0 percent, and a State General Fund decrease of \$39.1 million, or 47.3 percent, below the FY 2020 revised estimate. The decrease is attributable to a decrease in grants for evidence-based juvenile programs due primarily to a State General Fund reappropriation occurring in FY 2020 (\$30.1 million) that is not anticipated to occur in FY 2021; and
- **Other Assistance.** The agency requests FY 2021 total other assistance expenditures of \$1.1 million, including \$324,249 from the State General Fund. The request is unchanged from the FY 2020 revised estimate. Expenditures include out-of-home placement of juvenile offenders in group homes and Medicaid assistance.

The FY 2021 request includes capital improvements expenditures for the Central Office of \$6.1 million, all from special revenue funds. This is an all funds decrease of \$4.6 million, or 43.1 percent, and a State General Fund decrease of \$495,000, or 100.0 percent, below the FY 2020 revised estimate. The decrease is primarily a decrease in expenditures from the State Institutional Building Fund and an elimination of debt service principal payments.

The **agencies** request FY 2021 operating expenditure for the **DOC facilities** of \$207.3 million, including \$205.5 million from the State General Fund. This is an all funds decrease of \$7.0 million, or 3.3 percent, and a State General Fund decrease of \$7.0 million, or 3.3 percent, below the FY 2020 revised estimate. The decrease is attributable to a decrease of salaries and wages (\$6.0 million) at the Lansing Correctional Facility, where efficiencies at the new facility allow for fewer staff. The request includes 2,833.5 FTE positions, which is a decrease of 97.5 FTE positions, or 3.3 percent, below the FY 2020 revised estimate. The position decrease is mainly at the Lansing Correctional Facility (119.0 FTE) and is the result of migration to the new facility.

The FY 2021 request does not include capital improvements expenditures for the DOC facilities. Capital improvements are planned at the Central Office and the Secretary of Corrections is authorized to transfer moneys to facilities in accordance with the five-year capital improvement plan.

The **Governor** recommends FY 2021 total expenditures for the entire **DOC System** of \$432.3 million, including \$390.6 million from the State General Fund. The recommendation is an all funds decrease of \$84.0 million, or 16.3 percent, and a State General Fund decrease of \$86.5 million, or 18.1 percent, below the agencies' FY 2021 request. The recommendation includes operating expenditures for the DOC System of \$417.0 million, including \$383.4 million from the State General Fund. The recommendation is an all funds decrease of \$93.2 million, or 18.3 percent, and a State General Fund decrease of \$93.7 million, or 19.6 percent, below the agencies' FY 2021 request. The decrease is mainly due to the Governor's recommendation that all juvenile components be reorganized into the newly created Department of Human Services (DHS), as part of the Governor's Executive Reorganization Order (ERO) (\$39.6 million). The decrease is also due to the Governor not recommending several enhancements. The recommendation includes 3,320.1 FTE positions, which is a decrease of 56.4 FTE positions below the agency's FY 2021 request. The decrease is mainly at the DOC Central Office and attributable to the reorganization of the Juvenile Services program as part of the ERO.

The Governor's FY 2021 recommendation includes systemwide capital improvement expenditures of \$15.3 million, including \$7.2 million from the State General Fund. The recommendation is an increase of \$9.2 million, or 151.4 percent, all from special revenue funds, above the agency's FY 2021 request. The increase is mainly due to the second year of expenditures totaling \$7.7 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse treatment center at the Winfield Correctional Facility.

The **Governor** recommends FY 2021 total expenditures for the **DOC Central Office** of \$226.1 million, including \$186.2 million from the State General Fund. The recommendation is an all funds decrease of \$82.9 million, or 26.8 percent, and a State General Fund decrease of \$85.4 million, or 31.4 percent, below the agency's FY 2021 request. The FY 2021 recommendation includes operating expenditures for the DOC Central Office of \$210.8 million, including \$179.0 million from the State General Fund. The recommendation is an all funds decrease of \$92.1 million, or 30.4 percent, and a State General Fund decrease of \$92.6 million, or 34.1 percent, below the agency's FY 2021 request. The decrease is mainly due to the Governor's recommendation that the Juvenile Services program be reorganized into the newly

created DHS, as part of the Governor's ERO (\$39.6 million). The decrease is also due to the Governor not recommending several of the agency's enhancement requests. The recommendation includes 484.6 FTE positions, which is a decrease of 58.4 FTE positions below the agency's FY 2021 request. The decrease is mainly due to the reorganization of 22.4 FTE positions in the Juvenile Services program as part of the ERO. The Governor's recommendation includes the following adjustments:

- A decrease of \$9.9 million for shrinkage rate reduction, all from the State General Fund, allowing for the retention of \$5.0 million in shrinkage rate reduction to be distributed systemwide based on the needs of each facility;
- A decrease of \$4.5 million, all from the State General Fund, due to lower-than-anticipated expenditures for inmate outsourcing to non-state facilities (\$2.6 million) and housing of adult female inmates at the Kansas Juvenile Correctional Complex (KJCC) (\$2.8 million);
- A decrease of \$1.7 million, all from the State General Fund, for Office of Information Technology Services fees, allowing the retention of \$915,804 for data center as a service;
- An increase of \$750,000, all from the State General Fund, for payments to local jails for the purposes of housing parole violators;
- A increase of \$160,000, all from the State General Fund, for the addition of 2.0 FTE positions for substance abuse recovery within the Offender Program;
- A shift of \$1.8 million to support the agency's enhancement requests for the food service contract (\$866,204) and safety and security equipment (\$927,105). The recommendation changes the funding source from the State General Fund to the Kansas Correctional Industries Fund; and
- A shift of \$1.3 million to support the agency's enhancement request to replace 62 vehicles (\$1.3 million) and purchase video conferencing equipment for parole officers (\$32,358). The recommendation changes the funding source from the State General Fund to General Fees Fund using a transfer from the Office of the Attorney General derived from the Equifax data breach settlement.

The Governor's FY 2021 recommendation includes DOC Central Office capital improvement expenditures of \$15.3 million, including \$7.2 million from the State General Fund. This is an all funds increase of \$9.2 million, or 151.4 percent, and a State General Fund increase of \$7.2 million, or 100.0 percent, above the agency's FY 2021 request. The increase is mainly due to the second year of expenditures for the substance abuse treatment center at the Lansing Correctional Facility and the geriatric and substance abuse treatment center at the Winfield Correctional Facility (\$7.2 million). These expansion projects are financed from lower-than-anticipated expenditures for inmate outsourcing to non-state facilities and housing female inmates at KJCC (\$4.5 million) and additional moneys from the State General Fund (\$2.7 million).

The **Governor** concurs with the **DOC facilities'** FY 2020 request. However, the Governor recommends that oversight of the Kansas Juvenile Correctional Complex be transferred to the newly created DHS, as part of the Governor's ERO.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Shrinkage Rate Reduction	\$ 14,886,667	\$ 14,886,667	0.0	\$ 5,000,000	\$ 5,000,000	0.0
Safety and Security Equipment	479,178	479,178	0.0	0	927,105	0.0
Server and Network Infrastructure	645,000	645,000	0.0	0	0	0.0
Desktop as a Service	427,980	427,980	0.0	0	0	0.0
OITS Fees	2,699,151	2,699,151	0.0	915,804	915,084	0.0
Offender and Juvenile Management Software	17,500,000	17,500,000	0.0	0	0	0.0
Vehicle Replacement	1,320,000	1,320,000	0.0	0	1,320,000	0.0
Hepatitis C Treatment	3,083,112	3,083,112	0.0	0	0	0.0
Fully Fund Medical Services Contract	4,651,982	4,651,982	0.0	0	0	0.0
Pay Equity for Parole Officers	1,629,667	1,629,667	0.0	0	0	0.0
Retirement Enhancement for Parole Officers	720,000	720,000	0.0	0	0	0.0
LSI-R Fidelity Positions	390,000	390,000	4.0	0	0	0.0
Increased GPS Monitoring	200,000	200,000	0.0	0	0	0.0
Pay Equity for Unit Team Counselors	2,195,261	2,195,261	0.0	0	0	0.0
Unit Team Counselors	1,104,000	1,104,000	16.0	0	0	0.0
Substance Abuse Program Expansion	500,000	500,000	0.0	0	0	0.0
KSHOP Care Coordinators Positions	129,000	129,000	2.0	0	0	0.0
Victim Services Staff	458,036	458,036	7.0	0	0	0.0
Facility Victim Services	72,497	72,497	1.0	0	0	0.0
Hearing Officer Positions	510,868	510,868	6.0	0	0	0.0
Retirement Enhancement for Juvenile Correctional Officers	920,000	920,000	0.0	0	0	0.0
Fully Fund Food Service Contract	866,204	866,204	0.0	0	866,204	0.0
TOTAL	\$ 55,388,603	\$ 55,388,603	36.0	\$ 5,915,804	\$ 9,028,393	0.0

The **agency** requests FY 2021 enhancements for the **DOC Central Office** of \$55.4 million, all from the State General Fund. The enhancements primarily include salary adjustments, data management software, inmate health care and hepatitis C treatment, equipment, Office of Information Technology Services (OITS) fees, and new employees.

Shrinkage Rate Reduction. The agency requests \$14.9 million, all from the State General Fund, to decrease shrinkage rates at each facility. Shrinkage includes the intentional reduction of salary and wage expenditures for authorized positions to account for planned

vacancies. The agency states that due to increased costs for goods and services, approximately 250 positions, or 7.0 percent of authorized positions, are left unfilled to stay within budget allocations. The amount requested would result in a systemwide shrinkage rate of 3.0 percent.

The **Governor** recommends \$5.0 million, all from the State General Fund, for partial funding of a shrinkage rate reduction.

Safety and Security Equipment. The agency requests \$479,178, all from the State General Fund, to continue replacing equipment utilized by staff to maintain safe operations at correctional facilities. The request is for approximately 2,100 items and includes stab vests, portable radios, metal detectors, pepper-spray weapons, firearms, and other items.

The **Governor** recommends \$927,105, all from Kansas Correctional Industries Fund, for safety and security equipment. This is an increase of \$447,927 above the agency's FY 2021 request.

Server and Network Infrastructure Replacement. The agency requests \$645,000, all from the State General Fund, for continued replacement of systemwide data network components, including servers. The agency states that the average age of a DOC server is six years, while the industry standard is replacement every three years. The DOC system is increasingly reliant on data networks to support daily operations, such inmate containment and educational programs. The Central Office manages servers and provides connectivity to correctional facilities, parole offices, and community corrections offices throughout the state.

The **Governor** does not recommend this enhancement.

Desktop as a Service. The agency requests \$427,980, all from the State General Fund, for the consolidated procurement and management of devices, such as desktop computers, laptops, and tablets. The agency states it previously used end-of-year moneys to replace equipment, but the transition to the more efficient consolidated service requires monthly lease payments. This additional funding would allow for replacement of outdated devices at correctional facilities.

The **Governor** does not recommend this enhancement.

OITS Fees. The agency requests \$2.7 million, all from the State General Fund, for technology services provided by the Executive Branch's OITS. Expenditures include a Centralized Service Desk, which allows the Executive Branch to ensure timely delivery of service requests; data center as a service, which allows for consolidated data storage at federally compliant data centers; and enhanced systemwide cybersecurity. Expenditures also include the replacement of associated equipment.

The **Governor** recommends \$915,804, all from the State General Fund, for partial funding of OITS fees, primarily for the data center as a service.

Offender and Juvenile Management Software. The agency requests \$17.5 million, all from the State General Fund, to replace the adult Offender Management Information System and Juvenile Correctional Facility System software. Partially instituted in the 1970s, these software programs track a variety of functions, including offender assessments, program progress, and inmate location. New software would allow for inclusion of evidence-based programming and rehabilitative aspects, while improving processes for offender containment and data collection to better determine outcomes.

The **Governor** does not recommend this enhancement.

Vehicle Replacement. The agency requests \$1.3 million, all from the State General Fund, for the replacement of 62 vehicles utilized systemwide for inmate transport, parole officers, perimeter security, maintenance operations, and supply transport. Vehicle types include sedans, vans, pickup trucks, and utility trucks. These 62 vehicles represent 11.0 percent of the DOC System fleet, which includes 545 vehicles utilized at nine correctional facilities, Kansas Correctional Industries, parole offices, and the Central Office.

The **Governor** recommends \$1.3 million, all from the General Fees Fund, for the replacement of 62 vehicles. The recommendation is funded using a transfer from the Office of the Attorney General derived from the Equifax data breach settlement.

Hepatitis C Treatment. The agency requests \$3.1 million, all from the State General Fund, to supplement the existing \$6.0 million budgeted for treatment of inmates infected with the hepatitis C virus. The agency states that inmate populations are particularly prone to hepatitis C. New drugs emerged in 2017 with a cure rate of 90.0 percent, but treatment remains costly at \$15,000 per patient. This additional funding would allow for treating a backlog of 342 patients and 263 new admissions. In the out years, it is anticipated that 500 patients per year will require treatment.

The **Governor** does not recommend this enhancement.

Fully Fund Medical Services Contract. The agency requests an additional \$4.7 million, all from the State General Fund, to fully fund the medical services contract for constitutionally required inmate health care. The contract is estimated at \$85.8 million, which includes a 4.0 percent cost increase and a per capita increase of \$1.4 million in additional expenditures due to several facilities exceeding contract capacity.

The **Governor** does not recommend this enhancement.

Pay Equity for Parole Officers. The agency requests \$1.6 million, all from the State General Fund, to increase wages for parole officers. The agency states that while the 5.0 percent pay increase approved by the 2019 Legislature brought the parole officer starting wage up to \$18 per hour, this rate compares negatively to county correctional officers and court services officers, who receive an average of \$21 per hour. This disparity has resulted in parole officers leaving the DOC System for other entities.

The **Governor** does not recommend this enhancement.

Retirement Enhancement for Parole Officers. The agency requests \$720,000, all from the State General Fund, to transfer parole officers from the regular Kansas Public Employees Retirement System (KPERS) group to the KPERS Corrections–Group A, which includes correctional officers. The agency states parole officers perform functions comparable to correctional officers and face similar stress and risk. The transfer allows for early retirement of parole officers, which the agency considers to be a physically demanding position.

The **Governor** does not recommend this enhancement.

LSI-R Fidelity Positions. The agency requests \$390,000, all from the State General Fund, for the addition of 4.0 FTE positions to conduct quality control reviews of Level of Service Inventory-Revised (LSI-R) assessments. LSI-R is a risk/needs assessment conducted with offenders upon entry to a correctional facility or parole to identify the type of case management needed to reduce recidivism.

The **Governor** does not recommend this enhancement.

Increased GPS Monitoring. The agency requests \$200,000, all from the State General Fund, to expand the use of GPS monitoring of paroled offenders. The agency states mandatory lifetime GPS monitoring for sex offenders has resulted in fewer units being available for high risk offenders and offenders with a history of domestic violence.

The **Governor** does not recommend this enhancement.

Pay Equity for Unit Team Counselors. The agency requests \$2.2 million, all from the State General Fund, to increase unit team counselors pay by 15.0 percent. Team counselors are case managers for offenders and coordinate programs and resources. The position requires a bachelor's degree, and according to the agency, it has traditionally been viewed as a promotion in the career path of a correctional officer. Recent pay increases for correctional officers, without commensurate increases for team counselors, has created challenges in recruiting experienced individuals.

The **Governor** does not recommend this enhancement.

Unit Team Counselors. The agency requests \$1.1 million, all from the State General Fund, for the addition of 16.0 FTE positions as Unit Team Counselors at correctional facilities. Team counselors serve as offender case managers and perform a variety of risk reduction duties, including coordinating education and employment services, providing daily behavioral counseling, and supervising transition into communities. The additional positions would reduce the caseload per counselor to between 40 and 50 cases, which would increase effectiveness.

The **Governor** does not recommend this enhancement.

Substance Abuse Program Expansion. The agency requests \$500,000, all from the State General Fund, to expand the substance abuse program provided to offenders. The agency states it currently only reaches 50.0 percent of those in need of treatment. Additional funding would expand treatment for offenders and allow the agency to place greater emphasis on treatment post-release through community-based programming.

The **Governor** does not recommend this enhancement.

KSHOP Care Coordinators. The agency requests \$129,000, all from the State General Fund, for the addition of 2.0 FTE positions in the Kansas Supportive Housing for Offenders Program (KSHOP), which provides intensive case management for chronically homeless and institutionalized paroled offenders with mental illnesses.

The **Governor** does not recommend this enhancement.

Victims Services Staff. The agency requests \$458,036, all from the State General Fund, for the addition of 7.0 FTE positions in the Victim Services program to assess and enroll offenders into the Batterer Intervention Programs (BIP) prior to reentry into communities. Positions will be assigned to the Lansing Correctional Facility and parole offices in Hutchinson, Kansas City, Olathe, and Wichita. In addition, staff will conduct BIP victim notification and compile domestic violence case histories for parole officers.

The **Governor** does not recommend this enhancement.

Facilities Victims Services Staff. The agency requests \$72,497, all from the State General Fund, for the addition of 1.0 FTE position at the Central Office to supervise Victims Services Liaisons assigned to each correctional facility. The position will also provide technical assistance regarding the response and reporting of Prison Rape Elimination Act cases.

The **Governor** does not recommend this enhancement.

Hearing Officer Positions. The agency requests \$510,868, all from the State General Fund, for the addition of 6.0 FTE positions as Hearing Officers in the Prisoner Review Board program. Positions will manage preliminary revocation hearings, a function currently conducted by parole officers. Addition of these positions will allow parole officers to focus on parole supervision. The request includes hearing officer salaries and wages (\$416,192) and assigned vehicles (\$94,676).

The **Governor** does not recommend this enhancement.

Retirement Enhancement for Juvenile Correctional Officers. The agency requests \$920,000, all from the State General Fund, to transfer juvenile correctional officers from the regular KPERS group to the KPERS Corrections-Group A, which includes correctional officers for adult offenders. The agency states this change would address a benefit package inequity that exists between adult and juvenile correctional staff that perform comparable functions and face similar stress and risk. The transfer allows for early retirement of juvenile correctional officers, which the agency considers to be a physically demanding position.

The **Governor** does not recommend this enhancement.

Fully Fund Food Service Contract. The agency requests \$866,204, all from the State General Fund, to fully fund the food service contract for all adult correctional facilities. The contract is based on an average daily population of 9,443 inmates and is estimated at \$16.8 million, which includes a 2.0 percent cost increase and additional expenditures for meals prepared at the Kansas Juvenile Correctional Complex for adult female inmates housed at a nearby 120-bed unit.

The **Governor** recommends \$866,204, all from special revenue funds, to fully fund the food service contract.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For these agencies, FY 2020 salary adjustments total \$726,393, including \$611,797 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For these agencies, FY 2020 longevity payments total \$652,640, including \$628,944 from the State General Fund, and FY 2021 longevity payments total \$682,828, including \$657,633 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

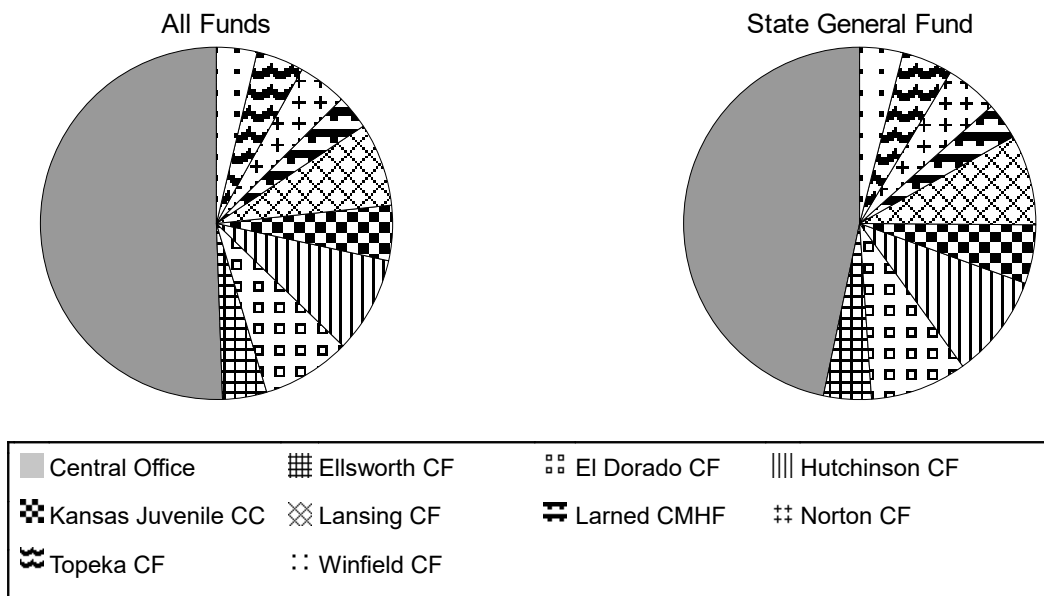
Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	92.4 %	90.4 %
Federal Funds	0.7	0.7
Correctional Industries	2.5	3.3
Correctional Industries Building Fund	0.9	1.3
State Institutions Building Fund	0.1	0.0
All Other Funds	3.4	4.3
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Central Office	\$ 210,807,864	50.6 %	\$ 179,031,402	46.7 %
Ellsworth CF	16,943,692	4.1	16,858,892	4.4
El Dorado CF	33,973,579	8.1	33,963,579	8.9
Hutchinson CF	36,799,956	8.8	36,586,671	9.5
Kansas Juvenile CC	21,146,621	5.1	20,642,421	5.4
Lansing CF	31,982,653	7.7	31,862,653	8.3
Larned CMHF	12,998,466	3.1	12,998,466	3.4
Norton CF	18,675,337	4.5	18,472,944	4.8
Topeka CF	18,145,395	4.4	17,806,740	4.6
Winfield CF	15,536,960	3.7	15,183,968	4.0
TOTAL	\$ 417,010,523	100.0 %	\$ 383,407,736	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Central Office	470.8	507.0	507.0	543.0	484.6
Ellsworth CF	235.0	234.0	234.0	234.0	234.0
El Dorado CF	486.0	486.0	486.0	486.0	486.0
Hutchinson CF	507.0	507.0	507.0	507.0	507.0
Kansas Juvenile CC	264.5	264.5	264.5	264.5	264.5
Lansing CF	685.0	525.5	525.5	406.0	406.0
Larned CMHF	187.0	189.0	189.0	189.0	189.0
Norton CF	264.0	264.0	264.0	264.0	264.0
Topeka CF	262.0	260.0	260.0	282.0	284.0
Winfield CF	203.0	201.0	201.0	201.0	201.0
TOTAL	3,564.3	3,438.0	3,438.0	3,376.5	3,320.1

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

DEPARTMENT OF CORRECTIONS CENTRAL OFFICE

The following portion of this budget analysis only describes the DOC Central Office. This section will include a summary operating budget table, followed by analysis of each program contained within the DOC Central Office. The Central Office is responsible for managing itself and supervising the operations of correctional facilities (e.g., Ellsworth Correctional Facility) holding felony offenders in the state. This section includes programs designated as A through K. Summaries of DOC corrections facilities are detailed after this portion of the budget analysis.

Summary of Central Office's Operating Budget FY 2019 - FY 2021

		Agency Estimate				Governor's Recommendation				
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$ 11,098,024	\$ 28,787,008	\$ 53,775,251	\$ 24,988,243	86.8 %	\$ 14,297,936	\$ 24,201,184	\$ 9,903,248	69.3 %	
Inmate Health Care	73,738,238	78,852,069	85,800,519	6,948,450	8.8	78,852,069	77,350,225	(1,501,844)	(1.9)	
Community Supervision	36,623,422	35,142,173	37,685,113	2,542,940	7.2	35,392,173	35,473,555	81,382	0.2	
Offender Programs	11,642,112	13,979,106	17,579,868	3,600,762	25.8	13,979,106	13,955,607	(23,499)	(0.2)	
Victim Services	1,538,421	1,809,495	2,306,451	496,956	27.5	1,809,495	1,775,918	(33,577)	(1.9)	
Prisoner Review Board	471,681	475,525	986,050	510,525	107.4	475,525	475,182	(343)	(0.1)	
Juvenile Services	27,462,957	76,803,740	43,456,305	(33,347,435)	(43.4)	34,488,600	0	(34,488,600)	(100.0)	
Facility Operations	6,234,408	20,114,866	31,329,770	11,214,904	55.8	13,775,648	28,712,173	14,936,525	108.4	
Food Service	16,666,901	16,022,259	17,853,841	1,831,582	11.4	16,022,259	16,732,759	710,500	4.4	
Debt Service	437,035	210,388	0	(210,388)	(100.0)	210,388	0	(210,388)	(100.0)	
Correctional Industries	10,610,525	12,185,828	12,131,261	(54,567)	(0.4)	12,185,828	12,131,261	(54,567)	(0.4)	
TOTAL	\$ 196,523,724	\$ 284,382,457	\$ 302,904,429	\$ 18,521,972	6.5 %	\$ 221,489,027	\$ 210,807,864	\$ (10,681,163)	(4.8)%	
By Major Object of Expenditure:										
Salaries and Wages	\$ 29,295,119	\$ 46,507,166	\$ 56,836,642	\$ 10,329,476	22.2 %	\$ 34,018,179	\$ 37,266,443	\$ 3,248,264	9.5 %	
Contractual Services	114,974,868	140,730,730	170,140,495	29,409,765	20.9	134,213,532	141,410,694	7,197,162	5.4	
Commodities	5,893,294	5,551,488	5,861,490	310,002	5.6	5,551,488	5,798,282	246,794	4.4	
Capital Outlay	1,286,003	3,464,303	21,258,854	17,794,551	513.7	1,892,198	3,419,463	1,527,265	80.7	
Debt Service	437,035	210,388	0	(210,388)	(100.0)	210,388	0	(210,388)	(100.0)	
Subtotal - Operations	\$ 151,886,319	\$ 196,464,075	\$ 254,097,481	\$ 57,633,406	29.3 %	\$ 175,885,785	\$ 187,894,882	\$ 12,009,097	6.8 %	
Aid to Local Units	42,365,705	86,842,428	47,730,994	(39,111,434)	(45.0)	44,527,288	21,891,277	(22,636,011)	(50.8)	
Other Assistance	2,271,700	1,075,954	1,075,954	0	0.0	1,075,954	1,021,705	(54,249)	(5.0)	
TOTAL	\$ 196,523,724	\$ 284,382,457	\$ 302,904,429	\$ 18,521,972	6.5 %	\$ 221,489,027	\$ 210,807,864	\$ (10,681,163)	(4.8)%	
Financing:										
State General Fund	\$ 166,985,369	\$ 251,773,264	\$ 271,626,501	\$ 19,853,237	7.9 %	\$ 188,879,834	\$ 179,031,402	\$ (9,848,432)	(5.2)%	
Federal Funds	3,889,720	2,725,904	2,674,929	(50,975)	(1.9)	2,725,904	2,197,061	(528,843)	(19.4)	
Correctional Industries	1,610,525	12,185,828	12,131,261	(54,567)	(0.4)	12,185,828	12,131,261	(54,567)	(0.4)	
All Other Funds	15,038,110	17,697,461	16,471,738	(1,225,723)	(6.9)	17,697,461	17,448,140	(249,321)	(1.4)	
TOTAL	\$ 187,523,724	\$ 284,382,457	\$ 302,904,429	\$ 18,521,972	6.5 %	\$ 221,489,027	\$ 210,807,864	\$ (10,681,163)	(4.8)%	

A. Administration

The Administration program includes the activities of the Secretary of Corrections and other administrative and support personnel for the operation of the Department of Corrections and the management and oversight of correctional facilities and programs providing services to inmates, parolees, and other offenders. The program also includes information systems and communications personnel responsible for planning, operation, and support of all technology and telecommunications functions. In FY 2018, the Department of Corrections budgeted Facilities Management, formerly expenditures in the Administration program, as its own distinct program as part of the performance-based budgeting initiative. Facilities Management now refers to the portion of the DOC Central Office budget that helps to maintain and operate the correctional facilities.

Administration Subprograms. The Administration Program is composed of three subprograms: Administration, Information Services, and Evasions Apprehension and Investment. These are detailed below:

- Administration includes the activities of the Secretary of Corrections and other administrative and support personnel responsible for the operation, management, and oversight of the agency, including the development and implementation of policy and facility oversight;
- Information Services is a subprogram responsible for the planning, operation, and support of all information technology functions and telecommunications; and
- Evasions Apprehension and Investment includes the Secretary of Corrections, who was previously in the Administration program, and field agents, who were previously placed in the community supervision program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Community Correction Programs Requiring Technical Assistance and Oversight by Central Administration	31	31	31	31	31	31
Number of Hours to Restore IT Services after Failure	N/A	9	N/A	5	3	2.5
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 12.0	\$ 10.1	\$ 10.1	\$ 11.1	\$ 14.3	\$ 24.2
FTE Positions	110.0	98.0	96.6	96.6	103.6	103.6

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,163,601	\$ 20,343,699	\$ 7,854,712	\$ 22,740,281	\$ 12,853,614
Contractual Services	3,548,735	6,803,194	6,375,214	11,009,042	9,018,715
Commodities	103,382	68,010	68,010	81,750	81,750
Capital Outlay	282,306	1,572,105	0	19,944,178	2,247,105
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 11,098,024</i>	<i>\$ 28,787,008</i>	<i>\$ 14,297,936</i>	<i>\$ 53,775,251</i>	<i>\$ 24,201,184</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 11,098,024	\$ 28,787,008	\$ 14,297,936	\$ 53,775,251	\$ 24,201,184
Financing:					
State General Fund	\$ 10,601,253	\$ 26,740,912	\$ 12,251,840	\$ 51,156,130	\$ 19,334,958
All Other Funds	496,771	2,046,096	2,046,096	2,619,121	4,866,226
TOTAL	\$ 11,098,024	\$ 28,787,008	\$ 14,297,936	\$ 53,775,251	\$ 24,201,184
FTE Positions	96.6	103.6	103.6	103.6	103.6

The **agency** requests FY 2021 operating expenditures of \$53.8 million, including \$51.2 million from the State General Fund, for the Administrative program. This is an all funds increase of \$25.0 million, or 86.8 percent, and a State General Fund increase of \$24.4 million, or 91.3 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for contractual services that include Office of Information Technology Services fees (\$2.7 million) and Desktop as Service leasing fees (\$427,980). The increase is also attributable to enhancements for capital outlay that include Offender and Juvenile Management Software (\$17.5 million), vehicle replacement (\$1.3 million), server and network infrastructure (\$645,000), and security and safety equipment (\$479,178).

The **Governor** recommends FY 2021 operating expenditures of \$24.2 million, including \$19.3 million from the State General Fund, for the Administration program. This is a decrease of \$29.5 million, or 55.0 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending enhancements for desktop as a service leasing fees, Offender and Juvenile Management Software, and server and network infrastructure. The Governor recommends partial enhancement expenditures for shrinkage rate reduction (\$5.0 million), Office of Information Technology Services fees (\$915,804) and a full enhancement for vehicle replacement (\$1.3 million) with a change in the funding source.

B. Inmate Health Care

Inmate health care is provided for by an all-inclusive contract with Corizon Healthcare, Inc. The contract covers medical, dental, and mental health services for all inmates and juveniles. The DOC entered into a contract with Corizon that became effective January 1, 2014, and came with four renewal options, which began July 1, 2015. The contract was extended for one year on July 1, 2019, and the DOC is currently rebidding the contract with an intended effective date of July 1, 2020. Included in the Inmate Health Care program are expenditures for Medicaid services and Hepatitis C treatment.

Inmate Health Care Subprograms. The Inmate Health Care program is composed of two subprograms: Adult Health Care Services and Juvenile Health Care Services. These are detailed below:

- The Adult Health Care Services subprogram provides adult inmates' health care services and includes Medicaid inpatient hospitalization costs for inmates who are under 18, over 65, pregnant, or disabled; and
- The Juvenile Health Care Services program provides health care to youth housed at the Kansas Juvenile Correctional Complex.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent vacant FTE medical positions	13.0 %	12.7 %	10.0 %	12.6 %	10.0 %	10.0%
Number of Inmates Treated for Hepatitis C	N/A	44	N/A	110	567	605
Number of Suicides	N/A	2	N/A	3	0	0
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 64.4	\$ 67.9	\$ 72.0	\$ 73.7	\$ 78.9	\$ 77.4
FTE Positions	13.0	7.0	5.0	5.0	4.0	4.0

INMATE HEALTH CARE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 253,512	\$ 242,397	\$ 242,397	\$ 242,783	\$ 242,783
Contractual Services	72,308,184	77,739,672	77,739,672	84,687,736	76,237,442
Commodities	132,285	0	0	0	0
Capital Outlay	1,520	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 72,695,501</i>	<i>\$ 77,982,069</i>	<i>\$ 77,982,069</i>	<i>\$ 84,930,519</i>	<i>\$ 76,480,225</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	1,042,737	870,000	870,000	870,000	870,000
TOTAL	\$ 73,738,238	\$ 78,852,069	\$ 78,852,069	\$ 85,800,519	\$ 77,350,225
Financing:					
State General Fund	\$ 72,355,932	\$ 76,132,544	\$ 76,132,544	\$ 84,580,994	\$ 76,130,700
All Other Funds	1,382,306	2,719,525	2,719,525	1,219,525	1,219,525
TOTAL	\$ 73,738,238	\$ 78,852,069	\$ 78,852,069	\$ 85,800,519	\$ 77,350,225
FTE Positions	5.0	4.0	4.0	4.0	4.0

The **agency** requests FY 2021 operating expenditures of \$85.8 million, including \$84.6 million from the State General Fund, for the Inmate Health Care program. This is an all funds increase of \$6.9 million, or 8.8 percent, and a State General Fund increase of \$8.4 million, or 11.1 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for contractual services that include hepatitis C treatment (\$3.1 million) and fully funding the medical services contract (\$4.7 million).

The **Governor** recommends FY 2021 operating expenditures of \$77.4 million, including \$76.1 million from the State General Fund, for the Inmate Health Care program. This is a decrease of \$8.5 million, or 9.8 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending enhancements for hepatitis C treatment (\$3.1 million) and fully funding the medical services contract (\$4.7 million).

C. Community Supervision

The Community Supervision program consists of correctional programs, services, and sanctions that are administered in the community rather than a correctional facility. Offenders covered under the program include probationers and those sentenced under the alternative drug sentencing policy (2003 SB 123), as well as offenders who have been released from correctional facilities on parole. In addition to supervision and assessment of probationers and parolees, the program also operates residential facilities for adult felony probationers who are designed to increase accountability by helping offenders find employment and develop good work habits. The community corrections subprogram (2007 SB 14) is a grant program administered at the county level. Currently, there are 31 corrections agencies across the state.

Community Supervision Subprograms. The Community Supervision program is composed of three subprograms: Parole Supervision, the Interstate Compact, and Technical Assistance and Oversight. These are detailed below:

- Parole Supervision is the subprogram that supervises offenders who are released from correctional facilities on parole, post-release supervision, or conditional release, but who have not been discharged from his or her sentence;
- The Interstate Compact is responsible for regulating the transfer and movement between states of adult parole and probation offenders under community supervision; and
- The Technical Assistance and Oversight subprogram administers operating grants, behavioral health services to individuals under the supervision of DOC, third time DUI treatment, and payments to an adult residential center.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Offenders under Parole Supervision	5,486	5,624	5,800	5,741	6,015	6,100
Number of Offenders under Parole Supervision Returned to Prison for Condition Violations	1,142	1,104	1,162	1,090	1,200	1,200
Number of Adult Felony Residential Centers	217	241	246	250	251	256
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 34.3	\$ 36.0	\$ 34.3	\$ 36.6	\$ 35.4	\$ 35.5
FTE Positions	170.0	164.0	163.0	163.0	162.0	162.0

COMMUNITY SUPERVISION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 9,022,415	\$ 9,774,861	\$ 9,774,861	\$ 12,524,862	\$ 9,785,195
Contractual Services	5,744,237	3,038,081	3,288,081	2,881,020	3,431,020
Commodities	130,146	132,000	132,000	132,000	132,000
Capital Outlay	208,406	100,000	100,000	50,000	82,358
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 15,105,204</i>	<i>\$ 13,044,942</i>	<i>\$ 13,294,942</i>	<i>\$ 15,587,882</i>	<i>\$ 13,430,573</i>
Aid to Local Units	21,310,716	21,891,277	21,891,277	21,891,277	21,891,277
Other Assistance	207,502	205,954	205,954	205,954	151,705
TOTAL	\$ 36,623,422	\$ 35,142,173	\$ 35,392,173	\$ 37,685,113	\$ 35,473,555
Financing:					
State General Fund	\$ 32,325,424	\$ 32,811,916	\$ 33,061,916	\$ 35,354,856	\$ 33,110,940
All Other Funds	4,297,998	2,330,257	2,330,257	2,330,257	2,362,615
TOTAL	\$ 36,623,422	\$ 35,142,173	\$ 35,392,173	\$ 37,685,113	\$ 35,473,555
FTE Positions	163.0	162.0	162.0	166.0	162.0

The **agency** requests FY 2021 operating expenditures of \$37.7 million, including \$35.4 million from the State General Fund, for the Community Supervision program. This is an all funds increase of \$2.5 million, or 7.2 percent, and a State General Funds increase of \$2.5 million, or 7.8 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for salaries and wages that include pay equity for Parole Officers (\$1.6 million) and retirement enhancements for Parole Officers (\$720,000). The increase also includes enhancements for increased GPS Monitoring (\$200,00) and the addition of 4.0 FTE positions for LSI-R Fidelity (\$390,000).

The **Governor** recommends FY 2021 operating expenditures of \$35.5 million, including \$33.1 million from the State General Fund, for the Community Supervision program. This is an all funds decrease of \$2.2 million, or 5.9 percent, and a State General Fund decrease of \$2.2 million, or 6.3 percent, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for Parole Officer pay increases and retirement adjustments (\$2.3 million), GPS monitoring (\$200,000), and the addition of 4.0 FTE positions for LSI-R Fidelity (\$390,000). The recommendation also includes a decrease in other assistance to eliminate an annual interfund transfer to the Kansas Sentencing Commission (\$54,249) for administrative support of a substance abuse program. A corresponding increase of the same amount is reflected in the Governor's FY 2021 recommendation for the Kansas Sentencing Commission. The Governor recommends increased expenditures for payments to local jails to house parole violators (\$750,000) and video conferencing equipment for parole officers (\$32,358).

D. Offender Programs

Offender programs provide direct program services to inmates and parolees. The agency bases its plan of treatment and programs on what is termed the evidence-based research literature, which identifies basic principles for guiding effective correctional programs and practice. As a result, the agency strives to provide the following services and programs to

as many offenders as is financially possible, if those offenders are identified as capable of benefiting from the services or programs based on these guiding principles: (1) special, vocational, and academic education; (2) substance abuse treatment for incarcerated offenders; (3) community-based resources to assist offenders when they transition back into the community (Community Based Intermediate Treatment, Outpatient Treatment, and Community Residential Beds); (4) sex offender treatment services; and (5) other programs. In FY 2016, DOC combined the Reentry Services program with the offender programs. Due to the similar goals of both programs, the agency sought more efficient budgeting, tracking, and reporting of expenditures related to the successful reintegration of offenders into society.

Offender Programs Subprograms. The Offender Program is composed of five subprograms: Housing, Mentoring, Mental Health, Program Providers, and Reentry Programs. These are detailed below:

- The Housing subprogram provides transitional housing for recently released offenders. The DOC has four housing specialists in Kansas City, Olathe, Topeka, and Wichita who work with various landlords, property managers, public housing authorities, parole officers, and unit team counselors to ensure that offenders have safe and affordable housing opportunities;
- The Mentoring subprogram provides volunteer mentors to work with offenders pre- and post-release to secure employment and housing, work through family issues, and provide positive social influencing and modeling;
- The Mental Health subprogram works with offenders with mental illness to provide discharge planning services at all facilities;
- The Program Providers subprogram contains expenditures for various contracts that provide programming services to offenders' reintegration into the community; and
- The Reentry subprogram works with offenders 18 months prior to release for high risk/need offenders and several months pre-release in all cases. These teams, and the treatment and program providers, receive support from a Central Office team that provides grant writing, policy development, data collection and review, skills development, training, and other support to the teams in the facilities and parole offices.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of GED/academic improvement	60.0 %	59.0 %	60.0 %	63.4 %	60.0 %	60.0 %
Percent of Successful Vocational Training Skills	82.0 %	80.0 %	85.0 %	78.5 %	80.0 %	80.0 %
Percent of Successful College Courses	98.0 %	94.0 %	94.0 %	91.8 %	94.0 %	94.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 12.5	\$ 10.2	\$ 13.0	\$ 11.6	\$ 14.0	\$ 14.0
FTE Positions	83.0	70.0	71.0	71.0	105.0	105.0

OFFENDER PROGRAMS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,129,789	\$ 6,851,659	\$ 6,851,659	\$ 8,987,050	\$ 6,662,789
Contractual Services	7,354,543	7,101,821	7,101,821	8,566,971	7,266,971
Commodities	17,052	15,626	15,626	15,847	15,847
Capital Outlay	160	10,000	10,000	10,000	10,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 11,501,544</i>	<i>\$ 13,979,106</i>	<i>\$ 13,979,106</i>	<i>\$ 17,579,868</i>	<i>\$ 13,955,607</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	140,568	0	0	0	0
TOTAL	\$ 11,642,112	\$ 13,979,106	\$ 13,979,106	\$ 17,579,868	\$ 13,955,607
Financing:					
State General Fund	\$ 4,836,029	\$ 6,002,786	\$ 6,002,786	\$ 9,430,580	\$ 5,806,319
All Other Funds	6,806,083	7,976,320	7,976,320	8,149,288	8,149,288
TOTAL	\$ 11,642,112	\$ 13,979,106	\$ 13,979,106	\$ 17,579,868	\$ 13,955,607
FTE Positions	71.0	105.0	105.0	107.0	105.0

The **agency** requests FY 2021 operating expenditures of \$17.6 million, including \$9.4 million from the State General Fund, for Offender Programs. This is an all funds increase of \$3.6 million, or 25.8 percent, and a State General Fund increase of \$3.4 million, or 57.1 percent, above the FY 2020 revised estimate. This increase is attributable to enhancements for salaries and wages that include pay equity for Unit Team Counselors (\$2.2 million) and contractual services that include substance abuse program expansion (\$500,000). The request includes an enhancement for the addition of 2.0 FTE positions as Kansas Supportive Housing for Offenders (KSHOP) Care Coordinators (\$129,000).

The **Governor** recommends FY 2021 operating expenditures of \$14.0 million, including \$5.8 million from the State General Fund, for Offender Programs. This is a decrease of \$3.6 million, or 20.6 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for Unit Team Counselor pay adjustments (\$2.2 million) and the addition of 2.0 FTE positions as KSHOP Care Coordinators (\$129,000). The Governor also recommends a decrease in expenditures for offender programs (\$1.3 million), including substance abuse treatment.

E. Victims Services

The Victims Services program provides services to victims of crimes and inmates in the correctional facilities. These services include notification of changes in offender status, apology repository, public comment session advocacy, tours, victim/offender dialogue, visitation screenings, cease correspondence orders, safety planning/family reintegration, parole violation hearings, and victim impact classes.

Victims Services Subprograms. The Victims Services program is composed of four subprograms: Victim Notification, Victim Service Liaison, Restorative Justice, and Batterers Intervention. These are detailed below:

- The Victim Notification subprogram is in accordance with KSA 22-3727 and provides written notification of a change in offender status in the case of an offender's release, death, and other listed changes;
- The Victim Service Liaison subprogram allows victims to interact with offenders without meeting them directly;
- The Restorative Justice subprogram provides services that are meant to make a victim of a crime whole; and
- Batterers intervention is certified by the Kansas Office of the Attorney General to provide services to offenders in prison and on parole. The mission of the subprogram is to hold batterers accountable, create nonviolent behavior, and promote safety for victims.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Victims Who Registered for Services	32,753	37,259	38,500	38,065	39,000	40,000
Number of Victims Who Received Services	9,127	9,756	9,500	10,826	10,500	11,000
Number of Domestic Violence Victims Served	436	668	700	933	900	1,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 0.9	\$ 1.7	\$ 1.5	\$ 1.5	\$ 1.8	\$ 1.8
FTE Positions	16.0	23.0	23.0	23.0	24.0	24.0

VICTIM SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,396,713	\$ 1,538,702	\$ 1,538,702	\$ 2,053,811	\$ 1,523,278
Contractual Services	125,033	265,793	265,793	247,640	247,640
Commodities	7,691	5,000	5,000	5,000	5,000
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,529,437	\$ 1,809,495	\$ 1,809,495	\$ 2,306,451	\$ 1,775,918
Aid to Local Units	0	0	0	0	0
Other Assistance	8,984	0	0	0	0
TOTAL	\$ 1,538,421	\$ 1,809,495	\$ 1,809,495	\$ 2,306,451	\$ 1,775,918
Financing:					
State General Fund	\$ 900,113	\$ 918,627	\$ 918,627	\$ 1,450,305	\$ 919,772
All Other Funds	638,308	890,868	890,868	856,146	856,146
TOTAL	\$ 1,538,421	\$ 1,809,495	\$ 1,809,495	\$ 2,306,451	\$ 1,775,918
FTE Positions	23.0	24.0	24.0	32.0	24.0

The **agency** requests FY 2021 operating expenditures of \$2.3 million, including \$1.5 million from the State General Fund, for the Victim Services program. This is an all funds increase of \$496,956, or 27.5 percent, and a State General Fund increase of \$531,678, or 57.9 percent, above the FY 2020 revised estimate. The increase is attributable to enhancements for salaries and wages that include the addition of 7.0 FTE positions for Victims Services staff at facilities and parole offices (\$458,036) and 1.0 FTE for a Victims Services Supervisor at the Central Office (\$72,497).

The **Governor** recommends FY 2021 operating expenditures of \$1.8 million, including \$919,772 from the State General Fund, for the Victims Services program. This is a decrease of \$530,533, or 23.0 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for additional staff.

F. Prisoner Review Board

The Prisoner Review Board was created in 2011 through Executive Reorganization Order No. 34, which abolished the Parole Board and transferred its duties and powers to the Prisoner Review Board within the DOC. The Board consists of three members who conduct parole suitability hearings, final violation hearings and revocation consideration, and public comment sessions. The Chairperson and two other board members are full-time employees, along with administrative and clerical staff. The Board reviews approximately 7,000 cases annually.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Meetings Attended by the Board	225	225	225	218	225	225
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 459.1	\$ 453.8	\$ 454.4	\$ 471.7	\$ 475.5	\$ 475.2
FTE Positions	6.0	6.0	6.0	6.0	6.0	6.0

PRISONER REVIEW BOARD SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 451,728	\$ 457,525	\$ 457,525	\$ 873,374	\$ 457,182
Contractual Services	16,857	16,500	16,500	16,500	16,500
Commodities	2,026	1,500	1,500	1,500	1,500
Capital Outlay	1,070	0	0	94,676	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 471,681</i>	<i>\$ 475,525</i>	<i>\$ 475,525</i>	<i>\$ 986,050</i>	<i>\$ 475,182</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 471,681	\$ 475,525	\$ 475,525	\$ 986,050	\$ 475,182
Financing:					
State General Fund	\$ 471,681	\$ 475,525	\$ 475,525	\$ 986,050	\$ 475,182
All Other Funds	0	0	0	0	0
TOTAL	\$ 471,681	\$ 475,525	\$ 475,525	\$ 986,050	\$ 475,182
FTE Positions	6.0	6.0	6.0	12.0	6.0

The **agency** requests FY 2021 operating expenditures of \$986,050, all from the State General Fund, for the Prisoner Review Board program. This is an increase of \$510,525, or 107.4 percent, above the FY 2020 revised estimate. The increase is attributable to an enhancement for the addition of 6.0 FTE positions as Hearing Officers, which includes salaries and wages (\$416,192) and assigned vehicles (\$94,676).

The **Governor** recommends FY 2021 operating expenditures of \$475,182, all from the State General Fund, for the Prisoner Review Board program. This is a decrease of \$510,868, or 51.8 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests for additional staff and assigned vehicles.

G. Juvenile Services

The Juvenile Services Division was established following the merger of the Juvenile Justice Authority (JJA) and the DOC on July 1, 2013. This division is responsible for administering state and federal funds and coordinating with other agencies for the operation of a continuum of juvenile justice services statewide. Kansas juvenile justice reform efforts of the mid-1990s established the foundation upon which services are delivered today. Services are delivered through grants to local boards of county commissioners for the development, implementation, operation, and improvement of community-based juvenile justice programs through contracts for community placements, grants for the operation of psychiatric residential treatment facilities, and the Kansas Juvenile Correctional Complex. The Kansas Juvenile Correctional Complex submits separate agency budgets. The Juvenile Services program also provides technical assistance and support, consultation, oversight, resources, and training to enhance successful partnerships with local juvenile justice stakeholders for the implementation and operation of comprehensive juvenile justice services in the community.

SB 367 (2016) increased investment in evidence-based programs and practices by reinvesting funds previously budgeted for programs and practices that lack evidence as to their effectiveness in reducing juvenile re-offending. Implementation of reforms began in FY 2017 and will continue over the following two to four years.

Juvenile Services Subprograms. The Juvenile Services Program is composed of two subprograms: Technical Assistance and Oversight and the Kansas Advisory Group. These are detailed below:

- The Technical Assistance and Oversight subprogram provides support, consultation, analysis, oversight, and resources to administer the operation of various juvenile justice services across Kansas, including, but not limited to, evidence-based programming, detention grants and alternative to detention grants, juvenile intake and assessment services, intensive supervision, and community placements; and
- The Kansas Advisory Group was established in accordance with KSA 75-7007 and is responsible for determining, advocating for, and promoting the best interests of juveniles in the state.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Residential Provider Site Visits	11	10	N/A	5	5	5
Number of New Staff Trained in Correctional Supervision	25	90	N/A	107	50	35
Number of Assessments on Juvenile Offenders	6,262	6,218	N/A	5,899	5,650	5,500
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 34.3	\$ 30.3	\$ 40.3	\$ 27.5	\$ 34.5	\$ 0.0
FTE Positions	20.0	26.0	28.4	19.1	22.4	0.0

JUVENILE SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,935,712	\$ 1,646,773	\$ 1,646,773	\$ 2,568,879	\$ 0
Contractual Services	3,454,730	10,057,764	10,057,764	14,904,501	0
Commodities	40,861	68,052	68,052	63,208	0
Capital Outlay	105,497	80,000	80,000	80,000	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 5,536,800</i>	<i>\$ 11,852,589</i>	<i>\$ 11,852,589</i>	<i>\$ 17,616,588</i>	<i>\$ 0</i>
Aid to Local Units	21,054,989	64,951,151	22,636,011	25,839,717	0
Other Assistance	871,168	0	0	0	0
TOTAL	\$ 27,462,957	\$ 76,803,740	\$ 34,488,600	\$ 43,456,305	\$ 0
Financing:					
State General Fund	\$ 24,201,575	\$ 74,150,296	\$ 31,835,156	\$ 40,809,172	\$ 0
All Other Funds	3,261,382	2,653,444	2,653,444	2,647,133	0
TOTAL	\$ 27,462,957	\$ 76,803,740	\$ 34,488,600	\$ 43,456,305	\$ 0
FTE Positions	28.4	22.4	22.4	22.4	0.0

The **agency** requests FY 2021 operating expenditures of \$43.5 million, including \$40.8 million from the State General Fund, for the Juvenile Services program. This is an all funds decrease of \$33.3 million, or 43.4 percent, and a State General Fund decrease of \$33.3 million, or 45.0 percent, below the FY 2020 revised estimate. The decrease is attributable to a decrease in community grants for evidence-based juvenile programs (\$39.1 million) due primarily to a State General Fund appropriation occurring in FY 2020 (\$30.1 million) that is not anticipated to occur in FY 2021. The decrease is partially offset by an increased expenditures for contractual services (\$4.8 million), including mental health treatment, substance abuse counseling for families, and a cognitive behavioral program.

The **Governor** recommends for FY 2021 that the Juvenile Services program be reorganized into the newly created Department of Human Services, as part of the Governor's ERO. The Governor recommends operating expenditures of \$39.1 million, including \$36.5 million from the State General Fund, for the Juvenile Services program. Due to the reorganization, the recommendation would be a decrease of \$39.1 million from the operating expenditures of the DOC Central Office. The recommendation includes 22.4 FTE positions, which is unchanged from the agency's FY 2021 request. Due to the reorganization, this would be a decrease of 22.4 FTE positions from the DOC Central Office.

H. Facility Management

In FY 2018, the DOC budgeted Facility Management, formerly part of the Administration program, as its own distinct program as part of the performance-based budgeting initiative. Facility Management now refers to the portion of the Central Office budget that helps to maintain and operate the correctional facilities.

Facility Management Subprograms. The Facility Management Program is composed of two subprograms: Classification and Sentencing, and Design and Project Management. These are detailed below:

- The Classification and Sentencing subprogram is the part of the DOC Central Office that helps to manage offenders on the basis of their classifications and sentences; and
- The Design and Project Management subprogram focuses on maintaining facilities and overseeing the construction of new facilities.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Security Audits Conducted	10	9	9	9	9	9
Number of Safety Inspections Conducted	200	75	100	75	125	125
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 2.9	\$ 4.9	\$ 6.2	\$ 13.8	\$ 28.7
FTE Positions	N/A	21.8	19.8	19.8	20.0	20.0

FACILITY MANAGEMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,373,576	\$ 1,491,594	\$ 1,491,594	\$ 1,491,251	\$ 1,491,251
Contractual Services	4,680,272	18,281,236	11,942,018	29,831,419	27,213,822
Commodities	17,771	7,100	7,100	7,100	7,100
Capital Outlay	162,789	334,936	334,936	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 6,234,408	\$ 20,114,866	\$ 13,775,648	\$ 31,329,770	\$ 28,712,173
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 6,234,408	\$ 20,114,866	\$ 13,775,648	\$ 31,329,770	\$ 28,712,173
Financing:					
State General Fund	\$ 4,561,028	\$ 18,651,715	\$ 12,312,497	\$ 30,004,573	\$ 27,386,976
All Other Funds	1,673,380	1,463,151	1,463,151	1,325,197	1,325,197
TOTAL	\$ 6,234,408	\$ 20,114,866	\$ 13,775,648	\$ 31,329,770	\$ 28,712,173
FTE Positions	19.8	20.0	20.0	20.0	20.0

The **agency** requests FY 2021 operating expenditures of \$31.3 million, including \$30.0 million from the State General Fund, for the Facility Management program. This is an all funds increase of \$11.2 million, or 55.8 percent, and a State General Fund increase of \$11.4 million, or 60.9 percent, above the FY 2020 revised estimate. The increase is attributable to the first full-year lease payment for the Lansing Correctional Facility totaling \$15.1 million, which is an increase (\$8.3 million) above the partial payment in FY 2020. The increase is also attributable to increased expenditures for inmate outsourcing to non-state facilities totaling \$13.3 million, which is increase (\$3.4 million) above FY 2020. The program budget was intended to also include an enhancement for 16.0 FTE positions as Unit Team Counselors (\$1.1 million), but enhancement was inadvertently requested through the Food Services program instead.

The **Governor** recommends FY 2021 operating expenditures of \$28.7 million, all from the State General Fund, for the Facility Management program. This is a decrease of \$2.6 million, or 8.4 percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is mainly attributable to the Governor not recommending the agency's enhancement requests for additional staff and assigned vehicles. The decrease is also attributable to a reduced estimate for inmate outsourcing to non-state facilities (\$2.6 million). The Governor did not recommend the agency's enhancement request to add 16.0 FTE positions for Unit Team Counselors.

I. Food Services

The DOC entered into a contract with ARAMARK Correctional Services, Inc., in July 1997. ARAMARK is responsible for all labor, food, supplies, and other materials required for the delivery of food services at all of the correctional facilities with the exception of Larned Correctional Mental Health Facility. At Larned Correctional Mental Health Facility, ARAMARK is responsible for labor only as the meals are prepared for Larned Correctional Mental Health Facility by Larned State Hospital. The current contract with ARAMARK was renegotiated in 2011 and will run through 2022. The Kansas Juvenile Justice Correctional Complex entered into a separate food service contract with ARAMARK in 2019 to accommodate the dietary needs of a juvenile population. Funding for this separate contract is noted in the Kansas Juvenile Justice Complex budget request.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Meals Served to Offenders (In Millions)	10.4	10.1	10.3	10.3	10.1	10.3
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 15.8	\$ 16.3	\$ 16.8	\$ 16.7	\$ 16.0	\$ 16.7
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

FOOD SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 1,104,000	\$ 0
Contractual Services	16,666,901	16,022,259	16,022,259	16,749,841	16,732,759
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 16,666,901</i>	<i>\$ 16,022,259</i>	<i>\$ 16,022,259</i>	<i>\$ 17,853,841</i>	<i>\$ 16,732,759</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 16,666,901	\$ 16,022,259	\$ 16,022,259	\$ 17,853,841	\$ 16,732,759
Financing:					
State General Fund	\$ 16,666,901	\$ 15,866,555	\$ 15,866,555	\$ 17,853,841	\$ 15,866,555
All Other Funds	0	155,704	155,704	0	866,204
TOTAL	\$ 16,666,901	\$ 16,022,259	\$ 16,022,259	\$ 17,853,841	\$ 16,732,759
FTE Positions	0.0	0.0	0.0	16.0	0.0

FY 2020 Food Service Contract - Agency Estimate			
Facilities	9,443 ADP x 3 x 365 =	10,340,085 meals x \$1.562/meal	\$ 16,147,284
Topeka CF - North Unit	120 ADP x 3 x 365 =	131,400 meals x \$0.133/meal	17,424
Larned CMHF		365 days x \$643.86/day	235,009
Monitor Meals		36,500 meals x 1.25/meal	45,625
Equipment Maintenance and Replacement Fund			300,000
<i>Subtotal</i>			<i>\$ 16,745,341</i>
Dietician Services			4,500
TOTAL			\$ 16,749,841

The **agency** requests FY 2021 operating expenditures of \$17.9 million, all from the State General Fund, for the Food Service program. This is an increase of \$1.8 million, or 11.4 percent, above the FY 2020 revised estimate. The increase is attributable to an enhancement to fully fund the food service contract (\$866,204). The increase also includes an enhancement for 16.0 FTE positions as Unit Team Counselors (\$1.1 million), which was intended to be requested through the Facility Management program instead of the Food Services program.

The **Governor** recommends FY 2021 operating expenditures of \$16.7 million, all from the State General Fund, for the Food Services program. This is an all funds decrease of \$1.1 million, or 6.3 percent, and a State General Fund decrease of \$1.9 million, or 11.1 percent, below the agency's FY 2021 request. The decrease is attributable to the Governor not recommending the agency's enhancement request to add 16.0 FTE positions for Unit Team Counselors (\$1.1 million). The Governor recommends the agency's enhancement request to fully fund the food service contract (\$866,204).

J. Debt Service

The DOC is responsible for managing the construction and financing of facilities' structures throughout the state correctional system. The interest payments on the System's debt is funded under DOC's operations budget.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 856.6	\$ 656.0	\$ 437.3	\$ 437.0	\$ 210.4	\$ 0.0
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

DEBT SERVICE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	437,035	210,388	210,388	0	0
Subtotal - Operations	\$ 437,035	\$ 210,388	\$ 210,388	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 437,035	\$ 210,388	\$ 210,388	\$ 0	\$ 0
Financing:					
State General Fund	\$ 65,433	\$ 22,388	\$ 22,388	\$ 0	\$ 0
All Other Funds	371,602	188,000	188,000	0	0
TOTAL	\$ 437,035	\$ 210,388	\$ 210,388	\$ 0	\$ 0
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2021 operating expenditures of \$0 for debt service interest. This an all funds decrease of \$210,388, or 100.0 percent, and a State General Fund decrease of \$22,388, or 100.0 percent, below the FY 2020 revised estimate. The decrease is attributable to final debt service interest payments for all bonds occurring in FY 2020.

The **Governor** concurs with the agency's FY 2021 request.

K. Kansas Correctional Industries

Kansas Correctional Industries (KCI) manufactures a variety of products at correctional facilities using inmate labor. These products are sold to government units or not-for-profit organizations. KCI presents work opportunities for 11.0 percent of the total inmate population.

Approximately 90.0 percent of sales are with other state agencies, with the balance divided among other eligible organizations, state residents, and employees.

Kansas Correctional Industries Subprograms. The Kansas Correctional Industries program is composed of two subprograms: Administration and Kansas Correctional Industries. These are detailed below:

- The Administration subprogram of Kansas Correctional Industries is responsible for the management and oversight of inmates, facilities, and product distribution of the goods made by Kansas Correctional Industries; and
- The Kansas Correctional Industries subprogram is composed of numerous divisions, including, but not limited to, private industries, metal products, sign and graphics, the dental program, the farm division, textiles, canteen, sales and marketing, and warehouses.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Inmates Participating in Traditional Industries Program (By Average Daily Population)	307	288	288	288	288	288
Inmates Participating in Private Industry Program (By Average Daily Population)	748	748	869	937	937	937
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 10.0	\$ 10.1	\$ 11.8	\$ 10.6	\$ 12.2	\$ 12.1
FTE Positions	56.0	56.0	58.0	58.0	60.0	60.0

KANSAS CORRECTIONAL INDUSTRIES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,568,073	\$ 4,159,956	\$ 4,159,956	\$ 4,250,351	\$ 4,250,351
Contractual Services	1,075,376	1,404,410	1,404,410	1,245,825	1,245,825
Commodities	5,442,080	5,254,200	5,254,200	5,555,085	5,555,085
Capital Outlay	524,255	1,367,262	1,367,262	1,080,000	1,010,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 10,609,784</i>	<i>\$ 12,185,828</i>	<i>\$ 12,185,828</i>	<i>\$ 12,131,261</i>	<i>\$ 12,061,261</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	741	0	0	0	0
TOTAL	\$ 10,610,525	\$ 12,185,828	\$ 12,185,828	\$ 12,131,261	\$ 12,061,261
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	10,610,525	12,185,828	12,185,828	12,131,261	12,131,261
TOTAL	\$ 10,610,525	\$ 12,185,828	\$ 12,185,828	\$ 12,131,261	\$ 12,131,261
FTE Positions	58.0	60.0	60.0	60.0	60.0

The **agency** requests FY 2021 operating expenditures of \$12.1 million, all from the Correctional Industries special revenue fund, for the Kansas Correctional Industries (KCI) program. This is an all funds decrease of \$54,567, or 0.4 percent, below the FY 2020 revised estimate. The decrease is mainly attributable to reduced contractual services for architects and engineers (\$115,000) and reduced expenditures for shop maintenance equipment (\$290,000), offset by increased salaries and wages (\$90,395) and expenditures for manufacturing and supply commodities (\$273,000).

The **Governor** concurs with the agency's FY 2021 request.

DEPARTMENT OF CORRECTIONS CORRECTIONAL FACILITIES

The following portion of this budget analysis only describes the Department of Corrections' correctional facilities. This section will include two summary operating budget tables, treating each facility as though it were a program, followed by analysis of each correctional facility. The section includes programs designated as L through T. These sections will not detail specific capital improvements projects at these facilities.

Summary of Facilities' Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Ellsworth CF	\$ 15,526,041	\$ 17,134,573	\$ 16,943,692	\$ (190,881)	(1.1) %	\$ 17,134,573	\$ 16,943,692	\$ (190,881)	(1.1)%		
El Dorado CF	32,842,100	34,123,049	33,973,579	(149,470)	(0.4)	34,123,049	33,976,579	(146,470)	(0.4)		
Hutchinson CF	34,936,428	36,852,450	36,799,956	(52,494)	(0.1)	36,852,450	36,799,956	(52,494)	(0.1)		
Kansas Juvenile CC	19,367,017	21,071,065	21,146,621	75,556	0.4	21,071,065	21,146,621	75,556	0.4		
Lansing CF	37,676,712	39,834,241	31,982,653	(7,851,588)	(19.7)	39,834,241	31,982,653	(7,851,588)	(19.7)		
Larned CMHF	11,934,852	13,004,912	12,998,466	(6,446)	(0.0)	13,004,912	12,998,466	(6,446)	(0.0)		
Norton CF	17,436,025	18,759,457	18,675,337	(84,120)	(0.4)	18,759,457	18,675,337	(84,120)	(0.4)		
Topeka CF	16,959,328	18,073,875	19,262,242	1,188,367	6.6	18,073,875	18,145,395	71,520	0.4		
Winfield CF	14,095,062	15,552,206	15,536,960	(15,246)	(0.1)	15,552,206	15,536,960	(15,246)	(0.1)		
TOTAL	\$ 200,773,565	\$ 214,405,828	\$ 207,319,506	\$ (7,086,322)	(3.3) %	\$ 214,405,828	\$ 206,205,659	\$ (8,200,169)	(3.8)%		
By Major Object of Expenditure:											
Salaries and Wages	\$ 170,416,360	\$ 181,791,063	\$ 176,319,021	\$ (5,472,042)	(3.0) %	\$ 181,791,063	\$ 175,202,174	\$ (6,588,889)	(3.6)%		
Contractual Services	20,158,873	22,197,785	21,551,163	(646,622)	(2.9)	22,197,785	21,551,163	(646,622)	(2.9)		
Commodities	8,620,639	10,141,880	9,236,522	(905,358)	(8.9)	10,141,880	9,236,522	(905,358)	(8.9)		
Capital Outlay	1,552,000	260,600	212,300	(48,300)	(18.5)	260,600	212,300	(48,300)	(18.5)		
Debt Service	0	0	0	0	--	0	0	0	--		
Subtotal - Operations	\$ 200,747,872	\$ 214,391,328	\$ 207,319,006	\$ (7,072,322)	(3.3) %	\$ 214,391,328	\$ 206,202,159	\$ (8,189,169)	(3.8) %		
Aid to Local Units	0	0	0	0	--	0	0	0	--		
Other Assistance	25,693	14,500	500	(14,000)	(96.6)	14,500	500	(14,000)	(96.6)		
TOTAL	\$ 200,773,565	\$ 214,405,828	\$ 207,319,506	\$ (7,086,322)	(3.3) %	\$ 214,405,828	\$ 206,202,659	\$ (8,203,169)	(3.8)%		
Financing:											
State General Fund	\$ 199,287,135	\$ 212,502,606	\$ 205,493,181	\$ (7,009,425)	(3.3) %	\$ 212,502,606	\$ 204,376,334	\$ (8,126,272)	(3.8)%		
Federal Funds	706,566	657,043	657,557	514	0.1	657,043	657,557	514	0.1		
All Other Funds	779,864	1,246,179	1,168,768	(77,411)	(6.2)	1,246,179	1,168,768	(77,411)	(6.2)		
TOTAL	\$ 200,773,565	\$ 214,405,828	\$ 207,319,506	\$ (7,086,322)	(3.3) %	\$ 214,405,828	\$ 206,202,659	\$ (8,203,169)	(3.8)%		

L. Ellsworth Correctional Facility

Planning for the Ellsworth Correctional Facility (ECF) began in 1986 in response to the need for additional bed space due to a rapidly increasing inmate population. The first inmate was received in August 1988. Expansion projects were completed in the 632-bed medium- and minimum-custody facility for male offenders in 1995 at a total construction cost of \$19.7 million.

The 2000 Legislature approved expenditures of \$6.1 million for the construction of a 100-cell housing unit at ECF. Due to the need for medium-custody beds, the DOC has opted to house 200 medium-custody inmates in the unit that was completed in May 2002. Also constructed during this time, using Violent Offender Incarceration/Truth in Sentencing funds and 10.0 percent state matching funds, was the expansion (completed in March 2002) of the existing warehouse, a Staff Development building completed in September 2002, and an Industrial Building completed in November 2002.

In June 2002, the InnerChange Freedom Initiative (IFI) was transferred from the Winfield Correctional Facility to ECF. Working with the State of Kansas and Prison Fellowship, IFI advances the DOC objectives of rehabilitation and recidivism reduction by exposing offenders to work, education, support groups, and victim-offender reconciliation.

In July 2012, KDOC purchased ten acres of land that included a property that is now the East Unit, which provides 95 minimum-security beds. The purchase allowed ECF to move minimum-custody offenders outside the Central Unit.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	7	4	7	8	8	8
Number of Inmate Assaults on Staff	1	3	6	7	7	7
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 14.4	\$ 14.8	\$ 15.6	\$ 15.5	\$ 17.1	\$ 16.9
FTE Positions	235.0	235.0	235.0	235.0	234.0	234.0

**ELLSWORTH CORRECTIONAL FACILITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 12,855,616	\$ 14,516,088	\$ 14,516,088	\$ 14,407,320	\$ 14,407,320
Contractual Services	1,540,474	1,586,527	1,586,527	1,604,470	1,604,470
Commodities	954,592	1,031,958	1,031,958	931,902	931,902
Capital Outlay	175,073	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 15,525,755</i>	<i>\$ 17,134,573</i>	<i>\$ 17,134,573</i>	<i>\$ 16,943,692</i>	<i>\$ 16,943,692</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	286	0	0	0	0
TOTAL	<u>\$ 15,526,041</u>	<u>\$ 17,134,573</u>	<u>\$ 17,134,573</u>	<u>\$ 16,943,692</u>	<u>\$ 16,943,692</u>
Financing:					
State General Fund	\$ 15,504,186	\$ 17,037,852	\$ 17,037,852	\$ 16,858,892	\$ 16,858,892
All Other Funds	21,855	96,721	96,721	84,800	84,800
TOTAL	<u>\$ 15,526,041</u>	<u>\$ 17,134,573</u>	<u>\$ 17,134,573</u>	<u>\$ 16,943,692</u>	<u>\$ 16,943,692</u>
FTE Positions	235.0	234.0	234.0	234.0	234.0

The **agency** estimates FY 2020 revised operating expenditures of \$17.1 million, including \$17.0 million from the State General Fund, for ECF. The revised estimate is an all funds increase of \$1.4 million, or 8.9 percent, and a State General Fund increase of \$1.4 million, or 8.7 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$1.3 million), including correctional officer pay increases approved by the 2019 Legislature. The increase is also attributable to increased expenditures for commodities (\$82,466), which include uniforms, security equipment, and supplies. The revised estimate includes 234.0 FTE positions, which is a decrease of 1.0 FTE position, or 0.4 percent, below the approved number.

The agency estimates FY 2020 revised capital improvements expenditures of \$213,512, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate

The **agency** requests FY 2021 operating expenditures of \$16.9 million, including \$16.9 million from the State General Fund, for ECF. The request is an all funds decrease of \$190,881, or 1.1 percent, and a State General Fund decrease of \$178,960, or 1.1 percent, below the FY 2020 revised estimate. The decrease in salaries and wages (\$108,768) is mainly attributable to reappropriations applied for FY 2020, but not available for FY 2021. The decrease is also attributable to a decrease in commodities (\$100,056), including uniforms, security equipment, and supplies. The request includes 234.0 FTE, which is unchanged from the revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

M. El Dorado Correctional Facility

The 1989 Legislature authorized the construction of the El Dorado Correctional Facility (EDCF) at a cost of \$58.0 million. Initially built with a capacity of 640 beds, a multi-housing dormitory was added in 1995 and two additional cell houses were added in 2001 at a cost of \$17.5 million, bringing the capacity at the Central Unit to 1,365 inmates. The total capacity of EDCF for FY 2020 was at 1,955.

EDCF houses special management and maximum-, medium-, and minimum-custody inmates. Two of the Central Unit's five cell houses are designated for long-term involuntary segregation inmates in single cells. For security and control reasons, these inmates cannot be maintained in general population status at any other correctional facility. A third Central Unit cell house is available as needed for segregation purposes and the Intensive Management Unit (IMU) was added in January 2003. The addition divides the cell house's inmate capacity equally between segregation inmates and IMU inmates. The other two Central Unit cell houses provide medium-custody beds.

The Reception and Diagnostic Unit (RDU) became the state's central intake point for all male offenders committed to the custody of the Secretary of Corrections. Inmates are classified at the maximum-custody level until they are processed, evaluated, classified, and designated to be delivered to one of the state's correctional facilities. The transfer of the RDU center from the Topeka Correctional Facility began in 1998 when the Legislature appropriated funds to plan construction of two new housing units and the RDU transfer. The effort continued until 2002 when full-year RDU funding was placed in the EDCF budget.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	29	6	12	63	38	40
Number of Inmate Assaults on Staff	62	159	200	117	122	135
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 29.1	\$ 30.6	\$ 31.2	\$ 32.8	\$ 34.1	\$ 34.0
FTE Positions	485.0	486.0	486.0	486.0	486.0	486.0

**EL DORADO CORRECTIONAL FACILITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 28,152,525	\$ 28,431,064	\$ 28,431,064	\$ 28,504,969	\$ 28,504,969
Contractual Services	2,830,012	3,139,231	3,139,231	3,169,376	3,169,376
Commodities	1,584,291	2,538,754	2,538,754	2,299,234	2,299,234
Capital Outlay	261,373	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 32,828,201</i>	<i>\$ 34,109,049</i>	<i>\$ 34,109,049</i>	<i>\$ 33,973,579</i>	<i>\$ 33,973,579</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	13,899	14,000	1,400	0	0
TOTAL	\$ 32,842,100	\$ 34,123,049	\$ 34,110,449	\$ 33,973,579	\$ 33,973,579
Financing:					
State General Fund	\$ 32,842,722	\$ 34,060,773	\$ 34,060,773	\$ 33,963,579	\$ 33,963,579
All Other Funds	(622)	62,276	62,276	10,000	10,000
TOTAL	\$ 32,842,100	\$ 34,123,049	\$ 34,123,049	\$ 33,973,579	\$ 33,973,579
FTE Positions	486.0	486.0	486.0	486.0	486.0

The **agency** estimates FY 2020 revised operating expenditures of \$34.1 million, including \$34.1 million from the State General Fund, for EDCF. The revised estimate is an all funds decrease of \$4.9 million, or 12.6 percent, and a State General Fund decrease of \$4.9 million, or 12.7 percent, below the FY 2020 approved amount. The decrease is attributable to a transfer of \$5.5 million to the DOC Central Office for consolidated management of inmate outsourcing to non-state facilities. The decrease is partially offset by increased expenditures for salaries and wages (\$717,722), including correctional officer pay increases approved by the Legislature in 2019, and commodities (\$161,234) for correctional officer uniforms, security equipment, and supplies. The revised estimate includes 486.0 FTE positions, which is unchanged from the approved number.

The agency estimates FY 2020 revised capital improvements expenditures of \$456,483, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$34.0 million, including \$34.0 million from the State General Fund, for EDCF. The request is an all funds decrease of \$149,470, or 0.4 percent, and a State General Fund decrease of \$97,194, or 0.3 percent, below the FY 2020 revised estimate. The decrease is attributable to reduced expenditures for security equipment (\$135,212), clothing (\$52,276), and supplies (34,961). The decrease is partially offset by increased expenditures for group health insurance (\$170,532). The request includes 486.0 FTE positions, which is unchanged from the FY 2020 revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

N. Hutchinson Correctional Facility

The history of Hutchinson Correctional Facility (HCF) dates to 1885 when the Kansas Legislature appropriated \$1.0 million for the Kansas State Industrial Reformatory. Modeled after the Elmira Reformatory of New York, the facility's first cell house, Cell House A, was completed in 1898, which contained 200 single occupancy cells, each 40 square feet in size.

Currently, HCF is a 1,862-bed, multi-unit correctional facility housing male inmates at the minimum-, medium-, and maximum-security levels. The Central Unit houses maximum- and medium-custody inmates in the traditional walled and secure prison environment. The East Unit is a medium-custody, fenced-in facility with several treatment programs, including the Industrial program that provides a number of inmate jobs. The South Unit is a minimum-security facility providing community service to the City of Hutchinson and other eligible organizations, including several duties for HCF. The purpose of the Work Release Unit, opened in 1972 and now contained in the South Unit, is to place inmates in a community job to facilitate their transitions from HCF to society.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	258	331	246	262	240	240
Number of Inmate Assaults on Staff	72	143	36	160	150	150
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 32.1	\$ 32.1	\$ 33.6	\$ 34.9	\$ 36.9	\$ 36.8
FTE Positions	507.0	507.0	507.0	507.0	507.0	507.0

HUTCHINSON CORRECTIONAL FACILITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 30,748,416	\$ 32,417,737	\$ 34,417,737	\$ 32,387,058	\$ 32,387,058
Contractual Services	2,743,482	2,831,849	2,831,849	2,891,319	2,891,319
Commodities	1,314,701	1,602,864	1,602,864	1,521,579	1,521,579
Capital Outlay	122,440	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 34,929,039</i>	<i>\$ 36,852,450</i>	<i>\$ 38,852,450</i>	<i>\$ 36,799,956</i>	<i>\$ 36,799,956</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	7,389	0	0	0	0
TOTAL	\$ 34,936,428	\$ 36,852,450	\$ 38,852,450	\$ 36,799,956	\$ 36,799,956
Financing:					
State General Fund	\$ 34,801,142	\$ 36,639,333	\$ 36,639,333	\$ 36,586,671	\$ 36,586,671
All Other Funds	135,286	213,117	213,117	213,285	213,285
TOTAL	\$ 34,936,428	\$ 36,852,450	\$ 36,852,450	\$ 36,799,956	\$ 36,799,956
FTE Positions	507.0	507.0	507.0	507.0	507.0

The **agency** estimates FY 2020 revised operating expenditures of \$36.9 million, including \$36.6 million from the State General Fund, for HCF. The revised estimate is an all funds increase of \$3.2 million, or 9.5 percent, and a State General Fund increase of \$3.2 million, or 9.5 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$3.0 million), including correctional officer pay increases approved by the Legislature in 2019, and commodities (\$127,055) for uniforms, safety equipment, and replacement of an inmate transport van. The revised estimate includes 507.0 FTE positions, which is unchanged from the approved amount.

The agency estimates FY 2020 revised capital improvements expenditures of \$1.3 million, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$36.8 million, including \$36.6 million from the State General Fund, for HCF. The request is an all funds decrease of \$52,494, or 0.1 percent, and a State General Fund decrease of \$52,662, or 0.1 percent, below the FY 2020 revised estimate. The decrease is attributable to a reduction in commodities (\$81,285), primarily for security equipment, offset by an increase in contractual services (\$59,740), primarily for water, natural gas, and electricity. The request includes 507.0 FTE positions, which is unchanged from the revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

O. Kansas Juvenile Correctional Complex

The state's first institution for juvenile rehabilitation was established in Topeka. In 1879, the Legislature provided for the selection of a site for a "state reform school," under the control of State Charitable Institutions, with statutory authority contained in KSA 76-2101 *et seq.* Subsequent name changes in 1901 and 1974 occurred, and the facility became known as the "Youth Center at Topeka" until the Juvenile Justice Authority assumed responsibility for operations in July 1997. Executive Reorganization Order No. 42, which became effective July 1, 2013, abolished the Juvenile Justice Authority and moved control of the facility to the DOC. In 2017, Larned Juvenile Correctional Facility closed and all committed juvenile offenders in Kansas were moved to the Kansas Juvenile Correctional Complex (KJCC).

The KJCC is the only juvenile correctional facility in the DOC and provides maximum- and medium-security beds for the following individuals:

- Adjudicated juveniles committed as juvenile offenders;
- Extended jurisdiction juveniles;
- Youth committed to the Secretary of Corrections; and
- Juvenile felons between the age of 10 and 23.

The KJCC facility is divided into an east campus and a west campus and is composed of five general areas: the diagnostic/classification area, maximum- and medium-security housing for male residents, secure female housing in the stand-alone Q/R/S/T building on the east campus, central programs areas, and administrative/support areas. All facility components are located within a secure perimeter fence, with the exception of administration and some general service areas. The facility is projected to operate 167 beds in FY 2020.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Juvenile Batteries	130	145	N/A	171	165	154
Number of Juvenile Assaults on Staff	88	55	N/A	40	35	32
Percent of Juveniles Who Successfully Complete Substance Abuse Treatment	64.0 %	85.0 %	87.0 %	69.0 %	80.0 %	85.0 %
Percent of Juveniles Who Successfully Complete Sex Offender Treatment	82.0 %	87.0 %	90.0 %	94.0 %	95.0 %	97.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 17.2	\$ 18.7	\$ 21.0	\$ 19.4	\$ 21.0	\$ 21.1
FTE Positions	232.5	355.5	264.5	264.5	264.5	264.5

KANSAS JUVENILE CORRECTIONAL COMPLEX SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 13,391,490	\$ 15,105,138	\$ 15,105,138	\$ 15,189,194	\$ 15,189,194
Contractual Services	4,903,599	5,273,427	5,273,427	5,294,927	5,294,927
Commodities	466,451	450,200	450,200	450,200	450,200
Capital Outlay	605,010	242,300	242,300	212,300	212,300
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 19,366,550	\$ 21,071,065	\$ 21,071,065	\$ 21,146,621	\$ 21,146,621
Aid to Local Units	0	0	0	0	0
Other Assistance	467	0	0	0	0
TOTAL	\$ 19,367,017	\$ 21,071,065	\$ 21,071,065	\$ 21,146,621	\$ 21,146,621
Financing:					
State General Fund	\$ 18,784,415	\$ 20,548,845	\$ 20,548,845	\$ 20,642,421	\$ 20,642,421
All Other Funds	582,602	522,220	522,220	504,200	504,200
TOTAL	\$ 19,367,017	\$ 21,071,065	\$ 21,071,065	\$ 21,146,621	\$ 21,146,621
FTE Positions	264.5	264.5	264.5	264.5	264.5

The **agency** estimates FY 2020 revised operating expenditures of \$21.1 million, including \$20.5 million from the State General Fund, for KJCC. The revised estimate is an all funds decrease of \$1.7 million, or 7.3 percent, and a State General Funds decrease of \$1.7 million, or 7.6 percent, below the FY 2020 approved amount. The decrease is attributable to a decrease in salaries and wages (\$1.4 million) due to an increased shrinkage rate of 13.0 percent, and contractual services (\$117,705), primarily for utilities expenditures. The decrease is also attributable to lower expenditures for commodities (\$95,512), including power plant components, supplies, and clothing. The revised estimate includes 264.5 FTE positions, which is unchanged from the approved number.

The agency estimates FY 2020 revised capital improvements expenditures of \$1.1 million, all from the State Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$21.1 million, including \$20.6 million from the State General Fund, for KJCC. The request is an all funds increase of \$75,556, or 0.4 percent, and a State General Fund increase of \$93,576, or 0.5 percent, above the FY 2020 revised estimate. The increase is attributable to increased salaries and wages (\$84,056) and contractual services (\$21,500), primarily for professional education services. The increase is partially offset by a decrease in capital outlay (\$30,000), including expenditures for radio equipment. The request includes 265.6 FTE positions, which is unchanged from the revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request. However, the Governor recommends that operations of KJCC be placed under the purview of the newly created Department of Human Services, as part of the Governor's Executive Reorganization Order beginning in FY 2021.

P. Lansing Correctional Facility

Lansing Correctional Facility (LCF), authorized by the *Kansas Constitution* in 1859 as the Kansas State Penitentiary, is the state's largest facility for the incarceration and rehabilitation of adult male offenders at the minimum-, medium-, and maximum-custody levels. In 1990, the name of the Kansas State Penitentiary was changed to Lansing Correctional Facility. During FY 1995, all female inmates at LCF were transferred to the Topeka Correctional Facility.

LCF is composed of two units with a total capacity of 1,906 inmates and covers 2,537 acres. Before being razed in FY 2017, the Central Unit used to include a medium-security facility that housed 743 beds, and in its place a new maximum- and medium-security facility is being built with a scheduled completion in 2020. LCF also houses on its grounds the headquarters of Kansas Correctional Industries, as well as many of the Kansas Correctional Industries manufacturing shops.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	83	60	60	89	83	88
Number of Inmate Assaults on Staff	3	3	3	2	2	4
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 42.6	\$ 38.6	\$ 40.4	\$ 37.7	\$ 39.8	\$ 32.0
FTE Positions	682.0	684.0	685.0	685.0	525.0	406.0

LANSING CORRECTIONAL FACILITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 32,703,830	\$ 34,148,321	\$ 34,148,321	\$ 27,315,924	\$ 27,315,924
Contractual Services	3,453,279	4,111,013	4,111,013	3,305,930	3,305,930
Commodities	1,451,498	1,556,607	1,556,607	1,360,799	1,360,799
Capital Outlay	65,879	18,300	18,300	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 37,674,486</i>	<i>\$ 39,834,241</i>	<i>\$ 39,834,241</i>	<i>\$ 31,982,653</i>	<i>\$ 31,982,653</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	2,226	0	0	0	0
TOTAL	<u>\$ 37,676,712</u>	<u>\$ 39,834,241</u>	<u>\$ 39,834,241</u>	<u>\$ 31,982,653</u>	<u>\$ 31,982,653</u>
Financing:					
State General Fund	\$ 37,556,729	\$ 39,714,241	\$ 39,714,241	\$ 31,862,653	\$ 31,862,653
All Other Funds	119,983	120,000	120,000	120,000	120,000
TOTAL	<u>\$ 37,676,712</u>	<u>\$ 39,834,241</u>	<u>\$ 39,834,241</u>	<u>\$ 31,982,653</u>	<u>\$ 31,982,653</u>
FTE Positions	685.0	525.5	525.0	406.0	406.0

The **agency** estimates FY 2020 revised operating expenditures of \$39.8 million, including \$39.7 million from the State General Fund, for LCF. The revised estimate is an increase of \$3.4 million, or 9.4 percent, all from the State General Fund, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$3.4 million), including correctional officer pay increases approved by the Legislature in 2019, and contractual services (\$293,698), primarily for increased utilities as operations migrate from the old facility to the new facility. The increase is partially offset by a decrease in commodities (\$252,423), including building and grounds material, supplies, and uniforms. The revised estimate include 525.5 FTE positions, which is a decrease of 159.5 positions, or 23.3 percent, below the approved number. The position decrease is mainly in Security and Support Services and is partly the result of migration to the newly built facility.

The agency estimates FY 2020 revised capital improvements expenditures of \$954,721, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$32.0 million, including \$32.0 million from the State General Fund, for LCF. The request is a decrease of \$7.9 million, or 19.7 percent, all from the State General Fund, below the FY 2020 revised estimate. This decrease is mainly in salaries and wages (\$6.8 million), attributable to a continued staff reduction plan as operations migrate to the new facility. The decrease is also attributable to a decrease in contractual services (\$805,083), mainly including reduced expenditures for utilities. The request includes 406.0 FTE positions, which is a decrease of 119.5 positions, or 22.7 percent, below the FY 2020 revised estimate. The position decrease is mainly in Security and Support Services and is the result of continued migration to the new facility.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

Q. Larned Correctional Mental Health Facility

Larned Correctional Mental Health Facility (LCMHF) was constructed in 1989 to bring the State into compliance with a U.S. District Court order that mandated meeting the long-term needs of mentally ill inmates. LCMHF's Central Unit contains 150 beds with future expansion capabilities to 310 beds, and houses a Youthful Offender Program, which places an emphasis on education and social skills for offenders 25 years old and younger. In addition, the West Unit contains 288 minimum-custody beds, mostly for male inmates who provide work detail labor for Larned State Hospital and local communities. In recent years, all mental health treatment capabilities were migrated to the El Dorado Correctional Facility; however, the Larned Correctional Mental Health Facility remains the statutory institutional name.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	44	28	35	33	35	35
Number of Inmate Assaults on Staff	114	41	60	32	40	40
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 11.0	\$ 11.2	\$ 11.8	\$ 11.9	\$ 13.0	\$ 13.0
FTE Positions	186.0	187.0	187.0	187.0	189.0	189.0

LARNED CORRECTIONAL MENTAL HEALTH FACILITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 10,655,204	\$ 11,672,034	\$ 11,672,034	\$ 11,730,814	\$ 11,730,814
Contractual Services	532,458	586,568	586,568	593,225	593,225
Commodities	686,825	746,310	746,310	674,427	674,427
Capital Outlay	60,273	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 11,934,760	\$ 13,004,912	\$ 13,004,912	\$ 12,998,466	\$ 12,998,466
Aid to Local Units	0	0	0	0	0
Other Assistance	92	0	0	0	0
TOTAL	\$ 11,934,852	\$ 13,004,912	\$ 13,004,912	\$ 12,998,466	\$ 12,998,466
Financing:					
State General Fund	\$ 11,934,986	\$ 13,004,912	\$ 13,004,912	\$ 12,998,466	\$ 12,998,466
All Other Funds	(134)	0	0	0	0
TOTAL	\$ 11,934,852	\$ 13,004,912	\$ 13,004,912	\$ 12,998,466	\$ 12,998,466
FTE Positions	187.0	189.0	189.0	189.0	189.0

The **agency** estimates FY 2020 revised operating expenditures of \$13.0 million, all from the State General Fund, for LCMHF. This is an increase of \$1.2 million, or 10.4 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$1.2 million), including correctional officer pay increases approved by the 2019 Legislature, and increased expenditures for commodities (\$134,955), such as uniforms, security equipment, and supplies. The increase is partially offset by a decrease in contractual services (\$68,908), including expenditures for electricity and postage. The revised estimate includes 189.0 FTE

positions, which is an increase of 2.0 FTE positions, or 1.1 percent, above the approved amount. The position increase is within Support Services.

The agency estimates FY 2020 revised capital improvements expenditures of \$163,341, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$13.0 million, all from the State General Fund, for LCMHF. This is a decrease of \$6,446, or less than 0.1 percent, below the FY 2020 revised estimate. The decrease is attributable to a decrease in commodities (\$71,883), including security equipment and uniforms, partially offset by increased expenditures for salaries and wages (\$58,780), including employer contributions to group health insurance and correctional officer retirement. The request includes \$189.0 FTE positions, which is unchanged from the FY 2020 revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

R. Norton Correctional Facility

The Norton Correctional Facility (NCF) opened in 1987. NCF includes a 707-bed facility that houses male offenders and occupies the buildings of the former Norton State Hospital and a 112-bed facility in Stockton that was converted from a farm implement dealership building. In FY 2004, the Stockton facility added 16 beds, raising its capacity to 128. NCF currently has medium- and minimum-security beds with a total capacity of 975. Kansas Correctional Industries (KCI) has partnered with four private industry employers where a total of 80 NCF offenders are employed.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	12	6	N/A	7	N/A	N/A
Number of Inmate Assaults on Staff	N/A	1	N/A	0	N/A	N/A
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 16.0	\$ 16.5	\$ 17.0	\$ 17.4	\$ 18.8	\$ 18.7
FTE Positions	264.0	264.0	264.0	264.0	264.0	264.0

NORTON CORRECTIONAL FACILITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 15,182,742	\$ 16,165,069	\$ 16,165,069	\$ 16,230,581	\$ 16,230,581
Contractual Services	1,231,825	1,664,649	1,664,649	1,600,556	1,600,556
Commodities	913,927	929,239	929,239	843,700	843,700
Capital Outlay	107,454	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 17,435,948</i>	<i>\$ 18,758,957</i>	<i>\$ 18,758,957</i>	<i>\$ 18,674,837</i>	<i>\$ 18,674,837</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	77	500	500	500	500
TOTAL	<u>\$ 17,436,025</u>	<u>\$ 18,759,457</u>	<u>\$ 18,759,457</u>	<u>\$ 18,675,337</u>	<u>\$ 18,675,337</u>
Financing:					
State General Fund	\$ 17,186,443	\$ 18,558,983	\$ 18,558,983	\$ 18,472,944	\$ 18,472,944
All Other Funds	249,582	200,474	200,474	202,393	202,393
TOTAL	<u>\$ 17,436,025</u>	<u>\$ 18,759,457</u>	<u>\$ 18,759,457</u>	<u>\$ 18,675,337</u>	<u>\$ 18,675,337</u>
FTE Positions	264.0	264.0	264.0	264.0	264.0

The **agency** estimates FY 2020 revised operating expenditures of \$18.8 million, including \$18.6 million from the State General Fund, for NCF. The revised estimate is an all funds increase of \$1.7 million, or 10.1 percent, and a State General Fund increase of \$1.7 million, or 10.1 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$1.5 million), including correctional officer pay increases approved by the 2019 Legislature, and increased expenditures for commodities (\$276,339), such as maintenance construction material, uniforms, and supplies. The revised estimate includes 264.0 FTE positions, which is unchanged from the approved number.

The agency estimates FY 2020 revised capital improvements expenditures of \$245,350, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$18.7 million, including \$18.5 million from the State General Fund, for NCF. The request is an all funds decrease of \$84,120, or 0.4 percent, and a State General Fund decrease of \$86,039, or 0.5 percent, below the FY 2020 revised estimate. The decrease is mainly attributable to a decrease in expenditures for commodities (\$85,537), including security equipment and maintenance construction material. The request includes 264.0 FTE positions, which is unchanged from the revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

S. Topeka Correctional Facility

The Topeka Correctional Facility (TCF) dates back to 1961 when legislative action provided the Director of Penal Institutions the authority to convert facilities of the Topeka Technical College into a State Reception and Diagnostic Center (SRDC) with the primary function to perform evaluations of convicted offenders sentenced to the Kansas State Penitentiary and the Kansas State Industrial Reformatory. Inmate work crews from the Penitentiary performed the renovation and the first inmates were received in early 1962.

Until March 2001, the Reception and Diagnostic Unit (RDU), also located on the grounds adjacent to the Central Unit, served as the state's central intake point for all male offenders committed to the custody of the Secretary of Corrections. The 1999 Legislature appropriated funds and bonding authority of \$16.0 million for the construction of two housing units and the transfer of the functions of the RDU for male inmates to the El Dorado Correctional Facility. This relocation resulted in TCF offender population being all female.

TCF is currently composed of two housing compounds, which together house all of the state's incarcerated female offenders. The A-G Compound, formerly the Topeka Technical College, consists of six minimum/medium-security dormitories and currently houses up to 588 female inmates. The I-J Compound, a medium/maximum-security compound located on the grounds of what was previously the SRDC, currently has a capacity of 365. TCF's total capacity is 903.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	33	41	39	49	49	48
Number of Inmate Assaults on Staff	2	1	0	14	2	N/A
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 16.2	\$ 15.4	\$ 16.4	\$ 17.0	\$ 18.1	\$ 18.1
FTE Positions	263.0	263.0	262.0	262.0	260.0	284.0

**TOPEKA CORRECTIONAL FACILITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 15,046,521	\$ 16,324,973	\$ 16,324,973	\$ 17,543,954	\$ 16,427,107
Contractual Services	1,135,735	1,127,573	1,127,573	1,133,827	1,133,827
Commodities	721,074	621,329	621,329	584,461	584,461
Capital Outlay	54,774	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 16,958,104</i>	<i>\$ 18,073,875</i>	<i>\$ 18,073,875</i>	<i>\$ 19,262,242</i>	<i>\$ 18,145,395</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	1,224	0	0	0	0
TOTAL	<u>\$ 16,959,328</u>	<u>\$ 18,073,875</u>	<u>\$ 18,073,875</u>	<u>\$ 19,262,242</u>	<u>\$ 18,145,395</u>
Financing:					
State General Fund	\$ 16,567,054	\$ 17,735,694	\$ 17,735,694	\$ 18,923,587	\$ 17,806,740
All Other Funds	392,274	338,181	338,181	338,655	338,655
TOTAL	<u>\$ 16,959,328</u>	<u>\$ 18,073,875</u>	<u>\$ 18,073,875</u>	<u>\$ 19,262,242</u>	<u>\$ 18,145,395</u>
FTE Positions	262.0	260.0	260.0	282.0	284.0

The **agency** estimates FY 2020 revised operating expenditures of \$18.1 million, including \$17.7 million from the State General Fund, for TCF. This is an all funds increase of \$1.6 million, or 10.0 percent, and a State General Fund increase of \$1.6 million, or 10.3 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$1.8 million), including correctional officer pay increases approved by the Legislature in 2019. The increase is partially offset by decreased contractual services (\$60,857) for cell phones, travel, and inmate incentives, and commodities (\$116,767), including building and grounds material, clothing, and supplies. The revised estimate includes 260.0 FTE positions, which is a decrease of 2.0 FTE positions, or 0.8 percent, below the approved number. The position decrease is mainly in the Support Services program.

The agency estimates FY 2020 revised capital improvements expenditures of \$261,423, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 operating expenditures of \$19.3 million, including \$18.9 million from the State General Fund, for TCF. This is an all funds increase of \$1.2 million, or 6.6 percent, and a State General Fund increase of \$1.2 million, or 6.7 percent, above the FY 2020 revised estimate. The increase is attributable to increased expenditures for salaries and wages (\$1.2 million), offset by a decrease in expenditures for commodities (\$36,868), including security equipment and supplies. The request includes 282.0 FTE positions, which is an increase of 22 FTE positions, or 8.5 percent, above the FY 2020 revised estimate. The position increase is mainly for correctional officers in the Security program.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** recommends FY 2021 operating expenditures of \$18.1 million, including \$17.8 million from the State General Fund, for TCF. This is a decrease of \$1.1 million, or 5.8

percent, all from the State General Fund, below the agency's FY 2021 request. The decrease is attributed to a decrease in salaries and wages (\$1.3 million) for reallocation to the Central Office for capital improvement expansion projects at the Winfield Correctional Facility and the Lansing Correctional Facility. The decrease is offset by an increase in salaries and wages (\$160,000) for the addition of 2.0 FTE positions in the Substance Abuse Recovery Program. The recommendation includes 284.0 FTE positions, which is an increase of 2.0 FTE positions above the agency's FY 2021 request.

T. Winfield Correctional Facility

The Winfield Correctional Facility (WCF) is a minimum-custody facility for male inmates established in 1984. During the 1995 Session, funds were appropriated to renovate two buildings formerly used by the Winfield State Hospital and Training Center. In September 1996, the DOC shifted the Wichita Work Release Facility and its budget from the DOC Central Office to the WCF office. The work release's 250-bed capacity increased the total capacity for the combined operations to 804. In 1997, the Legislature appropriated funds to renovate and reoccupy one of the WCF dormitories, which reopened in the same year. During FY 2004, 16 beds were added to C Dorm and 18 were added to B Dorm, bringing the total capacity to 554.

WFC maintains an interagency relationship with the nearby Kansas Veterans' Home (KVH), which became operational in 2000. WFC provides grounds maintenance and security services, and funds utility expenses for KVH.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Inmate Batteries	6	0	N/A	12	N/A	N/A
Number of Inmate Assaults on Staff	N/A	0	N/A	3	N/A	N/A
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 13.2	\$ 13.5	\$ 14.3	\$ 14.1	\$ 15.6	\$ 15.5
FTE Positions	201.0	201.0	201.0	203.0	201.0	201.0

**WINFIELD CORRECTIONAL FACILITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 11,680,016	\$ 13,010,639	\$ 13,010,639	\$ 13,009,207	\$ 13,009,207
Contractual Services	1,788,009	1,876,948	1,876,948	1,957,533	1,957,533
Commodities	527,280	664,619	664,619	570,220	570,220
Capital Outlay	99,724	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 14,095,029</i>	<i>\$ 15,552,206</i>	<i>\$ 15,552,206</i>	<i>\$ 15,536,960</i>	<i>\$ 15,536,960</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	33	0	0	0	0
TOTAL	<u>\$ 14,095,062</u>	<u>\$ 15,552,206</u>	<u>\$ 15,552,206</u>	<u>\$ 15,536,960</u>	<u>\$ 15,536,960</u>
Financing:					
State General Fund	14,109,458	15,201,973	15,201,973	15,183,968	15,183,968
All Other Funds	(14,396)	350,233	350,233	352,992	352,992
TOTAL	<u>\$ 14,095,062</u>	<u>\$ 15,552,206</u>	<u>\$ 15,552,206</u>	<u>\$ 15,536,960</u>	<u>\$ 15,536,960</u>
FTE Positions	203.0	201.0	201.0	201.0	201.0

The **agency** estimates FY 2020 revised operating expenditures of \$15.6 million, including \$15.2 million from the State General Fund, for WCF. The revised estimate is an all funds increase of \$1.2 million, or 8.6 percent, and a State General Fund increase of \$1.2 million, or 8.5 percent, above the FY 2020 approved amount. The increase is attributable to increased salaries and wages (\$1.3 million), including correctional officer pay increases approved by the Legislature in 2019, and commodities (\$78,854), including power plant supplies and security equipment. The increase is offset by a decrease in expenditures for contractual services (\$218,076), mainly for utilities. The revised estimate includes 201.0 FTE positions, which is unchanged from the approved amount.

The agency estimates FY 2020 revised capital improvements expenditures of \$209,342, all from the Correctional Institutions Building Fund. This is an increase of the same amount due to the 2019 Legislature not approving any capital improvements for this agency.

The **Governor** concurs with the agency's FY 2020 revised estimate.

The **agency** requests FY 2021 total operating expenditures of \$15.5 million, including \$15.2 million from the State General Fund, for WCF. The request is an all funds decrease of \$15,246, or 0.1 percent, and a State General Fund decrease of \$18,005, or 0.1 percent, below the FY 2020 revised estimate. The decrease is attributable to decreased expenditures for commodities (\$94,399), including security equipment and clothing, partially offset by increased expenditures for contractual services (\$80,585), mainly for utilities. The request includes 201.0 FTE positions, which is unchanged from the FY 2020 revised estimate.

The agency does not request capital improvements expenditures for FY 2021.

The **Governor** concurs with the agency's FY 2021 request.

CAPITAL IMPROVEMENTS

In addition to the State General Fund, three special revenue funds are utilized for capital improvements:

- The Correctional Industries Fund derives its revenue from the Kansas Correctional Industries program, which includes the sale of inmate-manufactured products to government and not-for-profit organizations. Most of the revenue is utilized for program needs, however a portion is transferred to the Central Office to support services and capital improvements;
- The Correctional Institutions Building Fund (CIBF) is dedicated to the upkeep of the adult correctional facilities. This fund is financed from a 10.0 percent annual transfer from the State Gaming Revenue Fund; and
- The State Institutions Building Fund (SIBF) is capitalized from property tax revenue. Funds from this account may be used for juvenile correctional facilities, but not adult facilities, in accordance with KSA 76-6b03.

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Central Office	\$ 10,693,200	\$ 15,282,418	\$ 6,082,000	\$ 15,290,190
Ellsworth CF	213,512	213,512	0	0
El Dorado CF	456,483	456,483	0	0
Hutchinson CF	1,260,924	1,260,924	0	0
Kansas Juvenile CC	1,100,110	1,100,110	0	0
Lansing CF	954,721	954,721	0	0
Larned CMHF	163,341	163,341	0	0
Norton CF	245,350	245,350	0	0
Topeka CF	261,423	261,423	0	0
Winfield CF	209,342	209,342	0	0
TOTAL	\$ 15,558,406	\$ 20,147,624	\$ 6,082,000	\$ 15,290,190
Financing:				
State General Fund	\$ 495,000	\$ 6,584,218	\$ 0	\$ 7,208,190
Correctional Industries Fund	3,235,060	1,735,060	800,000	2,300,000
Correctional Institutions Building Fund (CIBF)	5,888,123	5,888,123	4,782,000	5,782,000
State Institutions Building Fund (SIBF)	5,940,223	5,940,223	500,000	0
TOTAL	\$ 15,558,406	\$ 20,147,624	\$ 6,082,000	\$ 15,290,190

FY 2020 – Current Year. The **agency** estimates FY 2020 revised systemwide capital improvements expenditures for the **DOC System** of \$15.6 million, including \$495,000 from the State General Fund. The revised estimate is an all funds increase of \$5.5 million, or 54.7 percent, all from special revenue funds, above the FY 2020 approved amount. All capital improvement projects are in accordance with the agency's five-year capital improvement plan.

Major changes from the FY 2020 approved amount for capital improvements are outlined below by facility:

- **DOC Central Office.** The agency estimates FY 2020 revised capital improvements expenditures of \$10.7 million, including \$495,000 from the State General Fund. The estimate is an all funds increase of \$638,200, or 6.3 percent, all from special revenue funds, above the approved amount. The revised estimate includes debt service principal payments totaling \$4.8 million, including \$495,000 from the State General Fund, for final payment of two bonds. The estimate also includes rehabilitation and repair expenditures totaling \$2.7 million, all from special revenue funds, for projects in accordance with the agency's five-year capital improvement plan. The Central Office transferred \$3.7 million of the \$5.9 million in CIBF money to the facility agencies in the DOC System. This increase at the DOC Central Office is due primarily to the agency only transferring \$1.1 million of the \$5.9 million of SIBF money to facility agencies, resulting in the retention of \$580,113 above the FY 2020 approved amount for the transfer if needed;
- **Ellsworth Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$213,512, all from the CIBF. The revised estimate is an increase of \$213,512 above the approved amount. Major projects include replace of fuel storage tanks (\$100,000), replacement of windows at East Unit (\$60,000), and security camera upgrades (\$40,000);
- **El Dorado Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$456,483, all from the CIBF. The revised estimate is an increase of \$456,483 above the approved amount. Major projects include security camera system upgrades (\$197,821), replacement of boiler burners (\$189,000), and replacement of a sewer line (\$40,000);
- **Hutchinson Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$1.3 million, all from the CIBF. The revised estimate is an increase of \$1.3 million above the approved amount. Major projects include clinic renovation (\$1.0 million), security camera upgrades (\$130,250), and replacement of power plant pump (\$56,309);
- **Kansas Juvenile Correctional Complex.** The agency estimates FY 2020 revised capital improvements expenditures of \$1.1 million, all from the SIBF. The revised estimate is an increase of \$1.1 million above the approved amount. Major projects include roofing the main building (\$481,750), electronic security system upgrades (\$287,600), and security sliding doors replacement (\$181,074);
- **Lansing Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$954,721, all from the CIBF. The revised estimate is an increase of \$954,721 above the approved amount. Major projects include roofing (\$410,000), radios and repeaters replacement (\$219,282), and construction of exercise yard fencing (\$210,000);
- **Larned Correctional Mental Health Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$163,341, all from the CIBF. The revised estimate is an increase of \$163,341 above the approved amount. Major

projects include water softener system upgrades (\$59,300) and replacement of a sewer grinder (\$31,250);

- **Norton Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$245,350, all from the CIBF. The estimate is an increase of \$245,350 above the approved amount. Major projects include replacement of rooftop mechanical units (\$100,000), grease trap installation (\$86,000), and water softener system upgrades (\$59,350);
- **Topeka Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$261,423, all from the CIBF. The revised estimate is an increase of \$261,423 above the approved amount. Major projects include laundry facilities conversion (\$82,000), replacement of sally port gates (\$55,300), and HVAC upgrades (\$39,865); and
- **Winfield Correctional Facility.** The agency estimates FY 2020 revised capital improvements expenditures of \$209,342, all from the CIBF. The revised estimate is an increase of \$209,342 above the approved amount. Major projects include HVAC replacement (\$90,845) and water softener system upgrades (\$69,300).

The **Governor** recommends FY 2020 capital improvement expenditures for the **DOC System** of \$20.1 million, including \$6.6 million from the State General Fund. The recommendation is an all funds increase of \$4.6 million, or 29.5 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agency's FY 2020 revised estimate. All capital improvement projects are in accordance with the agency's five-year capital improvement plan. Major changes from the FY 2020 revised estimate for capital improvements are outlined below:

- **DOC Central Office.** The Governor recommends FY 2020 capital improvements expenditures for the DOC Central Office of \$15.3 million, including \$6.6 million from the State General Fund. This is an all funds increase of \$4.9 million, or 42.9 percent, and a State General Fund increase of \$6.1 million, or 1,230.1 percent, above the agency's FY 2020 revised estimate. The increase is attributable to the first year of expenditures totaling \$6.1 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse center at the Winfield Correctional Facility. The recommendation includes debt service principal payments totaling \$4.8 million, including \$495,000 from the State General Fund, for final payment of two bonds;
- **Ellsworth Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **El Dorado Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **Hutchinson Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;

- **Kansas Juvenile Correctional Complex.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **Lansing Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **Larned Correctional Mental Health Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **Norton Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020;
- **Topeka Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020; and
- **Winfield Correctional Facility.** The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvements expenditures for the **DOC System** of \$6.1 million, all from special revenue funds. The request is an all funds decrease of \$9.5 million, or 60.9 percent, and a State General Fund decrease of \$495,000, or 100.0 percent, below the FY 2020 revised estimate. The decrease is attributable to a decrease in debt service principal payments due to final payments of all bonds occurring in FY 2020. The decrease is also attributable to lower projected revenue to special revenue funds. Capital improvements expenditures for FY 2021 for facilities are planned and distributed at the discretion of the DOC Central Office.

The **Governor** recommends FY 2021 capital improvement expenditures for the **DOC System** of \$15.3 million, including \$7.2 million from the State General Fund. The recommendation is an all funds increase of \$9.2 million, or 151.4 percent, and a State General Fund increase of \$7.2 million, or 100.0 percent, above the agency's FY 2021 request. The increase is mainly due to the second year of expenditures totaling \$7.7 million for expansion projects that include a 200-bed substance abuse treatment center at the Lansing Correctional Facility and a 241-bed geriatric and substance abuse treatment center at the Winfield Correctional Facility. All capital improvement projects are in accordance with the agency's five-year capital improvement plan. The recommendation includes a decrease in expenditures from the SIBF (\$500,000) for capital improvements at the Kansas Juvenile Correctional Complex due to the agency's transfer to the newly created Department of Human Services, as part of the Governor's Executive Reorganization Order.

KANSAS SENTENCING COMMISSION

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 7,576,625	\$ 10,028,424	\$ 10,028,424	\$ 9,807,710	\$ 9,861,959
Other Funds	18,374	162,993	162,993	152,790	98,541
<i>Subtotal</i>	<i>\$ 7,594,999</i>	<i>\$ 10,191,417</i>	<i>\$ 10,191,417</i>	<i>\$ 9,960,500</i>	<i>\$ 9,960,500</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	\$ 7,594,999	\$ 10,191,417	\$ 10,191,417	\$ 9,960,500	\$ 9,960,500
Percentage Change:					
Operating Expenditures					
State General Fund	5.3 %	32.4 %	32.4 %	(2.2) %	(1.7) %
All Funds	4.8	34.2	34.2	(2.3)	(2.3)
FTE Positions	13.5	13.8	13.8	13.8	13.8

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Sentencing Commission was created by the 1989 Legislature to develop a sentencing guideline model, or grid, based upon fairness and equity, and to provide a mechanism for linking justice and corrections policies. The Commission tracks and assesses sentencing impositions using statistical methodologies to develop prison population projections and legislative impacts to interested parties, including the Kansas Department of Corrections, the Governor, and the Legislature. The Commission also administers the Substance Abuse Treatment Program created by the 2003 Legislature in SB 123, principally codified in KSA 21-6824.

MAJOR ISSUES FROM PRIOR YEARS

The **2003 Legislature** moved the penalties for possession of illegal drugs from a punishment model to a treatment model with the passage of SB 123 during the 2003 Session. The bill established a non-prison sentence of drug abuse treatment, which is not to exceed 18 months. The bill also reduced all illegal drug possession criminal penalties regardless of the second, third, or subsequent possession conviction to a level 4 drug offense. First-time marijuana possession remained a class A misdemeanor.

The **2013 Legislature** approved the addition of \$81,257, all from the State General Fund, and 1.0 FTE position for FY 2014 and FY 2015 to monitor the implementation of HB 2170, the Justice Reinvestment Act.

The **2015 Legislature** added \$179,544, all from the State General Fund, to fund the projected shortfall in Substance Abuse Treatment program expenditures for FY 2016 and FY 2017. The Legislature added \$20,000, all from the State General Fund, and a 0.5 FTE position for a part-time data entry position to assist the agency in processing backlogged felony journal entries for FY 2016 and FY 2017.

The **2016 Legislature** approved the Governor's recommendation, adding \$179,544, all from the State General Fund, to fund the agency's projected shortfall in Substance Abuse Treatment Program expenditures in FY 2016 and for FY 2017.

The **2017 Legislature** approved the FY 2017 budget, which included \$350,510, all from special revenue funds, to allow the agency to contract with a third-party utilization management company to improve its Treatment Provider Payment System.

The **2018 Legislature** passed HB 2458, which, in part, expanded the 2003 SB 123 Substance Abuse Treatment program to offenders convicted of certain level 4 drug offenses.

The **2019 Legislature** added \$1.4 million, all from the State General Fund, to fully fund 2018 HB 2548, which increased the number of offenders who qualify for the Substance Abuse Treatment program, for FY 2020. The Legislature added \$1.2 million for development of additional substance abuse treatment modalities for FY 2020. The Legislature passed SB 18, which expanded substance abuse treatment to include offenders convicted of certain drug offenses involving the cultivation and distribution of controlled substances.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** estimates FY 2020 revised total expenditures of \$10.2 million, including \$10.0 million from the State General Fund. The estimate is an increase of \$68,016, or 0.7 percent, all from special revenue funds, above the FY 2020 approved amount. The increase is attributed to the purchase of computers (\$45,606), primarily to support a one-year federal grant for the implementation of telehealth services to deliver substance abuse treatment in rural areas. The increase is also due to additional expenditures for substance abuse treatment providers (\$40,117) resulting from the enactment of 2019 SB 18, which expanded the types of offenders eligible for treatment. The increase is offset by a decrease in expenditures for vendor hosting and upgrading of the treatment provider payment system (\$29,000). The revised estimate also includes 13.8 FTE positions, which is an increase of 0.3 FTE positions above the FY 2020 approved number. The increase supports a slight staff reorganization and the creation of a Special Projects Director position.

The **Governor** concurs with the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests FY 2021 total expenditures of \$10.0 million, including \$9.8 million from the State General Fund. The request is an all funds decrease of \$230,917, or 2.3 percent, and a State General Fund decrease of \$220,714, or 2.2 percent, below the FY 2020 revised estimate. The decrease is attributed to a lack of a reappropriation (\$224,616) in FY 2021. The decrease is also attributed to lower expenditures for computers

(\$53,016), partly related to completion of a one-year federal grant for implementation of telehealth services to deliver substance abuse treatment in rural areas in FY 2020. The request includes 13.8 FTE positions, which is unchanged from the FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request, with one adjustment. The Governor recommends an increase of \$54,249, all from the State General Fund, which is offset by a decrease of the same amount, all from the Kansas Sentencing Commission General Fees Fund, to eliminate an annual interfund transfer from the Kansas Department of Corrections (KDOC) and replace it with a direct State General Fund appropriation. The moneys support an existing accountant position at the Commission responsible for processing provider payments as part of the SB 123 Substance Abuse Treatment Program. Elimination of the interfund transfer is in accordance with a memorandum of agreement between the Kansas Sentencing Commission and KDOC. A corresponding decrease of \$54,249, all from the State General Fund, is reflected in the Governor's FY 2021 recommendation for KDOC.

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

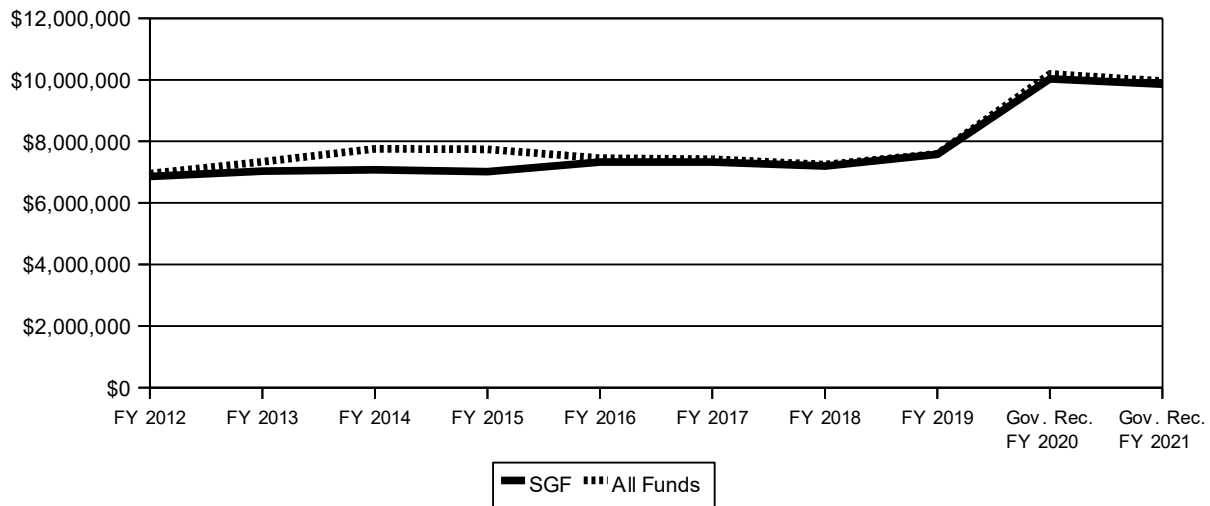
PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Offender Population Projection and Forecasting						
Number of Felony Journal Entries Entered	19,133	20,474	19,711	22,509	23,634	24,816
Prison Population Projection Error Rate of +/- 5.0 Percent or Less*	(0.80)%	1.60 %	N/A	1.25 %	1.50 %	1.50 %
Average Number of Hours to Prepare Fiscal/Bed Impact Statements (4 Hours or Less)	4.08	4.08	4.14	5.50	5.50	5.50
Substance Abuse Treatment (SB 123) Management and Evaluation						
Number of Treatment Provider Invoices Paid	8,004	8,790	N/A	23,237	23,232	N/A
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 7.4	\$ 7.2	\$ 8.1	\$ 7.6	\$ 10.2	\$ 10.0
FTE Positions	13.5	13.5	13.5	13.5	13.8	13.8
*The Governor's Office does not utilize this measure for evaluation purposes.						

Offender Projection and Forecasting. For every felony conviction, a sentencing journal entry is, by statute, completed and forwarded to the Kansas Sentencing Commission. The data contained in the journal entry serves as the basis for the statewide sentencing database that contains centralized data for all felony probation and prison sentences in Kansas. The database allows for the determination of sentencing trends, impacts of legislative changes to sentencing guidelines, and ten-year prison population projections. The database also allows staff data to prepare fiscal notes and bed space impact statements at the request of the Legislature, other state agencies, members of the general public, and consultants working with the State in some capacity.

Substance Abuse Treatment (SB 123) Program Management and Evaluation. The Kansas Sentencing Commission, with support from the Kansas Department of Corrections, is responsible for the implementation, development, and management of the SB 123 Substance Abuse Treatment Program, which provides community supervision and mandatory substance abuse treatment for adult offenders convicted of felony drug possession and sentenced with nonprison sanction. The Kansas Sentencing Commission serves as the centralized payment center by processing invoices from 140 certified providers contracted with community corrections agencies to provide substance abuse treatment for offenders. Additionally, the agency collects data on this offender group in order to analyze drug abuse treatment alternatives to incarceration and continually reviews data relating to costs and outcomes. The range of substance abuse treatment includes detoxification, inpatient, outpatient, continuing care, and aftercare, along with relapse prevention and education. The increase in treatment provider invoices reflects enactment of 2018 HB 2458 and 2019 SB 18, which expanded the number of offenders who qualify for substance abuse treatment.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 6,857,997	(6.3)%	\$ 6,953,459	(12.6)%	12.0
2013	7,033,235	2.6	7,335,652	5.5	12.0
2014	7,076,303	0.6	7,759,597	5.8	13.0
2015	7,018,535	(0.8)	7,742,439	(0.2)	13.0
2016	7,324,753	4.4	7,454,878	(3.7)	13.5
2017	7,326,944	0.0	7,418,886	(0.5)	13.5
2018	7,194,029	(1.8)	7,244,732	(2.3)	13.5
2019	7,576,625	5.3	7,594,999	4.8	13.5
2020 Gov. Rec.	10,028,424	32.4	10,191,417	34.2	13.8
2021 Gov. Rec.	9,861,959	(1.7)	9,960,500	(2.3)	13.8
Ten-Year Change Dollars/Percent	\$ 3,003,962	43.8 %	\$ 3,007,041	43.2 %	1.8

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Administration	\$ 1,138,248	\$ 1,534,666	\$ 1,303,749	\$ (230,917)	(15.0)%	\$ 1,534,666	\$ 1,303,749	\$ (230,917)	(15.0)%		
Substance Abuse Treatment	6,456,751	8,656,751	8,656,751	0	0.0	8,656,751	8,656,751	0	0.0		
TOTAL	\$ 7,594,999	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%		
By Major Object of Expenditure:											
Salaries and Wages	\$ 766,114	\$ 945,930	\$ 953,955	\$ 8,025	0.8 %	\$ 945,930	\$ 953,955	\$ 8,025	0.8 %		
Contractual Services	337,696	517,032	340,774	(176,258)	(34.1)	517,032	340,774	(176,258)	(34.1)		
Commodities	7,553	17,813	8,145	(9,668)	(54.3)	17,813	8,145	(9,668)	(54.3)		
Capital Outlay	26,885	53,891	875	(53,016)	(98.4)	53,891	875	(53,016)	(98.4)		
Debt Service	0	0	0	0	--	0	0	0	--		
Subtotal - Operations	\$ 1,138,248	\$ 1,534,666	\$ 1,303,749	\$ (230,917)	(15.0) %	\$ 1,534,666	\$ 1,303,749	\$ (230,917)	(15.0) %		
Aid to Local Units	0	0	0	0	--	0		0	--		
Other Assistance	6,456,751	8,656,751	8,656,751	0	0.0	8,656,751	8,656,751	0	0.0		
TOTAL	\$ 7,594,999	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%		
Financing:											
State General Fund	\$ 7,576,625	\$ 10,028,424	\$ 9,807,710	\$ (220,714)	(2.2)%	\$ 10,028,424	\$ 9,861,959	\$ (166,465)	(1.7)%		
All Other Funds	18,374	162,993	152,790	(10,203)	(6.3)	162,993	98,541	(64,452)	(39.5)		
TOTAL	\$ 7,594,999	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%	\$ 10,191,417	\$ 9,960,500	\$ (230,917)	(2.3)%		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$9,803,808 for the Kansas Sentencing Commission in FY 2020. An adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$224,616, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$10,028,424. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 10,028,424	\$ 10,028,424	\$ 0	\$ 10,028,424	\$ 0
All Other Funds	94,977	162,993	68,016	162,993	68,016
TOTAL	\$ 10,123,401	\$ 10,191,417	\$ 68,016	\$ 10,191,417	\$ 68,016
FTE Positions	13.5	13.8	0.3	13.8	0.3

The **agency** estimates FY 2020 total revised expenditures of \$10.2 million, including \$10.0 million from the State General Fund. The estimate is an increase of \$68,016, or 0.7 percent, all from special revenue funds, above the FY 2020 approved amount. The increase is attributed to the purchase of computers (\$45,606), primarily to support a one-year federal grant for the implementation of telehealth services to deliver substance abuse treatment in rural areas. The increase is also due to additional expenditures for substance abuse treatment providers (\$40,117) resulting from the enactment of 2019 SB 18, which expanded the types of offenders eligible for treatment. The increase is offset by a decrease in expenditures for vendor hosting and upgrading of the treatment provider payment system (\$29,000). The revised estimate also includes 13.8 FTE positions, which is an increase of 0.3 FTE positions above the FY 2020 approved number. The increase supports a slight staff reorganization and the creation of a Special Projects Director position. Major areas of expenditures are detailed below:

- **Salaries and Wages.** The agency estimates FY 2020 revised salaries and wages expenditures of \$945,930, including \$891,639 from the State General Fund. The estimate is an all funds increase of \$84, or less than 0.1 percent, and a State General Fund increase of \$32,039, or 3.7 percent, above the approved amount. The increase is due to higher expenditures for group health insurance. The increased expenditures from the State General Fund for salaries and wages

compensates for lower-than-expected revenue added to the General Fees Fund from offender reimbursements (\$30,493);

- **Contractual Services.** The agency estimates FY 2020 revised contractual services expenditures of \$517,032, including \$432,889 from the State General Fund. The estimate is an all funds decrease of \$27,039, or 5.0 percent, and a State General Fund decrease of \$102,451, or 19.1 percent, below the approved amount. The decrease is due to lower expenditures for vendor hosting and upgrading of the substance abuse treatment provider payment system (\$29,000);
- **Commodities.** The agency estimates FY 2020 revised commodities expenditures of \$17,813, including \$9,145 from the State General Fund. The estimate is an all funds increase of \$8,963, or 101.3 percent, and a State General Fund increase of \$295, or 3.3 percent, above the approved amount. The increase is due to higher expenditures for data processing supplies (\$8,230) for implementation of substance abuse telehealth services in rural areas;
- **Capital Outlay.** The agency estimates FY 2020 revised capital outlay expenditures of \$53,891, including \$38,000 from the State General Fund. The request is an all funds increase of \$45,891, or 573.6 percent, and a State General Fund increase of \$30,000, or 375.0 percent, above the FY 2020 approved amount. The increase is due to the purchase of computers (\$45,606), for implementation of substance abuse telehealth services in rural areas; and
- **Other Assistance.** The agency estimates FY 2020 revised other assistance expenditures of \$8.7 million, all from the State General Fund. The request is a State General Fund increase of \$40,117, or 0.5 percent, above the approved amount. The increase is due to additional expenditures for substance abuse treatment providers (\$40,117) resulting from the enactment of 2019 SB 18, which expanded the type of offenders eligible for treatment.

The **Governor** concurs with the agency's FY 2020 revised estimate.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 9,960,500	\$ 9,960,500	\$ 0
FTE Positions	13.8	13.8	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ (220,714)	\$ (166,465)	
All Other Funds	(10,203)	(64,452)	
TOTAL	\$ (230,917)	\$ (230,917)	
<i>Percent Change:</i>			
State General Fund	(2.2) %	(1.7) %	
All Other Funds	(6.3)	(39.5)	
TOTAL	(2.3) %	(2.3) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests FY 2021 total expenditures of \$10.0 million, including \$9.8 million from the State General Fund. The request is an all funds decrease of \$230,917, or 2.3 percent, and a State General Fund decrease of \$220,714, or 2.2 percent, below the FY 2020 revised estimate. The decrease is attributed to a lack of reappropriated State General Funds (\$224,616) for FY 2021. The decrease is also attributed to lower expenditures for computers (\$53,016), partly related to the completion of a one-year federal grant for implementation of telehealth services to deliver substance abuse treatment in rural areas in FY 2020. The request includes 13.8 FTE positions, which is unchanged from the FY 2020 revised estimate. Major areas of expenditures are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 salaries and wages expenditures of \$953,955, including \$892,429 from the State General Fund. The request is an all funds increase of \$8,025, or 0.8 percent, and a State General Fund increase of \$790, or 0.1 percent, above the revised estimate. The increase is due to higher expenditures for group health insurance (\$8,875);
- **Contractual Services.** The agency requests FY 2021 contractual services expenditures of \$340,774, including \$250,385 from the State General Fund. The request is an all funds decrease of \$176,258, or 34.1 percent, and a State General Fund decrease of \$182,504, or 42.2 percent, below the revised estimate. The decrease is due to lower professional fees (\$123,750) related to the completion of implementing substance abuse treatment telehealth services in rural areas and completion of new treatment modalities development in FY 2020. New modalities include substance abuse treatment methods such as in-patient and peer mentoring;

- **Commodities.** The agency requests FY 2021 commodities expenditures of \$8,145, all from the State General Fund. The request is an all funds decrease of \$9,668, or 54.3 percent, and a State General Fund decrease of \$1,000, or 10.9 percent, below the FY 2020 revised estimate. The decrease is due to lower expenditures for office supplies (\$1,000) and data processing supplies (\$8,668) related to completion of a one-year federal grant for implementing substance abuse telehealth services in rural areas in FY 2020;
- **Capital Outlay.** The agency requests FY 2021 capital outlay expenditures of \$875, all from special revenue funds. The request is an all funds decrease of \$53,016, or 98.5 percent, below the FY 2020 revised estimate. The decrease is due to completion of agency computer upgrades in FY 2020; and
- **Other Assistance.** The agency requests FY 2021 other assistance expenditures of \$8.7 million, all from the State General Fund, which is the same as the FY 2020 revised estimate. Other assistance includes payments to substance abuse treatment providers.

The **Governor** concurs with the agency's FY 2021 request, with one adjustment. The Governor recommends an increase of \$54,249, all from the State General Fund, which is offset by a decrease of the same amount, all from the Kansas Sentencing Commission General Fees Fund, to eliminate an annual interfund transfer from the Kansas Department of Corrections (KDOC) and replace it with a direct State General Fund appropriation. The moneys support an existing accountant position at the Commission responsible for processing provider payments as part of the SB 123 Substance Abuse Treatment Program. Elimination of the interfund transfer is in accordance with a memorandum of agreement between the Kansas Sentencing Commission and KDOC. A corresponding decrease of \$54,249, all from the State General Fund, would be reflected in the Governor's recommendation for KDOC for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$16,398, including \$14,902 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **This agency has no longevity payments for FY 2020 or FY 2021.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	98.5 %	99.0 %
All Other Funds	1.5	1.0
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Sentencing Commission General Fees Fund Analysis

The Sentencing Commission General Fees Fund receives funds from the sale of publications, fees associated with data requests, and reimbursements from other state agencies. The Fund previously received funds from offender reimbursement for 2003 SB 123 substance abuse treatment, but those funds are now treated as a reimbursement of expenditures from the State General Fund. Therefore, this fund is no longer a viable funding source to offset Substance Abuse Treatment program expenditures.

Among the reimbursements from other state agencies is an annual payment from the Kansas Department of Corrections (KDOC) to offset costs associated with administering substance abuse treatment through KDOC's Community Corrections program. The payment has been in place since the program was established by SB 123 in 2003. Currently, an interfund transfer totaling \$54,249 supports 1.0 FTE accountant position at the Kansas Sentencing Commission to manage centralized billing and process treatment provider payments.

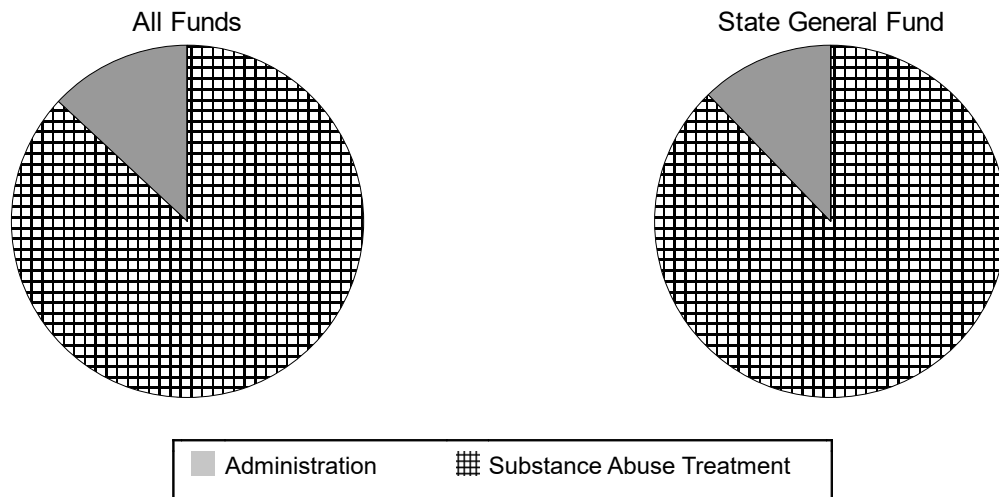
Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 576,768	\$ 649,785	\$ 649,785	\$ 677,443	\$ 677,443
Revenue	82,022	82,549	82,549	82,549	28,300
Transfers in	0	0	0	0	0
Funds Available	\$ 658,790	\$ 732,334	\$ 732,334	\$ 759,992	\$ 705,743
Less:					
Expenditures	\$ 8,405	\$ 54,291	\$ 54,291	\$ 152,790	\$ 98,541
Transfers Out	0	0	0	0	0
Off Budget Expenditures	600	600	600	600	600
Ending Balance	\$ 649,785	\$ 677,443	\$ 677,443	\$ 606,602	\$ 606,602
Ending Balance as Percent of Expenditures	7,730.9%	1,247.8%	1,247.8%	397.0%	615.6%
Month Highest Ending Balance	June \$ 649,785	June \$ 732,046	June \$ 732,046	June \$ 763,206	June \$ 763,206
Month Lowest Ending Balance	August \$ 574,641	August \$ 647,389	August \$ 647,389	August \$ 606,602	August \$ 606,602

The **Governor** recommends elimination of the annual interfund transfer from KDOC and replacement with a direct State General Fund appropriation of the same amount for FY 2021. The result would be a decrease of \$52,291 in revenue to the Kansas Sentencing Commission General Fees Fund, which is offset by an increase of the same amount in direct appropriations from the State General Fund for FY 2021. Elimination of the interfund transfer is in accordance with a memorandum of agreement between the Kansas Sentencing Commission and KDOC.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 1,303,749	13.1 %	\$ 1,205,208	12.2 %
Substance Abuse Treatment	8,656,751	86.9	8,656,751	87.8
TOTAL	\$ 9,960,500	100.0 %	\$ 9,861,959	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	13.5	13.8	13.8	13.8	13.8
Substance Abuse Treatment	0.0	0.0	0.0	0.0	0.0
TOTAL	13.5	13.8	13.8	13.8	13.8

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The Administration program develops prison population projections and maintains a statewide sentencing database. The Commission annually publishes the Desk Reference Manual, or Sentencing Guidelines Manual, which contains the sentencing grids and the required sentencing forms for felony offenders. Training and assistance to judges, court services, and other criminal justice professionals are provided, on the implementation of legislative changes regarding sentencing. The agency is also an information resource to the Governor, Legislature, and the State's criminal justice agencies.

The agency received a grant (\$89,000) from the United States Department of Justice, Bureau of Justice Statistics for implementation telehealth services to deliver substance abuse treatment to offenders in rural areas in FY 2020. Telehealth services utilize HIPAA-compliant video conferencing technology to enable satellite outpatient services. The agency plans to establish telehealth services in 30 locations throughout western Kansas.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Felony Journal Entries Entered	19,133	20,474	19,711	22,509	23,634	24,816
Prison Population Projection Error Rate of +/- 5.0 Percent or Less*	(0.80)%	1.60 %	N/A	1.25 %	1.50 %	1.50 %
Average Number of Hours to Prepare Fiscal/Bed Impact Statements (4 Hours or Less)	4.08	4.08	4.14	5.50	5.50	5.50
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 0.9	\$ 1.2	\$ 1.5	\$ 1.1	\$ 1.5	\$ 1.3
FTE Positions	13.5	13.5	13.5	13.5	13.8	13.8
*The Governor's Office does not utilize this measure for evaluation purposes.						

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 766,114	\$ 945,930	\$ 945,930	\$ 953,955	\$ 953,955
Contractual Services	337,696	517,032	517,032	340,774	340,774
Commodities	7,553	17,813	17,813	8,145	8,145
Capital Outlay	26,885	53,891	53,891	875	875
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,138,248</i>	<i>\$ 1,534,666</i>	<i>\$ 1,534,666</i>	<i>\$ 1,303,749</i>	<i>\$ 1,303,749</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,138,248	\$ 1,534,666	\$ 1,534,666	\$ 1,303,749	\$ 1,303,749
Financing:					
State General Fund	\$ 1,119,874	\$ 1,371,673	\$ 1,371,673	\$ 1,150,959	\$ 1,205,208
All Other Funds	18,374	162,993	162,993	152,790	98,541
TOTAL	\$ 1,138,248	\$ 1,534,666	\$ 1,534,666	\$ 1,303,749	\$ 1,303,749
FTE Positions	13.5	13.8	13.8	13.8	13.8

The **agency** requests FY 2021 expenditures of \$1.3 million, including \$1.2 million from the State General Fund, for the Administrative Program. The request is an all funds decrease of \$230,917, or 15.0 percent, and a State General Fund decrease of \$220,714, or 16.1 percent, below the FY 2020 revised estimate. The decrease is attributed to a lack of a reappropriation (\$224,616) in FY 2021. The decrease is also attributed to lower expenditures for computers (\$53,016), partly related to the completion of a one-year federal grant for implementation of telehealth services to deliver substance abuse treatment in rural areas in FY 2020. The request includes 13.8 FTE positions, which is unchanged from the FY 2020 revised estimate.

The **Governor** concurs with agency's FY 2021 request, with one adjustment. The Governor recommends an increase of \$54,249, all from the State General Fund, which is offset by a decrease of the same amount, all from the Kansas Sentencing Commission General Fees Fund, to eliminate an annual interfund transfer from the Kansas Department of Corrections (KDOC) and replace it with a direct State General Fund appropriation. The moneys support an existing accountant position at the Commission responsible for processing provider payments as part of the SB 123 Substance Abuse Treatment Program. Elimination of the interfund transfer is in accordance with a memorandum of agreement between the Kansas Sentencing Commission and KDOC. A corresponding decrease of \$54,249, all from the State General Fund, would be reflected in the Governor's FY 2021 recommendation for KDOC.

B. Substance Abuse Treatment

The Kansas Sentencing Commission is responsible for the implementation, development, and management of the Substance Abuse Program established by 2003 SB 123. This law requires offenders convicted of drug possession, and sentenced to nonprison sanction, to attend mandatory substance abuse treatment. Treatment includes detoxification, inpatient, outpatient, continuing care, after care, and relapse prevention and education. Offenders are placed under the supervision of Community Corrections. The Kansas Sentencing Commission is responsible for the payment of treatment providers in this program, as well as the collection of

reimbursement money from offenders with the ability to pay for a portion of the treatment. The agency collects data on this offender group to analyze whether mandatory substance abuse treatment is an effective alternative to incarceration. The increase in treatment provider invoices reflects enactment of 2018 HB 2458 and 2019 SB 18, which expanded the number of offenders who qualify for substance abuse treatment.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Treatment Provider Invoices Paid	8,004	8,790	N/A	23,237	23,232	N/A
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 6.5	\$ 6.0	\$ 6.6	\$ 6.5	\$ 8.7	\$ 8.7
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

SUBSTANCE ABUSE TREATMENT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	6,456,751	8,656,751	8,656,751	8,656,751	8,656,751
TOTAL	\$ 6,456,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751
Financing:					
State General Fund	\$ 6,456,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751
All Other Funds	0	0	0	0	0
TOTAL	\$ 6,456,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751	\$ 8,656,751
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2021 expenditures of \$8.7 million, all from the State General Fund, for the Substance Abuse Treatment program. This request is unchanged from the FY 2020 revised estimate. Expenditures include payments to 140 certified providers for substance abuse treatment of 3,639 offenders, which is an increase from the 3,514 offenders treated in FY 2020. The request does not include any FTE positions, which is unchanged from the FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request.

ADJUTANT GENERAL'S DEPARTMENT

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 8,730,014	\$ 9,452,279	\$ 8,933,964	\$ 11,649,652	\$ 8,519,505
Other Funds	48,419,107	53,363,178	53,022,063	54,792,780	51,303,350
<i>Subtotal</i>	<i>\$ 57,149,121</i>	<i>\$ 62,815,457</i>	<i>\$ 61,956,027</i>	<i>\$ 66,442,432</i>	<i>\$ 59,822,855</i>
Capital Improvements:					
State General Fund	\$ 1,525,524	\$ 3,197,790	\$ 3,495,165	\$ 3,176,321	\$ 2,325,886
Other Funds	52,475,370	15,028,903	13,332,468	8,728,800	8,750,000
<i>Subtotal</i>	<i>\$ 54,000,894</i>	<i>\$ 18,226,693</i>	<i>\$ 16,827,633</i>	<i>\$ 11,905,121</i>	<i>\$ 11,075,886</i>
TOTAL	<u>\$ 111,150,015</u>	<u>\$ 81,042,150</u>	<u>\$ 78,783,660</u>	<u>\$ 78,347,553</u>	<u>\$ 70,898,741</u>
Percentage Change:					
Operating Expenditures					
State General Fund	(5.8) %	8.3 %	2.3 %	23.2 %	(4.6) %
All Funds	16.1	9.9	8.4	5.8	(3.4)
FTE Positions	279.0	279.0	279.0	287.0	281.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Adjutant General's Department provides for the organization and readiness training of the Kansas Air and Army National Guard, implementation of statewide Emergency Management programs, and Homeland Security for Kansas. The Adjutant General is the Governor's appointed Military Chief of Staff, commanding the National Guard, and also serves as Director of Kansas Emergency Management and Director of Kansas Homeland Security. The Kansas National Guard has 7,000 members across the state working in full-time civilian jobs and performing federal military duty on scheduled training weekends and summer camps. The agency assists Kansans during events such as winter storms, floods, tornadoes, wild fires, electrical power failures, hazardous material incidents, droughts, dam failures, radiological incidents, urban fires, earthquakes, or any other disaster or civil disturbance, including terrorism.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** took the following actions affecting the agency:

- Added \$459,357, all from the National Guard Museum Assistance Fund, in FY 2010 for the 35th Infantry Division museum expansion. In addition, \$459,357 was

transferred from the State General Fund to the National Guard Museum Assistance Fund in FY 2010;

- Added \$101.0 million, including \$10.2 million from the State General Fund, towards disaster relief payments on 11 open disasters in FY 2011; and
- During the 2010 Interim, the State Finance Council authorized expenditures of \$9.0 million, all from the State Emergency Fund, for FY 2011 for the cost of weather-related disasters. These funds allowed the agency to expend \$90.0 million towards disaster relief (\$9.0 million State's share, \$13.5 million local share, and \$67.5 million federal match). KSA 75-3712 provides that the State Finance Council may authorize expenditures from the State Emergency Fund, not to exceed \$10.0 million.

The **2011 Legislature** took the following actions affecting the agency:

- Approved federal funds expenditures of \$40.0 million in FY 2011 and \$25.5 million for FY 2012 for the architectural, engineering, and construction costs of the Wichita Field Maintenance Shop and Armory. The 100.0 percent federally funded Armory and Field Maintenance Shop in Wichita houses the 287th Sustainment Brigade;
- Added \$40.0 million, including \$4.0 million from the State General Fund, for disaster relief expenditures for FY 2012;
- Approved reducing the agency's FTE limitation by 20.0 vacant FTE positions from 219.0 to 199.0 FTE positions for FY 2012; and
- During the 2011 Interim, the State Finance Council authorized expenditures of \$10.0 million, all from the State Emergency Fund, for FY 2012 for the cost of weather-related disasters. These funds allow the agency to expend \$100.0 million towards disaster relief (\$10.0 million State's share, \$15.0 million local share, and \$75.0 million federal match). KSA 75-3712 provides that the State Finance Council may authorize expenditures from the State Emergency Fund, not to exceed \$10.0 million, in a given fiscal year.

The **2013 Legislature** took the following actions affecting the agency:

- Added \$651,428, all from special revenue funds, and 3.0 FTE positions to transfer emergency response deployment personnel and resources from the Kansas Department of Transportation to the Adjutant General from FY 2013 to FY 2015; and
- Transferred \$270,670, all from the State Highway Fund, to a newly created special revenue fund for the Office of Emergency Communications for FY 2014 and FY 2015.

The **2014 Legislature** took the following actions affecting the agency:

- Added \$155,168 in FY 2014 and \$151,168 for FY 2015, all from special revenue funds, for collecting information from emergency first responders regarding equipment needed for mobile data communications;
- Deleted 15.0 vacant FTE positions in FY 2014 and FY 2015;
- Lapsed \$3.0 million, all from the Disaster Relief Account, in FY 2014; and
- Created and appropriated the Geological Survey Fund as a no limit fund and transferred \$160,000, all from the Disaster Relief Account, to the Geological Survey Fund in FY 2014.

The **2015 Legislature** took the following actions affecting the agency:

- Added \$270,690, all from the Emergency Communications Fund, to provide continued funding for the Office of Emergency Communications for FY 2016 and FY 2017. The source of this funding comes *via* a transfer from the State Highway Fund;
- Added \$70,811, including \$35,406 from the State General Fund, for FY 2016 and \$74,143, including \$37,070 from the State General Fund, for FY 2017 for an additional non-FTE emergency planner position;
- Added \$82,228 for FY 2016 and \$86,124 for FY 2017, all from the State General Fund, for an additional non-FTE Kansas Intelligence Fusion Center analyst position;
- Added \$472,000, all from the State General Fund, for FY 2016 to fund the design of a new State Emergency Operations and Training Center at the Forbes Field 190th Air Wing property;
- Added \$163,688 for FY 2016 and \$162,489 for FY 2017, all from the State General Fund, to provide a base level of funding for rehabilitation and repair projects; and
- Deleted \$1.6 million for FY 2016 and added \$244,940 for FY 2017, all from the State General Fund, to provide for new expenditures related to debt service refunding that occurred in FY 2015.

The **2016 Legislature** took the following actions affecting the agency:

- Provided an additional \$350,365, all from the State General Fund, to aid to local units of government to provide additional disaster relief expenditures in FY 2016, and allowing \$500,000 for the State's portion of budget year disaster relief expenditures;

- Deleted \$933,388, all from the State General Fund, from the unencumbered balance of the Disaster Relief Account in FY 2016; and
- Added \$340,000, all from the State General Fund, for force protection expenditures in FY 2016. Expenditures were for security purchases at recruiting offices and armories, inclusive of access control, ballistic protection, armed response, and other incident mitigation equipment.

The **2017 Legislature** took the following actions affecting the agency:

- Added \$6.0 million, including \$1.8 million from the State General Fund, to provide additional disaster relief expenditure authority in FY 2017. This amount includes \$550,000 for Neodesha, which was a state-only declared disaster, to provide bottles of safe drinking water for residents in FY 2017. The agency noted there were 15 open disasters, 7 of which were wild fires, in March of 2017;
- Added \$8.3 million, including \$815,138 from the State General Fund, to provide additional disaster relief expenditure authority for 11 open disasters for FY 2018;
- Added \$315,518, all from the State General Fund, for two calibrators for the Kansas Division of Emergency Management to maintain its statutory responsibility to maintain a radiological detection and calibration program for FY 2018, pursuant to KSA 48-928 and KSA 48-3201;
- Added \$206,118, all from federal funds, for the Kansas City Firing Range Clean Up and \$161,502, all from federal funds, for the Hutchinson Firing Range Clean Up for FY 2018;
- Added \$180,103, including \$90,051 from the State General Fund, to remove asbestos at 23 armories and facilities for FY 2018;
- Added \$247,685, including \$123,842 from the State General Fund, for lead paint encapsulation at 23 armories and facilities for FY 2018;
- Added \$6.0 million, including \$262,465 from the State General Fund, to provide additional disaster relief expenditure authority for three open disasters for FY 2019;
- Appropriated the Kansas Intelligence Fusion Center Fund, established in 2017 SB 184, as a no limit fund for FY 2018 and FY 2019; and
- Added \$149,656, including \$30,534 from the State General Fund, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019.

The **2018 Legislature** took the following actions affecting the agency:

- Added \$5.9 million, including \$1.7 million from the State General Fund, in FY 2018 and added \$21.0 million, including \$2.4 million from the State General Fund, for FY 2019 for the State's portion of disaster relief payments on open disasters;
- Added \$19.4 million, all from federal funds, to design (\$2.0 million in FY 2018) and begin construction (\$17.4 million for FY 2019) of a new Fort Leavenworth Readiness Center at Fort Leavenworth. The total cost of the project is estimated at \$29.0 million, will not require any type of state match, and will be built on federal land. The \$11.6 million remaining for project construction expenditures are estimated to be spent for FY 2020;
- Added \$39,937, including \$9,984 from the State General Fund, and 1.0 FTE position in FY 2018, and added \$81,100, including \$20,277 from the State General Fund, and 1.0 FTE position for FY 2019 to provide funding to hire an additional Kansas Division of Emergency Management Planner position to provide emergency management planning specific to the new National Bio and Agro-defense Facility currently under construction near the Kansas State University Manhattan campus;
- Added \$287,112, including \$50,164 from the State General Fund, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018;
- Passed 2018 Sub. for HB 2556, which establishes the State Interoperability Advisory Committee in statute. Previously, a State Interoperability Executive Committee existed by executive order. The Committee provides input to the Adjutant General's Department for the development and deployment of centralized interoperable communications planning and implementation capacity for Kansas; and
- Passed 2018 HB 2459, which creates and amends law related to civil asset forfeiture, and added language to appropriate the State Forfeiture Fund for FY 2019.

The **2019 Legislature** took the following actions affecting the agency:

- Added \$265,000, all from the State General Fund, for the replacement of the Crisis City HVAC in FY 2019;
- Added \$2.1 million, including \$250,000 from the State General Fund, for disaster relief in FY 2019;
- Added \$155,500, all from the State General Fund, for wildland fire capabilities for FY 2020. This amount facilitates the purchase of 7 wildland engine skid tank units (units holding water that can be mounted on trucks) for brush trucks, 60

sets of individual wildland fire personnel protective equipment (protection from smoke and fire during encounters) and two helicopter dip tanks (large portable water pools for Black Hawk Bambi buckets to dip into as a source of water, when other sources are not readily available), which will be specific to supporting state wildland fire responses for FY 2020;

- Added \$248,000, including \$62,000 from the State General Fund, and 4.0 FTE for positions to provide facility and grounds maintenance for FY 2020. Three of these positions would be at McConnell and one would be at Smokey Hill for FY 2020;
- Added \$85,000, including \$21,250 from the State General Fund, to provide for increased utility costs at McConnell for FY 2020;
- Added \$47.0 million, including \$5.5 million from the State General Fund, for disaster relief funding for FY 2020;
- Added \$396,883, including \$63,029 from the State General Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020; and
- Added \$1.7 million, all from the State Emergency Fund, for operating expenditures exceeding current disaster resources in FY 2019. Funding provided by the State Finance Council at the June 5, 2019, meeting was transferred from the State General Fund to the State Emergency Fund, for operational expenditures, including State Emergency Operations Center food and supplies, lodging, overtime, state active duty payroll, National Guard equipment, water, other supplies, and support of the emergency management assistance compact in FY 2019.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a FY 2020 revised estimate totaling \$81.0 million, including \$12.7 million from the State General Fund, for operations and capital improvements. The revised FY 2020 estimate is an all funds decrease of \$48.3 million, or 37.3 percent, and a State General Fund decrease of \$2.8 million, or 18.4 percent, below the FY 2020 approved amount. The agency's FY 2020 revised estimate includes six supplemental funding requests totaling \$4.5 million, including \$602,055 from the State General Fund. The FY 2020 revised estimate includes 279.0 FTE positions, which is a decrease of 0.5 FTE positions below the number approved by the 2019 Legislature. The agency states this 0.5 FTE position was the reduction of an unfunded position. The agency states this decrease in expenditures reflects lower expenditures for disaster relief, due to the timing of project payments with spring flooding slowing down projects, as well as National Guard construction expenditures at Fort Leavenworth encumbered in FY 2019.

The **Governor** recommends FY 2020 expenditures totaling \$78.8 million, including \$12.4 million from the State General Fund, for operations and capital improvements. The FY 2020 recommendation is an all funds decrease of \$2.3 million, or 2.8 percent, and a State General Fund decrease of \$220,940, or 1.7 percent, below the agency's FY 2020 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental requests for National Guard wildland fire fighting capabilities and energy resilience projects in

FY 2020. The Governor does recommend the agency's supplemental requests for deferred maintenance, force protection, rehabilitation and repair, and the Joint Force Headquarters building design in FY 2020. The Governor's recommendation also reclassifies these expenditures for deferred maintenance and rehabilitation and repair as capital improvements.

FY 2021 – Budget Year. The **agency** requests a FY 2021 operating budget of \$66.4 million, including \$11.6 million from the State General Fund. This is an all funds increase of \$3.6 million, or 5.8 percent, and a State General Fund increase of \$2.2 million, or 23.2 percent, above the FY 2020 revised estimate. The FY 2021 request includes 287.0 FTE positions, which is an increase of 8.0 FTE positions above the FY 2020 revised estimate. This increase in funding and positions is primarily due to the agency's seven operating enhancement requests totaling \$6.8 million, including \$3.3 million from the State General Fund, and 8.0 new FTE positions requests for FY 2021.

The agency requests FY 2021 capital improvements expenditures totaling \$11.9 million, including \$3.2 million from the State General Fund, for FY 2021. The FY 2021 request includes State General Fund expenditures for debt service principal (\$160,000), rehabilitation and repair (\$665,886), an enhancement for the design of a Kansas Division of Emergency Management and State Emergency Operations Center building (\$2.3 million), and an enhancement for energy resilience projects (\$84,000). Special revenue funds expenditures include the design costs for a new Joint Force Headquarters building (\$1.5 million federal funds) planning to be constructed at Forbes Field in Topeka.

The **Governor** recommends FY 2021 operating expenditures totaling \$59.8 million, including \$8.5 million from the State General Fund. The FY 2021 recommendation is an all funds decrease of \$6.6 million, or 10.0 percent, and a State General Fund decrease of \$3.1 million, or 26.9 percent, below the agency's FY 2021 request. The decrease is due to the Governor not recommending the agency's enhancement requests for hazardous mitigation initiatives, Kansas Division of Emergency Management positions, Civil Air Patrol hangar funding, and adding funding for a Deputy Director of Human Resources. The Governor does recommend the agency's enhancement request for rehabilitation and repair, and recommends enhancements at a reduced amount for deferred maintenance and Kansas Intelligence Fusion Center Analysts. The Governor's recommendation also reclassifies these expenditures for deferred maintenance and rehabilitation and repair as capital improvements.

The Governor recommends FY 2021 capital improvement expenditures totaling \$11.1 million, including \$2.3 million from the State General Fund, for FY 2021. This is an all funds decrease of \$829,235, or 7.0 percent, and a State General Fund decrease of \$850,435, or 26.8 percent, below the agency's FY 2021 request. The Governor recommends the agency's enhancement request for rehabilitation and repair, and reduces the amount requested for deferred maintenance. The Governor's recommendation also moves expenditures for deferred maintenance and rehabilitation and repair into capital improvements. The Governor does not recommend the agency's enhancement requests for Kansas Division of Emergency Management and State Emergency Operations Center design or energy Resilience projects for FY 2021.

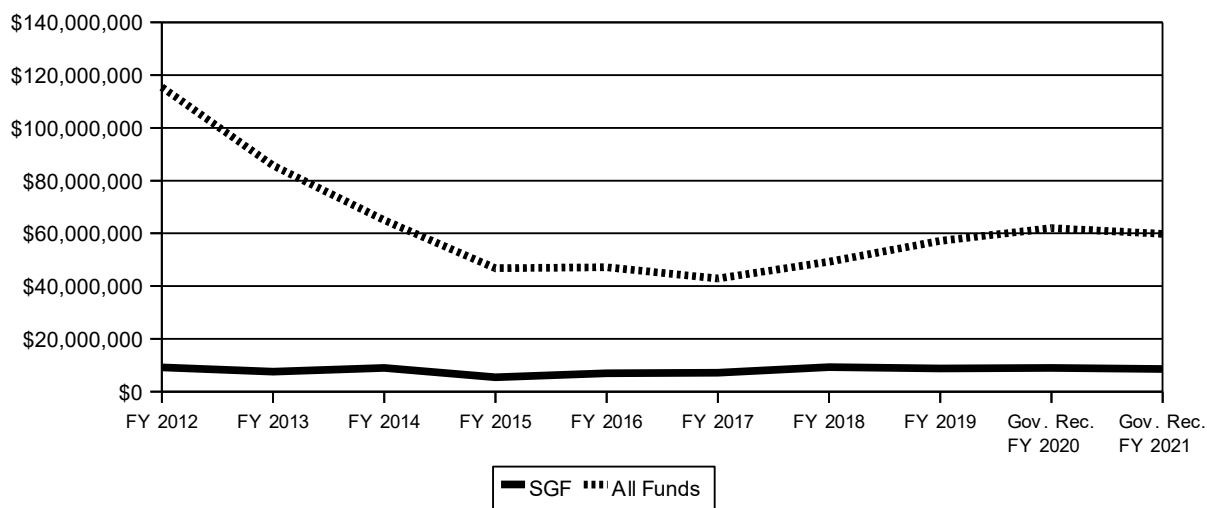
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Employees Reviewed Annually	95.0 %	61.9 %	100.0 %	99.5 %	100.0 %	100.0 %
Number of Threat Briefings	119	116	100	106	100	100
Percent of Routine Work Orders Processed within 60 Days	87.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 56.0	\$ 58.4	\$ 91.8	\$ 111.2	\$ 78.8	\$ 70.9
FTE Positions	253.5	255.5	275.5	279.0	279.0	281.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 9,179,456	(44.6)%	\$ 115,452,148	(48.6)%	486.7
2013	7,503,792	(18.3)	85,724,171	(25.7)	479.1
2014	8,956,085	19.4	65,005,526	(24.2)	445.1
2015	5,368,224	(40.1)	46,770,744	(28.1)	449.1
2016	6,939,857	29.3	47,146,648	0.8	292.5
2017	7,119,188	2.6	42,879,577	(9.1)	253.5
2018	9,268,480	30.2	49,234,246	14.8	255.5
2019	8,730,014	(5.8)	57,149,121	16.1	279.0
2020 Gov. Rec.	8,933,964	2.3	61,956,027	8.4	279.0
2021 Gov. Rec.	8,519,505	(4.6)	59,822,855	(3.4)	281.0
Ten-Year Change Dollars/Percent	\$ (659,951)	(7.2)%	\$ (55,629,293)	(48.2)%	(205.7)

Notes: (1) Fluctuations in State General Fund and all other fund financing are largely attributed to disaster relief funding, and (2) the large decrease in FTE position in FY 2016 is due to the closure of the Kansas Readiness Sustainment Maintenance Site Program.

Summary of Operating Budget FY 2019 - FY 2021

Adjutant General's Department

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Administration	\$ 2,731,216	\$ 3,223,275	\$ 3,245,830	\$ 22,555	0.7 %	\$ 3,223,275	\$ 3,173,457	\$ (49,818)	(1.5)%		
Emergency Management and Homeland Security	11,487,527	8,131,850	9,768,935	1,637,085	20.1	7,954,650	7,800,591	(154,059)	(1.9)		
Infrastructure	20,060,428	22,395,842	25,986,234	3,590,392	16.0	21,713,612	21,407,274	(306,338)	(1.4)		
Declared Disaster Payments	22,707,040	28,935,862	27,334,708	(1,601,154)	(5.5)	28,935,862	27,334,708	(1,601,154)	(5.5)		
Debt Service	162,910	128,628	106,725	(21,903)	(17.0)	128,628	106,725	(21,903)	(17.0)		
TOTAL	\$ 57,149,121	\$ 62,815,457	\$ 66,442,432	\$ 3,626,975	5.8 %	\$ 61,956,027	\$ 59,822,755	\$ (2,133,272)	(3.4)%		
By Major Object of Expenditure:											
Salaries and Wages	\$ 19,024,729	\$ 19,203,459	\$ 19,744,372	\$ 540,913	2.8 %	\$ 19,167,505	\$ 19,217,655	\$ 50,150	0.3 %		
Contractual Services	10,321,734	9,238,439	12,027,053	2,788,614	30.2	8,772,324	8,473,623	(298,701)	(3.4)		
Commodities	1,742,519	2,164,884	4,181,117	2,016,233	93.1	1,807,523	1,641,687	(165,836)	(9.2)		
Capital Outlay	1,498,011	1,564,185	1,468,457	(95,728)	(6.1)	1,564,185	1,468,457	(95,728)	(6.1)		
Debt Service	162,910	128,628	106,725	(21,903)	(17.0)	128,628	106,725	(21,903)	(17.0)		
Subtotal - Operations	\$ 32,749,903	\$ 32,299,595	\$ 37,527,724	\$ 5,228,129	16.2 %	\$ 31,440,165	\$ 30,908,147	\$ (532,018)	(1.7) %		
Aid to Local Units	6,728,108	11,953,236	15,197,354	3,244,118	27.1	11,953,236	15,197,354	3,244,118	27.1		
Other Assistance	17,671,110	18,562,626	13,717,354	(4,845,272)	(26.1)	18,562,626	13,717,354	(4,845,272)	(26.1)		
TOTAL	\$ 57,149,121	\$ 62,815,457	\$ 66,442,432	\$ 3,626,975	5.8 %	\$ 61,956,027	\$ 59,822,855	\$ (2,133,172)	(3.4)%		
Financing:											
State General Fund	\$ 8,730,014	\$ 9,452,279	\$ 11,649,652	\$ 2,197,373	23.2 %	\$ 8,933,964	\$ 8,519,505	\$ (414,459)	(4.6)%		
Emergency Management Disaster Federal Funds	19,870,636	25,547,338	24,136,915	(1,410,423)	(5.5)	25,547,338	24,136,915	(1,410,423)	(5.5)		
Other Federal Funds	26,139,646	26,014,025	28,906,514	2,892,489	11.1	25,672,910	25,417,084	(255,826)	(1.0)		
All Other Funds	2,408,825	1,801,815	1,749,351	(52,464)	(2.9)	1,801,815	1,749,351	(52,464)	(2.9)		
TOTAL	\$ 57,149,121	\$ 62,815,457	\$ 66,442,432	\$ 3,626,975	5.8 %	\$ 61,956,027	\$ 59,822,855	\$ (2,133,172)	(3.4)%		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$13,574,880 for the Adjutant General's Department in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$1,923,783, based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$15,498,663. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount. (*Note:* Planned reappropriations included in the FY 2020 approved amount above (approximately \$812,000), are overstated due to expenditures occurring in FY 2019 after budget finalization.)

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 15,498,663	\$ 12,650,069	\$ (2,848,594)	\$ 12,429,129	\$ (3,069,534)
All Other Funds	113,803,142	68,392,081	(45,411,061)	66,354,531	(47,448,611)
TOTAL	\$ 129,301,805	\$ 81,042,150	\$ (48,259,655)	\$ 78,783,660	\$ (50,518,145)
FTE Positions	279.5	279.0	(0.5)	279.0	(0.5)

The **agency** requests a FY 2020 revised estimate totaling \$81.0 million, including \$12.7 million from the State General Fund, for operations and capital improvements. The FY 2020 revised estimate is an all funds decrease of \$48.3 million, or 37.3 percent, and a State General Fund decrease of \$2.8 million, or 18.4 percent, below the FY 2020 approved amount. The agency's FY 2020 revised estimate includes six supplemental funding requests totaling \$4.5 million, including \$602,055 from the State General Fund. The FY 2020 revised estimate includes 279.0 FTE positions, which is a decrease of 0.5 FTE positions below the number approved by the 2019 Legislature. The agency states this 0.5 FTE position was the reduction of an unfunded position. The decrease in expenditures reflects lower anticipated expenditures for disaster relief, due to the timing of project payments with spring flooding slowing down projects, as well as National Guard construction expenditures at Fort Leavenworth encumbered in FY 2019.

Absent the agency's six supplemental requests, the agency's FY 2020 revised estimate is an all funds decrease of \$52.7 million, or 40.8 percent, including a decrease of \$3.5 million, or 22.3 percent, from the State General Fund, below the amount approved by the 2019 Legislature.

Objects of operating expenditure are detailed below:

- **Salaries and Wages.** The FY 2020 revised estimate includes \$19.2 million, including \$2.8 million from the State General Fund. This is an all funds decrease of \$1.5 million, or 7.3 percent, and a State General Fund decrease of \$2.2 million, or 43.8 percent, below the FY 2020 approved amount. The decrease is primarily due to the reclassification to capital improvement expenditures from operations, and a movement of unclassified temporary positions to classified regular positions. This decrease is partially offset by the salaries and wages portion of the agency's supplemental request for wildland firefighting capabilities (\$35,954);
- **Contractual Services.** The FY 2020 revised estimate includes \$9.2 million, including \$2.2 million from the State General Fund. This is an all funds decrease of \$75,632, or 0.8 percent, and a State General Fund increase of \$520,267, or 31.8 percent, from the FY 2020 approved amount. The State General Fund increase is due to the the agency's two supplemental requests that include contractual services increases of \$216,115 for deferred maintenance expenditures and \$250,000 for rehabilitation and repair in FY 2020. These increases are partially offset by decreases to other contractual services expenditures;
- **Commodities.** The FY 2020 revised estimate includes \$2.2 million, including \$728,960 from the State General Fund. This is an all funds increase of \$652,798, or 43.2 percent, and a State General Fund increase of \$462,272, or 173.3 percent, above the FY 2020 approved amount. The primary State General Fund increases are due to additional expenditures for buildings and grounds materials, as well as portions of the agency's FY 2020 supplemental requests that include commodities increases of \$141,246 for wildland fire fighting capabilities, and \$216,115 for deferred maintenance;
- **Capital Outlay.** The FY 2020 revised estimate includes \$1.6 million, including \$189,993 from the State General Fund. This is an all funds increase of \$386,580, or 32.8 percent, and a State General Fund decrease of \$116,682, or 38.0 percent, from the FY 2020 approved amount. Primary increases occur in office furniture (\$502,280), self-propelled equipment (\$94,500), and microcomputer equipment (\$72,033), as well as being part of the agency's supplemental request for force protection equipment (\$40,000). These increases are partially offset by decreases to other categories of expenditure;
- **Debt Service.** The FY 2020 revised estimate includes \$128,628, all from the State General Fund, for debt service interest payments on the Armory bonds and Great Plains Regional Training Center bonds. This is no change from the FY 2020 approved amount;
- **Aid to Local Units of Government.** The FY 2020 revised estimate includes \$12.0 million, including \$1.2 million from the State General Fund. This is an all funds decrease of \$45.4 million, or 79.2 percent, and a State General Fund decrease of \$4.8 million, or 79.8 percent, below the FY 2020 approved amount. These decreases are reflective of disaster relief payments estimates and timing of payouts. This decrease reflects less than approved expenditures of state disaster relief funds (\$4.8 million) and federal funds (\$40.6 million) in FY 2020; and

- **Other Assistance.** The FY 2020 revised estimate includes \$18.6 million, including \$2.2 million from the State General Fund. This is an all funds increase of \$12.1 million, or 188.9 percent, and a State General Fund increase of \$1.4 million, or 187.9 percent, above the FY 2020 approved amount. The increase is due to additional estimated disaster relief expenditures and their matching funds in FY 2020.

The **Governor** recommends FY 2020 expenditures totaling \$78.8 million, including \$12.4 million from the State General Fund, for operations and capital improvements. The FY 2020 recommendation is an all funds decrease of \$2.3 million, or 2.8 percent, and a State General Fund decrease of \$220,940, or 1.7 percent, below the agency's FY 2020 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental requests for National Guard wildland fire fighting capabilities and energy resilience projects in FY 2020. The Governor does recommend the agency's supplemental requests for deferred maintenance, force protection, rehabilitation and repair, and the Joint Force Headquarters building design in FY 2020. The Governor's recommendation also reclassifies these expenditures for deferred maintenance and rehabilitation and repair as capital improvements expenditures.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Deferred Maintenance	\$ 216,115	432,230	0.0	\$ 216,115	\$ 432,230	0.0
National Guard Wildland Fire Fighting Capabilities	177,200	177,200	0.0	0	0	0.0
Force Protection	40,000	40,000	0.0	40,000	40,000	0.0
Rehabilitation and Repair	125,000	250,000	0.0	125,000	250,000	0.0
Capital Improvements:						
Energy Resilience	43,740	2,081,290	0.0	0	0	0.0
Joint Force Headquarters Design	0	1,500,000	0.0	0	1,500,000	0.0
TOTAL	\$ 602,055	\$ 4,480,720	0.0	\$ 381,115	\$ 2,222,230	0.0

The **agency** requests a FY 2020 revised estimate that includes supplemental funding requests totaling \$4.5 million, including \$602,055 from the State General Fund. This request is composed of four operating supplementals for \$899,430, including \$558,315 from the State General Fund, and two capital improvements supplementals for \$3.6 million, including \$43,740 from the State General Fund, in FY 2020. The agency's supplemental requests in FY 2020 are detailed below.

Deferred Maintenance. The agency requests \$432,230, including \$216,115 from the State General Fund, to match federal funds in order to provide for facility renovations, modernizations, and repairs for the 38 armories and other National Guard facilities in FY 2020. The agency notes the cooperative agreement with the National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency states requested funding would go towards large restoration projects, HVAC replacements, roof replacements, interior improvements, and improving building envelope. The agency states that the amount requested is prorated based on a list of projects.

The **Governor** recommends the supplemental funding for deferred maintenance in FY 2020, and moves these expenditures into capital improvements.

National Guard Wildland Fire Fighting Capabilities. The agency requests \$177,200, all from the State General Fund, to support wildfire fighting capability. The request includes 7 additional wildland engine skid tank units (units holding water that can be mounted on trucks) for brush trucks, 60 sets of personal protective equipment (protection from smoke and fire during encounters), training for 30 hand crew with local fire departments, and funds for skid tank unit maintenance.

The **Governor** does not recommend the supplemental funding in FY 2020.

Force Protection Improvements and Maintenance. The agency requests \$40,000, all from the State General Fund, to support security improvements to National Guard Recruiting Offices located in the community. The agency notes improvements include remote access and

monitoring systems, blast retention film on windows and personal protection equipment, and training. Additionally, the funds would allow annual personal protection qualification and training for guard personnel and National Guard Facility Police. Funds would pay for ammunition and supplies for annual/semiannual weapons qualification. The agency states Force Protection funds will be utilized for the following.

Force Protection Expenditures			
4	CCTV Recording Systems	\$	6,576
4	Steel Electronic Housing		1,112
4	AI Phone Systems		7,160
4	Blast Retention Film Installs		8,000
4	Electric Door Strike Installs		10,000
20	Ammunition for Qualification		3,900
	Other expenditures		3,252
TOTAL		\$	40,000

The **Governor** recommends the supplemental funding for Force Protection in FY 2020.

Rehabilitation and Repair. The agency requests \$250,000, including \$125,000 from the State General Fund, for rehabilitation and repair in FY 2020. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of 25.0 percent state match on readiness centers (armories). The agency detailed project requests to include physical security requirements, groundskeeping, code compliance, and utility infrastructure replacement.

The **Governor** recommends the supplemental funding for rehabilitation and repair in FY 2020, and reclassifies these expenditures as capital improvements.

Energy Resilience. The agency requests \$2.1 million, including \$43,740 from the State General Fund, for energy resilience projects in FY 2020. These projects include installing direct digital HVAC controls (DDC) at six locations, and standby emergency generators at four other locations. DDCs are expected to save 20.0 percent annually on energy costs per facility. Standby emergency generators increase a facility's energy resilience, and better prepare the facility for use as an emergency management center in the case of severe weather or natural disasters. Without state matching funds, the federal government will not be able to provide federal funds to complete the energy resilience projects. (**DDC locations:** Wichita North - Field Maintenance Shop, Salina - Regional Training Site-Maintenance, Topeka Warehouse, Salina Aviation Support Facility, Topeka Building 103, and Hiawatha Readiness Center. **Generator locations:** Leavenworth Greenlief Hall, Salina Eckert Hall, and Salina Unit Training Equipment Site).

The **Governor** does not recommend the supplemental funding in FY 2020.

Joint Force Headquarters Design. The agency requests \$1.5 million, all from federal funds, for the design of the Joint Force Headquarters (JFHQ) building at Forbes Field in Topeka in FY 2020. The agency notes it will be building a new JFHQ building at Forbes Field in Topeka. The cost of the project is estimated at \$16.5 million. The project will be built on federal land and will not initially require any type of state match. The facility will consist of approximately 59,000 square feet of JFHQ space. This space will consolidate multiple JFHQ functions that are

currently conducted in multiple facilities. Once the facility is built it will be supported with 75.0 percent federal funds and 25.0 percent state funds.

The **Governor** recommends the supplemental funding in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 66,442,432	\$ 59,822,855	\$ (6,619,577)
FTE Positions	287.0	281.0	(6.0)
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 2,197,373	\$ (414,459)	
All Other Funds	1,429,602	(1,718,713)	
TOTAL	\$ 3,626,975	\$ (2,133,172)	
<i>Percent Change:</i>			
State General Fund	23.2 %	(4.6) %	
All Other Funds	2.7	(3.2)	
TOTAL	5.8 %	(3.4) %	
Change in FTE Positions	8.0	2.0	

The **agency** requests a FY 2021 operating budget of \$66.4 million, including \$11.6 million from the State General Fund. This is an all funds increase of \$3.6 million, or 5.8 percent, and a State General Fund increase of \$2.2 million, or 23.2 percent, above the FY 2020 revised estimate. The FY 2021 request includes 287.0 FTE positions, which is an increase of 8.0 FTE positions above the FY 2020 revised estimate. This increase in funding and positions is primarily due to the agency's seven operating enhancement requests totaling \$6.8 million, including \$3.3 million from the State General Fund, and 8.0 new FTE positions requested for FY 2021.

Categories of expenditure are detailed below:

- **Salaries and Wages.** The FY 2021 request includes \$19.7 million, including \$3.5 million from the State General Fund. This is an all funds increase of \$540,913, or 2.8 percent, and a State General Fund increase of \$670,889, or 23.7 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily due to additional expenditures for portions of three of the agency's requested enhancements for a Human Resources Deputy Director (\$72,373, 1.0 FTE), Kansas Intelligence Fusion Center Analysts (\$384,162, 4.0 FTE), and Kansas Division of Emergency Management positions (\$262,264, 3.0 FTE positions), as well as increases to employer contributions to public employees retirement and group health insurance. These increases are partially offset primarily by decreases to workers compensation (\$181,366) and unclassified temporary salaries (\$30,281);

- **Contractual Services.** The FY 2021 request includes \$12.0 million, including \$3.3 million from the State General Fund. This is an all funds increase of \$2.8 million, or 30.2 percent, and a State General Fund increase of \$1.2 million, or 53.8 percent, above the FY 2020 revised estimate. The increases are primarily due to additional expenditures for portions of four of the agency's enhancement requests for hazardous mitigation initiatives (\$750,000), civil air patrol hangars (\$14,000), deferred maintenance (\$1.8 million), and rehabilitation and repair expenditures (\$1.0 million);
- **Commodities.** The FY 2021 request includes \$4.2 million, including \$1.4 million from the State General Fund. This is an all funds increase of \$2.0 million, or 93.1 percent, and a State General Fund increase of \$643,166, or 88.2 percent, above the FY 2020 revised estimate. The increases are primarily due to additional expenditures for portions of two of the agency's enhancement requests for hazardous mitigation initiatives (\$750,000) and deferred maintenance (\$1.8 million);
- **Capital Outlay.** The FY 2021 request includes \$1.5 million, including \$123,718 from the State General Fund. This is an all funds decrease of \$95,728, or 6.1 percent, and a State General Fund decrease of \$66,275, or 34.9 percent, below the FY 2020 revised estimate. Primary decreases occur in furniture fixtures and equipment (\$67,599) and office furniture (\$10,000);
- **Debt Service.** The FY 2021 request includes \$106,725, all from the State General Fund, for debt service interest payments on the Armory renovation bonds. This is a decrease of \$21,903, or 17.0 percent, below the FY 2020 revised estimate;
- **Aid to Local Units of Government.** The FY 2021 request includes \$15.2 million, including \$1.6 million from the State General Fund. This is an all funds increase of \$3.2 million, or 27.1 percent, and a State General Fund increase of \$381,661, or 31.1 percent, above the FY 2020 revised estimate. The increases are due to additional disaster relief expenditures and an increase due to additional state funds as a match to rural electric cooperative payments; and
- **Other Assistance.** The FY 2021 request includes \$13.7 million, including \$1.6 million from the State General Fund. This is an all funds decrease of \$4.8 million, or 26.1 percent, and a State General Fund decrease of \$570,032, or 26.1 percent, below the FY 2020 revised estimate. This decrease is due to a decrease in disaster relief expenditures for FY 2021.

The **Governor** recommends FY 2021 agency operating expenditures totaling \$59.8 million, including \$8.5 million from the State General Fund. The FY 2021 recommendation is an all funds decrease of \$6.6 million, or 10.0 percent, and a State General Fund decrease of \$3.1 million, or 26.9 percent, below the agency's FY 2021 request. The decrease is due to the Governor not recommending the agency's enhancement requests for hazardous mitigation initiatives, Kansas Division of Emergency Management positions, Civil Air Patrol hangar funding, and additional funding for a Deputy Director of Human Resources. The Governor recommends the agency's enhancement request for rehabilitation and repair, and recommends enhancements at a reduced amount for deferred maintenance and Kansas Intelligence Fusion Center Analysts. The Governor's recommendation also moves expenditures for deferred maintenance and rehabilitation and repair into capital improvements. The Governor does not recommend the agency's enhancement requests for Kansas Division of Emergency Management and State Emergency Operations Center design or energy resilience projects for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Deferred Maintenance	\$ 1,789,430	\$ 3,578,860	0.0	\$ 1,000,000	\$ 2,000,000	0.0
Hazardous Mitigation Initiatives	300,000	1,500,000	0.0	0	0	0.0
KDEM Positions	262,264	262,264	3.0	0	0	0.0
KIFC Analysts	384,162	384,162	4.0	192,082	192,082	2.0
Civil Air Patrol (CAP) - Hangar Funding	14,000	14,000	0.0	0	0	0.0
Deputy Director - Human Resources	72,373	72,373	1.0	0	0	0.0
Rehabilitation & Repair	500,000	1,000,000	0.0	500,000	1,000,000	0.0
Capital Improvements:						
KDEM & SEOC Design	2,266,435	2,266,435	0.0	0	0	0.0
Energy Resilience	84,000	1,562,800	0.0	0	0	0.0
TOTAL	\$ 5,672,664	\$ 10,640,894	8.0	\$ 1,692,082	\$ 3,192,082	2.0

The **agency** requests FY 2021 enhancements totaling \$10.6 million, including \$5.7 million from the State General Fund. The request is composed of seven operating enhancements totaling \$6.8 million, including \$3.3 million from the State General Fund, and two capital improvement enhancements for \$3.8 million, including \$2.4 million from the State General Fund, for FY 2021. The agency's enhancement requests for FY 2021 are detailed below.

Deferred Maintenance. The agency requests \$3.6 million, including \$1.8 million from the State General Fund, to match federal funds in order to provide for facility renovations, modernizations, and repairs for the 38 armories and other National Guard facilities for FY 2021. The agency notes the cooperative agreement with the National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency states requested funding would go towards large restoration projects, HVAC replacements, roof replacements, interior improvements, and improving building envelope.

The **Governor** recommends \$2.0 million, including \$1.0 million from the State General Fund, for deferred maintenance for FY 2021, and moves these expenditures into capital improvements.

Hazardous Mitigation Initiatives. The agency requests \$1.5 million, including \$300,000 from the State General Fund, to utilize the Hazardous Mitigation Grant Program (HMGP) to implement flood preparedness and mitigation projects for FY 2021. The Hazardous Mitigation Assistance program requires a 25.0 percent state match to access federal support toward mitigation projects designed to prepare for, limit, and/or reduce loss due to a possible disaster. Mitigation projects include flood preparedness projects to provide community-centric watershed and river characteristics, modeling, stream-flow data, visualization tools, and other flood risk reduction projects, and the residential safe room project to support the design, development, and maintenance of a safe room database and website to facilitate the application process and required documentation exchange.

The **Governor** does not recommend the enhancement for FY 2021.

Kansas Division of Emergency Management (KDEM) Positions. The agency requests \$262,264, all from the State General Fund, and 3.0 FTE positions to support the KDEM with mitigation activities, and facilitation of disaster preparedness, response, and recovery for FY 2021. These positions include:

- Mitigation Project Manager: \$87,421, all from the State General Fund, and 1.0 FTE position. This position is to fully explore and seek additional federal funding opportunities in order to advance mitigation activities; and
- Geographic Information Systems (GIS) positions: \$174,843 (\$87,421 per position), all from the State General Fund, and 2.0 FTE positions. These positions would work to support the agency's requirements and situational awareness needs for disaster preparedness, response and recovery.

The **Governor** does not recommend the enhancement for FY 2021.

Kansas Intelligence Fusion Center (KIFC) Analysts. The agency requests \$384,162, all from the State General Fund, and 4.0 FTE analyst positions to support KIFC activities with both protection from and warning against existing and potential threats to the state for FY 2021. The agency states these positions would be providing analysis in order to enable decision makers with the opportunity to address threats before they become disasters. The agency further notes these positions are requested at the beginning of FY 2021 in order to secure appropriate security clearances before the National Bio and Agro-defense Facility (NBAF) becomes operational. These positions include:

- Cyber Threat Analysts: \$192,081 (\$96,041 per position), all from the State General Fund, and 2.0 FTE analyst positions. These positions would analyze cyber threat information and share this information with the cross sector of critical infrastructure elements throughout the state; and
- Biological/Agricultural Threat Analysts: \$192,081 (\$96,041 per position), all from the State General Fund, and 2.0 FTE analyst positions. These positions would analyze and inform decision makers of biosecurity threats/issues facing the state. The NBAF is scheduled to be operational by 2023.

The **Governor** recommends \$192,082, all from the State General Fund, and 2.0 FTE positions to support the biological and agriculture sector of the KIFC for FY 2021.

Civil Air Patrol (CAP)–Hangar Funding. The agency requests \$14,000, all from the State General Fund, for rent expenditures for four hangars under the CAP for FY 2021. The agency notes the CAP is an Air Force Auxiliary organization that provides aircraft, vehicles, and communications equipment and volunteer personnel for the state. The 391 cadets and senior Kansas CAP members are volunteers who provide services and support to local, county, and state emergency management entities. Most operational costs are funded by the federal government, but this funding does not support hangar costs. Hangar costs have historically been paid by the volunteers themselves. This request would provide funding for CAP hangar costs for FY 2021.

The **Governor** does not recommend the enhancement for FY 2021.

Deputy Director - Human Resources. The agency requests \$72,373, all from the State General Fund, and 1.0 FTE position for an additional human resources director for FY 2021. The agency states this position would strengthen the Human Resources Department, provide training to state supervisors, and reduce liability for Equal Employment Opportunity claims and other employment lawsuits.

The **Governor** does not recommend the enhancement for FY 2021.

Rehabilitation and Repair. The agency requests \$1.0 million, including \$500,000 from the State General Fund, for rehabilitation and repair for FY 2021. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of a 25.0 percent state match on readiness centers (armories). The agency detailed projects requests to include physical security requirements, groundskeeping, code compliance, and utility infrastructure replacement.

The **Governor** recommends \$1.0 million, including \$500,000 from the State General Fund, for rehabilitation and repair for FY 2021, and reclassifies these expenditures as capital improvements.

KDEM and SEOC Design. The agency requests \$2.3 million, all from the State General Fund, for the design and construction of a new State Emergency Management Operations and Training Center near Forbes Field for FY 2021. The 38,173-square-foot building will be located on, or adjacent to, the grounds of the Kansas National Guard 190th Refueling Wing at Forbes Field in Topeka, and will house the Kansas Division of Emergency Management, and include a new State Emergency Operations Center (SEOC) and related supporting spaces. The agency states the current space for the day-to-day operations and SEOC is inadequate. This facility would also include all necessary facility support, such as parking, emergency power generation, and key communication systems. The agency states the new facility would enable the agency to consume significantly less energy and be a vital component of Kansas' security and the Kansas National Guard's Headquarters' relocation to Forbes Field. As of September 12, 2019, the total project cost was estimated at \$39.0 million.

The **Governor** does not recommend the enhancement for FY 2021.

Energy Resilience. The agency requests \$1.6 million, including \$84,000 from the State General Fund, for energy resilience projects for FY 2021. These projects include installing direct digital HVAC controls (DDC) at six locations and standby emergency generators at four other locations. DDCs are expected to save 20.0 percent annually on energy costs per facility. Standby emergency generators increase a facility's energy resilience and better prepares the facility for use as an emergency management center in the case of severe weather or natural disasters. Without state matching funds, the federal government will not be able to provide federal funds to complete the energy resilience projects. (**DDC locations:** Salina Unit Training Equipment Site, Coffeyville Readiness Center, Salina Classroom, Salina Allied Trades, Wichita South Readiness Center, Salina West Readiness Center, Salina Open Bay Barracks, Topeka Combined Support Maintenance Shop, and Leavenworth Marksmanship Training Center. **Generator locations:** Forbes 680 and Forbes 681)

The **Governor** does not recommend the enhancement for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$396,883, including \$63,029 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salaries and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to, and certified for distribution, by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$3,960, including \$579 from the State General Fund, and FY 2021 longevity payments total \$4,080, including \$633 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

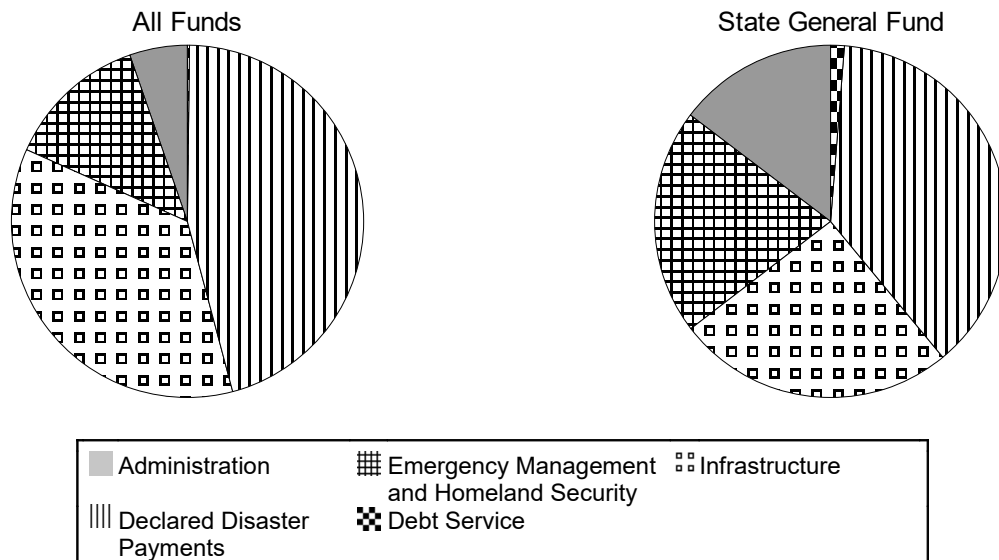
Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	17.6 %	14.2 %
Non-Federal Special Revenue Funds	2.6	2.9
Federal Emergency Assistance Fund	36.3	40.4
Other Federal Funds	43.5	42.5
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 3,173,457	5.3 %	\$ 1,251,015	14.7 %
Emergency Management and Homeland Security	7,800,591	13.0	1,765,791	20.7
Infrastructure	21,407,374	35.8	2,180,126	25.6
Declared Disaster Payments	27,334,708	45.7	3,215,848	37.7
Debt Service	106,725	0.2	106,725	1.3
TOTAL	\$ 59,822,855	100.0 %	\$ 8,519,505	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	38.1	38.1	38.1	39.1	38.1
Emergency Management and Homeland Security	53.0	53.0	53.0	60.0	55.0
Infrastructure	188.0	188.0	188.0	188.0	188.0
Declared Disaster Payments	0.0	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0	0.0
TOTAL	279.0	279.0	279.0	287.0	281.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Administration

The Administration program is responsible for the administrative functions of the agency. Sections include the Office of the Adjutant General, Office of State Human Resources, Comptroller's Office, Public Affairs Office, Information Technology Office, Archives, administration of the Military Bill of Rights, STARBASE, and other administrative services and support.

Office of the Adjutant General

Funding provides for the pay and administrative costs for personnel of the Office of the Adjutant General to coordinate efforts to protect life and property through planning, coordination, and synchronization of state and federal resources, to provide a ready military, emergency management, and homeland security capability for the state and nation. The funding also provides salary for the Kansas Military Board members.

Human Resources

Funding provides personnel and administrative costs for processing employee benefits, payroll, recruitment, and employee relations for state employees located at 14 work sites across the state. It also allows for the development, implementation, and administration of policies and procedures that meet the needs of the agency while complying with state and federal statutes, regulations, and best practices.

Comptroller

Funding provides for personnel and administrative costs of the State Comptroller, accounts, inventory control officer, budget, procurement officer, and travel officer. This office ensures compliance with state and federal laws, rules, regulations and procedures relating to fiscal policy, accounting standards, budget execution, procurement activities, and inventory management.

Public Affairs Office

Funding provides for pay and administrative costs associated with providing critical information to the public during emergencies or disasters and ongoing information updates throughout the year regarding the Department's actions, plans, and recommendations. The Director of the Public Affairs Office activates the Joint Information Center in conjunction with the State Emergency Operations Center during times of natural or man-made disasters to include those resulting from nuclear and biological threats. Additionally, the Director of the Public Affairs Office researches, writes, and produces campaigns to increase awareness of the activities of the Adjutant General's Department.

Information Technology (IT)

Funding provides for IT support across all state functions of the agency. This includes computer support, applications and web support, and data storage. This subprogram also continually reviews and administers efforts to modernize, secure, and streamline communications for the agency.

Military Bill of Rights

Funding provides for pay differential, activation payments, and the Kansas Military Relief Fund. These funds are administered by the State Comptroller's Office.

STARBASE

The mission of the Kansas STARBASE, Inc., is to add value to Kansas' youth through the development of math, science, technology, and personal growth skills in 4th, 5th, and 6th grade children. This program is 100.0 percent federally funded.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Up Time for All Prescribed Services	94.0 %	99.9 %	99.0 %	99.0 %	99.0 %	99.0 %
Percent of Employees Reviewed Annually	95.0 %	61.9 %	100.0 %	99.5 %	100.0 %	100.0 %
Percent of Positive Customer Service Feedback	75.0 %	92.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.6	\$ 3.0	\$ 3.4	\$ 2.7	\$ 3.2	\$ 3.2
FTE Positions	33.8	19.8	39.8	38.1	38.1	38.1

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,139,070	\$ 2,842,350	\$ 2,842,350	\$ 2,892,019	\$ 2,819,646
Contractual Services	136,818	156,615	156,615	129,501	129,501
Commodities	121,733	127,220	127,220	127,220	127,220
Capital Outlay	51,311	47,090	47,090	47,090	47,090
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 2,448,932</i>	<i>\$ 3,173,275</i>	<i>\$ 3,173,275</i>	<i>\$ 3,195,830</i>	<i>\$ 3,123,457</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	282,284	50,000	50,000	50,000	50,000
TOTAL	\$ 2,731,216	\$ 3,223,275	\$ 3,223,275	\$ 3,245,830	\$ 3,173,457
Financing:					
State General Fund	\$ 1,313,941	\$ 1,282,982	\$ 1,282,982	\$ 1,323,388	\$ 1,251,015
All Other Funds	1,417,275	1,940,293	1,940,293	1,922,442	1,922,442
TOTAL	\$ 2,731,216	\$ 3,223,275	\$ 3,223,275	\$ 3,245,830	\$ 3,173,457
FTE Positions	38.1	38.1	38.1	39.1	38.1

The **agency** requests FY 2021 operating expenditures totaling \$3.2 million, including \$1.3 million from the State General Fund, for the Administration program. This is an all funds increase of \$22,555, or 0.7 percent, and a State General Fund increase of \$40,406, or 3.1 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily due to the agency's enhancement request for \$72,373, all from the State General Fund, and 1.0 FTE position for a human resources deputy director for FY 2021. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests expenditures of \$2.9 million, including \$1.2 million from the State General Fund, to fund 39.1 FTE positions for FY 2021. The request is an all funds increase of \$49,669, or 1.7 percent, and a State General Fund increase of \$67,520, or 5.9 percent, above the FY 2020 revised estimate. Primary expenditure increases reflect the agency's enhancement request of \$72,373, all from the State General Fund, and 1.0 FTE position for a human resources deputy director for FY 2021;
- **Contractual Services.** The agency requests expenditures of \$129,501, including \$91,266 from the State General Fund, for FY 2021. The request is an all funds decrease of \$27,114, or 17.3 percent, and a State General Fund decrease of \$27,114, or 22.9 percent, below the FY 2020 revised estimate. Contractual service expenditures include communications, postage, photocopies, rent, record storage and maintenance, and travel for the Adjutant General and staff. The primary decrease is due to a reappropriation of funding for military activation payments (\$27,114) that occurred within the FY 2020 revised estimate but does not reoccur for FY 2021;
- **Commodities.** The agency requests expenditures of \$127,220, including \$5,870 from the State General Fund, for FY 2021. The request is no change from the FY 2020 revised estimate. Commodities expenditures include office and computer-related supplies and Kansas State flags furnished to validated requests;

- **Capital Outlay.** The agency requests expenditures of \$47,090, all from special revenue funds, for FY 2021. The request is no change from the FY 2020 revised estimate. Capital outlay expenditures include software, computer hardware, office furniture, and other large items; and
- **Other Assistance.** The agency requests expenditures of \$50,000, including \$9,881 from the State General Fund, for expenditures from the federal and state Kansas Military Emergency Relief Fund for FY 2021. This request is no change from the FY 2020 revised estimate. This fund was established to provide grants and interest free loans for members and families of the Kansas Air and Army National Guard and Army Reserve members to provide assistance to eligible members for financial emergencies related to mobilization.

The **Governor** recommends FY 2021 operating expenditures of \$3.2 million, including \$1.3 million from the State General Fund, for the Administration program. This is an all funds decrease of \$72,373, or 2.2 percent, including a State General Fund decrease of \$72,373, or 5.5 percent, below the agency's FY 2021 request. The decrease reflects the Governor not recommending the agency's enhancement request for \$72,373, all from the State General Fund, for a Deputy Director of Human Resources position.

B. Emergency Management and Homeland Security

Emergency Management and Homeland Security activities are composed of work with local communities, first responders, non-governmental organizations, governmental entities, and owners of critical infrastructure and key resources to achieve optimal and reasonable levels of disaster and terrorism preparedness. Specific activities include identification of concerns, prioritization of capabilities, development of common solutions, multi-agency exercises, training, and other actions to ensure an effective and coordinated response and recovery to natural and man-made disasters, including terrorism. Expenditures in this program reflect expenditures for mitigation, preparedness, prevention, response, and recovery; Kansas Intelligence Fusion Center; radiological, biological, and nuclear responsibilities; Kansas Division of Emergency Management (KDEM) Homeland Security; KDEM Emergency Management Assistance Compact (EMAC); Civil Air Patrol; state active duty; State Military Service Operations; and emergency communications.

Mitigation, Preparedness, Prevention, Response, and Recovery

This provides funding for KDEM personnel and administrative costs associated with planning, mitigation, response, recovery, training, and exercises.

Kansas Intelligence Fusion Center (KIFC)

Funding provides for KIFC personnel and administrative costs to produce high-value, all-source intelligence products to protect the life, freedoms, and property of the people of Kansas. KIFC is focused on the three primary Kansas Homeland Security risk areas: 1) terrorism threats, asymmetric warfare threats, and transnational criminal organization threats; 2) biological threats (both man-made and natural pathogens threatening human health, animal health, and plant/crop health); and 3) cyber-warfare threats and threats to critical infrastructure and key resources.

Radiological, Biological, and Nuclear Responsibilities

Funding for this subprogram provides for personnel, administrative, training, and exercise activities. This includes development and promulgation of planning standards and guidance concerning hazardous substances, such as toxic chemicals, radioactive substances, biological agents, and potential releases from nuclear power plants. Funding also provides technical assistance related to chemical, biological, and radiological response planning, emergency notification, and statewide emergency coordination. This subprogram maintains the state's Radiological Emergency Response Plan for nuclear facilities and exercises the plan with respect to fixed nuclear facilities located in Coffey County (Wolf Creek) and Cooper Nuclear Station in Nebraska. Additionally, this subprogram calibrates and distributes radiation detection devices for use by various public agencies in case of an incident at one of the nuclear power plants. This subprogram also receives advance shipment notifications for radiological materials traveling through Kansas.

KDEM Homeland Security

Funding within this subprogram reflects homeland security grants received. This money is required to support the State Homeland Security Program, which supports the implementation of state homeland security strategies to address the identified planning, organization, equipment, training, and exercise needs to protect against, mitigate, respond to, and recover from acts of terrorism and other catastrophic events. Awards are based on three factors: minimum amounts of legislative mandates, Department of Homeland Security's (DHS) risk methodology, and anticipated effectiveness based on the strength of the investment justifications submitted to and approved by DHS.

KDEM EMAC

KDEM is responsible for developing policies and procedures for the formation, training, equipping, deployment, and sustainment of Incident Management Teams (IMTs) and SEOC Support teams. Members participate in ongoing training and exercises annually to maintain readiness for deployment to emergencies and disasters within their region and across the state. IMTs and SEOC Support Teams can deploy to assist other states during an incident or disaster under EMAC.

Civil Air Patrol

Funding supports administering the budget for the federal Civil Air Patrol program, which provides Kansas citizens with a well-trained, organized, and disciplined group of volunteers that can provide cost-effective emergency services through the utilization of the volunteer personnel and assets of the Kansas wing of the Civil Air Patrol.

The program is managed by a volunteer director and a 0.5 FTE position secretary who provides a point of contact for administration, information, and other requested services on a scheduled weekday basis through the program's office in the headquarters of the Kansas wing at Salina Municipal Airport in Salina.

State Active Duty

Funds pay for National Guard personnel who are activated in a state active duty status by the Governor for the purpose of performing emergency duty. Soldiers may be called to state active duty for disasters or emergencies, such as floods, tornadoes, ice storms, terrorism, or a civil disturbance. The program also pays for the use of federal training equipment on a cost basis for equipment issued to the Kansas National Guard. The Governor has the authority to call approximately 7,000 Kansas National Guard citizen soldiers and airmen to leave their full-time employment and families to serve on emergency or other state active duty. The current number of assigned positions is 2,083 Air National Guard members (2,268 authorized, 92.0 percent of authorized) and 4,412 Army National Guard members (4,750 authorized, 92.9 percent of authorized). The state active duty does not contain any FTE positions, unless, however, KSA 75-2935 (g) states that when National Guard Members are called in for state active duty, they are considered to be active within the unclassified service and are compensated within these parameters. The State pays the salaries and per diem for the service of these members.

State Military Service Operations

The State Military Service Operations Program provides funds for State Active Duty on a cost basis to meet the needs of the people of Kansas.

Emergency Communications

Funding provides for the personnel and administrative costs of the Adjutant General's Department—Office of Emergency Communications, which supports outreach, training, and coordination of statewide public safety communications capabilities. In addition, the Office functions as the emergency support function (communications) lead for the State Emergency Operations Center and has operational responsibility for two deployable communications capabilities in support of the state public safety trunked radio system and leads the Statewide Interoperability Advisory Committee, as well as the state's Public Safety Broadband initiative.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Threat Briefings	119	116	100	106	100	100
Number of Public Awareness Campaigns for Individual and Family Preparedness	6	6	9	6	9	9
Number of Exercises Conducted	191	160	150	160	207	207
Number of Written Intelligence Reports Published	191	31	100	31	75	75
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 19.7	\$ 8.8	\$ 8.3	\$ 11.5	\$ 8.0	\$ 7.8
FTE Positions	48.8	67.8	57.8	53.0	53.0	55.0

**EMERGENCY MANAGEMENT AND HOMELAND SECURITY
SUMMARY OF EXPENDITURES FY 2019 – FY 2021**

Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,773,301	\$ 4,531,433	\$ 4,495,479	\$ 5,115,556	\$ 4,661,212
Contractual Services	1,578,919	999,582	999,582	1,640,255	876,255
Commodities	188,984	706,854	565,608	1,147,272	397,272
Capital Outlay	372,332	363,981	363,981	335,852	335,852
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 6,913,536</i>	<i>\$ 6,601,850</i>	<i>\$ 6,424,650</i>	<i>\$ 8,238,935</i>	<i>\$ 6,270,591</i>
Aid to Local Units	787,492	1,530,000	1,530,000	1,530,000	1,530,000
Other Assistance	3,786,499	0	0	0	0
TOTAL	\$ 11,487,527	\$ 8,131,850	\$ 7,954,650	\$ 9,768,935	\$ 7,800,591
Financing:					
State General Fund	\$ 2,121,119	\$ 2,048,063	\$ 1,870,863	\$ 2,534,135	\$ 1,765,791
All Other Funds	9,366,408	6,083,787	6,083,787	7,234,800	6,034,800
TOTAL	\$ 11,487,527	\$ 8,131,850	\$ 7,954,650	\$ 9,768,935	\$ 7,800,591
FTE Positions	53.0	53.0	53.0	60.0	55.0

The **agency** requests FY 2021 operating expenditures totaling \$9.8 million, including \$2.5 million from the State General Fund, for the Emergency Management and Homeland Security program. This is an all funds increase of \$1.6 million, or 20.1 percent, and a State General Fund increase of \$486,072, or 23.7 percent, above the FY 2020 revised estimate. The increase is primarily due to the agency's four enhancement requests for Hazardous Mitigation Initiatives, KDEM positions, KIFC analysts, and Civil Air Patrol funding totaling \$2.2 million, including \$960,426 from the State General Fund, for FY 2021. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests expenditures of \$5.1 million, including \$1.6 million from the State General Fund, to fund 60.0 FTE positions for FY 2021. The request is an all funds increase of \$584,123, or 12.9 percent, and a State General Fund increase of \$606,439, or 58.6 percent, above the FY 2020 revised estimate. Primary increases are due to the agency's enhancement requests for 4.0 FTE positions for KIFC analyst positions and 3.0 FTE positions for KDEM;
- **Contractual Services.** The agency requests expenditures of \$1.6 million, including \$507,848 from the State General Fund, for FY 2021. The request is an all funds increase of \$640,673, or 64.1 percent, and a State General Fund increase of \$24,544, or 5.1 percent, above the FY 2020 revised estimate. The primary increase is due to the agency's enhancement request for Hazardous Mitigation Initiatives. Contractual services expenditures include rent, travel, and subsistence; fees for consulting/computer/other services; security background checks; and travel expenses for training and exercises;
- **Commodities.** The agency requests expenditures of \$1.1 million, including \$281,411 from the State General Fund, for FY 2021. The request is an all funds increase of \$440,418, or 62.3 percent, and a State General Fund decrease of

\$146,235, or 34.2 percent, from the FY 2020 revised estimate. The primary increase is due to the agency's enhancement request for Hazardous Mitigation Initiatives. Commodities expenditures include stationery and office supplies (fax and copier toner, pens, paper, and envelopes) and professional and scientific supplies (radiological equipment, training videos, handbooks, and reference publications);

- **Capital Outlay.** The agency requests expenditures of \$335,852, including \$103,418 from the State General Fund, for FY 2021. The request is an all funds decrease of \$28,129, or 7.7 percent, and a State General Fund increase of \$1,324, or 1.3 percent, from the FY 2020 revised estimate. Capital outlay expenditures include computers, software, and building maintenance; and
- **Aid to Local Units of Government.** The agency requests expenditures of \$1.5 million, all from special revenue funds, for FY 2021. The request is no change from the FY 2020 revised estimate. This request is for expenditures of hazardous mitigation grant projects.

The **Governor** recommends FY 2021 operating expenditures of \$7.8 million, including \$1.8 million from the State General Fund, for the Emergency Management and Homeland Security program. This is an all funds decrease of \$2.0 million, or 20.1 percent, including a State General Fund decrease of \$768,344, or 30.3 percent, below the agency's FY 2021 request. The decrease reflects the Governor not recommending the agency's enhancement requests for hazardous mitigation initiatives, Kansas Division of Emergency Management positions, or Civil Air Patrol hangar funding for FY 2021, and recommending the agency's enhancement request for Kansas Intelligence Fusion Center analysts at the reduced amount of \$192,082, all from the State General Fund, for 2.0 FTE analyst positions to support the biological and agriculture sector of the Kansas Intelligence Fusion Center.

C. Infrastructure

Infrastructure activities provide the Kansas Division of Emergency Management (KDEM) and units of the Kansas Army and Air National Guard and Kansas with necessary facilities. Army National Guard equipment and buildings are also used for state purposes, and armories can be available for community use. Most of the buildings and equipment are operated and maintained by the State on a cost-sharing basis with the federal government. The program maintains the State Defense Building, the Headquarters Complex, the Great Plains Joint Regional Training Center, and 38 Army National Guard armories, including one Armed Forces Reserve Center.

Of the armories, 35 are State-owned, one is leased, and two are federal property. Most of the State-owned armories were built by the Kansas Armory Board during the 1950s and 1960s, but six new armories were constructed between 1987 and 1997. One armory has been converted to a training and maintenance facility, and 19 returned to the respective cities. Most Army National Guard facilities have at least one full-time federal employee, who serves as the Non-commissioned Officer in Charge and handles administrative and training matters.

Army National Guard maintenance, logistical facilities, and training centers are financed by a mix of state and federal funds. They include nine field maintenance shops, the U.S. Property and Fiscal Office, the Combined Support Maintenance Shop, the Federal Warehouse, the Kansas Training Center in Salina, the Army Aviation Support Facilities at Forbes Field and

Salina, the Battle Command Training Center at Fort Leavenworth, the Maneuver Area Training Equipment Site at Fort Riley, and the Unit Training and Equipment Site at Salina.

This program also maintains facilities at Forbes Field in Topeka, McConnell Air Force Base (AFB) in Wichita, and Smoky Hill Air National Guard Weapons Range in Salina for units of the Kansas Air National Guard. The 184th Intelligence Wing at McConnell AFB performs intelligence and cyber missions as assigned. Within the 184th, there is also a Regional Support Group, Mission Support Group, Cyber Operations Group, and Medical Group. The 190th Air Refueling Wing at Forbes Field flies KC-135R tankers and uses buildings at Forbes Field for aircraft maintenance. Within the 190th, there is also an Operations Group, Maintenance Group, Mission Support Group, and a Medical Group. Forbes is also home to the 73rd Civil Support Team. Crisis City allows for technical rescue training for first responders. In addition, this program finances the State Emergency Operations Center, which serves as the primary coordination center in Kansas when dealing with disasters.

This program also accounts for the physical security of facilities, environmental compliance to preserve, protect, conserve, and restore the quality of the environment, and utility services of these facilities. The Governor has the authority to commit the large amount of federal training equipment issued to the Kansas National Guard, including helicopters, wheeled vehicles, aircraft, engineer equipment, personnel carriers, generators, and other similar items. The State pays for the use of this equipment on a cost basis.

This program includes expenditures for the maintenance and sustainment of the State Emergency Operations Center (SEOC). The SEOC facility serves as the nerve center for federal, state, and local coordination, and is necessary to ensure continuity of operations and government in major emergencies and disasters caused by any hazard. Led by the response and recovery branch director, the SEOC exists to gather, process, and report emergency situation intelligence to aid in state policy and decision making; support local communities as they direct and control disaster emergency response operations; and account for the State's response support costs. The SEOC's ability to exchange critical disaster information is achieved through diverse and redundant communications technologies. Members of KDEM staff serve as the duty officer on a rotational basis; taking calls for a host of incidents in addition to severe weather, such as tornadoes, floods, and blizzards. A terrorist attack is managed in the same manner as a tornado or flood.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Routine Work Orders Processed within 60 Days	87.0 %	43.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Urgent Work Orders Processed within Seven Days	92.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 20.3	\$ 19.9	\$ 20.4	\$ 20.1	\$ 21.7	\$ 21.4
FTE Positions	171.0	168.0	178.0	188.0	188.0	188.0

INFRASTRUCTURE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 10,816,231	\$ 11,829,676	\$ 11,829,676	\$ 11,736,797	\$ 11,736,797
Contractual Services	7,048,100	8,082,242	7,616,127	10,257,297	7,467,867
Commodities	1,138,155	1,330,810	1,114,695	2,906,625	1,117,195
Capital Outlay	1,053,343	1,153,114	1,153,114	1,085,515	1,085,515
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 20,055,829</i>	<i>\$ 22,395,842</i>	<i>\$ 21,713,612</i>	<i>\$ 25,986,234</i>	<i>\$ 21,407,374</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	4,599	0	0	0	0
TOTAL	\$ 20,060,428	\$ 22,395,842	\$ 21,713,612	\$ 25,986,234	\$ 21,407,374
Financing:					
State General Fund	\$ 2,068,059	\$ 2,588,387	\$ 2,247,272	\$ 4,469,556	\$ 2,180,126
All Other Funds	17,992,369	19,807,455	19,466,340	21,516,678	19,227,248
TOTAL	\$ 20,060,428	\$ 22,395,842	\$ 21,713,612	\$ 25,986,234	\$ 21,407,374
FTE Positions	188.0	188.0	188.0	188.0	188.0

The **agency** requests a FY 2020 revised estimate that includes supplemental requests for force protection, deferred maintenance, and rehabilitation and repair.

The **Governor** recommends the agency's FY 2020 supplemental requests for force protection, deferred maintenance, and rehabilitation and repair, but reclassifies deferred maintenance and rehabilitation and repair as capital improvements expenditures in FY 2020.

The **agency** requests FY 2021 operating expenditures totaling \$26.0 million, including \$4.5 million from the State General Fund, for the Infrastructure program. This is an all funds increase of \$3.6 million, or 16.0 percent, and a State General Fund increase of \$1.9 million, or 72.7 percent, above the FY 2020 revised estimate. The increase is primarily due to the agency's FY 2021 enhancement requests for deferred maintenance and rehabilitation and repair. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests expenditures of \$11.7 million, including \$649,668 from the State General Fund, to fund 188.0 FTE positions for FY 2021. The request is an all funds decrease of \$92,879, or 0.8 percent, and a State General Fund decrease of \$3,070, or 0.5 percent, below the FY 2020 revised estimate. Primary expenditure decreases occur in fringe benefits, with a partially offsetting increase for employer contributions to group health insurance (\$56,082);
- **Contractual Services.** The agency requests expenditures of \$10.3 million, including \$2.7 million from the State General Fund, for FY 2021. The request is an all funds increase of \$2.2 million, or 26.9 percent, and a State General Fund increase of \$1.2 million, or 74.9 percent, above the FY 2020 revised estimate. Primary expenditure increases occur as part of the agency's enhancement requests for deferred maintenance and for rehabilitation and repair for FY 2021. Contractual services expenditures include rent, travel and subsistence, fees for consulting/computer/other services, security background checks, and travel expenditures for training and exercises;

- **Commodities.** The agency requests expenditures of \$2.9 million, including \$1.1 million from the State General Fund, for FY 2021. The request is an all funds increase of \$1.6 million, or 118.4 percent, and a State General Fund increase of \$789,401, or 267.2 percent, above the FY 2020 revised estimate. The primary increase is due to the agency's enhancement request for deferred maintenance expenditures for FY 2021. Commodities expenditures include stationery and office supplies (fax and copier toner, pens, paper, and envelopes) and professional and scientific supplies (radiological equipment, training videos, handbooks, and reference publications); and
- **Capital Outlay.** The agency requests expenditures of \$1.1 million, including \$20,300 from the State General Fund, for FY 2021. The request is an all funds decrease of \$67,599, or 5.9 percent, and a State General Fund decrease of \$67,599, or 76.6 percent, below the FY 2020 revised estimate. The primary decrease in this category is due to the agency's FY 2020 supplemental request for force protection expenditures that does not reoccur for FY 2021. Capital outlay expenditures include computers, software, and building maintenance.

The **Governor** recommends FY 2021 operating expenditures of \$21.4 million, including \$2.2 million from the State General Fund, for the Infrastructure program. This is an all funds decrease of \$4.6 million, or 17.6 percent, including a State General Fund decrease of \$2.3 million, or 51.2 percent, below the agency's FY 2021 request. The decrease reflects the Governor recommending the agency's enhancement request for rehabilitation and repair and recommending deferred maintenance at the reduced amount of \$2.0 million, including \$1.0 million from the State General Fund (a decrease of \$1.6 million, including \$789,430 from the State General Fund), and reclassifying these expenditures as capital improvements for FY 2021.

D. Disaster Recovery Payments

The agency established the Disaster Recovery Payments program to specifically track expenditures for disaster relief payments. Expenditures included within this program track payments for State-declared disasters and federally declared disasters. Disaster funding for State-only declared disasters is 100.0 percent the responsibility of the State, whereas federally declared disasters (meeting the damage thresholds set by the Federal Emergency Management Agency (FEMA)) are typically funded by 75.0 percent federal funds, with a 25.0 percent non-federal match. The non-federal match for federally declared disasters has historically been provided for with the State providing 10.0 percent and local units of government making up the other 15.0 percent of the non-federal matching funds.

Activities involve the administration of pass-through funds for state and federal emergencies. Although the total amount of this fund can dramatically rise or fall from one year to the next depending on the number of disasters occurring that year, these funds do not benefit or fund agency activities. These funds simply pass-through the agency to finance local, county, and state costs associated with past state or federally declared disasters.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 17.2	\$ 22.5	\$ 22.7	\$ 28.9	\$ 27.3
FTE Positions	N/A	0.0	0.0	0.0	0.0	0.0

DISASTER RECOVERY PAYMENTS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,296,127	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	1,557,897	0	0	0	0
Commodities	293,647	0	0	0	0
Capital Outlay	21,025	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,168,696	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	5,940,616	10,423,236	10,423,236	13,667,354	13,667,354
Other Assistance	13,597,728	18,512,626	18,512,626	13,667,354	13,667,354
TOTAL	\$ 22,707,040	\$ 28,935,862	\$ 28,935,862	\$ 27,334,708	\$ 27,334,708
Financing:					
State General Fund	\$ 3,063,985	\$ 3,404,219	\$ 3,404,219	\$ 3,215,848	\$ 3,215,848
All Other Funds	19,643,055	25,531,643	25,531,643	24,118,860	24,118,860
TOTAL	\$ 22,707,040	\$ 28,935,862	\$ 28,935,862	\$ 27,334,708	\$ 27,334,708
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2021 expenditures totaling \$27.3 million, including \$3.2 million from the State General Fund, for the Disaster Recovery Payments program. This is an all funds decrease of \$1.6 million, or 5.5 percent, and a State General Fund decrease of \$188,371, or 5.5 percent, below the FY 2020 revised estimate. This amount includes payments for seven open disasters, payments for appeals, state active duty, and Emergency Operations Center taskings for FY 2021.

The **Governor** concurs with the agency's FY 2021 request for the Disaster Recovery Payments program.

E. Debt Service

The 2000 Legislature approved the issuance of \$22.0 million in revenue bonds in five increments to fund restoration of the Kansas National Guard armories. The first bonds were issued in November 2000 with the final bonds being issued during 2005. This is a 20-year bonding program.

Subsequently, the 2005 Legislature approved the issuance of an additional \$9.0 million in bonds for armory renovation with three bonds issues of \$3.0 million to be made in FY 2007,

FY 2008, and FY 2009. Each issuance required State Finance Council approval prior to being issued. The agency received approvals and issued the FY 2007 bonds in September 2007, the FY 2008 bonds in September 2008, and then received approval for the final set of bonds at the June 2010 meeting of the State Finance Council.

The 2007 Legislature approved the issuance of \$9.0 million in revenue bonds to construct, equip, and purchase land for the Great Plains Training Center in Salina. These bonds were issued in September 2007. The first debt service payment from the State General Fund was paid in FY 2009, with final expenditures for this set of bonds being made for FY 2020.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures for this program.						
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 241.7	\$ 204.4	\$ 166.1	\$ 162.9	\$ 128.6	\$ 106.7
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

DEBT SERVICE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Armory Bonds	\$ 132,406	\$ 118,165	\$ 118,165	\$ 106,725	\$ 106,725
Great Plains Training Center Bonds	30,504	10,463	10,463	0	0
TOTAL	\$ 162,910	\$ 128,628	\$ 128,628	\$ 106,725	\$ 106,725
Financing:					
State General Fund	\$ 162,910	\$ 128,628	\$ 128,628	\$ 106,725	\$ 106,725
All Other Funds	0	0	0	0	0
TOTAL	\$ 162,910	\$ 128,628	\$ 128,628	\$ 106,725	\$ 106,725

The **agency** requests State General Fund debt service interest payments totaling \$128,628 in FY 2020 and \$106,725 for FY 2021.

Debt service payments for bonds include the following items:

- **Armory Bonds.** The agency requests \$118,165 in FY 2020 and \$106,725 for FY 2021 for debt service interest payments on bonds for the restoration of Kansas National Guard armories; and
- **Great Plains Training Center Bonds.** The agency requests \$10,463 in FY 2020 for the final payment on the Great Plains Training Center bonds.

The **Governor** concurs with the agency's request for debt service payments in FY 2020 and for FY 2021.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Debt Service Principal:				
Armory Bonds	\$ 320,000	\$ 320,000	\$ 160,000	\$ 160,000
GPRT Center Bonds	465,000	465,000	0	0
<i>Subtotal-Debt Service Principal SGF</i>	<i>\$ 785,000</i>	<i>\$ 785,000</i>	<i>\$ 160,000</i>	<i>\$ 160,000</i>
State General Fund Projects:				
Rehabilitation and Repair	\$ 657,775	\$ 657,775	\$ 665,886	\$ 660,000
Life-Health-Safety projects, Crisis City HVAC - Gov. Rec. Reallocation	1,711,275	2,052,390	0	1,505,886
KDEM & SEOC Design	0	0	2,266,435	0
Energy Resilience	43,740	0	84,000	0
<i>Subtotal-SGF Projects</i>	<i>\$ 2,412,790</i>	<i>\$ 2,710,165</i>	<i>\$ 3,016,321</i>	<i>\$ 2,165,886</i>
Special Revenue Fund (SRF) / Federal Fund Projects (FED)				
General Fees Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Joint Force Headquarters Design 2020	1,500,000	1,500,000	0	0
NGB Ops/Maint. R&R Match FED	13,278,903	11,582,468	8,478,800	8,500,000
<i>Subtotal-SRF & FED Projects</i>	<i>\$ 15,028,903</i>	<i>\$ 13,332,468</i>	<i>\$ 8,728,800</i>	<i>\$ 8,750,000</i>
TOTAL	\$ 18,226,693	\$ 16,827,633	\$ 11,905,121	\$ 11,075,886
Financing:				
State General Fund	\$ 3,197,790	\$ 3,495,165	\$ 3,176,321	\$ 2,325,886
All Other Funds	15,028,903	13,332,468	8,728,800	8,750,000
TOTAL	\$ 18,226,693	\$ 16,827,633	\$ 11,905,121	\$ 11,075,886

FY 2020 – Current Year. The agency requests a revised estimate for capital improvements totaling \$18.2 million, including \$3.2 million from the State General Fund, in FY 2020. The FY 2020 revised estimate includes one supplemental request for the design of a new Joint Force Headquarters (JFHQ) at Forbes Field in Topeka. The FY 2020 revised estimate is composed of the following:

- **State General Fund.** The FY 2020 revised estimate includes \$785,000 for debt service principal expenditures, \$657,775 for rehabilitation and repair expenditures, \$1.7 million for the expenditure of a reappropriation of FY 2019 funding added for life-health-safety projects and Crisis City HVAC replacement that were initially added in FY 2019, and \$43,740 for energy resilience projects; and

- **All Other Funds.** The FY 2020 revised estimate includes \$15.0 million, including \$14.8 million from federal funds, for rehabilitation and repair (\$13.3 million) and the design costs for a new JFHQ building (\$1.5 million) planning to be constructed at Forbes Field in Topeka.

State General Fund capital improvement projects included in the FY 2020 revised estimate are as follows:

- **Debt Service Principal.** The agency requests \$785,000 for principal payment on armory renovation bonds, which have an outstanding principal balance of \$1,905,000 as of June 30, 2020;
- **Rehabilitation and Repair.** The agency requests \$657,775 for rehabilitation and repair in FY 2020. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of a 25.0 percent state match on readiness centers (armories). This FY 2020 rehabilitation and repair amount includes the agency's base request of \$166,431 and supporting operations account funding of \$491,344;
- **Life-Health-Safety Projects and Crisis City HVAC reappropriations.** The agency budget includes the expenditure of \$1.7 million in funding that was approved in FY 2019 and has reappropriated to FY 2020, for Life-Health-Safety Projects and Crisis City HVAC construction. The agency states a vast majority of Army National Guard facilities were constructed in the 1940s and 1950s when requirements were not as established as they are today, and many facilities still need components in order to meet federal, state, and local requirements. Requirements examples to be met include fire suppression systems and Americans with Disabilities Act compliance. Crisis City funding was added for the construction of an HVAC supply system at the Crisis City Training Facility outside Salina; and
- **Energy Resilience.** The agency requests a supplemental for \$2.0 million, including \$43,740 from the State General Fund, for Energy Resilience projects. The agency notes these projects include installing direct digital HVAC controls (DDC) at six locations, and standby emergency generators at four other locations. DDCs are expected to save 20.0 percent annually on energy costs per facility. Standby emergency generators increase a facility's energy resilience, and better prepares the facility for use as an emergency management center in the case of severe weather or natural disasters.

Special revenue fund capital improvements projects included in the FY 2020 revised estimate are as follows:

- **Joint Force Headquarters.** The agency requests \$1.5 million, all from Federal Funds, for the design of a new JFHQ building at Forbes Field in Topeka in FY 2020. The cost of the project is estimated at \$16.5 million, all from federal funds. The project will be built on federal land and will not require any type of state funding match. The facility will consist of approximately 59,000 square feet of JFHQ space and be completed in FY 2024. This space will consolidate multiple JFHQ functions that are currently conducted in multiple facilities. Once the facility is built, it will be supported with 75.0 percent federal funds and 25.0 percent state funds. The agency estimates it will take 18 months for building construction from the time a contract is awarded.

The **Governor** recommends expenditures totaling \$16.8 million, including \$3.5 million from the State General Fund, for capital improvements in FY 2020. This is an all funds decrease of \$1.4 million, or 7.7 percent, and a State General Fund increase of \$297,375, or 9.3 percent, from the agency's FY 2020 revised estimate. The all funds decrease is due to the Governor not recommending the agency's supplemental request for energy resilience projects in FY 2020. The State General Fund increase is due to the Governor recommending the agency's supplemental requests for deferred maintenance, rehabilitation and repair and the Joint Force Headquarters building design in FY 2020. The Governor's recommendation also moves expenditures for deferred maintenance and rehabilitation and repair into capital improvements expenditures.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvements expenditures totaling \$11.9 million, including \$3.2 million from the State General Fund, for FY 2021. The FY 2021 request includes two enhancement requests totaling \$3.8 million, including \$2.4 million from the State General Fund, for the design of a new Kansas Division of Emergency Management (KDEM) and State Emergency Operations Center (SEOC) building and Energy Resilience projects. The FY 2021 request includes:

- **State General Fund.** The FY 2021 request includes \$160,000 for debt service principal expenditures, \$665,886 for rehabilitation and repair expenditures, \$2.3 million for the design of a KDEM and SEOC building, and \$84,000 for energy resilience projects; and
- **All Other Funds.** The FY 2021 request includes \$8.7 million, including \$8.5 million from federal funds, for rehabilitation and repair (\$13.3 million) and the design costs for a new JFHQ building (\$1.5 million) planning to be constructed at Forbes Field in Topeka. Once the 59,000 square foot facility is constructed, it will become supported at the matching rate of 75.0 percent federal funds to 25.0 percent state funds.

State General Fund capital improvement projects included in the FY 2021 request are as follows:

- **Debt Service Principal.** The agency requests \$160,000, for principal payment on armory renovation bonds;
- **Rehabilitation and Repair.** The agency requests \$665,886 for rehabilitation and repair for FY 2021. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of 25.0 percent state match on readiness centers (armories). This FY 2021 rehabilitation and repair amount includes the agency's base request of \$166,431 and supporting operations account funding of \$499,455;
- **KDEM and SEOC Design.** The agency requests an enhancement of \$2.3 million, all from the State General Fund, for the design of a new KDEM and SEOC building for FY 2021. The agency states the building is to be located on or adjacent to the grounds of the Kansas National Guard 190th Refueling Wing at Forbes Field in Topeka. It will house the KDEM and will include a new SEOC and related supporting spaces. The project will also include all necessary facility

support, such as parking, emergency power generation, and key communication systems. The agency estimates the construction phase would take approximately 18 months; and

- **Energy Resilience.** The agency request includes an enhancement request for \$1.6 million, including \$84,000 from the State General Fund, for energy resilience projects. The agency notes these projects include installing direct digital HVAC controls (DDC) at nine locations, and standby emergency generators at two other locations. DDCs are expected to save 20.0 percent annually on energy costs per facility. Standby emergency generators increase a facility's energy resilience, and better prepares the facility for use as an emergency management center in the case of severe weather or natural disasters.

The **Governor** recommends expenditures totaling \$11.1 million, including \$2.3 million from the State General Fund, for capital improvements for FY 2021. This is an all funds decrease of \$829,235, or 7.0 percent, and a State General Fund decrease of \$850,435, or 26.8 percent, below the agency's FY 2021 request. The Governor recommends the agency's enhancement request for rehabilitation and repair, and reduces the amount requested for deferred maintenance. The Governor's recommendation also moves expenditures for deferred maintenance and rehabilitation and repair into capital improvements. The Governor does not recommend the agency's enhancement requests for the Kansas Division of Emergency Management and State Emergency Operations Center design or energy Resilience projects for FY 2021.

KANSAS HIGHWAY PATROL

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	90,727,107	91,721,750	91,721,750	114,804,698	106,494,698
<i>Subtotal</i>	<u>\$ 90,727,107</u>	<u>\$ 91,721,750</u>	<u>\$ 91,721,750</u>	<u>\$ 114,804,698</u>	<u>\$ 106,494,698</u>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	277,286	1,393,134	1,393,134	1,940,310	1,940,310
<i>Subtotal</i>	<u>\$ 277,286</u>	<u>\$ 1,393,134</u>	<u>\$ 1,393,134</u>	<u>\$ 1,940,310</u>	<u>\$ 1,940,310</u>
TOTAL	<u>\$ 91,004,393</u>	<u>\$ 93,114,884</u>	<u>\$ 93,114,884</u>	<u>\$ 116,745,008</u>	<u>\$ 108,435,008</u>

Percentage Change:

Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	5.1	1.1	1.1	25.2	16.1
FTE Positions	937.0*	880.0	880.0	880.0	880.0

*FY 2019 FTE positions include 57.0 FTE positions, which are Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. This is a technical error. The actual FTE number should reflect 880.0.

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The mission of the Kansas Highway Patrol (KHP) is to provide protection of life and property through the enforcement of traffic, criminal, and other laws of Kansas and supporting homeland security initiatives. Other services provided by KHP include training to law enforcement officers for the detection and apprehension of drunk drivers, motorist assistance, title inspection for cars being titled for the first time in Kansas, and the Motor Carrier Assistance program. The agency operates the KHP Training Academy in Salina to provide training for new recruits and continuing education for KHP sworn officers. The agency also works to reduce the number of oversized, overweight, and/or unsafe commercial vehicles through the Motor Carrier Inspection program.

MAJOR ISSUES FROM PRIOR YEARS

The **2011 Legislature** took the following actions affecting the agency:

- Passed Senate Sub. for HB 2014, which authorized and directed the agency to pay from the KHP Operations Fund amounts for medical expenses of a prisoner

in custody totaling \$125,416 to the Kansas University Physicians, Inc., and the University of Kansas Hospital Authority;

- Approved the transfer of \$1.6 million from the agency's Motor Vehicle Fund to the State General Fund for FY 2012 as part of the agency's reduced resources budget; and
- Approved reducing the agency's FTE limitation by 8.0 vacant FTE positions from 859.0 to 851.0 FTE positions for FY 2012.

The **2012 Legislature** took the following actions affecting the agency:

- Added \$215,326, all from special revenue funds, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013; and
- Transferred \$627,766 from the State General Fund to the KHP Operations Fund for FY 2013, and raised the expenditure limit on the KHP Operations Fund by that amount to provide for a payout for accumulated holiday and overtime hours. Language stating the money may only be spent on the payout for accumulated holiday and overtime hours or the funding will lapse was also added.

The **2013 Legislature** took the following actions affecting the agency:

- Approved up to a 5.0 percent pay increase for all state troopers, excluding the Colonel and Lieutenant Colonel. The increase was funded within existing special revenue funds for FY 2014;
- Appropriated \$1,204,068 from a transfer from the State Highway Fund to the KHP Operations Fund to continue funding for the 5.0 percent pay increase for FY 2015; and
- Added language authorizing the use of federal forfeiture funds for capital improvement at Troop F headquarters for FY 2014 and FY 2015.

The **2014 Legislature** took the following actions affecting the agency:

- Added \$204,598 in FY 2014 and \$208,183 for FY 2015, all from special revenue funds, to provide a 5.0 percent pay increase to individuals in the following classifications: Law Enforcement Officer I, II, and III, and Public Service Executive II. This increase is not an increased transfer from the Highway Fund; it is self-funded within the existing budget; and
- Transferred \$1.0 million, all from the Vehicle Identification Number (VIN) Fee Fund, to the State General Fund for FY 2015.

The **2015 Legislature** took the following actions affecting the agency:

- Added additional capital improvements expenditures totaling \$631,300, all from special revenue funds, for the replacement of the east and west retaining walls at the Training Academy in Salina in FY 2015;

- Added \$292,740, all from special revenue funds, for labor, materials, and equipment to re-pipe the supply and return water mains on all three levels of the dormitory at the Training Academy in Salina in FY 2015;
- Added \$559,980, all from federal forfeiture funds, for unanticipated expenditures related to the construction of Troop F headquarters in FY 2015. This funding is composed of 1) \$324,980, as a 10.0 percent contingency for unanticipated expenditures that may arise during the construction of the site, and 2) \$235,000 to procure paving services for the site in FY 2015;
- Added \$535,659, all from special revenue funds, to provide for the agency's newly proposed compensation plan for non-supervisory personnel for FY 2016 and FY 2017. This increase reflects additional federal forfeiture expenditures for FY 2016 and FY 2017; and
- Deleted \$2.2 million for FY 2016 and \$2.3 million for FY 2017, all from special revenue funds, for a 4.0 percent reduction to agency operations.

The **2016 Legislature** took the following actions affecting the agency:

- Transferred \$56,223 from the unspent FY 2015 ending balance of the KHP Operations Fund to the State General Fund in FY 2016;
- Added \$3.0 million, all from federal forfeiture funds, to move capital improvement projects approved by the 2015 Legislature in FY 2015 into FY 2016. These capital improvements projects included the remaining construction obligations on Troop F headquarters in Kechi (\$1.4 million) and two projects for the Training Academy in Salina. The projects in Salina include replacement of water mains on all three levels of the dormitory (\$753,800) and replacement of the east and west retaining walls (\$783,264). The agency was approved for expenditure increases to both of the Training Academy projects from the amounts originally approved by the 2015 Legislature;
- Deleted 5.0 FTE positions to accurately reflect the agency's reclassification of 5.0 positions from the classified service to the unclassified service in the Operations Support program in FY 2016 and for FY 2017;
- The approved FY 2017 budget includes increases reflective of the agency's institution of the new pay plan proposed during the 2015 Session. During the 2015 Legislature, proviso language was included to suspend usage restrictions on state forfeiture funds to provide greater flexibility and allow the agency to self-fund a portion of the newly proposed pay plan for non-supervisory personnel in FY 2016 and for FY 2017. The agency's approved FY 2017 budget includes the progression of the pay plan to include supervisory ranks calculated as of June 30, 2017, with an effective date of July 2016. The agency estimated the additional cost of the pay increase to total \$4.8 million, all from special revenue funds, for FY 2017;
- Passed HB 2696, which, among other actions, created the KHP Staffing and Training Fund and added a new \$2.00 nonrefundable surcharge to each vehicle

registration fee to be deposited into the Fund. The bill also contained language stating that moneys deposited into the Fund must only be used for the purposes set forth in the law creating the Fund. The fiscal note on the bill estimated the new \$2.00 surcharge on vehicle registrations would generate approximately \$5.4 million to the Fund for the staffing and training of the KHP. This estimation was based on 2.7 million vehicle registrations in calendar year 2015; and

- Passed House Sub. for SB 249, which appropriated the KHP Staffing and Training Fund as a no limit fund for FY 2017.

The **2017 Legislature** took the following actions affecting the agency:

- Added \$35,000, all from special revenue funds, for one-time expenditures to replace security cameras at Cedar Crest in FY 2017;
- Added \$245,900, all from special revenue funds, to replace heating, ventilation, and air conditioning (HVAC) controls at Troop J/C/M in FY 2017;
- Transferred \$5,504, all from the KHP Operating Fund to the State General Fund, which reflects the information technology savings certified under 2015 House Sub. for SB 112, Sec. 80(s)(1);
- Added \$252,172, all from federal funds, for the construction of a new storage building at Troop F headquarters in Kechi for FY 2018;
- Added \$170,775, all from special revenue funds, for the replacement of a boiler and water heater in the Gym Building at the Training Academy in Hutchinson for FY 2018;
- Added \$537,625, all from special revenue funds, to remove the boiler and replace HVAC controls at the Power Plant Building at the Training Academy in Hutchinson for FY 2018; and
- Added \$354,509, all from special revenue funds, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For the KHP, this amount provides for non-enforcement employees.

The **2018 Legislature** took the following actions affecting the agency:

- Added \$250,000, all from the KHP Operations Fund, to acquire a use-of-force training simulator for the KHP Training Academy in FY 2018. The Legislature also added language transferring this amount from the State Highway Fund and included language that if the agency is able to acquire any grants for this purchase, the current amount added and the transfer from the State Highway Fund must be reduced by the aggregate amount of any such grants in FY 2018;

- Added \$213,343, all from special revenue funds, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018. The Legislature excluded employees assigned to a trooper or officer classification of the KHP for FY 2019, as these positions are specifically provided for under a separate KHP pay matrix;
- Added \$252,172, all from federal funds, for the construction of a new storage building at Troop F headquarters in Kechi for FY 2018. The building will be 120 feet by 60 feet and have 6 garage bay doors. The agency anticipates using the building to store the bomb truck and containment vessel, Kansas Bureau of Investigation crime scene truck, BearCat armored vehicle, convincer, roll-back truck, lawn equipment, and additional storage;
- Added \$708,400, all from special revenue funds, for two FY 2018 projects at the Training Academy. This amount includes funding for replacement of a boiler and water heater in the Gym Building (\$170,775, all from the VIN Fee Fund) and to remove the boiler and replace HVAC controls at the Power Plant Building (\$537,625, all from the KHP Training Center Fund);
- Added \$252,172, all from federal funds, for the construction of a new storage building at Troop E headquarters in Garden City for FY 2019. The building will be 120 feet by 60 feet and have 6 garage bay doors and be built on land owned by the Kansas Department of Transportation. The agency anticipates using the building to store a bomb truck, BearCat armored vehicle, regional response trailer, truck used to pull trailers, and containment vessel trailer; and
- Added \$536,088, all from special revenue funds, for two FY 2019 projects at the Training Academy. This amount includes funding for Troop J—replacement of and upgrading security and access system (\$220,666, all from the VIN Fee Fund) and Troop J—shooting range improvements to install concrete and replace barriers at the Troop J shooting range (\$63,250, all from the Highway Patrol Training Center Fund).

The **2019 Legislature** took the following actions affecting the agency:

- Added \$150,133, all from special revenue funds, and authorized the purchase of three new x-ray systems for Statehouse security. This includes two x-ray machines in the visitor center and one x-ray machine in the docking bay in FY 2019;
- Added proviso language allowing part-time officers who have resigned with satisfactory performance, as determined by the superintendent, to buy their sidearm and a trigger lock in FY 2019;
- Added \$233,131, all from the Kansas Highway Patrol Operations Fund (sourced by a transfer from the State Highway Fund), for additional information technology modernization funding for FY 2020; and
- Added \$502,827, all from special revenue funds, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a FY 2020 revised estimate for total agency expenditures of \$93.1 million, all from special revenue funds. This is an increase of \$4.1 million, or 4.6 percent, above the FY 2020 approved amount. The FY 2020 revised estimate includes 880.0 FTE positions, which is a decrease of 57.0 FTE positions below the approved number. This decrease was a technical error in the FY 2020 approved budget, which included Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. The FY 2020 revised estimate is composed of \$91.7 million of operating expenditures and \$1.4 million of capital improvements expenditures. The increase above the FY 2020 approved amount includes \$3.6 million from operating expenditures and \$476,420 from capital improvements.

The agency estimates revised FY 2020 capital improvements expenditures totaling \$1.4 million, all from special revenue funds. This amount includes \$889,669 for rehabilitation and repair projects, \$201,600 for scale repair and replacement, and \$300,653 for new construction.

The **Governor** concurs with the agency's FY 2020 revised estimate for total agency expenditures.

FY 2021 – Budget Year. The **agency** requests a FY 2021 operating budget of \$114.8 million, all from special revenue funds, which is an increase of \$23.1 million, or 25.2 percent, above the FY 2020 revised estimate. This increase primarily reflects the agency's enhancement requests for the replacement of law enforcement assets and executive aircraft replacement. The FY 2021 request includes 880.0 FTE positions, which is no change from the agency's FY 2020 revised estimate.

The agency requests FY 2021 capital improvements expenditures totaling \$1.9 million, all from special revenue funds. This amount includes \$231,510 for rehabilitation and repair projects, \$206,400 for scale repair and replacement, and \$1.5 million for new construction projects.

The **Governor** recommends operating expenditures totaling \$106.5 million, all from special revenue funds, for FY 2021. This is an all funds decrease of \$8.3 million, or 7.2 percent, below the agency's FY 2021 request. The decrease is due to the Governor recommending less for the agency's enhancement requests for replacement aircraft for FY 2021. The Governor recommends a one-time transfer of \$14.5 million, all from the State Highway Fund, to purchase two helicopters, one single-engine airplane, and forward-looking infrared radar on an existing single-engine airplane for law enforcement operations. The Governor does not recommend changing the transfer of \$600,000 from the fleet fund to the aircraft fund on-budget, for the support of aircraft operations. The Governor also does not recommend a one-time transfer to replace the executive aircraft in FY 2021, nor the change to the transfer from the fleet fund to the aircraft fund on-budget, for the support of this aircraft.

The Governor concurs with the agency's FY 2021 request for capital improvements expenditures.

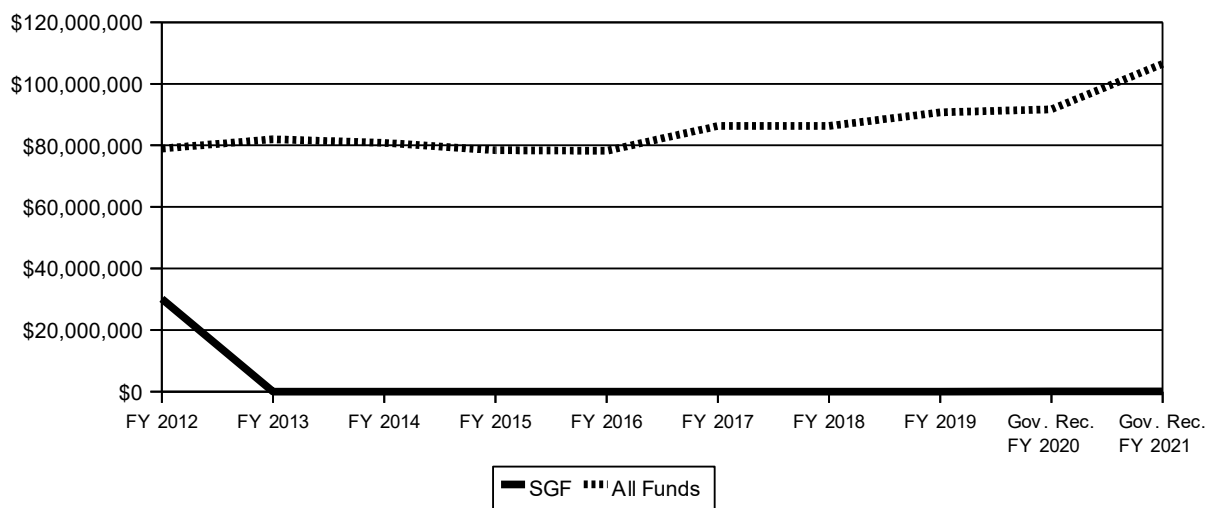
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Miles Patrolled (In Millions)	11.0	12.3	12.8	12.3	12.8	12.8
Percent of Fatalities Per 100 Million Miles Traveled	1.1 %	1.2 %	1.0 %	1.2 %	1.0 %	1.0 %
Number of Felony Arrests	N/A	230	200	155	200	200
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 87.3	\$ 87.9	\$ 86.3	\$ 91.0	\$ 93.1	\$ 108.4
FTE Positions	881.0	881.0	937.0	937.0*	880.0	880.0
*FY 2019 FTE positions include 57.0 FTE positions, which are Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. This is a technical error. The actual FTE number should reflect 880.0.						

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 30,117,709	(5.6)%	\$ 78,966,265	(9.0)%	875.0
2013	0	(100.0)	81,993,441	3.8	875.0
2014	0	--	80,842,665	(1.4)	887.0
2015	0	--	78,428,718	(3.0)	885.0
2016	0	--	78,221,254	(0.3)	886.0
2017	0	--	86,282,837	10.3	881.0
2018	0	--	86,297,857	0.0	881.0
2019	0	--	90,727,107	5.1	937.0*
2020 Gov. Rec.	0	--	91,721,750	1.1	880.0
2021 Gov. Rec.	0	--	106,494,698	16.1	880.0
Ten-Year Change Dollars/Percent	\$ (30,117,709)	(100.0)%	\$ 27,528,433	34.9 %	5.0

*FY 2019 FTE positions include 57.0 FTE positions, which are Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. This is a technical error. The actual FTE number should reflect 880.0.

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	7,501,556	\$ 8,017,738	\$ 7,555,936	\$ (461,802)	(5.8) %	\$ 8,017,738	\$ 7,555,936	\$ (461,802)	(5.8) %
Operations Support		54,117,282	55,496,387	56,135,406	639,019	1.2	55,496,387	56,135,406	639,019	1.2
Aircraft Operations		2,460,176	2,351,863	25,131,361	22,779,498	968.6	2,351,863	16,821,361	14,469,498	615.2
Fleet		9,038,766	7,796,555	7,806,377	9,822	0.1	7,796,555	7,806,377	9,822	0.1
VIN		3,372,757	3,708,893	3,749,457	40,564	1.1	3,708,893	3,749,457	40,564	1.1
Motorist Assistance		1,273,721	1,507,069	1,535,163	28,094	1.9	1,507,069	1,535,163	28,094	1.9
Capitol Police		1,616,985	1,521,689	1,527,811	6,122	0.4	1,521,689	1,527,811	6,122	0.4
Homeland Security		3,534,943	3,460,637	3,462,320	1,683	0.0	3,460,637	3,462,320	1,683	0.0
Motor Carrier Inspection		3,823,631	3,707,804	3,737,936	30,132	0.8	3,707,804	3,737,936	30,132	0.8
Turnpike Patrol		3,987,290	4,153,115	4,162,931	9,816	0.2	4,153,115	4,162,931	9,816	0.2
Debt Service		0	0	0	0	--	0	0	0	--
TOTAL	\$	90,727,107	\$ 91,721,750	\$ 114,804,698	\$ 23,082,948	25.2 %	\$ 91,721,750	\$ 106,494,698	\$ 14,772,948	16.1 %
By Major Object of Expenditure:										
Salaries and Wages	\$	64,132,468	\$ 67,791,253	\$ 67,792,488	\$ 1,235	0.0 %	\$ 67,791,253	\$ 67,792,488	\$ 1,235	0.0 %
Contractual Services		8,318,447	7,507,986	8,059,564	551,578	7.3	7,507,986	7,353,994	(153,992)	(2.1)
Commodities		6,182,828	5,349,043	6,513,353	1,164,310	21.8	5,349,043	5,824,748	475,705	8.9
Capital Outlay		9,266,869	8,373,468	29,739,293	21,365,825	255.2	8,373,468	22,823,468	14,450,000	172.6
Debt Service		0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$</i>	<i>87,900,612</i>	<i>\$ 89,021,750</i>	<i>\$ 112,104,698</i>	<i>\$ 23,082,948</i>	<i>25.9 %</i>	<i>\$ 89,021,750</i>	<i>\$ 103,794,698</i>	<i>\$ 14,772,948</i>	<i>16.6 %</i>
Aid to Local Units		2,788,469	2,700,000	2,700,000	0	0.0	2,700,000	2,700,000	0	0.0
Other Assistance		38,026	0	0	0	--	0	0	0	--
TOTAL	\$	90,727,107	\$ 91,721,750	\$ 114,804,698	\$ 23,082,948	25.2 %	\$ 91,721,750	\$ 106,494,698	\$ 14,772,948	16.1 %
Financing:										
State General Fund	\$	0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
KHP Operations		52,599,994	53,050,445	53,329,416	278,971	0.5	53,050,445	67,779,416	14,728,971	27.8
KHP Staffing & Training		4,548,531	8,407,753	8,082,042	(325,711)	(3.9)	8,407,753	8,082,042	(325,711)	(3.9)
VIN Fee Fund		4,146,874	3,876,808	4,034,736	157,928	4.1	3,876,808	4,034,736	157,928	4.1
KHP Motor Vehicle Fund		7,131,666	5,876,634	5,876,635	1	0.0	5,876,634	5,876,635	1	0.0
Patrol of KS Turnpike		3,987,290	4,153,115	4,162,931	9,816	0.2	4,153,115	4,162,931	9,816	0.2
Federal Funds		12,533,984	11,685,166	11,778,951	93,785	0.8	11,685,166	11,778,951	93,785	0.8
All Other Funds		5,778,768	4,671,829	27,539,987	22,868,158	489.5	4,671,829	4,779,987	108,158	2.3
TOTAL	\$	90,727,107	\$ 91,721,750	\$ 114,804,698	\$ 23,082,948	25.2 %	\$ 91,721,750	\$ 106,494,698	\$ 14,772,948	16.1 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	89,024,715	93,114,884	4,090,169	93,114,884	4,090,169
TOTAL	\$ 89,024,715	\$ 93,114,884	\$ 4,090,169	\$ 93,114,884	\$ 4,090,169
FTE Positions	937.0	880.0	(57.0)	880.0	(57.0)

The **agency** requests a FY 2020 revised estimate for total agency expenditures of \$93.1 million, all from special revenue funds. This is an increase \$4.1 million, or 4.6 percent, above the FY 2020 approved amount. The FY 2020 revised estimate includes 880.0 FTE positions, which is a decrease of 57.0 FTE positions below the approved number. This decrease was a technical error in the FY 2020 approved budget, which included Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. The FY 2020 revised estimate is composed of \$91.7 million of operating expenditures and \$1.4 million of capital improvements expenditures. The increase above the FY 2020 approved amount includes \$3.6 million from operating expenditures and \$476,420 from capital improvements. Expenditures increases from the approved amount are further detailed as follows:

- **Salaries and Wages.** The agency's FY 2020 revised estimate includes \$67.8 million, which is an increase of \$1.5 million, or 2.3 percent, above the amount approved by the 2019 Legislature. Primary increases occur in holiday pay (\$2.0 million), employer contributions to group health insurance (\$455,747), police and firemen retirement (\$265,572), and overtime pay (\$303,660). These increases are partially offset by a decrease in classified regular pay (\$1.6 million);
- **Contractual Services.** The agency's FY 2020 revised estimate includes \$7.5 million, which is an increase of \$607,347, or 8.8 percent, above the FY 2020 approved amount. Major increases occur in building space rental (\$338,796) and cellular phones (\$280,211);
- **Commodities.** The agency's FY 2020 revised estimate includes \$5.3 million, which is an increase of \$547,938, or 11.4 percent, above the FY 2020 approved amount. Major increases occur in vehicle parts and supplies (\$447,973), other supplies and materials (\$97,467), personal protective equipment (\$89,229), aircraft fuel (\$89,250), and buildings and grounds materials (\$76,644). These increases are partially offset by a decrease to budgeted gasoline expenditures (\$253,666);

- **Capital Outlay.** The agency's FY 2020 revised estimate includes \$8.4 million, which is an increase of \$199,024, or 2.4 percent, above the FY 2020 approved amount. There is a change adjusting expenditures from trucks to passenger cars. The agency states orders placed for trucks have been delayed, and in order to maintain vehicles in the agency's Fleet program, these orders have been canceled and replaced with passenger cars; and
- **Aid to Local Units of Government.** The agency's FY 2020 revised estimate includes \$2.7 million, which is an increase of \$760,000, or 39.2 percent, above the FY 2020 approved amount. Projected expenditures in this category are for qualifying Homeland Security expenditures and protection projects.

The agency's FY 2020 revised estimate for capital improvements expenditures totals \$1.4 million, all from special revenue funds, as detailed in the capital improvements section of this analysis.

The **Governor** concurs with the agency's FY 2020 revised estimate for total agency expenditures.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 114,804,698	\$ 106,494,698	\$ (8,310,000)
FTE Positions	880.0	880.0	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 0	\$ 0	
All Other Funds	23,082,948	14,772,948	
TOTAL	\$ 23,082,948	\$ 14,772,948	
<i>Percent Change:</i>			
State General Fund	0.0 %	0.0 %	
All Other Funds	25.2	16.1	
TOTAL	25.2 %	16.1 %	
Change in FTE Positions	0.0	0.0	

The **agency** requests a FY 2021 operating budget of \$114.8 million, all from special revenue funds, which is an increase of \$23.1 million, or 25.2 percent, above the FY 2020 revised estimate. This increase primarily reflects the agency's enhancement requests for the replacement of law enforcement assets and executive aircraft replacement. The FY 2021 request includes 880.0 FTE positions, which is no change from agency's FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The FY 2021 request includes \$67.8 million, which is an increase of \$1,235, or less than 0.1 percent, above the FY 2020 revised estimate. This increase is within classified regular pay (\$226,863) and longevity payments (\$15,360). These increases are partially offset by decreases in employer contributions to group health insurance and police and firemen retirement expenditures;
- **Contractual Services.** The FY 2021 request includes \$8.1 million, which is an increase of \$551,578, or 7.3 percent, above the FY 2020 revised estimate. The major increases are due to the contractual services portion of the agency's enhancement requests for Law Enforcement Asset Replacement (\$632,580) and Executive Aircraft Replacement (\$72,990) for FY 2021;
- **Commodities.** The FY 2021 request includes \$6.5 million, which is an increase of \$1.2 million, or 21.8 percent, above the FY 2020 revised estimate. The major increases are due to commodities included in the agency's enhancement requests for Law Enforcement Asset replacement (\$617,370) and Executive Aircraft replacement (\$71,235), as well as increases for uniform expenditures (\$412,188);

- **Capital Outlay.** The FY 2021 request includes \$29.7 million, which is an increase of \$21.3 million, or 255.2 percent, above the FY 2020 revised estimate. The major increases are due to the capital outlay portion of the agency's enhancement requests for Law Enforcement Asset replacement (\$14.5 million) and Executive Aircraft replacement (\$6.9 million) for FY 2021; and
- **Aid to Local Units of Government.** The FY 2021 request includes \$2.7 million, which is no change from the FY 2020 revised estimate.

The **Governor** recommends operating expenditures totaling \$106.5 million, all from special revenue funds, for FY 2021. This is an all funds decrease of \$8.3 million, or 7.2 percent, below the agency's FY 2021 request. The decrease is due to the Governor recommending less for the agency's enhancement requests for replacement aircraft for FY 2021. The Governor recommends a one-time transfer of \$14.5 million, all from the State Highway Fund, to purchase two helicopters, one single-engine airplane, and forward-looking infrared radar on an existing single-engine airplane for law enforcement operations. The Governor does not recommend changing the transfer of \$600,000 from the fleet fund to the aircraft fund on-budget, for the support of aircraft operations. The Governor also does not recommend a one-time transfer to replace the executive aircraft in FY 2021, nor the change to the transfer from the fleet fund to the aircraft fund on-budget, for the support of aircraft operations.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
LE Asset Replacement	\$ 0	\$ 15,750,000	0.0	\$ 0	\$ 14,450,000	0.0
Executive Aircraft Replacement	0	7,010,000	0.0	0	0	0.0
TOTAL	\$ 0	\$ 22,760,000	0.0	\$ 0	\$ 14,450,000	0.0

The **agency** requests enhancements totaling \$22.8 million, all from special revenue funds, for FY 2021. Enhancements include the following.

Law Enforcement (LE) Asset Replacement. The agency requests \$15.8 million, all from special revenue funds, for the purchase of two new helicopters for \$11.0 million (\$5.5 million per helicopter), one multi-purpose single-engine airplane for \$4.8 million, and the upgrade of FLIR (Forward Looking Infrared Radar) on the 2012 Cessna 206 (\$650,000) for FY 2021. This would include the trade-in of three current agency aircraft for a credit of \$2.0 million (Bell 407/1998 Cessna/1978 Cessna). The agency's request would require the provision of a funding source for this enhancement to occur. Initial plans involved a transfer from the State Highway Fund to support this enhancement.

Also included in this enhancement is the agency's request to provide an annual appropriation to sustain aircraft operations (\$1.3 million). There is currently a proviso that transfers \$600,000 from the KHP Motor Vehicle Fleet Fund (KHPMVF Fund) to the air support unit. The agency requests the current transfer no longer occur and remain to the support of the KHPMVF Fund, but that a new source of funding be provided to a newly created Aircraft Fund in order to support aircraft operations at \$1.3 million annually, which is included as part of this requested amount for FY 2021.

The **Governor** recommends a one-time transfer of \$14.5 million, all from the State Highway Fund, to purchase two helicopters, one single-engine airplane, and forward-looking infrared radar on an existing single-engine airplane for law enforcement operations. The Governor also does not recommend changing the the transfer of \$600,000 from the fleet fund to the aircraft fund-on budget, for the support of aircraft operations.

Executive Aircraft Replacement. The agency requests \$7.0 million, all from special revenue funds, for the purchase of a new executive aircraft for FY 2021. The agency states the current King Air 350, FL-323 would be traded in (\$1.7 million) towards the purchase of a new Citation CJ3+ (\$8.6 million). Also included in this enhancement request is the agency's request for an annual appropriation of \$150,000 to the newly created Aircraft Fund to support maintenance for ongoing upkeep and maintenance of the executive aircraft.

The **Governor** does not recommend a one-time transfer to replace the executive aircraft in FY 2021. The Governor does not recommend changing the transfer of \$600,000 from the fleet fund to the aircraft fund on-budget for the support of aircraft operations.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$502,827, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$340,600, all from special revenue funds, and FY 2021 longevity payments total \$355,960, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	0.0 %	0.0 %
KHP Operations Fund	46.5	63.7
Staffing and Training Fund	7.0	7.6
VIN Fee Fund	3.5	3.8
KS Highway Patrol Motor Vehicle Fund	5.1	5.5
Patrol of the KS Turnpike Fund	3.6	3.9
Federal Fund	10.3	11.1
All Other Funds	24.0	4.5
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

KHP Staffing and Training Fund Analysis

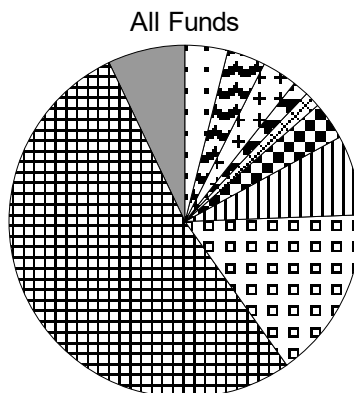
The 2016 Legislature passed HB 2696, which created the Kansas Highway Patrol Staffing and Training Fund and added a new \$2.00 nonrefundable surcharge to each vehicle registration fee to be deposited into the Fund. The bill also contained language stating moneys deposited into the Fund may only be used for the purposes set forth in the law creating the Fund. The Kansas Highway Patrol Staffing and Training Fund was appropriated as a no limit fund for FY 2017 by 2016 House Sub. for SB 249.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 8,303,171	\$ 9,899,359	\$ 9,899,359	\$ 7,631,606	\$ 7,631,606
Revenue	6,144,719	6,140,000	6,140,000	6,140,000	6,140,000
Transfers in	0	0	0	0	0
Funds Available	\$ 14,447,890	\$ 16,039,359	\$ 16,039,359	\$ 13,771,606	\$ 13,771,606
Less:					
Expenditures	\$ 4,548,531	\$ 8,407,753	\$ 8,407,753	\$ 8,082,042	\$ 8,082,042
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 9,899,359	\$ 7,631,606	\$ 7,631,606	\$ 5,689,564	\$ 5,689,564
Ending Balance as Percent of Expenditures	217.6%	90.8%	90.8%	70.4%	70.4%
Month Highest Ending Balance	May \$ 11,200,769	May \$ 12,274,807	May \$ 12,274,807	May \$ 10,294,845	May \$ 10,294,845
Month Lowest Ending Balance	July \$ 8,642,228	July \$ 7,631,606	July \$ 7,631,606	July \$ 5,689,564	July \$ 5,689,564

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



■ Administration	▨ Operations Support	▤ Aircraft Operations	▧ Fleet
▩ Vehicle Identification Number	▦ Motorist Assistance	▥ Capitol Police	▨ Homeland Security
▪ Motor Carrier Inspection	▧ Turnpike Patrol	▩ Debt Service	

Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 7,555,936	7.1 %	\$ 0	-- %
Operations Support	56,135,406	52.7	0	--
Aircraft Operations	16,821,361	15.8	0	--
Fleet	7,806,377	7.3	0	--
Vehicle Identification Number	3,749,457	3.5	0	--
Motorist Assistance	1,535,163	1.4	0	--
Capitol Police	1,527,811	1.4	0	--
Homeland Security	3,462,320	3.3	0	--
Motor Carrier Inspection	3,737,936	3.5	0	--
Turnpike Patrol	4,162,931	3.9	0	--
Debt Service	0	0.0	0	--
TOTAL	\$ 106,494,698	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	87.5	73.5	73.5	73.5	73.5
Operations Support	611.0	571.0	571.0	571.0	571.0
Aircraft Operations	17.0	18.0	18.0	18.0	18.0
Fleet	13.0	10.0	10.0	10.0	10.0
VIN	44.0	43.0	43.0	43.0	43.0
Motorist Assistance	18.0	20.0	20.0	20.0	20.0
Capitol Police	26.0	27.0	27.0	27.0	27.0
Homeland Security	7.0	4.0	4.0	4.0	4.0
Motor Carrier Inspection	60.0	58.0	58.0	58.0	58.0
Turnpike Patrol	48.5	51.5	51.5	51.5	51.5
Debt Service	0.0	0.0	0.0	0.0	0.0
Off-Budget	5.0	4.0	4.0	4.0	4.0
TOTAL	937.0*	880.0	880.0	880.0	880.0
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week. *FY 2019 FTE positions include 57.0 FTE positions, which are Turnpike Patrol positions as well as off-budget Capitol Police positions that are paid for within the budget of those agencies or entities for which services are being provided. This is a technical error. The actual FTE number should reflect 880.0.					

The agency notes salary and wage expenditures in each program include adjustments for automatic re-classifications of certain positions that occurs due to satisfactory performance, years of service, and advanced training received. Additionally, expenditures made on a repeated basis within programs are primarily based upon provided budget indices supplied by the Division of the Budget. The agency applies these budget indices to FY 2020 projections in order to generate a large portion of FY 2020 expenditures and applies budget indices to the FY 2021 projections in order to generate FY 2021 budget projections.

A. Administration

The agency states the Administration program provides leadership and support for the successful operation of KHP law enforcement. This program includes the Superintendent's Office, Fiscal, Legal, Records, Professional Standards Unit, Information Technology, Public and Government Affairs, and human resources services. As part of performance-based budgeting, the agency's information technology function has been combined with this program in FY 2018.

Information Technology Program. This program includes all aspects of information technology within the agency, including dispatch systems, in-car systems, communication devices, reporting and citation systems, and internal support systems, including desktop, fleet, inventory, and remote access. This program has been combined with the Administration program in FY 2018 as part of implementing performance-based budgeting.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Miles Patrolled (In Millions)	11.0	12.5	12.8	12.3	12.8	12.8
Percent of Fatalities Per 100 Million Miles Traveled	1.1 %	1.2 %	1.0 %	1.2 %	1.0 %	1.0 %
Number of Felony Arrests	N/A	230	200	155	200	200
Percent of Injury Accidents Involving Alcohol	7.0 %	6.4 %	6.0 %	6.4 %	6.0 %	6.0 %
Percent of Seat Belt Law Compliance	91.7 %	91.6 %	92.0 %	91.6 %	92.0 %	93.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4.2	\$ 7.4	\$ 7.2	\$ 7.5	\$ 8.0	\$ 7.6
FTE Positions	74.5	74.5	87.5	87.5	73.5	73.5

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,298,811	\$ 5,989,127	\$ 5,989,127	\$ 5,501,170	\$ 5,501,170
Contractual Services	1,754,894	1,698,386	1,698,386	1,699,539	1,699,539
Commodities	271,019	270,361	270,361	295,363	295,363
Capital Outlay	162,009	59,864	59,864	59,864	59,864
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 7,486,733	\$ 8,017,738	\$ 8,017,738	\$ 7,555,936	\$ 7,555,936
Aid to Local Units	0	0	0	0	0
Other Assistance	14,823	0	0	0	0
TOTAL	\$ 7,501,556	\$ 8,017,738	\$ 8,017,738	\$ 7,555,936	\$ 7,555,936
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	7,501,556	8,017,738	8,017,738	7,555,936	7,555,936
TOTAL	\$ 7,501,556	\$ 8,017,738	\$ 8,017,738	\$ 7,555,936	\$ 7,555,936
FTE Positions	87.5	73.5	73.5	73.5	73.5

The **agency** requests FY 2021 expenditures totaling \$7.6 million, all from special revenue funds, for the Administration program. This is a decrease of \$461,802, or 5.8 percent, below the FY 2020 revised estimate. The request includes 73.5 FTE positions, which is no change from the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$5.5 million to fund 73.5 FTE positions. The request is a decrease of \$487,957, or 8.1 percent, below the FY 2020 revised estimate. The agency states this reflects changes to salaries and wages fringe benefits. Major decreases occur in employer contributions for group health insurance (\$487,567), employer contributions to public employee retirement (\$3,853), and police and firemen retirement (\$2,718). These decreases are partially offset by increases to workers compensation (\$4,097) and unemployment compensation (\$1,142);

- **Contractual Services.** The agency requests FY 2021 expenditures of \$1.7 million for contractual services. This request is an increase of \$1,153, or 0.1 percent, above the FY 2020 revised estimate. The primary increase in this category is due to cost increases;
- **Commodities.** The agency requests FY 2021 expenditures of \$295,363 for commodities. The request is an increase of \$25,002, or 9.2 percent, above the FY 2020 revised estimate. Major increases occur in clothing (\$22,191) and gasoline (\$2,803) expenditures; and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$59,864 for capital outlay. The request is no change from the agency's FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Administration program.

B. Operations Support

The KHP Operations Support program performs the agency's main statutory assignment: enforcement of the state's traffic, criminal, and other laws. The program includes a number of subprograms, detailed below.

Breath Alcohol Unit. The Breath Alcohol Unit was created in 1989 with a grant from the National Highway Traffic Safety Administration. The program was created to enhance the detection and apprehension by law enforcement officers of individuals driving under the influence (DUI). This includes educational programs for law enforcement officers, such as DUI Detection/Standardized Field Sobriety Testing and the Drug Recognition Expert program. The program also provides funding for operating checkpoints.

Kansas Highway Patrol Training Academy. Located in Salina, the Kansas Highway Patrol Training Academy provides law enforcement education and training to KHP personnel. Training includes initial education for KHP recruits and the statutorily required 40 hours of continuing education for each KHP sworn officer. The Training Academy also is available to help meet the training needs of other agencies.

Civil Assessment Program. This program was created in FY 2006 as a joint effort with the Kansas Corporation Commission (KCC) to reduce the number of injury and fatality accidents involving commercial motor vehicles. Beginning in 2006, the KCC began assessing civil penalties for motor carriers for out-of-service violations with the issuance of misdemeanor citations by KHP troopers. A biennial transfer of civil assessment penalties is provided to the KHP from the KCC.

Motor Carrier Safety Assistance Program. The duty of the Motor Carrier Safety Assistance Program (MCSAP) is to regulate the commercial traffic traveling on the highways of Kansas. The MCSAP enforces the uniform traffic code and the statutes regulating motor carriers and property, as well as the rules and regulations adopted by the KCC. The program is financed at 85.0 percent from federal funds and 15.0 percent from state funds, with the federal portion on a strict reimbursement basis and the state portion financed by motor carrier fees transferred from the KCC. This program also includes the 100.0 percent federally funded New Entrant program. In FY 2017, grants for High-Priority Media and Troopers on Patrol for Safety also are managed by this unit and provide federal funding for these specific functions.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
The performance measures for this program are included with the Administration program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 59.1	\$ 50.6	\$ 51.4	\$ 54.1	\$ 55.5	\$ 56.1
FTE Positions	571.0	571.0	611.0	611.0	571.0	571.0

OPERATIONS SUPPORT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 43,566,471	\$ 45,856,817	\$ 45,856,817	\$ 46,270,340	\$ 46,270,340
Contractual Services	4,894,780	4,675,285	4,675,285	4,518,206	4,518,206
Commodities	4,152,951	3,565,764	3,565,764	3,948,339	3,948,339
Capital Outlay	1,479,877	1,398,521	1,398,521	1,398,521	1,398,521
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 54,094,079	\$ 55,496,387	\$ 55,496,387	\$ 56,135,406	\$ 56,135,406
Aid to Local Units	0	0	0	0	0
Other Assistance	23,203	0	0	0	0
TOTAL	\$ 54,117,282	\$ 55,496,387	\$ 55,496,387	\$ 56,135,406	\$ 56,135,406
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	54,117,282	55,496,387	55,496,387	56,135,406	56,135,406
TOTAL	\$ 54,117,282	\$ 55,496,387	\$ 55,496,387	\$ 56,135,406	\$ 56,135,406
FTE Positions	611.0	571.0	571.0	571.0	571.0

The **agency** requests FY 2021 expenditures totaling \$56.1 million, all from special revenue funds, for the Operations Support program. The request is an increase of \$639,019, or 1.2 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$46.3 million to fund 571.0 FTE positions. The request is an increase of \$413,523, or 0.9 percent, above the FY 2020 revised estimate. Major expenditure increases occur in employer contributions to group health insurance (\$234,412), classified regular pay (\$215,863), and other fringe benefits. These increases are partially offset by a decrease to police and firemen retirement (\$65,278);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$4.5 million for contractual services. This request is a decrease of \$157,079, or 3.4 percent, below the FY 2020 revised estimate. The major decrease occurs in surety bond and insurance premiums (\$162,000). The agency states it had purchased insurance on the Bell helicopter during repair, and these expenditures do not reoccur in the FY 2021 budget request;

- **Commodities.** The agency requests FY 2021 expenditures of \$3.9 million for commodities. The request is an increase of \$382,575, or 10.7 percent, above the FY 2020 revised estimate. There are primary increases in clothing (\$332,104) and gasoline expenditures (\$47,439); and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$1.4 million for capital outlay. The request is no change from the FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Operations Support program.

C. Aircraft Operations

The Aircraft Operations program was created to manage the agency's aircraft fleet, including the State's non-enforcement aircraft. This includes maintenance, fuel, parts, and aircraft acquisitions. In FY 2007, the agency constructed a hangar at Billard Airport in Topeka, with aircraft support also conducted in Salina and Hays. Since FY 2006, a transfer of \$400,000 was made from the Kansas Highway Patrol Motor Vehicle Fund to the Aircraft On-Budget Fund to subsidize the costs. This transfer was increased to \$600,000 beginning in FY 2013.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
The performance measures for this program are included with the Administration program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 2.4	\$ 2.4	\$ 2.5	\$ 2.4	\$ 16.8
FTE Positions	18.0	18.0	17.0	17.0	18.0	18.0

AIRCRAFT OPERATIONS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,537,414	\$ 1,687,103	\$ 1,687,103	\$ 1,693,416	\$ 1,693,416
Contractual Services	424,794	245,266	245,266	950,836	245,266
Commodities	445,797	404,007	404,007	1,105,797	417,192
Capital Outlay	52,171	15,487	15,487	21,381,312	14,465,487
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 2,460,176	\$ 2,351,863	\$ 2,351,863	\$ 25,131,361	\$ 16,821,361
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,460,176	\$ 2,351,863	\$ 2,351,863	\$ 25,131,361	\$ 16,821,361
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,460,176	2,351,863	2,351,863	25,131,361	16,821,361
TOTAL	\$ 2,460,176	\$ 2,351,863	\$ 2,351,863	\$ 25,131,361	\$ 16,821,361
FTE Positions	17.0	18.0	18.0	18.0	18.0

The **agency** requests FY 2021 expenditures totaling \$25.1 million, all from special revenue funds, for the Aircraft Operations program. The request is an increase of \$22.8 million, or 968.6 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$1.7 million to fund 18.0 FTE positions. The request is an increase of \$6,313, or 0.4 percent, above the FY 2020 revised estimate. Major increases include employer contributions to group health insurance (\$6,395) and other fringe benefits, which is partially offset by a decrease to police and firemen retirement (\$1,415);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$950,836 for contractual services. This request is an increase of \$705,570, or 287.7 percent, above the FY 2020 revised estimate. The major increases are due to the contractual services portion of the agency's enhancement requests for Law Enforcement Asset Replacement (\$632,580) and Executive Aircraft Replacement (\$72,990);
- **Commodities.** The agency requests FY 2021 expenditures of \$1.1 million for commodities. The request is an increase of \$701,790, or 173.7 percent, above the FY 2020 revised estimate. The major increases are due to commodities included in the agency's enhancement requests for Law Enforcement Asset replacement (\$617,370) and Executive Aircraft replacement (\$71,235); and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$21.4 million for capital outlay. The request is an increase of \$21.4 million, or 137,959.7 percent, above the FY 2020 revised estimate. The primary increases are due to the capital outlay portion of the agency's enhancement requests for Law Enforcement Asset replacement (\$14.5 million) and Executive Aircraft replacement (\$6.9 million).

The **Governor** recommends FY 2021 expenditures of \$16.8 million, all from special revenue funds, for the Aircraft Operations program. The Governor recommends a one-time transfer of \$14.5 million, all from the State Highway Fund, to purchase two helicopters, one single-engine airplane, and forward-looking infrared radar on an existing single-engine airplane for law enforcement operations. The Governor does not recommend changing the transfer of \$600,000 from the fleet fund to the aircraft fund on-budget for the support of aircraft operations. The Governor does not recommend a one-time transfer to replace the executive aircraft in FY 2021, nor the change to the transfer from the fleet fund to the aircraft fund on-budget, for the support of aircraft operations.

D. Fleet

The Fleet Operations program was established in FY 1997 to capture all costs associated with the agency's vehicle fleet operations. Expenses include operation of the agency garage in Topeka, personnel, and vehicle acquisition and related equipment (including decals, lights, wiring, in-car cameras, and mobile data units). As part of the FY 2018 budget, these expenditures have been separated from the Operations Support program. Beginning in FY 2019 Trooper recruit expenses related to vehicles were made from the Staffing and Training Fund.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
The performance measures for this program are included with the Administration program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 7.4	\$ 7.6	\$ 9.0	\$ 7.8	\$ 7.8
FTE Positions	10.0	10.0	3.0	13.0	10.0	10.0

FLEET SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 739,647	\$ 767,498	\$ 767,498	\$ 771,257	\$ 771,257
Contractual Services	234,076	188,331	188,331	188,999	188,999
Commodities	865,871	640,726	640,726	646,121	646,121
Capital Outlay	7,199,172	6,200,000	6,200,000	6,200,000	6,200,000
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 9,038,766	\$ 7,796,555	\$ 7,796,555	\$ 7,806,377	\$ 7,806,377
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 9,038,766	\$ 7,796,555	\$ 7,796,555	\$ 7,806,377	\$ 7,806,377
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	9,038,766	7,796,555	7,796,555	7,806,377	7,806,377
TOTAL	\$ 9,038,766	\$ 7,796,555	\$ 7,796,555	\$ 7,806,377	\$ 7,806,377
FTE Positions	13.0	10.0	10.0	10.0	10.0

The **agency** requests FY 2021 expenditures totaling \$7.8 million, all from special revenue funds, for the Fleet program. The request is an increase of \$9,822, or 0.1 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$771,257 to fund 10.0 FTE positions. The request is an increase of \$3,759, or 0.5 percent, above the FY 2020 revised estimate. The primary increase is in employer contributions to group health insurance (\$3,733);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$188,999 for contractual services. The request is an increase of \$688, or 0.4 percent, above the FY 2020 revised estimate. Major increases include electricity (\$267), natural gas (\$170), and sewage expenditures (\$170);
- **Commodities.** The agency requests FY 2021 expenditures of \$646,121 for commodities. The request is an increase of \$5,395, or 0.8 percent, above the FY 2020 revised estimate. The major increases include gasoline (\$3,360) and clothing (\$1,875) expenditures; and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$6.2 million for capital outlay. The request is no change from the FY 2020 revised estimate. The

agency has budgeted to purchase 120 Dodge Durangos and 80 Dodge Chargers for FY 2021.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Fleet program.

E. Vehicle Identification Number

The Vehicle Identification Number (VIN) program is responsible for the inspection of the VIN number of every car being titled in Kansas for the first time, as well as certain rebuilt salvage and assembled vehicles. The inspection verifies the VIN on the vehicle title matches the VIN on the car and that neither number has been altered. The inspection may be conducted by staff of the KHP or by another law enforcement agency designated by the KHP. The 2011 Legislature amended KSA 8-116a to allow the KHP to charge \$15 per inspection (an increase of \$5 over the previous inspection fee of \$10), which is deposited into the VIN Fund. This fee then increased to \$20 per inspection on July 1, 2012. If a designated law enforcement agency conducts the inspection, the local agency retains \$18.00 of the fee and remits the remaining \$2.00 to the KHP. This fee finances the expenses of this program. The agency notes increases in the inspection fee has allowed the program to be self-supporting since FY 2013.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
The performance measures for this program are included with the Administration program.						
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 2.9	\$ 4.2	\$ 2.9	\$ 3.4	\$ 3.7	\$ 3.7
FTE Positions	43.0	43.0	44.0	44.0	43.0	43.0

VEHICLE IDENTIFICATION NUMBER SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,615,308	\$ 2,794,835	\$ 2,794,835	\$ 2,810,327	\$ 2,810,327
Contractual Services	502,253	309,883	309,883	310,111	310,111
Commodities	121,404	152,197	152,197	177,041	177,041
Capital Outlay	133,792	451,978	451,978	451,978	451,978
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 3,372,757</i>	<i>\$ 3,708,893</i>	<i>\$ 3,708,893</i>	<i>\$ 3,749,457</i>	<i>\$ 3,749,457</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 3,372,757	\$ 3,708,893	\$ 3,708,893	\$ 3,749,457	\$ 3,749,457
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,372,757	3,708,893	3,708,893	3,749,457	3,749,457
TOTAL	\$ 3,372,757	\$ 3,708,893	\$ 3,708,893	\$ 3,749,457	\$ 3,749,457
FTE Positions	44.0	43.0	43.0	43.0	43.0

The **agency** requests FY 2021 expenditures totaling \$3.7 million, all from special revenue funds, for the Vehicle Identification Number program. The request is an increase of \$40,564, or 1.1 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$2.8 million to fund 43.0 FTE positions. The request is an increase of \$15,492, or 0.6 percent, above the FY 2020 revised estimate. The major increases are in employer contributions to group health insurance (\$15,979) and workers compensation (\$1,093). These increases are partially offset by a decrease to police and firemen retirement (\$1,594);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$310,111 for contractual services. This request is an increase of \$228, or 0.1 percent, above the FY 2020 revised estimate. The main increases are in natural gas (\$73) and electricity (\$59) expenditures;
- **Commodities.** The agency requests FY 2021 expenditures of \$177,041 for commodities. The request is an increase of \$24,844, or 16.3 percent, above the FY 2020 revised estimate. Major expenditure increases occur in clothing (\$23,711) and gasoline (\$1,099) expenditures; and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$451,978 for capital outlay. The request is no change from the FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Vehicle Identification Number program.

F. Motorist Assistance

The Motorist Assistance program was established with KDOT for special project employees to patrol major urban interstate highways to assist stranded motorists. The program's goal is to assist disabled motorists in urban and metropolitan areas, increasing the safety to all travelers, and to ease traffic congestion. The program is staffed by non-FTE unclassified employees who patrol major interstates, and allows the troopers to concentrate on law enforcement duties rather than assisting these individuals. The cost of this program is shared with KDOT with funding provided through federal funds (80.0 percent) and a state match through the Highway Safety Fund (20.0 percent) (the Highway Safety Fund receives a transfer from KDOT). Expenditure categories are based on the budget and program direction agreed upon with KDOT.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
The performance measures for this program are included with the Administration program.						
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 1.4	\$ 1.2	\$ 1.4	\$ 1.3	\$ 1.5	\$ 1.5
FTE Positions	20.0	20.0	18.0	18.0	20.0	20.0

MOTORIST ASSISTANCE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 895,259	\$ 1,063,807	\$ 1,063,807	\$ 1,081,724	\$ 1,081,724
Contractual Services	26,210	29,921	29,921	29,984	29,984
Commodities	172,798	205,247	205,247	215,361	215,361
Capital Outlay	179,454	208,094	208,094	208,094	208,094
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,273,721</i>	<i>\$ 1,507,069</i>	<i>\$ 1,507,069</i>	<i>\$ 1,535,163</i>	<i>\$ 1,535,163</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,273,721	\$ 1,507,069	\$ 1,507,069	\$ 1,535,163	\$ 1,535,163
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,273,721	1,507,069	1,507,069	1,535,163	1,535,163
TOTAL	\$ 1,273,721	\$ 1,507,069	\$ 1,507,069	\$ 1,535,163	\$ 1,535,163
FTE Positions	18.0	20.0	20.0	20.0	20.0

The **agency** requests FY 2021 expenditures totaling \$1.5 million, all from special revenue funds, for the Motorist Assistance program. The request is an increase of \$28,094, or 1.9 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$1.1 million to fund 20.0 FTE positions. The request is an increase of \$17,917, or 1.7 percent, above the FY 2020 revised estimate. Major increases include unclassified temporary pay (\$12,542) and employer contributions to group health insurance (\$5,945). These increases are partially offset by a decrease to public employee retirement (\$1,193);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$29,984 for contractual services. This request is an increase of \$63, or 0.2 percent, above the FY 2020 revised estimate. Major increases include passenger car service and oil changes;
- **Commodities.** The agency requests FY 2021 expenditures of \$215,361 for commodities. The request is an increase of \$10,114, or 4.9 percent, above the FY 2020 revised estimate. Major increases occur in clothing (\$6,309) and gasoline (\$3,633) expenditures; and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$208,094 for capital outlay. The request is no change from the FY 2020 revised estimate. Expenditures for FY 2021 include funding for two variable message sign boards and four F-350 gas crew cab pickups. Expenditures also include a utility bed and a push bumper.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Motorist Assistance program.

G. Capitol Police

The mission of the Capitol Police is to provide for the safety of persons and the protection of property within the Capitol Complex and at other State-owned or State-leased property within Shawnee County. The 2006 Legislature changed the name of the program from "Capitol Area Security Patrol" to "Capitol Police."

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Crimes Reported and Complaints Filed	988	757	1,000	1,244	1,000	1,000
Number of Arrests	322	655	290	512	290	290
Number of Patrol Hours	27,200	15,151	30,000	29,160	30,000	30,000
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.9	\$ 1.6	\$ 1.5	\$ 1.6	\$ 1.5	\$ 1.5
FTE Positions	27.0	27.0	26.0	26.0	27.0	27.0

CAPITOL POLICE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,543,173	\$ 1,521,689	\$ 1,521,689	\$ 1,527,811	\$ 1,527,811
Contractual Services	70,835	0	0	0	0
Commodities	2,977	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,616,985</i>	<i>\$ 1,521,689</i>	<i>\$ 1,521,689</i>	<i>\$ 1,527,811</i>	<i>\$ 1,527,811</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,616,985	\$ 1,521,689	\$ 1,521,689	\$ 1,527,811	\$ 1,527,811
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,616,985	1,521,689	1,521,689	1,527,811	1,527,811
TOTAL	\$ 1,616,985	\$ 1,521,689	\$ 1,521,689	\$ 1,527,811	\$ 1,527,811
FTE Positions	26.0	27.0	27.0	27.0	27.0

The **agency** requests FY 2021 expenditures totaling \$1.5 million, for the Capitol Police program. The request is an increase of \$6,122, or 0.4 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$1.5 million to fund 27.0 FTE positions. This is an increase of \$6,122, or 0.4 percent, above the FY 2020 revised estimate. The major increase is in employer contributions to group health insurance (\$6,456); and

- **Contractual Services, Commodities, and Capital Outlay.** The agency's request does not include any expenditures in these categories for FY 2021, as these expenditures have become part of the Operations Support program.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Capitol Police program.

H. Homeland Security

The KHP is the State-designated administrative agency to help administer the federal Homeland Security Grant program. Funding for the program is provided by the U.S. Department of Homeland Security. The Homeland Security Grant Program provides funds to Kansas and its political subdivisions for improving the State's capability to prevent, protect, mitigate, respond, and recover from acts of terrorism and other catastrophic events.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Proposals Reviewed	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Percent of Funds Obligated	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.5	\$ 3.3	\$ 2.3	\$ 3.5	\$ 3.5	\$ 3.5
FTE Positions	4.0	4.0	7.0	7.0	4.0	4.0

HOMELAND SECURITY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 640,521	\$ 647,108	\$ 647,108	\$ 648,743	\$ 648,743
Contractual Services	88,414	96,158	96,158	96,195	96,195
Commodities	16,533	17,371	17,371	17,382	17,382
Capital Outlay	1,006	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 746,474	\$ 760,637	\$ 760,637	\$ 762,320	\$ 762,320
Aid to Local Units	2,788,469	2,700,000	2,700,000	2,700,000	2,700,000
Other Assistance	0	0	0	0	0
TOTAL	\$ 3,534,943	\$ 3,460,637	\$ 3,460,637	\$ 3,462,320	\$ 3,462,320
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,534,943	3,460,637	3,460,637	3,462,320	3,462,320
TOTAL	\$ 3,534,943	\$ 3,460,637	\$ 3,460,637	\$ 3,462,320	\$ 3,462,320
FTE Positions	7.0	4.0	4.0	4.0	4.0

The **agency** requests FY 2021 expenditures totaling \$3.5 million, all from special revenue funds, for the Homeland Security program. The request is an increase of \$1,683, or less than 0.1 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$648,743 to fund 4.0 FTE positions. The request is an increase of \$1,635, or 0.3 percent, above the FY 2020 revised estimate. The major increase is in employer contributions to group health insurance (\$1,752);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$96,195 for contractual services. The request is an increase of \$37, or less than 0.1 percent, above the FY 2020 revised estimate. The main increase is in meals and lodging (\$35);
- **Commodities.** The agency requests FY 2021 expenditures of \$17,382 for commodities. The request is an increase of \$11, or 0.1 percent, above the FY 2020 revised estimate; and
- **Aid to Local Units of Government.** The agency requests FY 2021 expenditures of \$2.7 million for aid to local units of government. The request is no change from the FY 2020 revised estimate. Expenditures in this category include pass-through of federal and state funds to local units of government for qualifying Homeland Security expenditures and protection projects.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Homeland Security program.

I. Motor Carrier Inspection

The Motor Carrier Inspection program was established to reduce the usage of oversized, overweight, or unsafe commercial vehicles on Kansas roads and highways. This program includes the inspection of commercial motor vehicles to ensure compliance with regulations adopted by the Kansas Corporation Commission. The program was transferred from the Department of Revenue to the KHP in FY 1989. Efforts to reduce the use of overweight vehicles on Kansas highways include the operation of ports of entry, the utilization of mobile units to check the weight of trucks, and safety and informational programs. There are nine facilities located throughout the state.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Safety Programs Presented	49	135	135	139	50	50
Percent of Vehicles at Ports Exceeding the Legal Weight Limit	0.22 %	0.20 %	0.20 %	0.69 %	0.20 %	0.20 %
Percent of Trucks Stopped by Mobile Units Illegally Overweight	19.8 %	20.0 %	20.0 %	10.0 %	20.0 %	20.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4.3	\$ 3.9	\$ 4.2	\$ 3.8	\$ 3.7	\$ 3.7
FTE Positions	58.0	58.0	60.0	60.0	58.0	58.0

MOTOR CARRIER INSPECTION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,357,059	\$ 3,310,154	\$ 3,310,154	\$ 3,324,769	\$ 3,324,769
Contractual Services	310,970	264,756	264,756	265,694	265,694
Commodities	96,214	93,370	93,370	107,949	107,949
Capital Outlay	59,388	39,524	39,524	39,524	39,524
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 3,823,631</i>	<i>\$ 3,707,804</i>	<i>\$ 3,707,804</i>	<i>\$ 3,737,936</i>	<i>\$ 3,737,936</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 3,823,631</u>	<u>\$ 3,707,804</u>	<u>\$ 3,707,804</u>	<u>\$ 3,737,936</u>	<u>\$ 3,737,936</u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,823,631	3,707,804	3,707,804	3,737,936	3,737,936
TOTAL	<u>\$ 3,823,631</u>	<u>\$ 3,707,804</u>	<u>\$ 3,707,804</u>	<u>\$ 3,737,936</u>	<u>\$ 3,737,936</u>
FTE Positions	60.0	58.0	58.0	58.0	58.0

The **agency** requests FY 2021 expenditures totaling \$3.7 million, all from special revenue funds, for the Motor Carrier Inspection program. The request is an increase of \$30,132, or 0.8 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$3.3 million to fund 58.0 FTE positions. The request is an increase of \$14,615, or 0.4 percent, above the FY 2020 revised estimate. The major increase is in employer contributions to group health insurance (\$16,034);
- **Contractual Services.** The agency requests FY 2021 expenditures of \$265,694 for contractual services. This request is an increase of \$938, or 0.4 percent, above the FY 2020 revised estimate. Major increases include electricity (\$653), solid waste charges (\$120), and water expenditures (\$115);
- **Commodities.** The agency requests FY 2021 expenditures of \$107,949 for commodities. The request is an increase of \$14,579, or 15.6 percent, above the FY 2020 revised estimate. Major increases include clothing (\$12,809) and gasoline (\$1,739) expenditures; and
- **Capital Outlay.** The agency requests FY 2021 expenditures of \$39,524 for capital outlay. The request is no change from the agency's FY 2020 revised estimate. Expenditures in this category are to replace five vehicles for law enforcement purposes.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Motor Carrier Inspection program.

J. Turnpike Patrol

The Turnpike Patrol program provides security and law enforcement on the Kansas Turnpike. Troopers enforce traffic laws, render services to the motoring public, investigate accidents, provide emergency aid to injured persons, and develop cases pertaining to all criminal activity occurring on the Kansas Turnpike Authority (KTA) property. The agency notes the KTA reimburses the KHP for all of its expenditures related to patrol of the Turnpike.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Miles Patrolled (In Millions)	1.75	1.82	1.80	1.75	1.80	1.80
Percent of Fatalities to Total Accidents	0.52 %	0.66 %	0.55 %	0.11 %	0.55 %	0.55 %
Number of DUI Arrests	374	287	400	267	400	400
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 4.5	\$ 4.2	\$ 4.3	\$ 4.0	\$ 4.2	\$ 4.2
FTE Positions	51.5	51.5	48.5	48.5	51.5	51.5

TURNPIKE PATROL SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 3,938,805	\$ 4,153,115	\$ 4,153,115	\$ 4,162,931	\$ 4,162,931
Contractual Services	11,221	0	0	0	0
Commodities	37,264	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 3,987,290	\$ 4,153,115	\$ 4,153,115	\$ 4,162,931	\$ 4,162,931
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 3,987,290	\$ 4,153,115	\$ 4,153,115	\$ 4,162,931	\$ 4,162,931
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,987,290	4,153,115	4,153,115	4,162,931	4,162,931
TOTAL	\$ 3,987,290	\$ 4,153,115	\$ 4,153,115	\$ 4,162,931	\$ 4,162,931
FTE Positions	48.5	51.5	51.5	51.5	51.5

The **agency** requests FY 2021 expenditures totaling \$4.2 million, all from special revenue funds, for the Turnpike Patrol program. The request is an increase of \$9,816, or 0.2 percent, above the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests FY 2021 expenditures of \$4.2 million for salaries and wages to fund 51.5 FTE positions. The request is an increase of \$9,816, or 0.2 percent, above the FY 2020 revised estimate. The major increases are in classified regular pay (\$10,999); and
- **Other Categories of Expenditure.** The agency no longer budgets expenditures for categories other than salaries and wages for the Turnpike Patrol.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Turnpike Patrol program.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Troop J - Training Academy	\$ 625,374	\$ 625,374	\$ 90,000	\$ 90,000
Major Projects				
Troop J - Training Academy	92,400	92,400	6,000	6,000
Maintenance and Repair				
Troop Facility - Major	39,780	39,780	0	0
Projects				
Troop Facility -	132,115	132,115	135,510	135,510
Maintenance and Repair				
Troop I - Scale Repair and	201,600	201,600	206,400	206,400
Replacement				
Troop E Storage	300,653	300,653	0	0
Troop A Storage	0	0	302,400	302,400
KHP Evidence Facility	0	0	1,200,000	1,200,000
2019 House Sub. for SB 25	1,212	1,212	0	0
Authority				
TOTAL	\$ 1,393,134	\$ 1,393,134	\$ 1,940,310	\$ 1,940,310
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,393,134	1,393,134	1,940,310	1,940,310
TOTAL	\$ 1,393,134	\$ 1,393,134	\$ 1,940,310	\$ 1,940,310

FY 2020 – Current Year. The agency estimates revised FY 2020 capital improvements expenditures totaling \$1.4 million, all from special revenue funds. This amount includes \$889,669 for rehabilitation and repair projects, \$201,600 for scale repair and replacement, and \$300,653 for new construction. The agency's FY 2020 revised estimate includes the following projects and expenditures:

- **Troop J Training Academy Major Projects (projects greater than \$50,000).** The agency requests \$625,374, all from special revenue funds, for three projects in FY 2020 as follows: 1) shooting range improvements—install concrete and replace barriers (\$86,400); 2) replacement of administration building flooring—phase 1 (\$97,374); and 3) replacement of the 215-ton chiller in power plant building;
- **Troop J Training Academy Maintenance and Repair (projects less than \$50,000).** The agency requests \$92,400, all from special revenue funds, for three projects in FY 2020 as follows: 1) update mobile Internet and access in Administration Building (\$42,000); 2) update mobile Internet and access in Dorm Building (\$36,000); and 3) replace and upgrade security and access system;
- **Troop Facility Major Projects.** The agency requests \$39,780, all from special revenue funds, to pave the shooting range at Troop H in FY 2020;

- **Troop Facility Maintenance and Repair.** The agency requests \$132,115, all from special revenue funds, to complete the following projects at the following facilities:

Location	Project Description	Fiscal Year	Total Projected Cost
General Headquarters	Ballistic wall front entrance	FY 2020	\$ 39,523
General Headquarters	Laminate on windows and doors	FY 2020	6,576
Troop E	Finish upstairs room	FY 2020	9,600
Troop H	Replace lights in shooting range building	FY 2020	2,400
Troop H	Ballistics laminate for Troop Headquarters	FY 2020	6,379
Fleet Facility	Intercom system	FY 2020	10,020
Fleet Facility	Interior paint/drywall work	FY 2020	6,000
Fleet Facility	Seal car wash	FY 2020	10,350
Fleet Facility	Security cameras	FY 2020	18,000
Troop M	Window laminate	FY 2020	4,297
Troop D	Window laminate	FY 2020	4,297
Troop E	Window laminate	FY 2020	7,960
Troop F	Window laminate	FY 2020	6,714
TOTAL		FY 2020	\$ 132,116

- **Troop I Scale Repair and Replacement.** The agency requests \$201,600, all from special revenue funds, for Troop I scale repair and replacement projects in FY 2020. The agency's revised estimate includes expenditures to replace the South Haven WB Scale in FY 2020;
- **Troop E Storage/Expansion, New Construction.** The agency requests \$300,653, all from special revenue funds, for a Troop E Storage Building in FY 2020. According to the agency the site for the new storage building is at the Troop E headquarters in Garden City on land owned by the Kansas Department of Transportation (KDOT), near US-50 and US-83. The proposed building would be used to store the bomb truck and containment vessel, BearCat armored vehicle, truck and trailer, and additional storage. The building plan will be 82 square feet by 60 square feet and have four garage bay doors. This project, originally slated for FY 2019, was deferred to FY 2020 due to land acquisition issues; and
- **2019 House Sub. for SB 25 Authority.** This amount reflects the difference from what was approved in 2019 House Sub. for SB 25 and the amount included within the agency's FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2020 revised estimate for capital improvements expenditures.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvements expenditures totaling \$1.9 million, all from special revenue funds. This amount includes \$231,510 for rehabilitation and repair projects, \$206,400 for scale repair and replacement, and \$1.5 million for new construction. The agency's FY 2021 request includes the following expenditures:

- **Troop J Training Academy Major Projects (projects greater than \$50,000).** The agency requests \$90,000, all from special revenue funds, for the replacement of administration building flooring—phase 2;
- **Troop J Training Academy Maintenance and Repair (projects less than \$50,000).** The agency requests \$6,000, all from special revenue funds, for the demolition of the innkeepers house for FY 2021. The agency states the structure has become unserviceable and unsafe for continued use in the training area;
- **Troop Facility Maintenance and Repair.** The agency requests \$135,510, all from special revenue funds, to complete the following projects at the following facilities:

Location	Project Description	Fiscal Year	Total Projected Cost
Troop A	Install Exterior Security System	FY 2021	\$ 13,800
Troop A	Window Laminate	FY 2021	6,935
Troop A	Exterior/interior Cameras	FY 2021	12,000
Fleet	Correct Plumbing issues	FY 2021	6,000
Fleet	Fleet Inventory Fence-Installation	FY 2021	3,600
Troop D	Replace 20 year old Carpeting	FY 2021	42,000
Troop D	Painting of Roof (2.50-3.50 per sq. ft.)	FY 2021	38,575
Troop D	Finish weight room walls	FY 2021	2,400
Troop T	Aircraft Overhead Crane	FY 2021	10,200
TOTAL		FY 2021	\$ 135,510

- **Troop I Scale Repair and Replacement.** The agency requests \$206,400, all from special revenue funds, for Troop I scale repair and replacement projects for FY 2021. The agency's revised estimate includes expenditures to replace the North Olathe Scale for FY 2021;
- **Troop A Storage/Expansion, New Construction.** The agency requests \$302,400, all from special revenue funds, for a Troop A Storage Building for FY 2021. The agency indicates it is currently in the process of identifying land to build the Troop A building in Olathe. The proposed building specifications would be 100 square feet by 60 square feet with multiple bay doors, similar to the proposed building for Troop E in Garden City and the storage building at Troop F in Kechi. This building would house the command truck, bomb truck, BearCat, and excess impounded vehicles; and
- **KHP Evidence Building (free standing).** The agency requests \$1.2 million, all from special revenue funds, for a free-standing KHP Evidence Building. The agency indicates the KHP Central Evidence facility is located at the KHP Training Academy in Salina, Kansas. An area in the basement of the training academy, totaling approximately 2,200 square feet, has been set aside for evidence storage. In addition, there is approximately 700 square feet of storage (uncontrolled climate) on the fourth floor of the Troop C Headquarters and a temporary storage located at the Salina airport used for evidence overflow.

The **Governor** concurs with the agency's FY 2021 request for capital improvements expenditures.

KANSAS BUREAU OF INVESTIGATION

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 23,817,806	\$ 24,178,160	\$ 24,178,160	\$ 36,352,349	\$ 25,012,564
Other Funds	13,603,657	14,102,483	14,102,483	12,882,661	12,882,661
Subtotal	\$ 37,421,463	\$ 38,280,643	\$ 38,280,643	\$ 49,235,010	\$ 37,895,225
Capital Improvements:					
State General Fund	\$ 2,426,755	\$ 3,731,000	\$ 3,731,000	\$ 2,620,000	\$ 2,620,000
Other Funds	24,712	50,000	50,000	0	0
Subtotal	\$ 2,451,467	\$ 3,781,000	\$ 3,781,000	\$ 2,620,000	\$ 2,620,000
TOTAL	\$ 39,872,930	\$ 42,061,643	\$ 42,061,643	\$ 51,855,010	\$ 40,515,225
Percentage Change:					
Operating Expenditures					
State General Fund	9.6 %	1.5 %	1.5 %	50.4 %	3.5 %
All Funds	7.4	2.3	2.3	28.6	(1.0)
FTE Positions	356.5	356.5	356.5	383.5	356.5

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Bureau of Investigation (KBI) was established in 1939 as a division within the Office of the Attorney General. The mission of the KBI is to provide professional investigative and laboratory services to Kansas criminal justice agencies and to collect and disseminate criminal justice information for the purpose of promoting public safety and the prevention of crime in Kansas. The KBI headquarters is located in Topeka and has regional offices in Wichita, Lenexa, Great Bend, Pittsburg, and Garden City. Laboratory facilities are located in Great Bend, Kansas City, Pittsburg, and Topeka.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted \$218,000 from the State General Fund and added \$660,000 from the Criminal Justice Information System Line Fund for FY 2011 with the passage of Senate Sub. for HB 2226, which raised district court traffic fines by \$5 to provide funding for the Kansas Criminal Justice Information System circuits. The legislation added \$1,080,630, all from the State General Fund, to assist in reducing the DNA backlog in FY 2011. The funds allowed for the purchase of new equipment and consumables, as well as for computer and software licenses.

The **2011 Legislature** added \$150,000, all from the State General Fund, in FY 2011 and \$450,000, all from the State General Fund, for FY 2012 to provide funding for methamphetamine laboratory cleanup and approved a reduced resources budget in FY 2012, which was an all funds decrease of \$556,598 and a State General Fund decrease of \$783,941.

The **2013 Legislature** added language authorizing expenditures for an agreement with Washburn University for the construction of the Forensic Science Laboratory in FY 2014 and added \$608,532, all from the State General Fund, and 5.0 FTE positions for FY 2014 and FY 2015 for the Crimes Against Children Unit.

The **2013 Legislature** deleted \$384,785 in FY 2013 and \$200,000 for FY 2014 for the methamphetamine laboratory cleanup program, and deleted \$987,465, including \$176,270 from the State General Fund, for FY 2014 and \$1,032,241, including \$203,729 from the State General Fund, for FY 2015 to reflect reduced funding for salaries and wages.

The **2014 Legislature** added \$1,350, all from the KCJIS Line Fund, to procure and operate telecommunications circuits for each county in FY 2014 and FY 2015, and made the KCJIS Line Fund a no limit fund. The legislation also added \$940,646, all from the State General Fund, for a 10.0 percent base pay increase for all forensic scientist and special agent positions for FY 2015.

The **2015 Legislature** added 12.0 non-FTE positions for the Forensic Science Laboratory at Washburn University for FY 2016 and FY 2017. The legislation added \$4.3 million, all from the State General Fund, for debt service payments for the new Forensic Science Laboratory at Washburn University for FY 2016 and FY 2017. The legislation also added \$1.0 million, all from special revenue funds, for maintenance and support of KCJIS, and added language permitting the KBI to use funds in the KCJIS Line Fund for maintenance and support of KCJIS.

The **2016 Legislature** deleted \$346,463, all from the State General Fund, in FY 2016 as part of the Governor's July 30, 2015, allotment. In addition, the legislation added \$1.1 million, all from special revenue funds, in FY 2016 for operational adjustments, including increased expenditures from the KCJIS Line Fund (\$256,320), Record Check Fee Fund (\$91,435), and federal funds (\$763,501). The legislation also added language allowing the use of existing funds of not more than \$340,000 to repair the Topeka headquarters parking garage in FY 2016.

The **2016 Legislature** added \$1.5 million, all from special revenue funds, for FY 2017 for operational adjustments, including increased expenditures from the KCJIS Line Fund (\$256,320), Record Check Fee Fund (\$307,733), forfeiture funds (\$250,000), and federal funds (\$658,722). The legislation deleted \$150,000, all from the State General Fund, for FY 2017 to reduce methamphetamine laboratory cleanup expenditures. The legislation also added language allowing the use of existing funds for salaries and wages expenditures for FY 2017. This language allows for progression within the existing pay structure for the agency's employees.

The **2017 Legislature** added \$885,820, all from the State General Fund, to implement the agency's recruitment and retention plan for FY 2019. Funding for FY 2018 consists of both the Record Check Fee Fund and savings from vacant positions, and funding for FY 2019 will consist solely of moneys from the State General Fund.

The **2017 Legislature** also added \$802,569 for FY 2018 and \$664,737 for FY 2019, all from the State General Fund, for 6.0 Forensic Scientist positions to accommodate for increased sexual assault kit submissions.

The **2018 Legislature** passed HB 2459, which created a new section within the Kansas Standard Asset Seizure and Forfeiture Act requiring the agency to establish the Kansas Asset Seizure and Forfeiture Repository on or before July 1, 2019. The Legislature added \$345,188, all from the State General Fund, and 1.0 FTE position for one-time costs associated with implementation of the program.

The **2018 Legislature** added \$250,000, all from the State General Fund, for the construction of an Internet Crimes Against Children facility in the agency's headquarters building in FY 2018 and FY 2019.

The **2018 Legislature** added \$1.3 million, all from the State General Fund, for the filling of 13.0 unfilled Special Agent vacancies.

The **2019 Legislature** added \$1.0 million, all from the State General Fund, and 8.0 FTE positions to develop and implement Cyber and Financial Crimes Investigative capacity in FY 2020.

The **2019 Legislature** added \$180,000, all from the State General Fund, and 1.0 FTE position, for implementation of the Scrap Metal Theft Reduction Act in FY 2020 (2019 HB 2248)

The **2019 Legislature** added \$176,000, all from the State General Fund, for capital costs to develop a basic capacity to perform tetrahydrocannabinol (THC) quantitation analysis pursuant to the Commercial Industrial Hemp Act in FY 2020. (2019 Senate Sub. for HB 2167)

The **2019 Legislature** added \$286,000, all from the State General Fund, to replace the HVAC system at the KBI headquarters in Topeka in FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate of \$42.1 million, including \$27.9 million from the State General Fund, for operating expenditures and capital improvements in FY 2020. This an all funds decrease of \$359,310, or 0.8 percent, and a State General Fund decrease of \$251,031, or 0.9 percent, below the FY 2020 approved amount. The agency lapsed \$251,031 due to efficiencies in setting up the Kansas Asset Seizure and Forfeiture Repository. The special revenue decrease is primarily attributable to salaries and wages due to unfilled positions within the Forensic Laboratory program and with special agents. Additional special revenue decreases are primarily due to the federal grant expenditures for specific projects and the Kansas Criminal Justice Information System and Information Technology program. These decreases are partially offset by increases in capital outlay and commodities. The agency has also decreased its State General Fund amount in contractual services, but it has offset that amount with special revenue funds.

The agency's revised estimate includes 356.5 FTE positions. This is the same as the approved number for FY 2020.

The **Governor** concurs with the agency's request for operating expenditures and capital improvements in FY 2020. The Governor concurs with the agency's FTE positions request in FY 2020.

FY 2021 – Budget Year. The **agency** requests an operating budget of \$49.2 million, including \$36.4 million from the State General Fund, for FY 2021. The request is an all funds increase of \$11.0 million, or 28.6 percent, and a State General Fund increase of \$12.2 million, or 50.4 percent, above the FY 2020 revised estimate. The increase is largely attributable to the agency's five enhancement requests: Replacement of the Kansas Automated Fingerprint Identification System (\$8.0 million), Secure and Reliable Criminal Justice Systems (\$339,600), Forensic Scientist Recruitment and Retention Initiative (\$228,313), Major Violent Crimes and Crimes Against Children (\$2.2 million), and Enhance Criminal Intelligence and Information Sharing (\$570,336). **Absent the agency's enhancement requests**, the revised operating budget request is \$37.9 million, including \$25.0 million from the State General Fund.

The agency requests \$2.6 million, all from the State General Fund, for capital improvement expenditures for FY 2021. This is a decrease of \$1.2 million, or 30.7 percent, and a State General Fund decrease of \$1.1 million, or 29.8 percent, below the FY 2020 revised estimate. The agency had budgeted for major projects in FY 2020, including the Great Bend Laboratory renovation and Topeka HVAC replacement. The agency has only included general rehabilitation and repair and debt service principal for the Forensic Science Laboratory at Washburn University for FY 2021.

The agency requests 383.5 FTE positions, which is 27.0 FTE positions above the FY 2020 revised estimate. These increases are due to the agency's enhancement requests: Secure and Reliable Criminal Justice Systems (4.0 FTE positions), Major Violent Crimes and Crimes Against Children (16.0 FTE positions), and Enhance Criminal Intelligence and Information Sharing (7.0 FTE positions).

The **Governor** recommends \$37.9 million, including \$25.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$11.3 million, or 23.0 percent, and a State General Fund decrease of \$11.3 million, or 31.2 percent, below the agency's request. The decrease is attributable to the Governor not recommending the agency's five enhancement requests for FY 2021.

The Governor recommends 356.5 FTE positions, which is 27.0 FTE positions below the agency's request. This is attributable to the Governor not recommending the Secure and Reliable Criminal Justice Systems enhancement (4.0 FTE positions), the Enhance Criminal Intelligence and Information Sharing enhancement (7.0 FTE positions), and the Major Violent Crimes and Crimes Against Children enhancement (16.0 FTE positions).

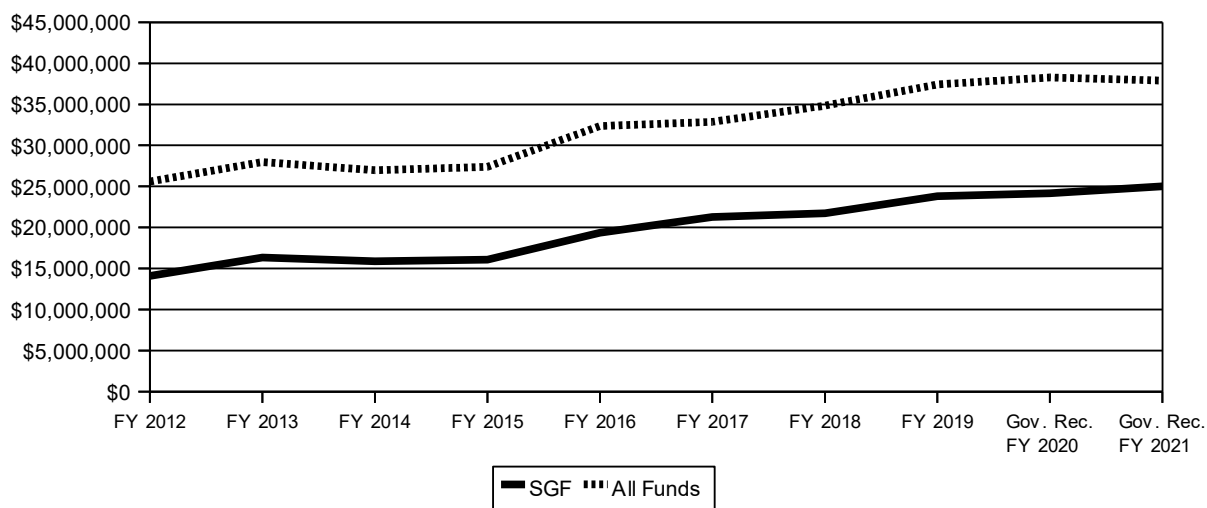
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Cases Completed within 90 Days (Field Investigations)	38.1 %	37.3 %	38.0 %	36.9 %	44.0 %	44.0 %
Percent of Cases Completed within 90 Days (Special Operations)	52.0 %	38.0 %	50.0 %	32.0 %	50.0 %	50.0 %
Percent of Forensic Laboratory Assignments Completed in 60 Days	52.2 %	57.3 %	41.4 %	69.4 %	75.0 %	76.7 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 32.9	\$ 34.8	\$ 37.1	\$ 37.4	\$ 38.3	\$ 37.9
FTE Positions	317.0	330.0	347.5	356.5	356.5	356.5

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 14,102,572	(7.1)%	\$ 25,598,545	(0.8)%	296.5
2013	16,343,055	15.9	27,972,736	9.3	306.0
2014	15,872,266	(2.9)	26,967,017	(3.6)	292.0
2015	16,082,694	1.3	27,380,504	1.5	304.0
2016	19,355,529	20.4	32,360,465	18.2	317.0
2017	21,288,545	10.0	32,862,251	1.6	317.0
2018	21,732,013	2.1	34,839,847	6.0	330.0
2019	23,817,806	9.6	37,421,463	7.4	356.5
2020 Gov. Rec.	24,178,160	1.5	38,280,643	2.3	356.5
2021 Gov. Rec.	25,012,564	3.5	37,895,225	(1.0)	356.5
Ten-Year Change Dollars/Percent	\$ 10,909,992	77.4 %	\$ 12,296,680	48.0 %	60.0

Summary of Operating Budget FY 2019 - FY 2021

Kansas Bureau of Investigation

		Agency Estimate					Governor's Recommendation				
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20	
By Program:											
General Services	\$	4,334,832	\$ 4,188,424	\$ 3,840,764	\$ (347,660)	(8.3)%	\$ 4,188,424	\$ 3,840,764	\$ (347,660)	(8.3)%	
Field Investigations		6,639,204	7,039,867	9,419,850	2,379,983	33.8	7,039,867	7,218,314	178,447	2.5	
Forensic Laboratory		10,235,848	10,907,710	11,158,312	250,602	2.3	10,907,710	10,929,999	22,289	0.2	
KCJIS and IT		4,501,101	4,728,420	5,259,315	530,895	11.2	4,728,420	4,919,715	191,295	4.0	
Information Services Division		1,297,039	1,161,407	8,986,315	7,824,908	673.7	1,161,407	986,315	(175,092)	(15.1)	
Special Operations Division		8,370,764	8,329,015	8,767,529	438,514	5.3	8,329,015	8,197,193	(131,822)	(1.6)	
Debt Service		2,042,675	1,925,800	1,802,925	(122,875)	(6.4)	1,925,800	1,802,925	(122,875)	(6.4)	
TOTAL	\$	37,421,463	\$ 38,280,643	\$ 49,235,010	\$ 10,954,367	28.6 %	\$ 38,280,643	\$ 37,895,225	\$ (385,418)	(1.0)%	
By Major Object of Expenditure:											
Salaries and Wages	\$	22,035,503	\$ 23,403,472	\$ 27,116,385	\$ 3,712,913	15.9 %	\$ 23,403,472	\$ 24,804,910	\$ 1,401,438	6.0 %	
Contractual Services		7,513,663	8,106,332	8,046,689	(59,643)	(0.7)	8,106,332	7,669,823	(436,509)	(5.4)	
Commodities		1,586,041	1,562,448	1,668,225	105,777	6.8	1,562,448	1,569,669	7,221	0.5	
Capital Outlay		1,932,522	1,924,701	9,431,486	7,506,785	390.0	1,924,701	878,598	(1,046,103)	(54.4)	
Debt Service		2,042,675	1,925,800	1,802,925	(122,875)	(6.4)	1,925,800	1,802,925	(122,875)	(6.4)	
Subtotal - Operations	\$	35,110,404	\$ 36,922,753	\$ 48,065,710	\$ 11,142,957	30.2 %	\$ 36,922,753	\$ 36,725,925	\$ (196,828)	(0.5)%	
Aid to Local Units		2,164,001	1,236,646	1,169,300	(67,346)	(5.4)	1,236,646	1,169,300	(67,346)	(5.4)	
Other Assistance		147,058	121,244	0	(121,244)	(100.0)	121,244	0	(121,244)	(100.0)	
TOTAL	\$	37,421,463	\$ 38,280,643	\$ 49,235,010	\$ 10,954,367	28.6 %	\$ 38,280,643	\$ 37,895,225	\$ (385,418)	(1.0)%	
Financing:											
State General Fund	\$	23,817,806	\$ 24,178,160	\$ 36,352,349	\$ 12,174,189	50.4 %	\$ 24,178,160	\$ 25,012,564	\$ 834,404	3.5 %	
All Other Funds		13,603,657	14,102,483	12,882,661	(1,219,822)	(8.6)	14,102,483	12,882,661	(1,219,822)	(8.6)	
TOTAL	\$	37,421,463	\$ 38,280,643	\$ 49,235,010	\$ 10,954,367	28.6 %	\$ 38,280,643	\$ 37,895,225	\$ (385,418)	(1.0)%	

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The 2019 Legislature approved a State General Fund budget of \$27,854,688 for the Kansas Bureau of Investigation in FY 2020. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$305,503 based on the reappropriation of FY 2019 funding that was not spent in FY 2019 and has shifted to FY 2020.

This adjustment changes the FY 2020 approved State General Fund amount to \$28,160,191. That amount is reflected in the table below as the currently approved FY 2020 State General Fund amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 28,160,191	\$ 27,909,160	\$ (251,031)	\$ 27,909,160	\$ (251,031)
All Other Funds	14,260,762	14,152,483	(108,279)	14,152,483	(108,279)
TOTAL	\$ 42,420,953	\$ 42,061,643	\$ (359,310)	\$ 42,061,643	\$ (359,310)
FTE Positions	356.5	356.5	0.0	356.5	0.0

The **agency** requests a revised estimate of \$42.1 million, including \$27.9 million from the State General Fund, for operating expenditures and capital improvements in FY 2020. This is an all funds decrease of \$359,310, or 0.8 percent, and a State General Fund decrease of \$251,031, or 0.9 percent, below the FY 2020 approved amount. The agency lapsed \$251,031 due to efficiencies in setting up the Kansas Asset Seizure and Forfeiture Repository.

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests a revised estimate of \$23.4 million, including \$16.6 million from the State General Fund, for salaries and wages expenditures in FY 2020. The revised estimate is an all funds decrease of \$2.4 million, or 9.2 percent, and a State General Fund decrease of \$1.3 million, or 7.2 percent, below the FY 2020 approved amount. The all funds decrease is primarily attributable to unfilled positions within the Forensic Laboratory program and with special agents. Additional special revenue decreases are primarily due to the federal grant expenditures for particular projects and the Kansas Criminal Justice Information System and Information Technology (KCJIS and IT) program. The State General Fund decreases in Salaries and Wages are allocated in other categories including within capital improvements;

- **Contractual Services.** The agency requests a revised estimate of \$8.1 million, including \$3.7 million from the State General Fund, for contractual services expenditures in FY 2020. The revised estimate is an all funds increase of \$14,307, or 0.2 percent, and a State General Fund decrease of \$539,979, or 12.9 percent, from the FY 2020 approved amount. The State General Fund decrease is primarily within its General Services program. The agency has increased its special revenue expenditures to roughly the amount of the decrease. Increases are primarily within the Record Check Fee Fund, a federal grant for the Cops Against Meth Program, and the Forensic Laboratory and Materials Fee Fund. The agency has shifted State General Fund expenditures to other categories, therefore increasing funds from special revenue accounts;
- **Commodities.** The agency requests a revised estimate of \$1.6 million, including \$963,549 from the State General Fund, for commodities expenditures in FY 2020. The revised estimate is an all funds increase of \$122,650, or 8.5 percent, and a State General Fund increase of \$45,213, or 4.9 percent, above the FY 2020 approved amount. The all funds increases are primarily attributable to the replacement of professional and scientific equipment across different programs, including Forensic Laboratory, Special Operations, and KCJIS and IT;
- **Capital Outlay.** The agency requests a revised estimate of \$1.9 million, including \$952,252 from the State General Fund, for capital outlay expenditures in FY 2020. The revised estimate is an all funds increase of \$443,673, or 30.0 percent, and a State General Fund increase of \$212,649, or 28.8 percent, above the FY 2020 approved amount. The all funds increase is primarily attributable to computer equipment and software purchases, furniture replacement, and passenger car purchases for special agents;
- **Debt Service.** The agency requests a revised estimate of \$1.9 million, all from the State General Fund, for debt service in FY 2020, which is unchanged from the FY 2020 approved amount. This amount is for debt service interest payments on the KBI Forensic Science Laboratory located at Washburn University;
- **Aid to Local Units of Government.** The agency requests a revised estimate of \$1.2 million, all from special revenue funds, for aid to local units of government expenditures in FY 2020. The revised estimate is an increase of \$36,267, or 3.0 percent, all from special revenue funds, above the FY 2020 approved amount. The special revenue increase is due to Sexual Assault Kit Initiative Grant expenditures in the General Services program. Those funds support local governments that investigate cases based on analysis on sexual assault kits; and
- **Other Assistance.** The agency requests a revised estimate of \$121,244, including \$88,000 from the State General Fund, for other assistance expenditures in FY 2020. The revised estimate is an increase of \$110,137, or 991.6 percent, above the FY 2020 approved amount. The special revenue increase is due to Sexual Assault Kit Initiative Grant expenditures in the General Services program. Those funds support organizations that aim to reduce victimization, encourage reporting of sexual assault, and enhance victim services and support. The State General Fund increase is due to a one-time payment resulting from mediation and settlement involving the agency.

The **Governor** concurs with the agency's request for operating expenditures and capital improvements in FY 2020. The Governor concurs with the agency's FTE positions request in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 49,235,010	\$ 37,895,225	\$ (11,339,785)
FTE Positions	383.5	356.5	(27.0)
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 12,174,189	\$ 834,404	
All Other Funds	(1,219,822)	(1,219,822)	
TOTAL	\$ 10,954,367	\$ (385,418)	
<i>Percent Change:</i>			
State General Fund	50.4 %	3.5 %	
All Other Funds	(8.6)	(8.6)	
TOTAL	28.6 %	(1.0) %	
Change in FTE Positions	27.0	0.0	

The **agency** requests an operating budget of \$49.2 million, including \$36.4 million from the State General Fund, for FY 2021. The request is an all funds increase of \$11.0 million, or 28.6 percent, and a State General Fund increase of \$12.2 million, or 50.4 percent, above the FY 2020 revised estimate. **Absent the agency's enhancement requests**, the revised operating budget is \$37.9 million, including \$25.0 million from the State General Fund.

The agency requests \$2.6 million, all from the State General Fund, for capital improvement expenditures for FY 2021. This is a decrease of \$1.2 million, or 30.7 percent, and a State General Fund decrease of \$1.1 million, or 29.8 percent, below the FY 2020 revised estimate. The agency had budgeted for major projects in FY 2020, including the Great Bend Laboratory renovation and Topeka HVAC replacement. The agency has only included general rehabilitation and repair and debt service principal for its Forensic Laboratory at Washburn University for FY 2021.

The agency requests 383.5 FTE positions, which is 27.0 FTE positions above the FY 2020 revised estimate. These increases are due to the agency's enhancement requests: Secure and Reliable Criminal Justice Systems (4.0 FTE positions), Major Violent Crimes and Crimes Against Children (16.0 FTE positions), and Enhance Criminal Intelligence and Information Sharing (7.0 FTE positions).

The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$27.1 million, including \$20.0 million from the State General Fund, for salaries and wages expenditures for FY 2021. The request is an all funds increase of \$3.7 million, or 15.9 percent, and a State General Fund increase of \$3.4 million, or 20.2 percent, above the FY 2020 revised estimate. The all funds increases are due to new positions added for the Major Violent Crimes and Crimes Against Children enhancement (\$1.3 million),

Secure and Reliable Criminal Justice Systems enhancement (\$319,600), Enhance Criminal Intelligence and Information Sharing enhancement (\$452,296), Forensic Scientist Recruitment and Retention Initiative enhancement (\$228,313), expected increases in fringe benefits, and filling of previously unfilled positions;

- **Contractual Services.** The agency requests \$8.0 million, including \$4.7 million from the State General Fund, for contractual services expenditures for FY 2021. The request is an all funds decrease of \$59,643, or 0.7 percent, and a State General Fund increase of \$1.0 million, or 28.1 percent, from the FY 2020 revised estimate. The State General Fund increase is primarily attributable to the Major Violent Crimes and Crimes Against Children enhancement (\$291,020) and state car expenses and meals and lodging for agents within the field investigations unit. This increase is partially offset through decreases in special revenue funds, including federal grants, shifts of expenditures from special revenue to State General Fund within the Forensic Laboratory program, and shifts of expenditures within General Services from special revenue funds to the State General Fund;
- **Commodities.** The agency requests \$1.7 million, including \$1.1 million from the State General Fund, for commodities expenditures for FY 2021. The request is an all funds increase of \$105,777, or 6.8 percent, and a State General Fund increase of \$119,679, or 12.4 percent, above the FY 2020 revised estimate. The all funds increases is primarily attributable to the Major Violent Crimes and Crimes Against Children enhancement (\$74,250), Secure and Reliable Criminal Justice Systems enhancement (\$16,000), and Enhance Criminal Intelligence and Information Sharing enhancement (\$8,306);
- **Capital Outlay.** The agency requests \$9.4 million, including \$8.8 million from the State General Fund, for capital outlay expenditures for FY 2021. The request is an all funds increase of \$7.5 million, or 390.0 percent, and a State General Fund increase of \$7.9 million, or 828.1 percent, above the FY 2020 revised estimate. The increase is attributable to the agency's enhancement request to replace the Kansas Automated Fingerprint Identification System (\$8.0 million) and passenger vehicles for new agents under the Major Violent Crimes and Crimes Against Children enhancement (\$525,000). These increases are partially offset in other areas, including professional and scientific equipment within the Forensic Laboratory program and software purchases;
- **Debt Service.** The agency requests \$1.8 million, all from the State General Fund, for debt service for FY 2021. This is a decrease of \$122,875, or 6.4 percent, below the FY 2020 revised estimate. This amount is for debt service interest payments on the KBI Forensic Science Laboratory located at Washburn University;
- **Aid to Local Units of Government.** The agency requests \$1.2 million, all from special revenue funds, for aid to local units of government expenditures for FY 2021. The request is a decrease of \$67,346, or 5.4 percent, below the FY 2020 revised estimate. The decrease is entirely due to Sexual Assault Kit Initiative Grant expenditures in the General Services program. Those funds support local governments that investigate cases based on the analysis on sexual assault kits. Federal funds for the grant are expected to end in FY 2020; and

- **Other Assistance.** The agency requests no expenditures for other assistance for FY 2021. The request is an all funds decrease of \$121,244, or 100.0 percent, and a State General Fund decrease of \$88,000, or 100.0 percent, below the FY 2020 revised estimate. The decrease in special revenues is due to Sexual Assault Kit Initiative Grant expenditures in the General Services program. Those funds support organizations that aim to reduce victimization, encourage reporting of sexual assault, and enhance victim services and support. Federal funds for the grant ended in FY 2020. The State General Fund increase is due to a one-time payment resulting from mediation and settlement involving the agency.

The **Governor** recommends \$37.9 million, including \$25.0 million from the State General Fund, for operating expenditures for FY 2021. This is an all funds decrease of \$11.3 million, or 23.0 percent, and a State General Fund decrease of \$11.3 million, or 31.2 percent, below the agency's request. The decrease is entirely attributable to the Governor not recommending the agency's five enhancement requests for FY 2021. However, the Governor supports the replacement of AFIS and will be making a recommendation upon the agency's bid solicitation process.

The Governor concurs with the agency's request for capital improvements for FY 2021.

The Governor recommends 356.5 FTE positions, which is 27.0 FTE positions below the agency's request. This is attributable to the Governor not recommending the Secure and Reliable Criminal Justice Systems enhancement (4.0 FTE positions), the Enhance Criminal Intelligence and Information Sharing enhancement (7.0 FTE positions), and the Major Violent Crimes and Crimes Against Children enhancement (16.0 FTE positions).

Enhancement Detail

Enhancements	FY 2021 ENHANCEMENTS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Replacement of the Kansas Automated Fingerprint Identification System (AFIS)	\$ 8,000,000	\$ 8,000,000	0.0	\$ 0	\$ 0	0.0
Secure and Reliable Criminal Justice Systems	339,600	339,600	4.0	0	0	0.0
Forensic Scientist Recruitment and Retention Initiative	228,313	228,313	0.0	0	0	0.0
Major Violent Crimes and Crimes Against Children	2,201,536	2,201,536	16.0	0	0	0.0
Enhance Criminal Intelligence and Information Sharing	570,336	570,336	7.0	0	0	0.0
TOTAL	\$ 11,339,785	\$ 11,339,785	27.0	\$ 0	\$ 0	0.0

The **agency** requests \$11.3 million, all from the State General Fund, and 27.0 FTE positions for five enhancements for FY 2021:

- **Replacement of the Kansas Automated Fingerprint Identification System (AFIS).** The agency requests \$8.0 million, all from the State General Fund, to replace the AFIS system. In 1999, the Federal Bureau of Investigation (FBI) initiated full operation of the Integrated Automated Fingerprint Identification

System (IAFIS), which provided automated ten-print and latent fingerprint searches. This linked states' AFIS computers with the FBI database. The current AFIS system used by the State of Kansas is the MetaMorpho model manufactured by MorphoTrack and deployed in 2007 and refreshed in 2012. Other states have upgraded to a newer model that allows for integration with the modern IAFIS and Next Generation Identifications systems. Kansas' system is no longer able to be upgraded or supported by the vendor. Therefore, Kansas is missing identifications and Kansas palm prints are no longer accepted by the FBI;

- **Secure and Reliable Criminal Justice Systems.** The agency requests \$339,600 and 4.0 FTE positions to initiate this project. This enhancement will expand Information Technology (IT) staffing to effectively provide Quality Assurance services on behalf of those being served by new systems being built in the performance of the agency's public safety mission; the KBI is requesting funding for two quality assurance analysts and one quality assurance supervisor position. Additionally, one IT Security Analyst position is needed to meet demands of upcoming cybersecurity response projects. The agency requests \$319,600 for salaries and wages, \$16,000 for commodities, and \$4,000 for contractual services;
- **Forensic Scientist Recruitment and Retention Initiative.** The agency requests \$228,313 to implement a competitive pay plan for forensic scientists. The agency has difficulty retaining qualified staff due to the lack of competitive salaries. The agency currently spends \$80,000 to \$200,000 to train each scientist during a process that takes 12 to 24 months. The agency has struggled to maintain them after the training period and once they are qualified to perform actual casework analysis;
- **Major Violent Crimes and Crimes Against Children.** The agency requests \$2.2 million to expand the KBI's capacity to investigate child abuse and crimes against children by the Child Victims Unit. These crimes are often the most complex to investigate, present unique challenges, and are often defended as aggressively as capital murder cases. This enhancement request includes funding for 12.0 FTE special agents, 3.0 FTE assistant special agents in charge, and a 1.0 FTE senior administrative assistant. These positions will collaborate with the Kansas Department for Children and Families staff and resources; and
- **Enhance Criminal Intelligence and Information Sharing.** The agency requests \$570,336 to expand the agency's Criminal Intelligence Unit to continually provide an operating service that centralizes the broad range of current and evolving technologies and capabilities to better direct information. This request would add 6.0 FTE analysts and 1.0 FTE administrative position. The request includes \$452,296 for salaries and wages, \$81,846 for contractual services, \$8,306 for commodities, and \$27,888 for capital outlay expenditures.

The **Governor** does not recommend any of the agency's enhancement requests for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$452,541, including \$235,917 from the State General Fund.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$52,200, including \$37,017 from the State General Fund, and FY 2021 longevity payments total \$57,720, including \$41,047 from the State General Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	73.8 %	66.0 %
Record Check Fee Fund	6.7	8.8
KCJIS Line Fund	3.3	4.3
Forensic Laboratory and Materials Fee Fund	4.6	6.0
Federal Funds	9.6	12.5
All Other Funds	1.9	2.4
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Record Check Fee Fund Analysis

The Record Check Fee Fund, which is a no limit fee fund, was established to collect fees in order to recover all or part of the direct and indirect operating expenses for criminal history record checks conducted for non-criminal justice entities and private organizations. Expenditures may be made from the Record Check Fee Fund for operating expenditures of the KBI. There are a variety of record checks, each with a different fee. In addition, moneys collected pay the Federal Bureau of Investigation for fingerprint searches done at the national level.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 1,554,081	\$ 1,120,651	\$ 1,120,651	\$ 312,148	\$ 312,148
Revenue	2,839,096	2,881,521	2,881,521	3,135,336	3,135,336
Transfers in	13,896	0	0	0	0
Funds Available	\$ 4,407,073	\$ 4,002,172	\$ 4,002,172	\$ 3,447,484	\$ 3,447,484
Less:					
Expenditures	\$ 3,286,422	\$ 3,690,024	\$ 3,690,024	\$ 3,320,473	\$ 3,320,473
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 1,120,651	\$ 312,148	\$ 312,148	\$ 127,011	\$ 127,011
Ending Balance as Percent of Expenditures	34.1%	8.5%	8.5%	3.8%	3.8%
Month Highest Ending Balance	July \$ 1,565,060	July \$ 1,128,568	July \$ 1,128,568	July \$ 314,353	July \$ 314,353
Month Lowest Ending Balance	June \$ 1,122,813	June \$ 312,148	June \$ 312,148	June \$ 127,011	June \$ 127,011

Kansas Criminal Justice Information System (KCJIS) Fee Fund

This fund represents proceeds received from the disposition of district court fines, penalties, and forfeitures. Moneys in this fund are used to offset the costs of maintaining the Kansas Criminal Justice Information System (KCJIS). KSA 74-7336(a) provides that 4.4 percent

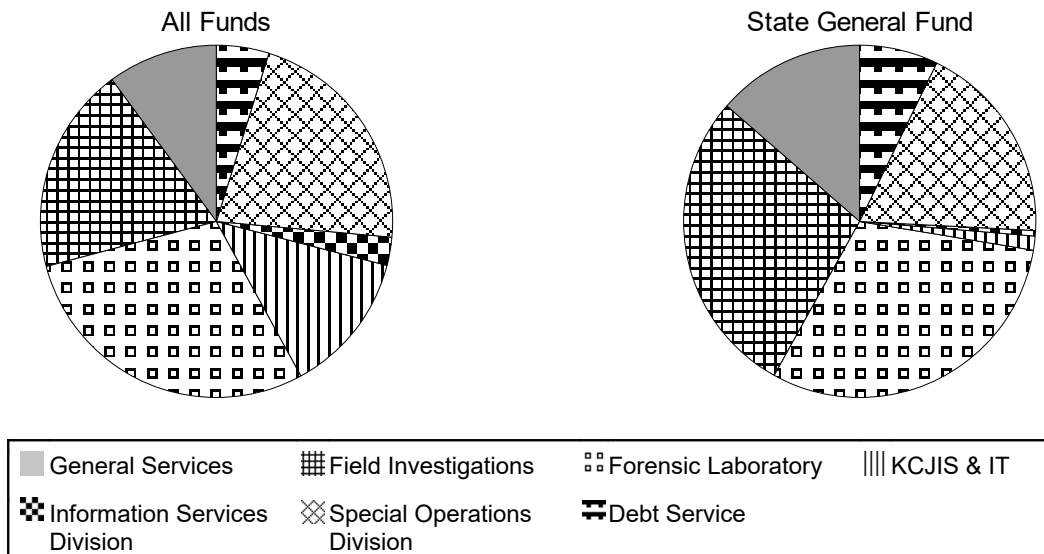
of each traffic fine is credited to this fund. Additionally, \$1 of each Division of Vehicles modernization surcharge collected is required to be remitted to this fund but cannot to exceed \$1.0 million per year in FY 2020 and for FY 2021.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 421,195	\$ 779,446	\$ 779,446	\$ 981,219	\$ 981,219
Revenue	1,758,157	1,768,172	1,768,172	1,777,845	1,777,845
Transfers in	0	0	0	0	0
Funds Available	\$ 2,179,352	\$ 2,547,618	\$ 2,547,618	\$ 2,759,064	\$ 2,759,064
Less:					
Expenditures	\$ 1,399,906	\$ 1,566,399	\$ 1,566,399	\$ 1,628,757	\$ 1,628,757
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 779,446	\$ 981,219	\$ 981,219	\$ 1,130,307	\$ 1,130,307
Ending Balance as Percent of Expenditures	55.7%	62.6%	62.6%	69.4%	69.4%
Month Highest Ending Balance	October \$ 1,031,850	October \$ 1,911,349	October \$ 1,911,349	October \$ 2,406,135	October \$ 2,406,135
Month Lowest Ending Balance	July \$ 568,053	July \$ 981,219	July \$ 981,219	July \$ 1,130,307	July \$ 1,130,307

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2021 Recommendation



Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
General Services	\$ 3,840,764	10.1 %	\$ 3,394,350	13.6 %
Field Investigations	7,218,314	19.0	7,088,108	28.3
Forensic Laboratory	10,929,999	28.8	7,609,932	30.4
KCJIS & IT	4,919,715	13.0	333,145	1.3
Information Services Division	986,315	2.6	123,046	0.5
Special Operations Division	8,197,193	21.6	4,661,058	18.6
Debt Service	1,802,925	4.8	1,802,925	7.2
TOTAL	\$ 37,895,225	100.0 %	\$ 25,012,564	100.0 %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
General Services	29.0	29.0	29.0	29.0	29.0
Field Investigations	72.0	72.0	72.0	88.0	72.0
Forensic Laboratory	92.5	92.5	92.5	92.5	92.5
KCJIS & IT	29.0	29.0	29.0	33.0	29.0
Information Services	19.0	20.0	20.0	20.0	20.0
Special Operations	58.0	58.0	58.0	65.0	58.0
Off-Budget	57.0	56.0	56.0	56.0	56.0
TOTAL	356.5	356.5	356.5	383.5	356.5
<i>Note:</i> For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.					

A. General Services

The General Services program is responsible for establishing efficient and effective programs, policies, and procedures that provide relevant and timely management, data processing, and administrative services in support of KBI operations and the Kansas criminal justice community. The agency carries out its administrative functions through a variety of subprograms.

Office of the Director. The Office of the Director provides the overall management of the agency. The Director is ultimately responsible for the efficient operation of the agency and administration of agency programs in alignment with the agency mission, overarching goals, and in fulfillment of statutory obligations.

Office of Governmental Affairs. The Office of Governmental Affairs is responsible for coordinating intergovernmental relations activities to ensure the effective and accurate representation of the KBI in governmental affairs. The Executive Officer is the principal advisor to the Director and his executive staff with respect to legislative affairs and policy matters affecting state and local government.

Office of General Counsel. The Office of General Counsel provides timely and efficient counsel and provides legal representation to the agency Director and, as appropriate, to the executive staff, divisions, units, and line employees on legal matters relating to agency operations.

Office of Communications and Engagement. The Office of Communications and Engagement is responsible for internal and external communication initiatives as well as preparing and responding to external media inquiries. This office also coordinates and develops the agency's public service announcements.

Office of Professional Standards. The Office of Professional Standards is responsible for developing and reviewing internal agency policies and ensuring agency officials adhere to those standards. This office is staffed by one Special Agent in Charge who is tasked with conducting objective investigations when the agency receives a complaint or becomes aware of situations involving employee misconduct. Additionally, the Special Agent in Charge conducts audits and inspections of agency programs and processes to ensure adherence to established standards.

Human Resources Office. The Human Resources Office is responsible for personnel management and agency-wide recruitment. This office manages the posting of vacant positions, receipt and processing of applications, and the background and hiring processes. Additionally, the Office is responsible for benefits management, payroll, and employee relations.

Fiscal Office. The Fiscal Office provides financial services to both internal and external customers using generally accepted accounting principles. This office is responsible for maintenance of the accounting system and the financial records of the agency. It also manages the agency's budget by providing fiscal oversight of agency programs, monitoring the budget process, and preparing fiscal information. Additionally, the Office administers approximately 13 state or federal grants that are used to fund programs that enhance the criminal justice system or generally improve public safety in Kansas.

Facilities Operations. The Facilities Operations subprogram works toward providing a safe and welcoming environment for employees and agency visitors. Those in Facilities Operations are responsible for ensuring the agency's facilities are clean, safe, secure, and well maintained. Custodial, maintenance, and security personnel at each facility are included in this group.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Positions Authorized	344	357	381	357	357	384
Number of Filled Positions	293	310	338	322	321	361
Number of Vacant Positions	51	47	43	35	36	23
Percent of Positions Vacant	14.8 %	13.2 %	11.3 %	9.8 %	10.1 %	6.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 8.1	\$ 3.9	\$ 4.3	\$ 4.5	\$ 4.2	\$ 3.8
FTE Positions	76.5	28.0	28.0	29.0	29.0	29.0

GENERAL SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,862,485	\$ 2,056,607	\$ 2,056,607	\$ 2,051,629	\$ 2,051,629
Contractual Services	2,037,032	1,700,606	1,700,606	1,668,435	1,668,435
Commodities	98,953	86,500	86,500	86,000	86,000
Capital Outlay	149,369	156,121	156,121	34,700	34,700
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,147,839	\$ 3,999,834	\$ 3,999,834	\$ 3,840,764	\$ 3,840,764
Aid to Local Units	41,480	67,346	67,346	0	0
Other Assistance	145,513	121,244	121,244	0	0
TOTAL	\$ 4,334,832	\$ 4,188,424	\$ 4,188,424	\$ 3,840,764	\$ 3,840,764
Financing:					
State General Fund	\$ 3,305,304	\$ 3,127,845	\$ 3,127,845	\$ 3,394,350	\$ 3,394,350
All Other Funds	1,029,528	1,060,579	1,060,579	446,414	446,414
TOTAL	\$ 4,334,832	\$ 4,188,424	\$ 4,188,424	\$ 3,840,764	\$ 3,840,764
FTE Positions	29.0	29.0	29.0	29.0	29.0

The **agency** requests \$3.8 million, including \$3.4 million from the State General Fund, for General Services for FY 2021. This is an all funds decrease of \$347,660, or 8.3 percent, and a State General Fund increase of \$266,505, or 8.5 percent, from the FY 2020 revised estimate. The agency has shifted contractual services expenditures by increasing the State General Fund amount (\$424,320) roughly equivalent to a decrease in the special revenue amount. The State General Fund increase in contractual services is partially offset by a decrease in other assistance due to a one-time payment resulting from mediation and settlement involving the agency in the prior fiscal year. The agency decreased its capital outlay expenditures for equipment and furniture purchases made in FY 2020 for the opening of the Garden City office as well as expenditures for Sexual Assault Kits backlog. The agency received a federal grant, which ended in FY 2020, to finish the backlog.

The **Governor** concurs with the agency's request for the General Services program for FY 2021.

B. Field Investigations

The Field Investigations program is responsible for promoting public safety and governmental integrity, at the request of partner law enforcement agencies and the Kansas Attorney General, through the aggressive and efficient investigation of serious criminal violations, the collection of information and evidence, the collection and dissemination of criminal intelligence information, and the completion of background investigations. The program prioritizes the investigation of major crimes of violence, major drug trafficking organizations, crimes involving child victims, crimes involving governmental integrity, and crimes wherein the local jurisdiction has a recognized conflict of interest in investigating the offense. This program achieves these goals through a variety of subprograms, detailed below.

Management and Support. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures. This unit is responsible for coordinating and implementing the statutorily required continuing education and basic training for both of the agency's investigations divisions.

General Investigative Operations. The General Investigative Operations Unit is responsible for deploying Special Agent staff in sufficient numbers to effectively investigate crimes utilizing recognized best practices. This unit utilizes a core group of specially trained Special Agents to respond to homicides, suspicious deaths, and crimes committed by public officials. Statutorily required investigations, including in-custody death investigations and cases conducted at the direction of the Kansas Attorney General, are also included in this program.

Child Victims Team. The Child Victims Team (CVT) investigates serious sexually violent crimes, which are designated as "Jessica's Law" violations pursuant to KSA 21-6627; serious physical abuse of a child; and crimes committed by suspects who are designated as habitual sexual offenders pursuant to KSA 21-6627. CVT members conduct an average of 56 investigations per year. CVT members also investigate 75 percent of the cases involving child victims; the remaining 25 percent of these cases are worked by other Special Agents who normally work cases referred to the General Investigative Operations Unit.

Crime Scene Response Team. The Crime Scene Response Team (CSRT) deploys Special Agent and Forensic Scientist staff to investigate major crime scenes. The crime scenes they process are typically related to homicide, law enforcement uses of deadly force, and violent

sexual assaults. The CSRT is supervised and managed full-time by one Assistant Special Agent in Charge with ten Special Agents and seven Forensic Scientists whose part-time participation on the team is a collateral duty to their full-time assignments. The CSRT occasionally supports larger agencies that lack the level of expertise to reconstruct a crime scene or perform certain examinations at the scene of the crime.

Case Management Unit. The Case Management Unit (CMU) supports the investigative process by performing multiple duties related to the management of physical master case files, the retention of criminal investigative files according to the prescribed retention schedule, and the dissemination of criminal investigation reports and case files in support of the judicial process. This unit also manages the agency's electronic Investigative Case Management System (ICMS) and supports investigative personnel who are required to document case-related activities in ICMS.

Agent Evidence Operations. The Agent Evidence Operations Unit works to ensure the integrity of evidence that will be used for criminal prosecution and maintains the accountability of evidence held by the agency until it is properly disposed of through appropriate legal means. To ensure accountability, regular audits and inspections of evidence facilities are performed as a part of this subprogram. This unit also supports both of the agency's investigative divisions through the management, appropriate retention, and legal disposal of evidence seized during the course of an investigation.

Missing Persons Clearinghouse Operations. The Missing Persons Clearinghouse contains more than 500 missing persons listed in a statutorily required database. Of those missing individuals, about 63 percent are juveniles. The database also serves as a collection and distribution point for information related to unidentified human remains. This unit conducts daily verifications of new missing persons and interacts with law enforcement agencies conducting investigations into missing persons along with other governmental agencies. This unit also maintains files of the reported unidentified remains that law enforcement agencies in Kansas have discovered, acting as a repository and facilitator to assist in locating the missing and identify the unidentified remains.

Background Investigations Operations. The Background Investigations Operations Unit conducts background investigations, including both pre-employment backgrounds on prospective KBI employees and those the agency is statutorily required to conduct. Background investigations are conducted to determine the suitability of an individual for appointment to an important position within state government or within the judicial system and are generally aimed at assessing the individual's judgment, ability, honesty, responsible behavior, loyalty, mental stability, attitude, and prior criminal involvement or association.

Federal Task Force Operations. The Federal Task Force Operations subprogram contains Special Agents who participate in federal operations. Currently, one Special Agent is assigned to support the Federal Bureau of Investigation's (FBI) Heart of America Regional Computer Forensics Laboratory, part of the FBI's Joint Terrorism Task Force, and one Special Agent to the FBI's Crimes Against Children Task Force. There is a pending request for another Special Agent to be assigned to the FBI's Cyber Crimes Task Force.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Investigations Initiated	269	231	230	326	250	250
Number of Investigations Declined	67	65	70	19	20	20
Percent of Priority Investigations Declined	39.0 %	31.0 %	38.0 %	2.6 %	5.0 %	5.0 %
Percent of Cases Completed within 90 Days	38.1 %	37.3 %	38.0 %	36.9 %	44.0 %	44.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 12.6	\$ 5.1	\$ 6.2	\$ 6.6	\$ 7.0	\$ 7.2
FTE Positions	71.0	65.0	65.0	72.0	72.0	72.0

FIELD INVESTIGATIONS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,966,799	\$ 5,495,201	\$ 5,495,201	\$ 7,295,717	\$ 5,984,451
Contractual Services	804,870	947,876	947,876	1,250,436	959,416
Commodities	162,995	143,541	143,541	187,634	113,384
Capital Outlay	704,540	453,249	453,249	686,063	161,063
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 6,639,204	\$ 7,039,867	\$ 7,039,867	\$ 9,419,850	\$ 7,218,314
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 6,639,204	\$ 7,039,867	\$ 7,039,867	\$ 9,419,850	\$ 7,218,314
Financing:					
State General Fund	\$ 6,454,646	\$ 6,913,818	\$ 6,913,818	\$ 9,289,644	\$ 7,088,108
All Other Funds	184,558	126,049	126,049	130,206	130,206
TOTAL	\$ 6,639,204	\$ 7,039,867	\$ 7,039,867	\$ 9,419,850	\$ 7,218,314
FTE Positions	72.0	72.0	72.0	88.0	72.0

The **agency** requests \$9.4 million, including \$9.3 million from the State General Fund, for the Field Investigations program for FY 2021. This is an all funds increase of \$2.4 million, or 33.8 percent, and a State General Fund increase of \$2.4 million, or 34.4 percent, above the FY 2020 revised estimate. The State General Fund and all funds increases are primarily attributable to the agency's Major Violence Against Children enhancement request. This enhancement request also includes an increase of 16.0 FTE positions. The majority of these expenses are related to salaries and wages and passenger vehicles for the new agent positions. The agency has also budgeted expenditures for state car expenses and meals and lodging.

The **Governor** recommends \$7.2 million, including \$7.1 million from the State General Fund, for the Field Investigations program for FY 2021. This is an all funds decrease of \$2.2 million, or 23.4 percent, and a State General Fund decrease of \$2.2 million, or 23.7 percent, below the agency's request. The decrease is attributable to the Governor's recommendation not to fund the Major Violent Crimes and Crimes Against Children enhancement request. The Governor recommends 72.0 FTE positions, which is 16.0 FTE positions below the agency's

request due to the Governor's recommendation not to fund the Major Violent Crimes and Crimes Against Children enhancement request.

C. Forensic Laboratory

The Forensic Laboratory program is responsible for providing timely, state-of-the-art forensic services to the Kansas public safety community through science and modern technology. To accomplish this, the forensic laboratory seeks to maintain its accreditation as a forensic laboratory, develop and retain a staff of highly trained and qualified forensic scientists, improve technology levels and facilities, and be consistent with best practices in forensic science. This program achieves these goals through a variety of subprograms, detailed below.

Management and Support Unit. The Management and Support Unit is responsible for the administration and conformance of laboratory policies, procedures, quality assurance, facilities, and supervision of laboratory support staff and supervisors. This unit oversees the Laboratory Information Management System and the quality assurance program to ensure compliance with the accreditation, safety, and security programs within the laboratory. Administrative staff are responsible for managing thousands of case files and communications with external customers within the criminal justice system and schedule approximately 4,000 subpoenas for testimony each year.

Biology/DNA Unit. The Biology/DNA Unit is responsible for the identification and analysis of biological materials and for developing DNA profiles from evidence and reference samples. The potential for developing a suspect or providing investigative leads make DNA a powerful tool for law enforcement and, for that reason, the services for this section are in high demand.

Databank Unit. The Databank Unit is responsible for the collection, maintenance, and analysis of offender DNA samples pursuant to Kansas law. This unit also maintains the Combined DNA Index System to link forensic and offender profiles. Matches made between profiles can link crimes, identify serial offenders, and generate investigative leads in unsolved cases.

Digital Evidence Unit. The Digital Evidence Unit is responsible for the collection, processing, examination, and analysis of digital media that is stored on a wide variety of electronic devices, including, but not limited to, computer systems, mobile devices, external storage devices, and removable media.

Drug Chemistry Unit. The Drug Chemistry Unit is responsible for the analysis of controlled substances, clandestine laboratory, general chemical, and alcoholic beverage evidence.

Evidence Control Centers. The Evidence Control Centers subprogram is responsible for the safekeeping of all evidence submitted across the state to the laboratory for examination in criminal cases.

Firearm and Toolmark Unit. The Firearm and Toolmark Unit is responsible for the examination of firearms, bullets, cartridge cases, ammunition components, fractured items, tools, tool-marked surfaces, and gunshot-damaged clothing.

Latent Print Unit. The Latent Print Unit is responsible for the development, recovery, and examination of latent prints from evidence. They compare latent prints removed from

evidence to known prints of individuals and unidentified latent prints in the Automated Fingerprint Identification System. Evidence is also examined for the development and recovery of footwear and tire track impressions. Unknown impressions are compared to known footwear, known tires, and test impressions.

Questioned Document Unit. The Questioned Document Unit is responsible for the examination of document evidence to determine origin, authenticity, or authorship. This unit also performs lottery ticket quality control for the Kansas Lottery.

Toxicology Unit. The Toxicology Unit is responsible for the analyses of human biological materials for the presence and amounts of alcohol, drugs, or other toxic compounds. Case types examined by the Toxicology Section include driving under the influence, drug distribution/possession, drug-facilitated sexual assault, child endangerment, and death investigations.

Trace Evidence Unit. The Trace Evidence Unit is responsible for performing primer gunshot residue and fire debris testing. This unit is in the process of developing capabilities in the trace disciplines of physical fit, fiber, and paint analysis.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Forensic Laboratory Assignments Completed in 60 Days	52.2 %	57.3 %	41.4 %	69.4 %	75.0 %	76.7 %
Available Scientists	45	50	59	50	53	56
Total Forensic Laboratory Backlog	4,690	5,920	5,800	3,266	3,200	3,000
Number of Completed Assignments	26,922	27,320	27,750	28,688	28,700	28,800
Number of Professional Training Sessions	244	126	125	143	140	145
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 10.1	\$ 9.8	\$ 10.5	\$ 10.2	\$ 10.9	\$ 10.9
FTE Positions	91.5	89.0	88.0	92.5	92.5	92.5

FORENSIC LABORATORY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 7,376,396	\$ 7,709,164	\$ 7,709,164	\$ 8,297,389	\$ 8,069,076
Contractual Services	1,066,594	1,286,550	1,286,550	1,360,439	1,360,439
Commodities	1,184,529	1,236,924	1,236,924	1,278,602	1,278,602
Capital Outlay	608,329	675,072	675,072	221,882	221,882
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 10,235,848</i>	<i>\$ 10,907,710</i>	<i>\$ 10,907,710</i>	<i>\$ 11,158,312</i>	<i>\$ 10,929,999</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 10,235,848	\$ 10,907,710	\$ 10,907,710	\$ 11,158,312	\$ 10,929,999
Financing:					
State General Fund	\$ 6,934,663	\$ 7,141,762	\$ 7,141,762	\$ 7,838,245	\$ 7,609,932
All Other Funds	3,301,185	3,765,948	3,765,948	3,320,067	3,320,067
TOTAL	\$ 10,235,848	\$ 10,907,710	\$ 10,907,710	\$ 11,158,312	\$ 10,929,999
FTE Positions	92.5	92.5	92.5	92.5	92.5

The **agency** requests \$11.2 million, including \$7.8 million from the State General Fund, for the Forensic Laboratory program for FY 2021. This is an all funds increase of \$250,602, or 2.3 percent, and a State General Fund increase of \$696,483, or 9.8 percent, above the FY 2020 revised estimate. The agency has included an enhancement request of \$228,313 from the State General Fund for recruitment and retention of forensic scientists. Additionally, the agency has added State General Fund expenditures for its current scientists salaries and fringe benefits. The all funds increase is less than the State General Fund increase primarily due to capital outlay expenditures that were decreased from the previous fiscal year. The agency had budgeted for software purchases and equipment in the previous fiscal year and has reduced the amount budgeted for that purpose. Updating laboratory equipment is evaluated every fiscal year.

The **Governor** recommends \$10.9 million, including \$7.6 million from the State General Fund, for the Forensic Laboratory program for FY 2021. This is an all fund decrease of \$228,313, or 2.0 percent, and a State General Fund decrease of \$228,313, or 2.9 percent, below the agency's request. The decrease is attributable to the Governor not recommending the Forensic Scientist Recruitment and Retention enhancement request.

D. Kansas Criminal Justice Information System and Information Technology

The Kansas Criminal Justice Information System and Information Technology (KCJIS and IT) program contains the IT Division, which serves a diverse set of stakeholders and supports a wide range of technologies. The program's primary responsibilities include supporting agency initiatives and supporting supporting the KCJIS through a variety of subprograms, detailed below.

Management and Support. The Management and Support Unit is responsible for administrative support for all other groups within the IT Division. This group provides support for correspondence, mail, training, travel, scheduling, purchasing, reporting, and other

administrative needs of the Division. In addition, the group provides the IT purchasing agent for the entire agency, manages the statewide KCJIS user group community, assists with the yearly KCJIS conference, and performs other outward-facing support tasks as needed.

Technical Support and Data Center Operations. The Technical Support and Data Center Operations Unit is responsible for installing, maintaining, troubleshooting, and replacing all hardware and software for the agency, as well as the platforms and secure data center within which KCJIS operates. They serve as the central review and purchasing point for all IT resources at the agency and for KCJIS, and provide day-to-day support of desktops, laptops, printers, and a wide variety of specialized equipment. Management of network resources, including shared data, account management for the KBI, and collaboration systems are the responsibility of Technical Support.

Help Desk and Communications. The Help Desk and Communications Unit provides a single point of contact for agency users for all IT systems, as well as first-line support for the nearly 10,000 KCJIS users who utilize KCJIS resources. This unit is also responsible for monitoring and managing physical security systems for the KBI, assisting in the issuance of Amber Alerts and other critical communications, managing the on-boarding of agency users, and support of mobile solutions utilized by agency staff. KCJIS relies heavily on this unit, as they provide a means of communication to other state and national partners when local agency systems fail. Initial contact regarding any agency or KCJIS system is usually managed by this unit.

IT Security and Networking. The IT Security and Networking Unit is responsible for installing, maintaining, and administering security hardware and software for the agency and for KCJIS. This includes the core firewalls, mobile firewalls, vulnerability scanning, Internet and e-mail security, and virus protection. Additionally, this unit maintains all secure connections to and from the agency and KCJIS, including network access control, authentication, and securing services. This unit is also involved in network management for the agency and KCJIS, disaster recovery, continuity of operations planning, security training, risk assessment, policy development, and secure mobile access.

Project Management. The Project Management Unit is responsible for overseeing IT projects specialized to the particular needs and requirements of the criminal justice community, governance, and business processes. Development of project plans, schedule maintenance, resource and budget management, risk management, contract development, oversight of testing and quality assurance, project documentation, requirements gathering, business analysis, and reporting are the main areas of responsibility for the Project Management Unit. This unit interfaces with the Kansas Information Technology Office (KITO), major system vendors, and stakeholders both internal and external who are involved in IT projects, as well as reviewing policy compliance at the state and federal level.

Application Development and Data Management. The Application Development and Data Management Unit is responsible for supporting a large number of services offered to stakeholders both within the agency and in the KCJIS community. Development and integration of new applications and services, as well as support and integration for legacy systems, are this unit's responsibility. Many of the projects given to the IT Division become part of the workload for Application Development. Additionally, Application Development and Data Management is the primary line of support for partner agencies and stakeholders who have a need to integrate with agency or KCJIS systems. This unit is also responsible for supporting the many repositories and databases housed within the agency or accessed through KCJIS systems, including data integration to and from other systems and agencies and ongoing maintenance of existing systems.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of IT Security Incidents	5	3	N/A	2	N/A	N/A
Minutes of Unplanned Downtime	221	89	60	46	60	60
Percent of Critical Systems' Combined Up Time	99.9 %	99.9 %	99.9 %	99.9 %	99.9 %	99.9 %
Percent of Employee Compliance with Security Awareness Training	91.8 %	95.5 %	100.0 %	96.0 %	100.0 %	100.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 4.5	\$ 4.9	\$ 4.5	\$ 4.7	\$ 4.9
FTE Positions	N/A	32.0	30.0	29.0	29.0	29.0

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION TECHNOLOGY SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 2,463,994	\$ 2,892,314	\$ 2,892,314	\$ 3,405,563	\$ 3,085,963
Contractual Services	1,796,775	1,598,376	1,598,376	1,568,516	1,564,516
Commodities	8,706	7,833	7,833	22,433	6,433
Capital Outlay	231,626	229,897	229,897	262,803	262,803
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,501,101	\$ 4,728,420	\$ 4,728,420	\$ 5,259,315	\$ 4,919,715
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 4,501,101	\$ 4,728,420	\$ 4,728,420	\$ 5,259,315	\$ 4,919,715
Financing:					
State General Fund	\$ 969,946	\$ 343,145	\$ 343,145	\$ 672,745	\$ 333,145
All Other Funds	3,531,155	4,385,275	4,385,275	4,586,570	4,586,570
TOTAL	\$ 4,501,101	\$ 4,728,420	\$ 4,728,420	\$ 5,259,315	\$ 4,919,715
FTE Positions	29.0	29.0	29.0	33.0	29.0

The **agency** requests \$5.3 million, including \$672,745 million from the State General Fund, for the KCJIS and IT program for FY 2021. This is an all funds increase of \$530,895, or 11.2 percent, and a State General Fund increase of \$329,600, or 96.1 percent, above the FY 2020 revised estimate. The State General Fund increase is primarily attributable to an enhancement request for the Secure and Reliable Criminal Justice Systems. This is also the reason for the 4.0 FTE position increase from FY 2020 to FY 2021. Other special revenue increases are primarily within salaries and wages for filling previously unfilled positions.

The **Governor** recommends \$4.9 million, including \$333,145 from the State General Fund, for the KCJIS and IT program for FY 2021. This is an all funds decrease of \$339,600, or 6.5 percent, and a State General Fund decrease of \$339,600, or 50.5 percent, below the agency's request. The decrease is attributable to the Governor not recommending the Secure and Reliable Criminal Justice Systems enhancement request. The Governor recommends 29.0 FTE positions, which is 4.0 FTE positions below the agency request due to the Governor's recommendation not to fund the Secure and Reliable Criminal Justice Systems enhancement request.

E. Information Services

The Information Services program contains the Information Services Division, which collects and disseminates criminal justice information for the purposes of promoting public safety and preventing crime in Kansas. The Division is statutorily responsible for incident and arrest data, adult and juvenile criminal history record information, and administration of the Kansas Offender Registration Act through a variety of subprograms, detailed below.

Management and Support Unit. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures.

Incident Based Reporting Unit. The Incident Based Reporting Unit maintains the Kansas Incident Based Reporting System (KIBRS), a statewide crime data repository used to collect information obtained from Kansas Standard Offense Reports and Kansas Standard Arrest Reports. KIBRS assists the agency in helping develop a clear picture of the crime problems in Kansas.

Offender Registration Unit. The Offender Registration Unit maintains the offender registration repository for sex, violent, and drug offenders in Kansas, pursuant to KSA 22-4901. Registrations are submitted quarterly from sheriffs' offices for each offender based upon the offender's month of birth. The agency manages registrations through the Kansas Offender Registration Tool (KsORT). Currently, 64 agencies use KsORT to submit more than 5,400 registrations quarterly. In 2016, the registry began accepting electronic submissions for registrations through an interface with a third-party vendor. There are currently 20 counties using the interface.

Criminal History Records Unit. The Criminal History Records Unit maintains the repository for criminal history records in Kansas, pursuant to KSA 22-4701. The records in the repository include fingerprint-based arrests, filings, court dispositions, and prison confinements. This unit also maintains the Automated Fingerprint Identification System (AFIS). AFIS is a fingerprint and palm print repository that contains the fingerprints and palm prints of Kansas registered offenders and certain arrestees. AFIS identifies offenders by the patterns of fingerprints to determine if they are a new or recidivist offender. The data detailing the individual and the crime on the fingerprint card is then electronically submitted to the Criminal History Records repository based upon the fingerprint identity. Fingerprints are also processed for civil applicants based upon state and federal statutes authorizing for, among others, employment, licensing, child placement, and visa applications purposes. Fingerprints are compared to the criminal fingerprints to determine whether an applicant has a criminal history. The results of the fingerprint search are sent to the appropriate agency so they can determine eligibility for the reason the fingerprints were submitted.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Dispositions Submitted Electronically	25.0 %	82.0 %	89.0 %	66.0 %	80.0 %	85.0 %
Percent of Fingerprint Records Submitted Electronically	65.8 %	66.4 %	68.4 %	60.1 %	74.1 %	78.9 %
Percent of Law Enforcement Agencies Submitting Electronic Incident and Arrest Reports	33.8 %	34.0 %	35.0 %	36.1 %	39.0 %	42.0 %
Percent of Offenders Compliant with the Kansas Offender Registration Act	92.0 %	92.0 %	94.0 %	93.0 %	94.0 %	95.0 %
Percent of Agencies Submitting KIBRS Reports	88.6 %	88.6 %	88.5 %	88.7 %	88.5 %	89.5 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ N/A	\$ 1.5	\$ 1.1	\$ 1.3	\$ 1.2	\$ 1.0
FTE Positions	N/A	16.0	30.5	19.0	20.0	20.0

INFORMATION SERVICES SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,228,359	\$ 713,878	\$ 713,878	\$ 834,267	\$ 834,267
Contractual Services	39,300	330,486	330,486	147,048	147,048
Commodities	5,613	1,750	1,750	1,750	1,750
Capital Outlay	23,767	115,293	115,293	8,003,250	3,250
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,297,039	\$ 1,161,407	\$ 1,161,407	\$ 8,986,315	\$ 986,315
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 1,297,039	\$ 1,161,407	\$ 1,161,407	\$ 8,986,315	\$ 986,315
Financing:					
State General Fund	\$ 71,798	\$ 208,472	\$ 208,472	\$ 8,123,046	\$ 123,046
All Other Funds	1,225,241	952,935	952,935	863,269	863,269
TOTAL	\$ 1,297,039	\$ 1,161,407	\$ 1,161,407	\$ 8,986,315	\$ 986,315
FTE Positions	19.0	20.0	20.0	20.0	20.0

The **agency** requests \$9.0 million, including \$8.1 million from the State General Fund, for the Information Services program for FY 2021. This is an all funds increase of \$7.8 million, or 673.7 percent, and a State General Fund increase of \$7.9 million, or 3,796.5 percent, above the FY 2020 revised estimate. This increase is primarily attributable to the agency's enhancement request to replace the Kansas Automated Fingerprint Identification System (AFIS). While the agency is requesting \$8.0 million for the request from the State General Fund, it has decreased some expenditures for fees in contractual services and increased salaries and wages expenditures.

The **Governor** recommends \$986,315, including \$123,046 from the State General Fund, for the Information Services program for FY 2021. This is an all funds decrease of \$8.0 million,

or 89.0 percent, and a State General Fund decrease of \$8.0 million, or 98.5 percent, below the agency's request. The decrease is attributable to the Governor not recommending the replacement of the AFIS enhancement request. The Governor supports the replacement of AFIS and will be making a recommendation upon the agency's bid solicitation process.

F. Special Operations

The Special Operations program contains the Special Operations Division, which provides professional proactive investigative, technical, and tactical services to the criminal justice community in Kansas. The Division is the agency's primary resource for conducting criminal investigative and crime intelligence services, with a prioritized effort on identifying and targeting the most serious violent criminal offenders and organized criminal enterprises that pose threats to Kansas citizens. To accomplish this, the Division employs a collaborative, multi-agency approach to its investigations through a variety of subprograms, detailed below.

Management and Support. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures.

General Investigative Operations. The General Investigative Operations Unit encompasses the Division's overall mission and performance. Agents work together and with local, state, and federal partners to target repeat criminal offenders with a propensity for violence. The Unit also works to disrupt and dismantle criminal groups involved in drug manufacturing and distribution in and affecting Kansas. This unit also manages the Technical Services Unit and Asset Forfeiture Program.

Criminal Intelligence. The Criminal Intelligence Unit provides criminal case support to Special Agents in both of the agency's investigative divisions. This unit facilitates internal and external information exchange, provides tactical case support, and produces intelligence reports that provide timely, accurate, and relevant information to support and guide decision making in the law enforcement community. This unit also fulfills various collateral duty responsibilities in support of the agency's mission, program requirements, and statutory mandates.

Statewide Intelligence Operations. The Statewide Intelligence Operations subprogram includes both Special Agents and Intelligence Analysts to proactively collect information and share intelligence for the purpose of promoting public safety and preventing crime in Kansas. The agency has assigned an Assistant Special Agent in Charge to the Kansas Intelligence Fusion Center (KIFC) to supervise assigned staff and act as a liaison between the KIFC, the agency, and the Kansas law enforcement community. This group utilizes the Kansas Intelligence System (KIS), a secure, electronic, statewide intelligence network used by law enforcement and criminal justice agencies for the purpose of sharing criminal intelligence information. KIS provides a necessary balance between preventing and controlling crime while protecting the privacy and constitutional rights of its citizens. The Kansas Intelligence Association is an information and intelligence sharing organization open to agencies that have an investigative criminal justice function and is composed of 14 districts in the state.

High Risk Warrant Team. The High Risk Warrant Team is composed of specially trained Special Agents who carry out high-risk tactical operations in support of agency investigations and other local, state, and federal law enforcement agencies that request their assistance. They conduct operations, which include arresting violent individuals, executing high-risk search warrants, performing dignitary protection details, and responding to critical events, such as hostage rescue incidents and barricaded subjects with a propensity for violence.

Clandestine Laboratory Response and Meth Waste Disposal Program. The Clandestine Laboratory Response Team contains both Special Agents and Chemists to provide technical, investigative, and hazardous waste cleanup assistance to local and state law enforcement agencies upon the discovery of clandestine methamphetamine manufacturing sites. In partnership with the Drug Enforcement Administration, the Special Operations Division manages and coordinates Kansas' Meth Waste Disposal Program, which responds to domestic methamphetamine lab incidents in the state and minimizes opportunities for citizens to be endangered by the dangerous chemical environments methamphetamine labs create.

Federal Task Force Operations. The Federal Task Force Operations subprogram includes Special Agents cross-designated as federal task force officers to both the U.S. Secret Service's Task Force and the Department of Homeland Security's Homeland Security Investigations Task Force. Currently, the Special Operations Division does not have any agents assigned to federal task forces on a full-time basis.

High Intensity Drug Trafficking Area Operations. The High Intensity Drug Trafficking Area Operations subprogram contains a partnership with the Office of National Drug Control Policy's Midwest High Intensity Drug Trafficking Area (HIDTA) program. HIDTA provides drug enforcement resources that are critical to the ability of state and local law enforcement to combat drug crimes and associated violence. The agency acts as the fiduciary agent for the Midwest HIDTA program.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Cases Completed within 90 Days	52.0 %	38.0 %	50.0 %	32.0 %	50.0 %	50.0 %
Percent of Kansas Counties Served	46.0 %	38.0 %	40.0 %	31.0 %	40.0 %	40.0 %
Number of Meth Waste Disposal Requests	12	8	12	12	12	12
Percent of Prosecuted Offenders Convicted	N/A	N/A	70.0 %	80.0 %	90.0 %	90.0 %
Number of criminal Offenders and Organizations Prosecuted	N/A	N/A	N/A	98	100	100
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	N/A	\$ 7.9	\$ 8.0	\$ 8.4	\$ 8.3	\$ 8.2
FTE Positions	N/A	58.0	58.0	58.0	58.0	58.0

SPECIAL OPERATIONS SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 4,137,470	\$ 4,536,308	\$ 4,536,308	\$ 5,231,820	\$ 4,779,524
Contractual Services	1,769,092	2,242,438	2,242,438	2,051,815	1,969,969
Commodities	125,245	85,900	85,900	91,806	83,500
Capital Outlay	214,891	295,069	295,069	222,788	194,900
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 6,246,698</i>	<i>\$ 7,159,715</i>	<i>\$ 7,159,715</i>	<i>\$ 7,598,229</i>	<i>\$ 7,027,893</i>
Aid to Local Units	2,122,521	1,169,300	1,169,300	1,169,300	1,169,300
Other Assistance	1,545	0	0	0	0
TOTAL	\$ 8,370,764	\$ 8,329,015	\$ 8,329,015	\$ 8,767,529	\$ 8,197,193
Financing:					
State General Fund	\$ 4,038,774	\$ 4,517,318	\$ 4,517,318	\$ 5,231,394	\$ 4,661,058
All Other Funds	4,331,990	3,811,697	3,811,697	3,536,135	3,536,135
TOTAL	\$ 8,370,764	\$ 8,329,015	\$ 8,329,015	\$ 8,767,529	\$ 8,197,193
FTE Positions	58.0	58.0	58.0	65.0	58.0

The **agency** requests \$8.8 million, including \$5.2 million from the State General Fund, for the Special Operations program for FY 2021. This is an all funds increase of \$438,514, or 5.3 percent, and a State General Fund increase of \$714,076, or 15.8 percent, above the FY 2020 revised estimate. The agency included an enhancement request, all from the State General Fund, for its Enhanced Criminal Intelligence and Information sharing program. This increase includes 7.0 additional FTE positions. The agency included some State General Fund increases for salaries and fringe benefit increases for current staff. However, a decrease in special revenue funds in FY 2021 is primarily due to the ending of a federal grant for the Cops Against Meth Program in FY 2020.

The **Governor** recommends \$8.2 million, including \$4.7 million from the State General Fund, for the Special Operations program for FY 2021. This is an all funds decrease of \$570,336, or 6.5 percent, and a State General Fund decrease of \$570,336, or 10.9 percent, below the agency's request. The decrease is attributable to the Governor not recommending the Enhance Criminal Intelligence and Information Sharing enhancement request. The Governor recommends 58.0 FTE positions, which is 7.0 FTE positions below the agency request. The decrease is due to the Governor recommendation not to fund the Enhance Criminal Intelligence and Information Sharing enhancement request.

G. Debt Service

The Debt Service program contains payments on the forensic science laboratory located at Washburn University. The laboratory officially opened in November 2015. The Topeka Building Commission authorized the issuance of its Public Building Commission Leasehold Revenue Bonds in the principal amount not exceeding \$59.0 million.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.2	\$ 2.2	\$ 2.0	\$ 2.0	\$ 1.9	\$ 1.8
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

DEBT SERVICE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	2,042,675	1,925,800	1,925,800	1,802,925	1,802,925
Subtotal - Operations	\$ 2,042,675	\$ 1,925,800	\$ 1,925,800	\$ 1,802,925	\$ 1,802,925
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 2,042,675	\$ 1,925,800	\$ 1,925,800	\$ 1,802,925	\$ 1,802,925
Financing:					
State General Fund	\$ 2,042,675	\$ 1,925,800	\$ 1,925,800	\$ 1,802,925	\$ 1,802,925
All Other Funds	0	0	0	0	0
TOTAL	\$ 2,042,675	\$ 1,925,800	\$ 1,925,800	\$ 1,802,925	\$ 1,802,925
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests \$1.9 million, all from the State General Fund, for debt service for FY 2021. This is a decrease of \$122,875 below the agency's FY 2020 revised estimate. This amount is for debt service interest payments on the KBI Forensic Science Laboratory located at Washburn University.

The **Governor** concurs with the agency's request for Debt Service for FY 2021.

H. Off-Budget

This section is included for informational purposes only and the expenditures for this program are not included in other parts of this budget analysis unless specifically noted. Primary funding for the agency's off-budget program comes from the Intergovernmental Service Fund, which was established to collect fees in order to recover all or part of the direct and indirect operating expenses for criminal history record checks conducted for other state agencies by statute or request. Additionally, the Off-Budget Motor Pool Fund provides some of the program's funding. The Off-Budget Motor Pool Fund's revenue comes from money charged internally for mileage. Currently, the charge is \$0.40 per mile. This money is used to pay for gas, vehicle repairs, and vehicle replacement costs.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.5	\$ 3.6	\$ 4.8	\$ 4.0	\$ 4.8	\$ 5.0
FTE Positions	29.0	45.0	48.0	57.0	56.0	56.0

OFF-BUDGET SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,651,756	\$ 2,645,703	\$ 2,645,703	\$ 2,800,069	\$ 2,800,069
Contractual Services	1,329,250	1,601,281	1,601,281	1,602,519	1,602,519
Commodities	298,564	238,100	238,100	238,100	238,100
Capital Outlay	745,079	358,330	358,330	351,330	351,330
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 4,024,649</i>	<i>\$ 4,843,414</i>	<i>\$ 4,843,414</i>	<i>\$ 4,992,018</i>	<i>\$ 4,992,018</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 4,024,649</u>	<u>\$ 4,843,414</u>	<u>\$ 4,843,414</u>	<u>\$ 4,992,018</u>	<u>\$ 4,992,018</u>
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	4,024,649	4,843,414	4,843,414	4,992,018	4,992,018
TOTAL	<u>\$ 4,024,649</u>	<u>\$ 4,843,414</u>	<u>\$ 4,843,414</u>	<u>\$ 4,992,018</u>	<u>\$ 4,992,018</u>
FTE Positions	57.0	56.0	56.0	56.0	56.0

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Forensic Laboratory - Principal Debt Service	\$ 2,395,000	\$ 2,395,000	\$ 2,520,000	\$ 2,520,000
Rehab and Repair	100,000	100,000	100,000	100,000
Great Bend Forensic Laboratory Renovation	950,000	950,000	0	0
Topeka Headquarters HVAC Replacement	286,000	286,000	0	0
Topeka Annex Parking Lot Repair	50,000	50,000	0	0
TOTAL	\$ 3,781,000	\$ 3,781,000	\$ 2,620,000	\$ 2,620,000
Financing:				
State General Fund	\$ 3,731,000	\$ 3,731,000	\$ 2,620,000	\$ 2,620,000
All Other Funds	50,000	50,000	0	0
TOTAL	\$ 3,781,000	\$ 3,781,000	\$ 2,620,000	\$ 2,620,000

FY 2020 – Current Year. The agency requests a revised estimate of \$3.8 million, including \$3.7 million from the State General Fund, for capital improvement expenditures in FY 2020. This is an increase of \$1.3 million, or 51.5 percent, including \$1.2 million from the State General Fund, or 49.5 percent, above the FY 2020 approved amount. The agency requests funding for following projects in FY 2020:

- **Forensic Science Laboratory (Principal Debt Service).** The agency requests \$2.4 million, all from the State General Fund, for debt service principal payments for the Forensic Science Laboratory located at Washburn University in FY 2020;
- **Rehabilitation and Repair.** The agency requests \$100,000, all from the State General Fund, for rehabilitation and repair projects in FY 2020;
- **Great Bend Forensic Laboratory Renovation.** The agency requests \$950,000, all from the State General Fund, for the Great Bend Forensic Laboratory Renovation in FY 2020. The laboratory has not had any structural updates and is in need of improvements. Projects to be completed include a new HVAC system, renovation of the plumbing for new room layouts, new LED lighting throughout the space, and renovation of the electrical for the room layouts. The estimate includes associated architect and engineer fees, Office of Information Technology Services fees to install new data lines into the room, and furniture;
- **Topeka Headquarters HVAC Replacement.** The agency requests \$286,000, all from the State General Fund, for replacement of the KBI headquarters heating, ventilation, and air conditioning (HVAC) system for FY 2020. The KBI headquarters was built in approximately 1929 and is housed in the former Crane Junior High School in Topeka. Prior to the KBI moving into the former Crane Junior High School in 1984, renovations were completed, including the

installation of a new HVAC system. The expected life expectancy of the unit was 20 years. The unit is now 34 years old and continues to have constant maintenance requirements, including repairing old and malfunctioning parts, patching leaks throughout the system, and replenishment of R-22 refrigerant. (*Note:* This is listed as a new capital improvement project but was approved as an enhancement by the FY 2019 Legislature.); and

- **Topeka Annex Parking Lot Repair.** The agency requests \$50,000, all from the Record Check Fee Fund, to repair the Topeka annex parking lot. A section of the parking lot just outside of the Topeka annex location has deteriorated. It will be removed and replaced with new 6-inch reinforced concrete. The agency will remove the west side entrance to the parking lot off Topeka Boulevard.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2020.

FY 2021 – Budget Year. The **agency** requests \$2.6 million, all from the State General Fund, for capital improvement expenditures for FY 2021. This is a decrease of \$1.2 million, or 30.7 percent, and a State General Fund decrease of \$1.1 million, or 29.8 percent, below the FY 2020 revised estimate. The agency requests funding for the following projects for FY 2021:

- **Forensic Science Laboratory (Principal Debt Service).** The agency requests \$2.5 million, all from the State General Fund, for debt service principal payments for the Forensic Science Laboratory located at Washburn University for FY 2021. This is an increase of \$125,000, or 5.2 percent, above the FY 2020 revised estimate. This is a 20 year bond which matures in FY 2034; and
- **Rehabilitation and Repair.** The agency requests \$100,000, all from the State General Fund, for rehabilitation and repair projects for FY 2021.

The **Governor** concurs with the agency's request for capital improvements for FY 2021.

KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	798,260	870,552	870,552	866,864	866,864
<i>Subtotal</i>	<i>\$ 798,260</i>	<i>\$ 870,552</i>	<i>\$ 870,552</i>	<i>\$ 866,864</i>	<i>\$ 866,864</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 798,260</u>	<u>\$ 870,552</u>	<u>\$ 870,552</u>	<u>\$ 866,864</u>	<u>\$ 866,864</u>
Percentage Change:					
Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	7.5	9.1	9.1	(0.4)	(0.4)
FTE Positions	7.0	7.0	7.0	7.0	7.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Commission on Peace Officers' Standards and Training (KS CPOST) was created by the 2006 Legislature. Initial funding and operation as a separate state agency occurred in 2008. The mission of KS CPOST is to provide "the citizens of Kansas with qualified, trained, ethical, competent, and professional peace officers" and adopt and enforce "professional standards for certification of peace officers to promote public safety and preserve public trust and confidence." The KS CPOST maintains a central registry of the demographics of Kansas law enforcement officers and their qualifications and employment history. This registry is available for all agencies that appoint or elect law enforcement officers for use as a reference when reviewing employment applications. In addition, KS CPOST conducts criminal and administrative investigations related to law enforcement officers' qualifications. As a result of these investigations, KS CPOST may suspend, revoke, or deny the certification of a law enforcement officer. KS CPOST is located in Wichita, Kansas.

MAJOR ISSUES FROM PRIOR YEARS

The **2012 Legislature** recommended KS CPOST remain a separate state agency with a budget of \$840,000, all from special revenue funds, and 7.0 FTE positions. For FY 2013, the Governor had recommended the duties and functions of KS CPOST be transferred to the Office of the Attorney General.

The **2013 Legislature** deleted \$55,832, all from special revenue funds, to reflect reduced funding for salaries and wages in FY 2014 and also deleted \$58,061, all from special revenue funds, to reflect reduced funding for salaries and wages for FY 2015.

The **2014 Legislature** transferred \$53,000 from the Local Law Enforcement Reimbursement Fee Fund to the KS CPOST Fund in FY 2014 and for FY 2015. The Legislature also added \$5,336, all from special revenue funds, for FY 2015.

The **2016 Legislature** added \$140,000, all from special revenue funds, for a database replacement in FY 2016 and \$10,000, all from special revenue funds, for database maintenance for FY 2017.

The **2016 Legislature** also passed HB 2696, which increased the fee assessed in certain cases filed in municipal courts from \$20.00 to \$22.50. The revenue generated from the fee increase is deposited into the KS CPOST Fund. Additionally, the bill stated the Legislature intended the Fund be used only for the purposes set forth in the law creating this Fund.

The **2017 Legislature** added \$8,300, all from special revenue funds, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019.

The **2018 Legislature** added \$28,892 in FY 2018 and \$32,187 for FY 2019, all from the KS CPOST Fund, for Azure Cloud for Government cloud hosting services of the agency's Central Registry (CR) Database, Choose Networks provision of network services, Allied Global Services (AGS) CR Database Modification for modifications to the CR Database from AGS, and cybersecurity costs initiated by the Office of Information Technology Services.

The **2018 Legislature** added \$5,907, all from special revenue funds, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$8,619, all from special revenue funds, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised estimate totaling \$870,552, all from special revenue funds, in FY 2020. This is an all funds increase of \$12,450, or 1.5 percent, above the amount approved by the 2019 Legislature. This increase is due to the agency's two

supplemental requests totaling \$12,450, all from special revenue funds, in FY 2020. The agency's revised estimate includes 7.0 FTE positions, which is unchanged from the FY 2020 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2020.

FY 2021 – Budget Year. The **agency** requests operating expenditures totaling \$866,864, all from special revenue funds, for FY 2021. This is an all funds decrease of \$3,688, or 0.4 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the agency's two supplemental requests in FY 2020, which is partially offset by increases in building space rental, employer contributions to employee health and hospitalization, and meals and lodging expenditures. The agency's request includes 7.0 FTE positions, which is no change from the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021.

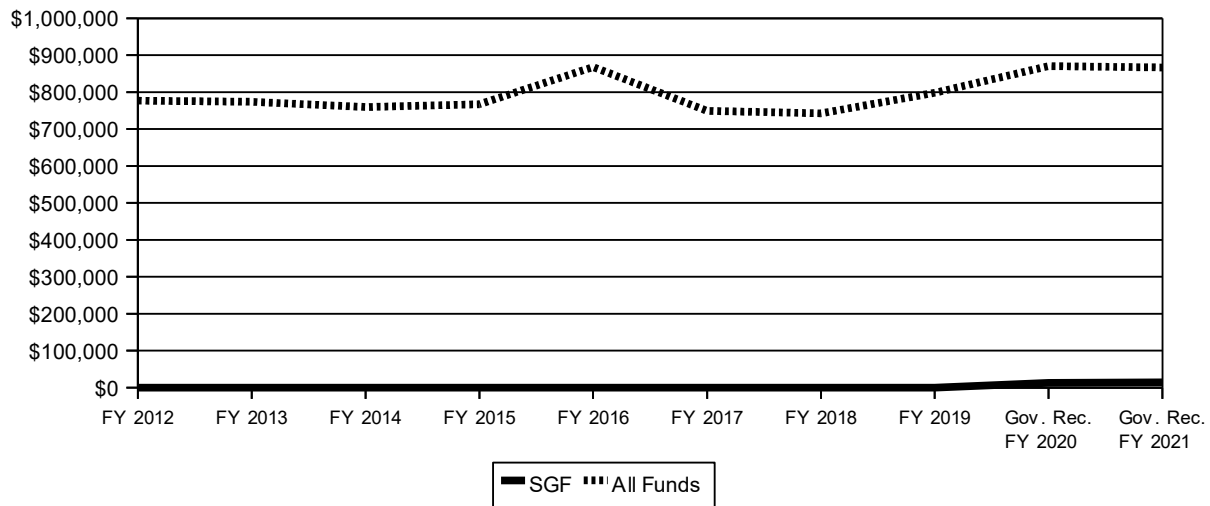
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of New Law Enforcement Officers Certified	614	484	544	544	550	560
Number of Investigations Completed	105	163	170	170	175	180
Number of Hearings Held	N/A	7	N/A	4	9	10
Number of Information Requests Completed	N/A	518	N/A	525	525	525
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 749.2	\$ 742.5	\$ 849.0	\$ 798.3	\$ 870.6	\$ 866.9
FTE Positions	7.0	7.0	7.0	7.0	7.0	7.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 0	-- %	\$ 776,871	56.1 %	7.0
2013	0	--	773,881	(0.4)	7.0
2014	0	--	759,484	(1.9)	7.0
2015	0	--	767,116	1.0	7.0
2016	0	--	868,020	13.2	7.0
2017	0	--	749,233	(13.7)	7.0
2018	0	--	742,529	(0.9)	7.0
2019	0	--	798,260	7.5	7.0
2020 Gov. Rec.	0	--	870,552	9.1	7.0
2021 Gov. Rec.	0	--	866,864	(0.4)	7.0
Ten-Year Change Dollars/Percent	\$ 0	-- %	\$ 89,993	11.6 %	0.0

Summary of Operating Budget FY 2019 - FY 2021

	Actual FY 2019	Agency Estimate				Governor's Recommendation			
		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:									
Administration	\$ 798,260	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %
By Major Object of Expenditure:									
Salaries and Wages	\$ 445,135	\$ 506,637	\$ 508,082	\$ 1,445	0.3 %	\$ 506,637	\$ 508,082	\$ 1,445	0.3 %
Contractual Services	148,555	154,140	154,568	428	0.3	154,140	154,568	428	0.3
Commodities	13,726	13,739	13,858	119	0.9	13,739	13,858	119	0.9
Capital Outlay	12,348	20,401	14,721	(5,680)	(27.8)	20,401	14,721	(5,680)	(27.8)
Debt Service	0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$ 619,764	\$ 694,917	\$ 691,229	\$ (3,688)	(0.5) %	\$ 694,917	\$ 691,229	\$ (3,688)	(0.5) %
Aid to Local Units	178,496	175,635	175,635	0	0.0	175,635	175,635	0	0.0
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 798,260	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %
Financing:									
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
KS CPOST Fund	619,764	694,917	691,229	(3,688)	(0.5)	694,917	691,229	(3,688)	(0.5)
Local Law Enforcement Training Reimbursement Fund	178,496	175,635	175,635	0	0.0	175,635	175,635	0	0.0
All Other Funds	0	0	0	0	--	0	0	0	--
TOTAL	\$ 798,260	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %	\$ 870,552	\$ 866,864	\$ (3,688)	(0.4) %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	858,102	870,552	12,450	870,552	12,450
TOTAL	\$ 858,102	\$ 870,552	\$ 12,450	\$ 870,552	\$ 12,450
FTE Positions	7.0	7.0	0.0	7.0	0.0

The **agency** requests a revised estimate totaling \$870,552, all from special revenue funds, in FY 2020. This is an all funds increase of \$12,450, or 1.5 percent, above the amount approved by the 2019 Legislature. This increase is due to the agency's two supplemental requests totaling \$12,450, all from special revenue funds, in FY 2020. The agency's revised estimate includes 7.0 FTE positions, which is unchanged from the FY 2020 approved number. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency's revised estimate includes \$506,637, which is an all funds decrease of \$6,590, or 1.3 percent, below the amount approved by the 2019 Legislature. The decrease is primarily attributable to a decrease in employer contributions to group health insurance;
- **Contractual Services.** The agency's revised estimate includes \$154,140, which is an all funds increase of \$9,075, or 6.3 percent, above the amount approved by the 2019 Legislature. Primary increases occur in expenditures for computer programming services (\$13,424) and attorneys and lawyers expenditures (\$11,018). These increases are partially offset by decreases to copy and printing equipment rental (\$5,079), other professional fees (\$4,850), and meals and lodging for out of state travel (\$4,300). Other expenditures include travel and rental of office space. The agency's budget anticipates additional administrative regulations that will require legal assistance from the Office of the Attorney General. Additional expenditures for legal mailings require duplicate and certified mailing expenditures. The FY 2020 revised estimate also reflects the agency's supplemental request for \$5,150, all from special revenue funds, for Commission accreditation funding in FY 2020, as well as other expenditure adjustments related to Central Registry software modifications;
- **Commodities.** The agency's revised estimate includes \$13,739, which is an all funds increase of \$1,264, or 10.1 percent, above the amount approved by the

2019 Legislature. The increase is primarily attributable to increases in stationery and office supplies (\$1,650), partially offset by decreases to other commodities such as gasoline and data processing supplies;

- **Capital Outlay.** The agency's revised estimate includes \$20,401, which is an all funds increase of \$8,701, or 74.4 percent, above the amount approved by the 2019 Legislature. The increase is primarily due to the agency's supplemental request for the purchase of Internal Affairs Professional Standards Units software (\$7,300), which is further detailed in the following supplemental section of this agency budget analysis;
- **Aid to Local Units of Government.** The agency's revised estimate includes \$175,635, which is an all funds increase of \$197, or 0.1 percent, above the amount approved by the 2019 Legislature. Expenditures in this category are reimbursements to municipalities that operate and train officers in their own satellite law enforcement academies. The agency notes it has no discretionary spending authority over the Local Law Enforcement Training Reimbursement Fund, but that expenditures are made according to revenues received by the Local Law Enforcement Training Reimbursement Fund (KSA 12-4117); and
- **Other Assistance.** The agency's revised estimate does not include \$197, all from special revenue funds, which is an all funds decrease of \$197, or 100.0 percent, below the amount approved by the 2019 Legislature. Funding had originally been to pay for District Court costs associated with being sued for a hearing by a claimant whose certification as a law enforcement officer was revoked. These type of expenditures have been re-categorized.

The **Governor** concurs with the agency's revised estimate in FY 2020.

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
IA Pro Software	\$ 0	\$ 7,300	0.0	\$ 0	\$ 7,300	0.0
IADLEST Accreditation	0	5,150	0.0	0	5,150	0.0
TOTAL	\$ 0	\$ 12,450	0.0	\$ 0	\$ 12,450	0.0

The **agency** requests supplemental funding totaling \$12,450, all from the KS CPOST Fund, for two supplemental requests.

IA Pro Software Purchase. The agency is requesting supplemental funding of \$7,300, all from special revenue funds, for the purchase of Internal Affairs and Professional Standards Units software in FY 2020. The agency indicated the software will help manage the increasing number and complexity of investigations. The agency also notes this will increase FY 2021 expenditures by an estimated \$1,400, all from special revenue funds, for ongoing maintenance of this software.

The **Governor** recommends the agency's supplemental request for the purchase of IA Pro Software in FY 2020.

Accreditation by the International Association of Directors of Law Enforcement Standards and Training (IADLEST). The agency is requesting supplemental funding of \$5,150, all from special revenue funds, to seek accreditation from IADLEST. The fee would cover three years of accreditation. The agency states accreditation would provide proof of its adherence to national standards and enhance issue identification techniques and implementation of best practices in FY 2020.

The **Governor** recommends the agency's supplemental request for IADLEST Commission accreditation funding in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 866,864	\$ 866,864	\$	0
FTE Positions	7.0	7.0		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 0	\$ 0		
All Other Funds	(3,688)	(3,688)		
TOTAL	\$ (3,688)	\$ (3,688)		
<i>Percent Change:</i>				
State General Fund	0.0 %	0.0 %		
All Other Funds	(0.4)	(0.4)		
TOTAL	(0.4) %	(0.4) %		
Change in FTE Positions	0.0	0.0		

The **agency** requests operating expenditures totaling \$866,864, all from special revenue funds, for FY 2021. This is an all funds decrease of \$3,688, or 0.4 percent, below the FY 2020 revised estimate. The decrease is primarily attributable to the agency's two supplemental requests in FY 2020, which is partially offset by primary increases in building space rental, employer contributions to employee health insurance, and meals and lodging expenditures. The agency's request includes 7.0 FTE positions, which is no change from the FY 2020 revised estimate. Categories of expenditure are detailed below:

- **Salaries and Wages.** The agency requests \$508,082, which is an all funds increase of \$1,445, or 0.3 percent, above the FY 2020 revised estimate. The increase is primarily attributable to an increase in employers contributions to group health insurance, partially offset by decreases to expenditures for retirement benefits;

- **Contractual Services.** The agency requests \$154,568, which is an all funds increase of \$428, or 0.3 percent, above the FY 2020 revised estimate. The primary increases are in building space rental (\$1,866) and meals and lodging (\$1,000). These increases are partially offset by the decrease related to the agency's FY 2020 supplemental request for accreditation expenditures in FY 2020 (\$5,150) that will not be repeated;
- **Commodities.** The agency requests \$13,858, which is an all funds increase of \$119, or 0.9 percent, above the FY 2020 revised estimate. The increase is primarily due to increased expenditures for stationery and office supplies (\$100) and gasoline (\$20);
- **Capital Outlay.** The agency requests \$14,721, which is an all funds decrease of \$5,680, or 27.8 percent, below the FY 2020 revised estimate. The decrease is primarily due to decreased software expenditures due to the agency's FY 2020 purchase of IA Pro Software, partially offset by an increase for associated software maintenance expenditures (\$1,400) for FY 2021;
- **Aid to Local Units of Government.** The agency requests \$175,635, all from the Local Law Enforcement Training Reimbursement Fund, which is no change from the FY 2020 revised estimate. Expenditures in this category are reimbursements to municipalities that operate and train officers in their own satellite law enforcement academies. Expenditures are made according to funds available in the Local Law Enforcement Training Reimbursement Fund.

The **Governor** concurs with the agency's request for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$8,619, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency there are no longevity payments in FY 2020 or FY 2021.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
KC POST Fund	79.7 %	79.7 %
Local Law Enforcement Training Reimbursement Fund	20.3	20.3
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Kansas Commission on Peace Officers' Standards and Training Fund Analysis

The Kansas Commission on Peace Officers' Standards and Training (KS CPOST) Fund is primarily funded through docket fees. KSA 12-4117 provides that a sum of \$22.50 is assessed on each case filed in municipal court, other than a non-moving traffic violation, where there is a finding of guilty or a plea of no contest, forfeiture of bond, or a diversion. Of the \$22.50 assessed, \$5.00 is deposited into the KS CPOST Fund. In addition, KSA 74-5619 allows the agency to receive and deposit into the KS CPOST Fund any public or private grants, gifts, or donations.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 975,057	\$ 1,161,534	\$ 1,161,534	\$ 1,272,860	\$ 1,272,860
Revenue	806,241	806,243	806,243	805,648	805,648
Transfers in	0	0	0	0	0
Funds Available	\$ 1,781,298	\$ 1,967,777	\$ 1,967,777	\$ 2,078,508	\$ 2,078,508
Less:					
Expenditures	\$ 619,764	\$ 694,917	\$ 694,917	\$ 691,229	\$ 691,229
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 1,161,534	\$ 1,272,860	\$ 1,272,860	\$ 1,387,279	\$ 1,387,279
Ending Balance as Percent of Expenditures	187.4%	183.2%	183.2%	200.7%	200.7%
Month Highest Ending Balance	June \$ 1,189,822	June \$ 1,453,197	June \$ 1,453,197	June \$ 1,716,050	June \$ 1,716,050
Month Lowest Ending Balance	July \$ 908,716	July \$ 1,109,866	July \$ 1,109,866	July \$ 1,310,617	July \$ 1,310,617

Local Law Enforcement Training Reimbursement Fund Analysis

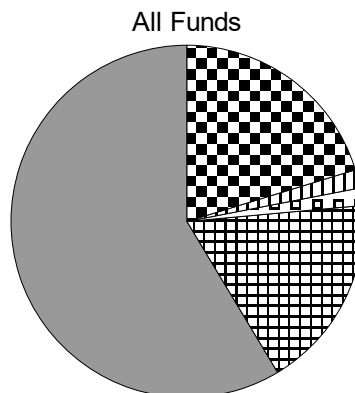
The Local Law Enforcement Training Reimbursement Fund is used to reimburse municipalities that have officers participating in local law enforcement training programs. KSA 12-4117 provides that a sum of \$22.50 is assessed on each case filed in municipal court, other than a non-moving traffic violation, where there is a finding of guilty or a plea of no contest, forfeiture of bond, or a diversion. Of the \$22.50 assessed, \$1.00 is deposited into the Local Law Enforcement Training Reimbursement Fund.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 178,496	\$ 160,912	\$ 160,912	\$ 160,912	\$ 160,912
Revenue	160,912	175,635	175,635	175,635	175,635
Transfers in	0	0	0	0	0
Funds Available	\$ 339,408	\$ 336,547	\$ 336,547	\$ 336,547	\$ 336,547
Less:					
Expenditures	\$ 178,496	\$ 175,635	\$ 175,635	\$ 175,635	\$ 175,635
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 160,912	\$ 160,912	\$ 160,912	\$ 160,912	\$ 160,912
Ending Balance as Percent of Expenditures	90.1%	91.6%	91.6%	91.6%	91.6%
Month Highest Ending Balance	July \$ 193,048	July \$ 193,048	July \$ 193,048	July \$ 193,048	July \$ 193,048
Month Lowest Ending Balance	August \$ 23,378	August \$ 29,378	August \$ 29,378	August \$ 23,378	August \$ 23,378

CATEGORY DETAIL

Expenditures by Category

Governor's FY 2021 Recommendation



Salaries and Wages	▤ Contractual Services	▦ Commodities
Capital Outlay	▧ Aid to Local Units	▨ Other Assistance

Category	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Salaries and Wages	\$ 508,082	58.6 %	\$ 0	-- %
Contractual Services	154,568	17.8	0	--
Commodities	13,858	1.6	0	--
Capital Outlay	14,721	1.7	0	--
Aid to Local Units	175,635	20.3	0	--
Other Assistance	0	0.0	0	--
TOTAL	\$ 866,864	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	7.0	7.0	7.0	7.0	7.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

EMERGENCY MEDICAL SERVICES BOARD

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	1,968,007	2,427,914	2,427,914	2,607,684	2,607,684
<i>Subtotal</i>	<i>\$ 1,968,007</i>	<i>\$ 2,427,914</i>	<i>\$ 2,427,914</i>	<i>\$ 2,607,684</i>	<i>\$ 2,607,684</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 1,968,007</u>	<u>\$ 2,427,914</u>	<u>\$ 2,427,914</u>	<u>\$ 2,607,684</u>	<u>\$ 2,607,684</u>

Percentage Change:

Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	(4.1)	23.4	23.4	7.4	7.4
FTE Positions	14.5	14.0	14.0	14.0	14.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The mission of the Emergency Medical Services Board (KBEMS) is to promote EMS through the consistent application of laws; to provide support for the ambulance services, EMS professionals, and EMS educational organizations in maintaining statutory and regulatory compliance; and to enhance patient care through evidence-based practice.

Attendants certified and trained by the agency include emergency medical responders, advanced emergency medical technicians, paramedics, and emergency medical technicians. In addition, the Board certifies instructor coordinators.

The agency also operates the Education Incentive Grant program, which provides funding for education to individuals and ambulance services to help address the shortage of EMS attendants in rural Kansas. Another priority is the Kansas Emergency Medical Services Information System, a project with the goal of greater EMS data collection and information analysis to assist the agency, Governor, and Legislature in assessing and supporting the training and funding needs of EMS in Kansas.

The agency is one program divided into three subprograms: Compliance, Issuances, and Research and Analysis:

- **Compliance.** Ensures that ambulance services, vehicles, and providers have met and continue to maintain the standards established by the Board to safely and appropriately provide EMS to the public upon request;
- **Issuances.** Processes involved with the issuance of certifications for providers, permits for operators, licenses for vehicles, and grants to qualified recipients; and
- **Research and Analysis.** Collecting and utilizing the data submitted to the Board's databases to assist in evidence-based decisions on process and clinical oversight.

The Board is primarily funded by a portion of the 1.25 percent levy imposed on fire insurance premiums. The 2004 Legislature established permanent funding for the Emergency Medical Services Board with the passage of SB 312, which allows the Board 0.25 percent of fire insurance premiums (KSA 75-1508).

The Board is composed of 15 members, 11 of whom are appointed by the Governor; 3 physicians who are actively involved in EMS; 2 county commissioners, both from counties making a levy for ambulance services, at least 1 of whom shall be from a county with a population less than 15,000; 1 instructor coordinator; 1 hospital administrator actively involved in EMS; 1 member of a firefighting unit providing EMS; and 3 emergency medical service providers actively involved in EMS who represent at least 2 classifications of attendants, 1 of whom is from a volunteer EMS.

The other 4 members of the Board include 1 member of the Kansas Senate appointed by the President of the Senate, 1 member of the Kansas Senate appointed by the Minority Leader of the Senate, 1 member of the Kansas House of Representatives appointed by the Speaker of the House, and 1 member of the Kansas House of Representatives appointed by the Minority Leader of the House.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** adjusted the distribution of the administrative fee related to the 1.25 percent levy on fire insurance premiums in order to proportionately distribute the fee across the three agencies the levy supports. Previously, this fee was charged solely to the State Fire Marshal. The 2010 Legislature assessed the \$200,000 fee as follows for FY 2011: \$128,000 from the State Fire Marshal, \$40,000 from the Emergency Medical Services Board, and \$32,000 from the University of Kansas Fire and Rescue Training Institute.

Additionally, the **2010 Legislature** passed House Sub. for SB 262, which made changes to the levels of attendants certified by the Board and expanded certain levels' scope of practice. This included the following transitions:

- First responders transitioned to emergency medical responders;
- Emergency medical technician-intermediates, emergency medical technician-defibrillators, and emergency medical technician-intermediate/defibrillators all transitioned to advanced emergency medical technicians;

- Emergency medical technicians remained the same; and
- Mobile intensive care technicians transitioned to paramedics.

The **2010 Legislature** also passed SB 262, which created a Medical Advisory Council consisting of six members. One member is a non-physician Board member, one is both a Board member and a physician, and the other four are physicians who are not Board members but are active in EMS. The purpose of this council is to advise and assist the Board in matters of medical standards and practices, as determined by the Board.

The **2013 Legislature** deleted \$19,644, all from special revenue funds, to reflect reduced funding for salaries and wages for FY 2014. It also deleted \$25,989, all from special revenue funds, to reflect reduced funding for salaries and wages for FY 2015.

The **2015 Legislature** passed Senate Sub. for HB 2135, which authorized the Director of the Budget, if the Director determines the unencumbered ending balance of the State General Fund for FY 2016 will be less than \$100.0 million, to lapse appropriations or transfer funding from special revenue funds to the State General Fund, up to a total of \$100.0 million, for FY 2016. The authority does not apply to appropriations for the Judicial Branch; legislative branch agencies; debt service; employer contributions to the Kansas Public Employees Retirement System; the Department of Education, except the operating expenditures account of the State General Fund; or demand transfers to the School District Capital Improvements Fund. The authority included a \$500,000 straight budget transfer from the EMS Operating Fund to the State General Fund, of which \$250,000 was certified in August and \$250,000 was certified in January to transfer.

The **2016 Legislature** added \$40,000 in FY 2016 and \$30,000 for FY 2017, all from special revenue funds, for SB 225, which is the Interstate Compact for Recognition of Emergency Medical Personnel Licensure.

The **2017 Legislature** added \$107,195, all from special revenue funds, and 2.0 non-FTE unclassified permanent positions for FY 2018 and \$89,468, all from special revenue funds, and 2.0 non-FTE unclassified permanent positions for FY 2019 for the agency to provide examination services for skills testing across the state.

The **2017 Legislature** also added \$16,079, all from special revenue funds, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019.

The **2018 Legislature** added \$14,223, all from special revenue funds, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** added \$27,765, all from special revenue funds, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a FY 2020 revised estimate totaling \$2.4 million, all from special revenue funds. The revised estimate is an increase of \$12,667, or 0.5 percent, above the amount approved by the 2019 Legislature. The revised estimate includes 14.0 FTE positions, which is no change from the number approved by the 2019 Legislature. Primary expenditure increases occur in commodities for fuel and testing equipment and in aid to local units of government for additional requested expenditures from the Kansas Revolving Assistant Grant Fund.

The **Governor** concurs with the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests FY 2021 expenditures totaling \$2.6 million, all from special revenue funds. The FY 2021 request is an increase of \$179,770, or 7.4 percent, above the agency's FY 2020 revised estimate. The increase is primarily attributable to increases in contractual services due to the rebidding of the Kansas Emergency Medical Information System, Office of Information Technology Services charges, and the increase to the monumental building surcharge fee. The request includes 14.0 FTE positions, which is no change from the agency's FY 2020 revised estimate.

The **Governor** concurs with the agency's FY 2021 request.

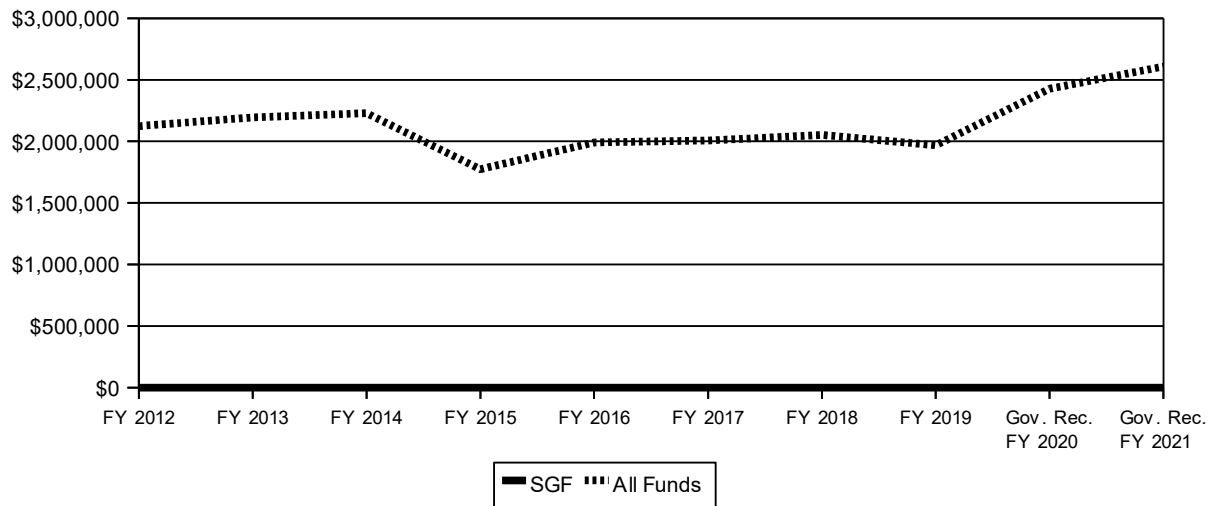
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Ambulance Services Inspected	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Number of Investigations Received	67	58	62	83	62	62
Percent of Investigations Closed within 180 Days	75.0 %	75.0 %	75.0 %	84.0 %	90.0 %	95.0 %
Number of Ambulance Attendants Re-certified	4,037	3,621	3,850	3,627	3,500	3,500
Number of Initial Education Courses Processed	222	186	200	179	185	185
Number of Continuing Education Audits	34	98	300	10	500	500
Average Validity Score for All Patient Care Reports	70.2 %	82.8 %	88.0 %	92.7 %	94.0 %	95.0 %
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 2,007.3	\$ 2,052.2	\$ 2,306.4	\$ 1,968.0	\$ 2,427.9	\$ 2,607.7
FTE Positions	15.5	14.0	14.0	14.5	14.0	14.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 0	-- %	\$ 2,123,938	(1.9)%	14.0
2013	0	--	2,194,293	3.3	14.0
2014	0	--	2,229,209	1.6	14.0
2015	0	--	1,773,664	(20.4)	14.0
2016	0	--	1,991,563	12.3	18.0
2017	0	--	2,007,311	0.8	15.5
2018	0	--	2,052,221	2.2	14.0
2019	0	--	1,968,007	(4.1)	14.5
2020 Gov. Rec.	0	--	2,427,914	23.4	14.0
2021 Gov. Rec.	0	--	2,607,684	7.4	14.0
Ten-Year Change Dollars/Percent	\$ 0	-- %	\$ 483,746	22.8 %	0.0

Summary of Operating Budget FY 2019 - FY 2021

Emergency Medical Services Board

		Agency Estimate					Governor's Recommendation				
Actual FY 2019		Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20		
By Program:											
Administration	\$ 1,968,007	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %		
By Major Object of Expenditure:											
Salaries and Wages	\$ 781,102	\$ 950,974	\$ 955,456	\$ 4,482	0.5 %	\$ 950,974	\$ 955,456	\$ 4,482	0.5 %		
Contractual Services	336,113	535,989	716,421	180,432	33.7	535,989	716,421	180,432	33.7		
Commodities	34,007	53,913	54,571	658	1.2	53,913	54,571	658	1.2		
Capital Outlay	6,679	16,654	22,986	6,332	38.0	16,654	22,986	6,332	38.0		
Debt Service	0	0	0	0	--	0	0	0	--		
Subtotal - Operations	\$ 1,157,901	\$ 1,557,530	\$ 1,749,434	\$ 191,904	12.3 %	\$ 1,557,530	\$ 1,749,434	\$ 191,904	12.3 %		
Aid to Local Units	660,106	720,384	708,250	(12,134)	(1.7)	720,384	708,250	(12,134)	(1.7)		
Other Assistance	150,000	150,000	150,000	0	0.0	150,000	150,000	0	0.0		
TOTAL	\$ 1,968,007	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %		
Financing:											
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %		
EMS Operating Fund	1,252,233	1,654,963	1,810,058	155,095	9.4	1,654,963	1,810,058	155,095	9.4		
Education Incentive Grant Payment Fund	293,160	390,518	390,676	158	0.0	390,518	390,676	158	0.0		
EMS Revolving Fund	414,116	379,134	367,000	(12,134)	(3.2)	379,134	367,000	(12,134)	(3.2)		
All Other Funds	8,498	3,299	39,950	36,651	1,111.0	3,299	39,950	36,651	1,111.0		
TOTAL	\$ 1,968,007	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %	\$ 2,427,914	\$ 2,607,684	\$ 179,770	7.4 %		

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	2,415,247	2,427,914	12,667	2,427,914	12,667
TOTAL	\$ 2,415,247	\$ 2,427,914	\$ 12,667	\$ 2,427,914	\$ 12,667
FTE Positions	14.0	14.0	0.0	14.0	0.0

The **agency** requests a FY 2020 revised estimate totaling \$2.4 million, all from special revenue funds. The revised estimate is an increase of \$12,667, or 0.5 percent, above the amount approved by the 2019 Legislature. The revised estimate includes 14.0 FTE positions, which is no change from the number approved by the 2019 Legislature. Primary expenditure increases occur in commodities for fuel and testing equipment, and in aid to local units of government for additional requested expenditures from the Kansas Revolving Assistant Grant Fund (KRAGF). Categories of expenditures are detailed below:

- **Salaries and Wages.** The agency's FY 2020 revised estimate includes \$950,974, all from special revenue funds, for salaries and wages. The FY 2020 revised estimate is a decrease of \$9,568, or 1.0 percent, below the amount approved by the 2019 Legislature. This decrease in salaries and wages is due to the application of the 2019 Legislative Pay Plan in FY 2020, which came in below the amount originally estimated. Funding requested supports 14.0 FTE positions and 15 Board members;
- **Contractual Services.** The agency's FY 2020 revised estimate includes \$535,989, all from special revenue funds, for contractual services. The FY 2020 revised estimate is an increase of \$2,116, or 0.4 percent, above the amount approved by the 2019 Legislature. Increases reflect additional expenditures for the Attorney General's fees for services, and purchases of backup software and anti-virus software. Expenditures in this category include statewide travel for education, training, investigations, inspections, and technical support. Funding also includes ongoing costs associated with rent within the Landon State Office Building, Office of Information Technology Services charges, other communications expenditures, and Office of the Attorney General fees;

- **Commodities.** The agency's FY 2020 revised estimate includes \$53,913, all from special revenue funds, for commodities. The FY 2020 revised estimate is an increase of \$12,864, or 31.3 percent, above the amount approved by the 2019 Legislature. Funding supports replacing office supplies and fuel for rental cars. Agency supplies and fuel expenditures are the primary increases in this category;
- **Capital Outlay.** The agency's FY 2020 revised estimate includes \$16,654, all from special revenue funds, for capital outlay. The FY 2020 revised estimate is a decrease of \$1,879, or 10.1 percent, below the amount approved by the 2019 Legislature. Primary decreases occur in office furniture and equipment expenditures. Expenditures in this category primarily reflect expenditures for the agency's approved three-year information technology management and budget plan;
- **Aid to Local Units of Government.** The agency's FY 2020 revised estimate includes \$720,384, all from special revenue funds, for aid to local units of government. The revised estimate is an increase of \$9,134, or 1.3 percent, above the amount approved by the 2019 Legislature. The agency states this increase reflects additional KRAGF Grant program expenditures. This amount includes \$375,000 for the Education Incentive Grant program, which allows for recruitment and retention of EMS workers throughout the state, and \$345,384 for the KRAGF Grant program, which awards equipment and materials, on request, to ambulance services around the state based on identifiable needs; and
- **Other Assistance.** The agency's FY 2020 revised estimate includes \$150,000, all from special revenue funds, for other assistance. The revised estimate is no change from the amount approved by the 2019 Legislature. The major expenditure in this area is the allocation of funds to support the six EMS regions that provide support, information, and communication to the approximately 10,500 certified EMS attendants throughout the state.

The **Governor** concurs with the agency's FY 2020 revised estimate.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 2,607,684	\$ 2,607,684	\$	0
FTE Positions	14.0	14.0		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 0	\$ 0		
All Other Funds	179,770	179,770		
TOTAL	\$ 179,770	\$ 179,770		
<i>Percent Change:</i>				
State General Fund	-- %	-- %		
All Other Funds	7.4	7.4		
TOTAL	7.4 %	7.4 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests FY 2021 operating expenditures totaling \$2.6 million, all from special revenue funds. The FY 2021 request is an increase of \$179,770, or 7.4 percent, above the agency's FY 2020 revised estimate. The increase is primarily attributable to increases in contractual services due to the rebidding of the Kansas Emergency Medical Information System, Office of Information Technology Services charges, and the increase to the monumental building surcharge fee. The request includes 14.0 FTE positions, which is no change from the agency's FY 2020 revised estimate. Categories of expenditures are detailed below:

- **Salaries and Wages.** The agency's FY 2021 request includes \$955,456, all from special revenue funds, for salaries and wages. The FY 2021 request is an increase of \$4,482, or 0.5 percent, above the agency's FY 2020 revised estimate. The primary increase is in employer contributions for group health insurance. This increase is partially offset by a decrease in employer contributions to employee retirement expenditures. Funding supports 14.0 FTE positions and 15 Board members;
- **Contractual Services.** The agency's FY 2021 request includes \$716,421, all from special revenue funds, for contractual services. The FY 2021 request is an increase of \$180,432, or 33.7 percent, above the agency's FY 2020 revised estimate. The agency notes that areas of increase include the rebidding of the Kansas Emergency Medical Information System for statewide data collection, Microsoft Office 365, Office of Information Technology Services charges, and an increase to the monumental building surcharge fee;

- **Commodities.** The agency's FY 2021 request includes \$54,571, all from special revenue funds, for commodities. The FY 2021 request is an increase of \$658, or 1.2 percent, above the agency's FY 2020 revised estimate. Inflationary increases for office supplies, fuel expenditures, and non-reusable testing equipment make up the majority of this increase;
- **Capital Outlay.** The agency's FY 2021 request includes \$22,986, all from special revenue funds, for capital outlay. The FY 2021 request is an increase of \$6,332, or 38.0 percent, above the agency's FY 2020 revised estimate. Expenditures include funding for four laptops, two computer towers, and external hard drives. Funding in this category is for replacement computers, printers, and a server to ensure proper functioning electronics for day-to-day operations. Expenditures in this category reflect expenditures for the agency's approved three-year information technology management and budget plan;
- **Aid to Local Units of Government.** The agency's FY 2021 request includes \$708,250, all from special revenue funds, for aid to local units of government. The request is a decrease of \$12,134, or 1.7 percent, below the agency's FY 2020 revised estimate. This amount includes \$375,000 for the Education Incentive Grant program, which allows for recruitment and retention of EMS workers throughout the state, and \$333,250 for the KRAGF Grant program, which awards equipment and materials, on request, to ambulance services around the state based on identifiable needs; and
- **Other Assistance.** The agency's FY 2020 request includes \$150,000, all from special revenue funds, for other assistance. The request is no change from the agency's FY 2020 revised estimate. The major expenditure in this area is the allocation of funds to support the six EMS regions that provide support, information, and communication to the approximately 10,500 certified EMS attendants throughout the state.

The **Governor** concurs with the agency's FY 2021 request.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$27,765, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$2,520, all from special revenue funds, and FY 2021 longevity payments total \$2,560, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
EMS Operating Fund	69.4 %	69.4 %
Education Incentive Grant Payment Fund	15.0	15.0
EMS Revolving Fund	14.1	14.1
All Other Funds	1.5	1.5
TOTAL	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Emergency Medical Services (EMS) Operating Fund Analysis

The Kansas Board of Emergency Medical Services is primarily financed through the EMS Operating Fund. Revenue for the EMS Operating Fund include regulatory fees and a levy of 0.25 percent gross cash receipts on fire insurance premiums (KSA 15-1508). Fees collected by the agency are for ambulance licenses, ambulance services' licenses, examinations and certifications, certification renewals, and replacement cards or certificates.

The Board receives fees in the amounts noted within the following "Emergency Medical Services Board Licensure Fees" table for certifications or permits for first responders, mobile intensive care technicians, emergency medical technicians, instructor coordinators, and ambulance services.

Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 1,934,736	\$ 2,183,152	\$ 2,183,152	\$ 2,208,417	\$ 2,208,417
Revenue	2,050,649	2,024,400	2,024,400	2,022,700	2,022,700
Encumbrance Release	0	(44,172)	(44,172)	0	0
Transfers in	0	0	0	0	0
Funds Available	\$ 3,985,385	\$ 4,163,380	\$ 4,163,380	\$ 4,231,117	\$ 4,231,117
Less:					
Expenditures	\$ 1,252,233	\$ 1,654,963	\$ 1,654,963	\$ 1,810,058	\$ 1,810,058
Transfers Out	550,000	300,000	300,000	300,000	300,000
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 2,183,152	\$ 2,208,417	\$ 2,208,417	\$ 2,121,059	\$ 2,121,059
Ending Balance as Percent of Expenditures	174.3%	133.4%	133.4%	117.2%	117.2%
Month Highest Ending Balance	June \$ 2,184,978	June \$ 2,208,417	June \$ 2,208,417	June \$ 2,119,310	June \$ 2,119,310
Month Lowest Ending Balance	November \$ 1,237,257	November \$ 1,396,118	November \$ 1,396,118	November \$ 1,412,275	November \$ 1,412,275

EMERGENCY MEDICAL SERVICES BOARD LICENSURE FEES

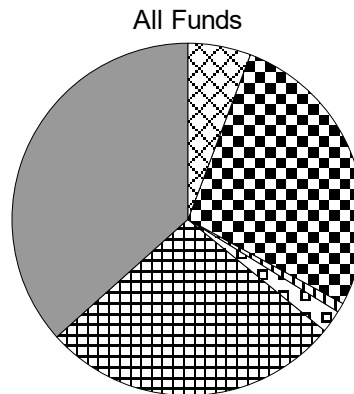
License	Current Fee	Statutory Limit
Emergency Medical Responder (EMR) fees:		
Application for certification fee	\$ 15	\$ 15
Certification renewal application fee for a renewal that expires on a biennial basis if received before certificate expiration	20	20
Certification renewal application fee if received within 31 calendar days after certificate expiration	40	40
Certification renewal application fee if received on or after the 32nd calendar day after certificate expiration	80	80
Paramedic fees:		
Application for certification fee	65	65
Certification renewal application fee if received before certificate expiration	50	50
Certification renewal application fee if received within 31 calendar days after certificate expiration	100	100
Certification renewal application fee received on or after the 32nd calendar day after expiration	200	200
Emergency Medical Technician (EMT) and Advanced EMT (AEMT) fees:		
Application for certification fee	50	50
Certification renewal application fee if received before certificate expiration	30	30
Certification renewal application fee if received within 31 calendar days after certificate expiration	60	60
Certification renewal application fee if received on or after the 32nd calendar day after certificate expiration	120	120
Instructor Coordinator (I/C) fees:		
Application for certification fee	65	65
Certification renewal application fee if received before certificate expiration	30	30
Certification renewal application fee if received within 31 calendar days after certificate expiration	60	60
Certification renewal application fee if received on or after the 32nd calendar day after certificate expiration	120	120
Ambulance service fees:		
Service permit application fee	100	100
Service permit renewal fee if received on or before permit expiration	100	100
Service permit renewal fee received after permit expiration	200	200
Vehicle license application fee	40	40
Temporary license for an ambulance	10	10

Note: Fee schedule and references to applicable authorizing statutes may be found in KAR 109-7-1.

CATEGORY DETAIL

Expenditures by Category

Governor's FY 2021 Recommendation



Salaries and Wages	Contractual Services	Commodities
Capital Outlay	Aid to Local Units	Other Assistance

Category	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Salaries and Wages	\$ 955,456	36.6 %	\$ 0	-- %
Contractual Services	716,421	27.5	0	--
Commodities	54,571	2.1	0	--
Capital Outlay	22,986	0.9	0	--
Aid to Local Units	708,250	27.2	0	--
Other Assistance	150,000	5.8	0	--
TOTAL	\$ 2,607,684	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	14.5	14.0	14.0	14.0	14.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

STATE FIRE MARSHAL

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	5,872,201	6,734,478	6,734,478	7,147,186	6,342,882
<i>Subtotal</i>	<i>\$ 5,872,201</i>	<i>\$ 6,734,478</i>	<i>\$ 6,734,478</i>	<i>\$ 7,147,186</i>	<i>\$ 6,342,882</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 5,872,201</u>	<u>\$ 6,734,478</u>	<u>\$ 6,734,478</u>	<u>\$ 7,147,186</u>	<u>\$ 6,342,882</u>
Percentage Change:					
Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	1.4	14.7	14.7	6.1	(5.8)
FTE Positions	62.8	66.8	66.8	66.8	66.8

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Office of the Kansas State Fire Marshal was originally established in 1913, abolished in 1933, and re-established in 1939. The mission of the Office of the State Fire Marshal is to protect lives and property from the hazards of fire, explosion, and natural disaster and promote prevention, educational, and investigative activities to mitigate incidents, promote life safety, and deter crimes. Four agency programs assist with the agency's mission: Administration, Investigation, Fire Prevention, and Emergency Response. The agency also contracts with the Kansas Department for Aging and Disability Services to conduct fire and life safety surveys of Medicare and Medicaid nursing facilities, and with the Kansas Department of Health and Environment to conduct fire and life safety surveys of Medicare and Medicaid medical facilities. The agency receives no State General Fund appropriation and is primarily funded through a levy on fire insurance premiums collected in the state.

Administration Division. The Administration Division provides administrative, communications, fiscal, legal support and oversight for the Office of State Fire Marshal's program divisions in the following major areas: personnel, fiscal, facilities, and technology.

Investigation Division. The goal of the Investigation Division is to provide thorough, effective, efficient, and reliable investigation of any fire, explosion, or attempt to cause a fire,

explosion, or both that occurred within the state as mandated by KSA 31-137, and to provide statewide explosive/post-blast response and investigations, explosive permitting, and inspection of explosive sites within the state.

The Investigation Division provides fireworks permitting and inspection of fireworks storage sites within the state as mandated by KSA 31-501 through KSA 31-506. The Investigation Division provides the oversight and enforcement for the Fire Safe Cigarette program mandated by KSA 31-601 through KSA 31-613.

Fire Prevention Division. The goal of the Fire Prevention Division is to reduce the potential impact of fire and explosion hazards where people live, work, and congregate through code enforcement, inspections, plans review, licensing, and public education. Its major goal is to reduce deaths, injuries, and property losses that result from fire, explosion, and hazardous materials incidents.

Emergency Response Division. The emergency response division includes two major programs: the Hazardous Materials program and the Search and Rescue program:

- The goal of the Hazardous Materials response program is that all hazardous materials, weapons of mass destruction, toxic industrial chemicals, and radiological spills, releases, and fires, explosions, or both are handled quickly and safely with minimal exposure to the citizens of Kansas and minimal threat to lives and property; and
- The Search and Rescue program began with the passage of 2015 HB 2097, which gave the Office of the State Fire Marshal the authority to enter into contracts to establish regional search and rescue teams to provide a response to search and rescue incidents. The goal of the program is to provide a coordinated response to man-made or natural disasters and to bring relief to affected communities by providing search and rescue, medical support, damage assessment, and other humanitarian assistance throughout the state.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** added language to House Sub. for SB 572 adjusting the statutory distribution (KSA 75-1508) of the 1.25 percent levy on fire insurance premiums in order to distribute the State General Fund administrative services fee across the three agencies the levy supports rather than being solely charged to the State Fire Marshal in FY 2011. The language distributed the \$200,000 fee across the three agencies by the proportion of the levy each agency receives.

The **2012 Legislature** passed SB 387, which changed the State Fire Marshal's qualifications. The qualifications no longer require the State Fire Marshal to have knowledge of building construction, but require the individual to have no less than five years of experience in fire prevention and inspection, safety inspection, investigation, or any combination of experience.

The **2013 Legislature** added \$582,652 and 7.0 FTE positions for FY 2014 and \$565,618 and 7.0 FTE positions for FY 2015, all from the Boiler Inspection Fee Fund, for the Boiler Inspection program, which was transferred from the Kansas Department of Labor to the State Fire Marshal under 2013 SB 135. The Legislature also appropriated the Explosives Regulatory

and Training Fund, which is funded through fees collected by the State Fire Marshal from those who sell or manufacture bottle rockets at wholesale.

The **2014 Legislature** transferred \$2.5 million from the unencumbered balance of the Fire Marshal Fee Fund to the State General Fund for 2015 pursuant to HB 2506.

The **2015 Legislature** passed HB 2097, which permits the State Fire Marshal to enter into contracts to establish regional emergency response, search, and rescue teams to respond to hazardous materials or search-and-rescue events. The bill also renamed the Hazardous Materials Emergency Fund to the Emergency Response Fund. In House Sub. for SB 112, the Legislature added an additional \$200,000 for FY 2016 and \$250,000 for FY 2017, all from the Fire Marshal Fee Fund, and 2.0 non-FTE positions to fund the amounts denoted by the fiscal note attached to HB 2097. House Sub. for SB 112 also increased the maximum transfer amount allowable from the Fire Marshal Fee Fund to the Emergency Response Fund from \$50,000 to up to \$500,000.

The **2015 Legislature** authorized the transfer of \$1.0 million from the unencumbered balance of the Fire Marshal Fee Fund to the State General Fund for both FY 2016 and FY 2017, pursuant to House Sub. for SB 112.

The **2016 Legislature** transferred \$1.0 million in FY 2016 and \$750,000 for FY 2017 from the Fire Marshal Fee Fund to the State General Fund; deleted 4.0 unfunded FTE positions in FY 2016 and for FY 2017; and added \$200,000, all from special revenue funds, for FY 2017 to implement a grant program to assist local fire departments.

The **2017 Legislature** added \$75,000 for FY 2018 and \$100,000 for FY 2019, all from the Fire Marshal Fee Fund, to provide additional training and equipment that can be sustained and replaced for search and rescue; transferred \$2.0 million from the Fire Marshal Fee Fund to the State General Fund for both FY 2018 and FY 2019; and added \$43,376, all from special revenue funds, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials), a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years, and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019.

The **2018 Legislature** also added \$77,807, all from special revenue funds, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018, and added \$200,000, all from the Fire Marshal Fee Fund, to provide a total of \$400,000 to cover grant requests for FY 2019 (this funding provides for no-match grants to volunteer/part-time fire departments across the state for personal protection equipment, physicals not covered by insurance, and support of junior firefighter programs).

The **2019 Legislature** added \$324,239, all from the Fire Marshal Fee Fund, and 4.0 FTE positions for inspections and enforcement duties for FY 2020.

The **2019 Legislature** also added \$90,882, all from special revenue funds, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a FY 2020 revised estimate totaling \$6.7 million, all from special revenue funds. The revised estimate is a decrease of \$5,769, or 0.1 percent, below the amount approved by the 2019 Legislature. The decrease is primarily due to the application of the 2019 Legislative Pay Plan in FY 2020, which came in below the amount originally estimated. The revised estimate includes 66.8 FTE positions, which is no change from the number approved by the 2019 Legislature.

The **Governor** concurs with the agency's FY 2020 revised estimate.

FY 2021 – Budget Year. The **agency** requests FY 2021 operating expenditures totaling \$7.1 million, all from special revenue funds. The FY 2021 request is an increase of \$412,708, or 6.1 percent, above the agency's FY 2020 revised estimate. This increase is primarily due to the agency's enhancement request for a recruitment and retention plan over the next five years. The request includes 66.8 FTE positions, which is no change from the agency's FY 2020 revised estimate.

The **Governor** recommends FY 2021 operating expenditures totaling \$6.3 million, all from special revenue funds. The FY 2021 request is a decrease of \$804,304, or 11.3 percent, below the agency's FY 2021 request. This decrease is due to the Governor not recommending the agency's FY 2021 enhancement request for recruitment and retention (\$404,304), and reducing expenditures by \$400,000, all from the Fire Marshal Fee Fund, by suspending the Kansas Firefighter Recruitment and Safety Grant Program for FY 2021.

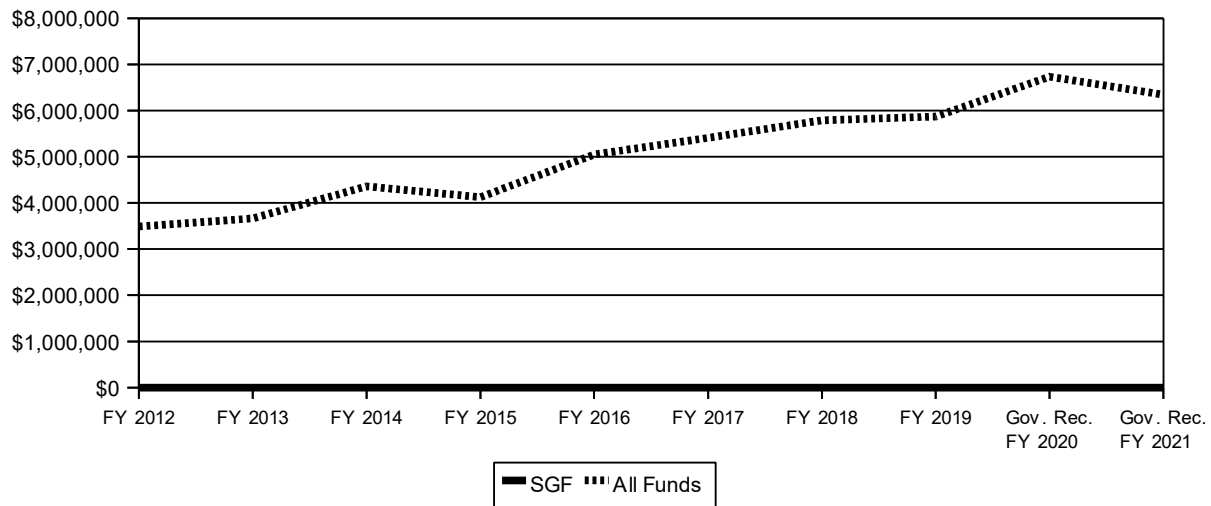
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Investigative Hours	10,885	21,658	10,000	21,126	20,000	20,000
Number of Requests for Investigation	406	425	400	373	400	450
Number of Search and Rescue Responses	N/A	483	N/A	725	750	750
Agency Expenditures						
All Funds (Dollars in Thousands)	\$ 5,409.3	\$ 5,789.0	\$ 6,125.4	\$ 5,872.2	\$ 6,734.5	\$ 6,342.9
FTE Positions	60.5	62.5	62.8	62.8	66.8	66.8

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 0	-- %	\$ 3,486,988	6.9 %	49.0
2013	0	--	3,664,916	5.1	56.5
2014	0	--	4,359,397	18.9	62.5
2015	0	--	4,124,256	(5.4)	57.0
2016	0	--	5,048,598	22.4	60.5
2017	0	--	5,409,341	7.1	60.5
2018	0	--	5,789,018	7.0	62.5
2019	0	--	5,872,201	1.4	62.8
2020 Gov. Rec.	0	--	6,734,478	14.7	66.8
2021 Gov. Rec.	0	--	6,342,882	(5.8)	66.8
Ten-Year Change Dollars/Percent	\$ 0	-- %	\$ 2,855,894	81.9 %	17.8

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	5,872,201	\$ 6,734,478	\$ 7,147,186	\$ 412,708	6.1 %	\$ 6,734,478	\$ 6,342,885	\$ (391,593)	(5.8)%
By Major Object of Expenditure:										
Salaries and Wages	\$	3,754,009	\$ 4,434,378	\$ 4,866,522	\$ 432,144	9.7 %	\$ 4,434,378	\$ 4,462,218	\$ 27,840	0.6 %
Contractual Services		1,115,946	1,155,555	1,161,069	5,514	0.5	1,155,555	1,161,069	5,514	0.5
Commodities		287,158	367,670	319,800	(47,870)	(13.0)	367,670	319,800	(47,870)	(13.0)
Capital Outlay		322,482	376,875	399,795	22,920	6.1	376,875	399,795	22,920	6.1
Debt Service		0	0	0	0	--	0	0	0	--
Subtotal - Operations	\$	5,479,595	\$ 6,334,478	\$ 6,747,186	\$ 412,708	6.5 %	\$ 6,334,478	\$ 6,342,882	\$ 8,404	0.1 %
Aid to Local Units		392,606	400,000	400,000	0	0.0	400,000	0	(400,000)	(100.0)
Other Assistance		0	0	0	0	--	0	0	0	--
TOTAL	\$	5,872,201	\$ 6,734,478	\$ 7,147,186	\$ 412,708	6.1 %	\$ 6,734,478	\$ 6,342,882	\$ (391,596)	(5.8)%
Financing:										
State General Fund	\$	0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
Fire Marshal Fee Fund		4,988,912	6,046,005	6,506,776	460,771	7.6	6,046,005	5,740,379	(305,626)	(5.1)
Boiler Inspection Fee Fund		511,525	577,633	615,410	37,777	6.5	577,633	577,503	(130)	(0.0)
Emergency Response Fund		90,482	0	0	0	--	0	0	0	--
All Other Funds		281,282	110,840	25,000	(85,840)	(77.4)	110,840	25,000	(85,840)	(77.4)
TOTAL	\$	5,872,201	\$ 6,734,478	\$ 7,147,186	\$ 412,708	6.1 %	\$ 6,734,478	\$ 6,342,882	\$ (391,596)	(5.8)%

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	6,740,247	6,734,478	(5,769)	6,734,478	(5,769)
TOTAL	\$ 6,740,247	\$ 6,734,478	\$ (5,769)	\$ 6,734,478	\$ (5,769)
FTE Positions	66.8	66.8	0.0	66.8	0.0

The **agency** requests a FY 2020 revised estimate totaling \$6.7 million, all from special revenue funds. The revised estimate is a decrease of \$5,769, or 0.1 percent, below the amount approved by the 2019 Legislature. The decrease is primarily due to the application of the 2019 Legislative Pay Plan in FY 2020, which came in below the amount originally estimated. The revised estimate includes 66.8 FTE positions, which is no change from the number approved by the 2019 Legislature. Categories of expenditures are detailed below:

- **Salaries and Wages.** The agency's FY 2020 revised estimate includes \$4.4 million, all from special revenue funds, for salaries and wages. The FY 2020 revised estimate is a decrease of \$87,293, or 1.9 percent, below the amount approved by the 2019 Legislature. The primary decrease reflects the reallocation of expenditures originally added just within salaries and wages (\$324,239) to the appropriate category of expenditure in order to accurately reflect initial costs for equipment and supplies (\$81,524) to support the 4.0 new FTE positions for inspections and enforcement that were approved by the 2019 Legislature. There is also a decrease of \$5,769 that reflects the application of the 2019 Legislative Pay Plan in FY 2020, which came in below the amount certified for FY 2020. Funding supports 66.8 FTE positions;
- **Contractual Services.** The agency's FY 2020 revised estimate includes \$1.2 million, all from special revenue funds, for contractual services. The FY 2020 revised estimate is an increase of \$2,999, or 0.3 percent, above the amount approved by the 2019 Legislature. The primary increase in this category is due to additional clothing expenditures for the 4.0 new FTE positions for inspections and enforcement approved by the 2019 Legislature. Other expenditures in this category include communication, travel, internal and external agency training, safe cigarette testing, vehicle service, and attorney services received through an agreement with the Office of the Attorney General;

- **Commodities.** The agency's FY 2020 revised estimate includes \$367,670, all from special revenue funds, for commodities. The FY 2020 revised estimate is an increase of \$24,600, or 7.2 percent, above the amount approved by the 2019 Legislature. This increase is primarily due to one-time expenditures for computer equipment, cell phones with communication accessories, and training for the 4.0 new FTE position for inspections and enforcement. Funding in this category supports vehicle fuel, reference materials, smoke detectors, equipment, and supplies. Primary increases in this category include gasoline and professional and scientific supplies. The agency anticipates additional expenditures related to agency related equipment which is on a two-year replacement cycle;
- **Capital Outlay.** The agency's FY 2020 revised estimate includes \$376,875, all from special revenue funds, for capital outlay. The FY 2020 revised estimate is an increase of \$53,925, or 16.7 percent, above the amount approved by the 2019 Legislature. The primary increases in this category are due to the purchase of three sedans and supporting equipment for the 4.0 new FTE positions for inspections and enforcement added by the 2019 Legislature; and
- **Aid to Local Units of Government.** The agency's FY 2020 revised estimate includes \$400,000, all from special revenue funds, for aid to local units of government. The revised estimate is no change from the amount approved by the 2019 Legislature. This funding provides for no-match grants to volunteer/part-time fire departments across the state for personal protection equipment, physicals not covered by insurance, and support of junior firefighter programs.

The **Governor** concurs with the agency's FY 2020 revised estimate.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 7,147,186	\$ 6,342,882	\$ (804,304)
FTE Positions	66.8	66.8	0.0
Change from FY 2020:			
<i>Dollar Change:</i>			
State General Fund	\$ 0	\$ 0	
All Other Funds	412,708	(391,596)	
TOTAL	\$ 412,708	\$ (391,596)	
<i>Percent Change:</i>			
State General Fund	-- %	-- %	
All Other Funds	6.1	(5.8)	
TOTAL	6.1 %	(5.8) %	
Change in FTE Positions	0.0	0.0	

The **agency** requests FY 2021 operating expenditures totaling \$7.1 million, all from special revenue funds. The FY 2021 request is an increase of \$412,708, or 6.1 percent, above the agency's FY 2020 revised estimate. This increase is primarily due to the agency's enhancement request for a recruitment and retention plan over the next five years. The request includes 66.8 FTE positions, which is no change from the agency's FY 2020 revised estimate. Categories of expenditures are detailed below:

- **Salaries and Wages.** The agency's FY 2021 request includes \$4.9 million, all from special revenue funds, for salaries and wages. The FY 2021 request is an increase of \$432,144, or 9.7 percent, above the agency's FY 2020 revised estimate. The primary increase is due to the agency's enhancement request for a five-year recruitment and retention plan. Primary increases are in unclassified regular pay, employer contributions to group health insurance, and employer contributions to state employee retirement. Funding supports 66.8 FTE positions;
- **Contractual Services.** The agency's FY 2021 request includes \$1.2 million, all from special revenue funds, for contractual services. The FY 2021 request is an increase of \$5,514, or 0.5 percent, above the agency's FY 2020 revised estimate. Funding supports additional rent expenditures for the agency's main offices as well as an increase to storage unit rent, information technology services and support, attorneys and lawyers expenditures through an agreement with the Office of the Attorney General, copier rentals, and postage for FY 2021;
- **Commodities.** The agency's FY 2021 request includes \$319,800, all from special revenue funds, for commodities. The FY 2021 request is a decrease of \$47,870, or 13.0 percent, below the agency's FY 2020 revised estimate. The agency states this is the second year of a two-year equipment replacement cycle and decreases were made to gasoline expenditures to better reflect historical levels;

- **Capital Outlay.** The agency's FY 2021 request includes \$399,795, all from special revenue funds, for capital outlay. The FY 2021 request is an increase of \$22,920, or 6.1 percent, above the agency's FY 2020 revised estimate. Primary increases are due to computer and software replacement that is on a three year replacement cycle. The agency has budgeted to replace eleven laptops within the investigator division; and
- **Aid to Local Units of Government.** The agency's FY 2021 request includes \$400,000, all from special revenue funds, for aid to local units of government. The request is no change from the agency's FY 2020 revised estimate. This funding provides for no-match grants to volunteer/part-time fire departments across the state for personal protection equipment, physicals not covered by insurance, and support of junior firefighter programs.

The **Governor** recommends FY 2021 operating expenditures totaling \$6.3 million, all from special revenue funds. The FY 2021 request is a decrease of \$804,304, or 11.3 percent, below the agency's FY 2021 request. This decrease is due to the Governor not recommending the agency's FY 2021 enhancement request for recruitment and retention (\$404,304), and reducing expenditures by \$400,000, all from the Fire Marshal Fee Fund, by suspending the Kansas Firefighter Recruitment and Safety Grant Program for FY 2021.

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Recruitment and Retention						
Administration	\$ 0	\$ 88,390	0.0	\$ 0	\$ 0	0.0
Fire Prevention	0	173,237	0.0	0	0	0.0
Boiler Program	0	37,907	0.0	0	0	0.0
General Investigation	0	80,233	0.0	0	0	0.0
HAZ MAT Program	0	12,323	0.0	0	0	0.0
Search and Rescue Program	0	12,214	0.0	0	0	0.0
Suspend KFRSG Program	0	0	0.0	0	(400,000)	0.0
TOTAL	\$ 0	\$ 404,304	0.0	\$ 0	\$ (400,000)	0.0

The **agency** requests \$404,304, all from special revenue funds, for the agency's recruitment and retention plan for FY 2021 through FY 2025. The agency states it has experienced recruitment and retention issues over the last few years, and the agency's enhancement request, if approved, would provide funding for agency-wide salary increases for all agency personnel across the next five years. The agency notes this plan would be different from the Governor's or Legislature's plan for statewide increases, but the agency's plan would also seek to incorporate any potential statewide increases should they be implemented. The first year of increases would be for FY 2021 at 10.0 percent, and then would increase at a rate of 2.5 percent in each of the following four years, out to FY 2025 for the agency. The agency provided the following expenditure estimates over the course of the enhancement for recruitment and retention funding:

- FY 2021, 10.0 percent increase: \$404,304;
- FY 2022, 2.5 percent increase: \$97,337;
- FY 2023, 2.5 percent increase: \$113,579;
- FY 2024, 2.5 percent increase: \$116,457; and
- FY 2025, 2.5 percent increase: \$119,368.

The **Governor** does not recommend the enhancement request for recruitment and retention for FY 2021. Further, the Governor recommends reducing expenditures by \$400,000, all from the Fire Marshal Fee Fund, by suspending the Kansas Firefighter Recruitment and Safety Grant Program (KFRSG) for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$90,882, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$800, all from special revenue funds, and FY 2021 longevity payments total \$840, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State General Fund	0.0 %	0.0 %
Fire Marshal Fee Fund	91.0	90.5
Boiler Inspection Fee Fund	8.6	9.1
Fire Safety Standard/Fire Fighter Protection and Enforcement Fund	0.4	0.4
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

Fire Marshal Fee Fund Analysis

The Fire Marshal Fee Fund is the primary source of funding for the agency. KSA 75-1508 requires each fire insurance company doing business in Kansas to pay the Commissioner of Insurance. Pursuant to the statute, the levy shall not exceed 0.8 percent of a sum equal to the gross cash receipts of such company on all fire business transacted by the company in the preceding calendar year. This levy on fire insurance premiums totals 1.25 percent and supports three agencies as follows: The State Fire Marshal receives 64.0 percent, the Board of Emergency Medical Services receives 20.0 percent, and the University of Kansas Fire and Rescue Training Institute receives 16.0 percent.

KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are deposited into the State General Fund up to a maximum of \$100,000 per fiscal year per fund. Starting in FY 2011 this transfer has been split, by appropriations proviso, amongst the three agencies receiving fire insurance premiums by the amount of the levy they receive.

The Fire Marshal Fee Fund receives the majority of the transfers of receipts from the insurance premium fund in the months of December and June. The June transfer funds the agency for the first six months of the next fiscal year. Transfers to the State General Fund from the Fire Marshal Fee Fund have periodically occurred.

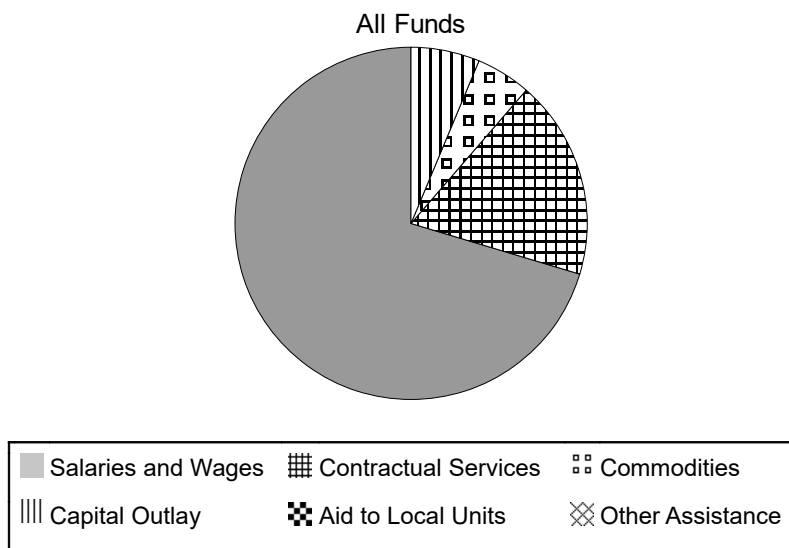
Resource Estimate	Actual FY 2019	Agency Estimate FY 2020	Gov. Rec. FY 2020	Agency Request FY 2021	Gov. Rec. FY 2021
Beginning Balance	\$ 3,511,326	\$ 3,139,581	\$ 3,139,581	\$ 2,712,676	\$ 2,712,676
Revenue	5,617,167	5,619,100	5,619,100	5,657,900	5,657,900
Transfers in	0	0	0	0	0
<i>Funds Available</i>	<u>\$ 9,128,493</u>	<u>\$ 8,758,681</u>	<u>\$ 8,758,681</u>	<u>\$ 8,370,576</u>	<u>\$ 8,370,576</u>
Less:					
Expenditures	\$ 4,988,912	\$ 6,046,005	\$ 6,046,005	\$ 6,506,776	\$ 5,740,379
Transfers Out	1,000,000	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 3,139,581</u>	<u>\$ 2,712,676</u>	<u>\$ 2,712,676</u>	<u>\$ 1,863,800</u>	<u>\$ 2,630,197</u>
Ending Balance as Percent of Expenditures	62.9%	44.9%	44.9%	28.6%	45.8%
Month Highest Ending Balance	June <u>\$ 3,140,130</u>	June <u>\$ 2,807,683</u>	June <u>\$ 2,807,683</u>	June <u>\$ 2,425,908</u>	June <u>\$ 2,631,197</u>
Month Lowest Ending Balance	May \$ 817,057	May \$ 730,555	May \$ 730,555	May \$ 631,217	May \$ 631,217

The Governor's FY 2021 recommendation suspends the Kansas Firefighter Recruitment and Safety Grant Program, and does not include the agency's enhancement request for recruitment and retention.

CATEGORY DETAIL

Expenditures by Category

Governor's FY 2021 Recommendation



Category	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Salaries and Wages	\$ 4,462,218	70.4 %	\$ 0	-- %
Contractual Services	1,161,069	18.3	0	--
Commodities	319,800	5.0	0	--
Capital Outlay	399,795	6.3	0	--
Aid to Local Units	0	--	0	--
Other Assistance	0	--	0	--
TOTAL	\$ 6,342,882	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021

Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	59.6	63.7	63.7	63.7	63.7
Off-Budget	3.2	3.1	3.1	3.1	3.1
TOTAL	62.8	66.8	66.8	66.8	66.8

Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

A. Contract Inspections (Off-Budget)

The Fire Prevention Division contracts with the Kansas Department for Aging and Disability Services (KDADS) to conduct fire and life safety surveys of Medicare and Medicaid nursing facilities, and with the Kansas Department of Health and Environment (KDHE) to conduct fire and life safety surveys of Medicare and Medicaid medical facilities. The funds received each year help cover payroll expenses for a number of the Fire Prevention Inspectors that perform the inspections. In late FY 2009, the Division went from dedicated inspectors doing these inspections to expanding training and education to all inspectors to save on travel and other costs. The contracts are negotiated annually based on inspection levels.

Expenditures for FY 2019, FY 2020, and FY 2021 are funded out of the Off-Budget Contract Inspections Fund. Off-budget FTE positions are reflected in the "FTE Positions By Program" table above, but off-budget expenditures for investigations are only reflected within the "Contract Inspections (Off-Budget)" table.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
All Funds	\$ 243,358	\$ 186,332	\$ 230,000	\$ 287,654	\$ 230,000	\$ 230,000
FTE Positions	3.2	3.2	3.2	3.2	3.1	3.1

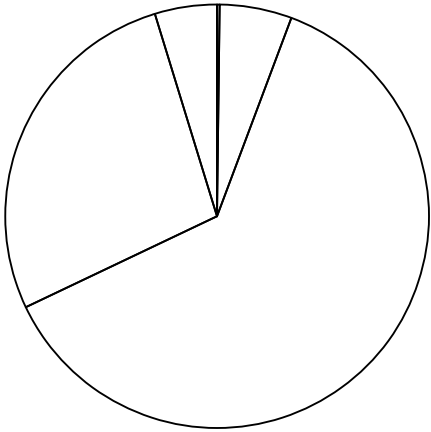
CONTRACT INSPECTIONS (OFF-BUDGET) SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 287,654	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 287,654	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 287,654	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	287,654	230,000	230,000	230,000	230,000
TOTAL	\$ 287,654	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000
FTE Positions	3.2	3.1	3.1	3.1	3.1

The **agency** requests off-budget contract inspections expenditures of \$230,000, all from the Contract Inspections Fund, for FY 2020 and FY 2021. The agency anticipates inspections performed will total \$200,000 for KDADS and \$30,000 for KDHE in FY 2020 and for FY 2021.

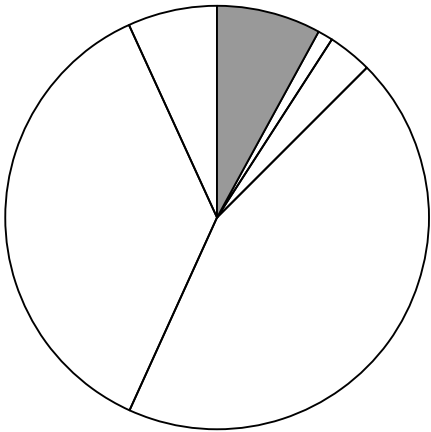
The **Governor** concurs with the agency's off-budget contract inspections requests in FY 2020 and for FY 2021.

TRANSPORTATION

State General Fund



All Funds



Transportation has the responsibility for the construction and maintenance of highways and other transportation functions. This function includes the Department of Transportation.

The Governor's FY 2021 recommendation for the Transportation function totals \$1.6 billion from all funding sources.

The FY 2021 recommendation is an all funds increase of 5.4 percent, or \$80.8 million, above FY 2020.

Agencies in this Function:	
<i>Kansas Department of Transportation.....</i>	<i>865</i>

A total of 2,351.0 FTE positions are recommended by the Governor for the Transportation function for FY 2021, which is no change from FY 2020. Of all state FTE positions, 5.8 percent are in this function.

The agency in this function comprises 0.0 percent of the total State General Fund budget in FY 2021, which is unchanged from FY 2020. It comprises 8.0 percent of expenditures from all funding sources in FY 2021, which is less than a 0.1 percent decrease below FY 2020.

KANSAS DEPARTMENT OF TRANSPORTATION

	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Operating Expenditures:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	622,501,251	722,462,060	721,937,044	718,501,554	719,113,060
<i>Subtotal</i>	<i>\$ 622,501,251</i>	<i>\$ 722,462,060</i>	<i>\$ 721,937,044</i>	<i>\$ 718,501,554</i>	<i>\$ 719,113,060</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	519,894,568	781,694,954	781,694,954	865,330,402	865,330,402
<i>Subtotal</i>	<i>\$ 519,894,568</i>	<i>\$ 781,694,954</i>	<i>\$ 781,694,954</i>	<i>\$ 865,330,402</i>	<i>\$ 865,330,402</i>
Reportable Exp.	\$ 1,142,395,819	\$ 1,504,157,014	\$ 1,503,631,998	\$ 1,583,831,956	\$ 1,584,443,462
Non-reportable Exp.	704,308,218	289,143,748	289,143,748	215,656,717	215,656,717
GRAND TOTAL	<u>\$ 1,846,704,037</u>	<u>\$ 1,793,300,762</u>	<u>\$ 1,792,775,746</u>	<u>\$ 1,799,488,673</u>	<u>\$ 1,800,100,179</u>
Percentage Change:					
Operating Expenditures					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	9.9	16.1	16.0	(0.5)	(0.4)
FTE Positions	2,351.0	2,351.0	2,351.0	2,351.0	2,351.0

About This Analysis. For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Department of Transportation (KDOT) is a cabinet-level agency headed by a secretary appointed by the Governor. The purpose of KDOT is to coordinate the planning, development, and operation of the various modes and systems of transportation within the state. KDOT has administrative and planning responsibilities for aviation, highways, public transportation, railroads, and waterways. However, the agency's efforts focus primarily on approximately 10,000 of the state highway system's 142,000 miles of public roads and highways (KSA 68-406(a)). KDOT has five programs: Administration, Transportation Planning and Modal Support, Local Support, Maintenance, and Construction.

Reportable and Non-reportable Expenditures

In order to gauge the full magnitude of spending by KDOT, a number of tables include non-reportable expenditures, including bond payments (largest), inter-agency transfers, inter-agency motor fuel sales, payments for the Rail Loan program, and leasing of radios and tower space as part of KDOT's inter-operable 800 MHz communication system. However, for state budgeting and accounting purposes, an expenditure is categorized as reportable only when it

initially is spent to avoid double-counting. Consequently, when reviewing KDOT's budget, most tabular data (including those in the *Governor's Budget Report*) reflect reportable expenditures and exclude spending of non-reportable money. The magnitude of non-reportable spending by KDOT is significant. Within the agency's budget submission, non-reportable expenditures include \$289.1 million in FY 2020 and \$215.7 million for FY 2021.

State Operations and Capital Improvements

In a state agency budget, state operations include agency operating costs for salaries and wages and other operating expenditures. Other operating expenditures include contractual services, commodities, and capital outlay. Agency budgets also include separate categories for aid to local units of government, other assistance, and capital improvements. The KDOT budget differs from other agency budgets in that expenditures typically considered state operations are included with budgeted capital improvements expenditures. For example, the Construction program includes capital improvements expenditures but also contains expenditures classified as state operations.

MAJOR ISSUES FROM PRIOR YEARS

Comprehensive Transportation Program

The 1999 Legislature passed a ten-year Comprehensive Transportation Program (CTP) for FY 2000 through FY 2009. The CTP included maintenance and substantial maintenance; construction and reconstruction, with major modifications and priority bridges; system enhancement projects; and a highway demonstration project to evaluate pavement guarantees by the contractor. The CTP also provided enhanced assistance to local units of government and programs for other transportation elements, including rail, air, and public transit.

Total CTP expenditures of \$12.9 billion were proposed in 1999 with total revenues estimated at \$12.7 billion. To fund the program, the Legislature included revenue enhancements totaling \$2.3 billion from motor fuels taxes, a State General Fund sales tax transfer, interest on funds, and bonds. With the completion of the CTP, actual revenues and expenditures from FY 2000 to FY 2009 totaled \$13.3 billion.

The Legislature made a series of adjustments to the financing of the CTP. The following describes the major revenue sources of the CTP, the original funding mechanisms, and the changes adopted by subsequent sessions of the Legislature:

- **Motor Fuels Taxes.** The 1999 Legislature authorized a 4¢-per-gallon increase in motor fuel taxes. The tax was implemented in phases, with a 2¢ increase on July 1, 1999; a 1¢ increase on July 1, 2001; and the remaining 1¢ increase on July 1, 2003. The 2002 Legislature increased the motor fuel tax an additional 2¢ per gallon beginning July 1, 2002, for a total increase of 6¢ between 1999 and July 1, 2003. The additional 2¢ increase in 2002 was estimated to generate an additional \$253.7 million for the CTP from FY 2003 to FY 2009;
- **State General Fund Sales Tax Transfer.** Beginning in 1983, a portion of sales tax receipts were transferred from the State General Fund to the State Highway Fund. The Legislature took the following actions regarding these transfers:

- The 1999 Legislature approved the transfer of 7.628 percent of sales tax receipts from the State General Fund to the State Highway Fund for FY 2000 and FY 2001. The original intent was to increase the transfer over the next five fiscal years to a rate of 12.0 percent in FY 2005 and subsequent fiscal years; and
- The 2000 Legislature reduced the transfers in FY 2000 and FY 2001 by \$27.2 million and \$39.2 million, respectively. The 2001 Legislature approved a further reduction of \$3.0 million in the FY 2001 transfer and reduced the FY 2002 transfer by \$20.0 million. The 2002 Legislature eliminated the FY 2003 sales tax transfer, estimated at \$149.0 million. The 2003 Legislature eliminated the estimated \$128.0 million sales tax transfer in FY 2004. The sales tax transfer was eliminated for the remainder of the CTP by the 2004 Legislature;
- **Sales and Compensating Use Tax Direct Deposit.** The 1989 Legislature increased the sales and compensating use tax from 4.00 percent to 4.25 percent, and directed that the additional 0.25 percent go to the State Highway Fund; the State Highway Fund also received a direct deposit attributable to this portion of all sales and use tax receipts. The 2004 Legislature increased the sales and use tax direct deposit to 0.38 percent beginning for FY 2007 and to 0.65 percent for FY 2008 and subsequent fiscal years;
- **Motor Vehicle Registration Fees.** Motor vehicle registration fees are deposited in the State Highway Fund. The 2002 Legislature increased motor vehicle registration fees for passenger automobiles and pickup trucks by \$5, and for other trucks in amounts ranging from \$2 to \$10, beginning July 1, 2002. The increases were estimated to generate an additional \$84.6 million for the CTP from FY 2003 to FY 2009;
- **Federal Construction Reimbursement.** The 2004 Legislature included an estimated additional \$250.0 million in federal aid from FY 2005 to FY 2009;
- **Bonding Authority.** The 1999 Legislature authorized the issuance of CTP bonds of \$995.0 million, backed by the State Highway Fund. The 2001 Legislature authorized additional bond authority of \$277.0 million for the CTP. This additional bonding was authorized to offset the reduction in the sales tax transfer approved by the 2001 Legislature. To compensate for the elimination of the sales tax transfer, the 2004 Legislature authorized the issuance of \$150.0 million in State General Fund-backed bonds with the proceeds deposited in the State Highway Fund. In addition, the 2004 Legislature authorized the issuance of up to an additional \$60.0 million in State General Fund bonds if the Federal Highway Trust Fund did not generate an additional \$50.0 million annually for the CTP. The agency reports all the authorized CTP and State General Fund bonds have been issued. The debt service for the \$210.0 million in State General Fund bonds appears in the Department of Administration's budget; and
- **Other Adjustments.** The 2002 Legislature transferred \$94.6 million from the State Highway Fund to the State General Fund. This funding was equal to the FY 2002 sales tax transfer amount and was considered a loan with repayment scheduled for FY 2003. The 2003 Legislature delayed repayment until FY 2007 with the repayment to be spread over four fiscal years.

The 2003 Legislature transferred \$28.9 million from the State Highway Fund to the State General Fund to finance the Kansas Highway Patrol for FY 2004. This transfer was considered to be a loan with repayment scheduled each year from FY 2007 to FY 2010. The 2003 Legislature also transferred \$1.6 million from the State Highway Fund to the State General Fund to finance a portion of the Department of Revenue's Division of Vehicles. This loan was scheduled for repayment in FY 2007.

The 2006 Legislature approved a \$32.5 million transfer for FY 2007 from the State General Fund to the State Highway Fund for loan repayments. Payments of \$31.9 million annually were scheduled in FY 2008, FY 2009, and FY 2010 (as noted later, Governor and legislative action canceled both the FY 2009 and FY 2010 loan repayments to the State Highway Fund).

Other Major Issues

The **2010 Legislature** passed the ten-year Transportation Works for Kansas (T-WORKS) transportation program (2010 Senate Sub. for Senate Sub. for HB 2650) for the period of FY 2011 to FY 2020. Expenditures for the period are estimated at \$8.2 billion. New revenue enhancements of \$2.7 billion during the period are authorized, including authority to issue new bonds up to an 18.0 percent debt service bonding cap (such that debt service on agency bonds owed in a year cannot exceed 18.0 percent of expected State Highway Fund revenues). It was estimated \$1.7 billion in bonds were to be issued across the ten-year period.

The **2011 Legislature** transferred \$205.0 million from the State Highway Fund to the State General Fund for FY 2012. In order to capture the necessary savings for the FY 2012 transfer, preservation projects were reduced by \$22.0 million in both FY 2011 and FY 2012. The additional \$5.0 million was to capture administrative savings experienced by the agency in FY 2011.

The **2013 Legislature** took the following actions on the agency's budget:

- Transferred \$3.5 million from the State Highway Fund to the new Municipal University Forensic Laboratory Fund for FY 2014 and added language to provide that the transfer shall be repaid in full by Washburn University before the end of FY 2015. The 2013 Legislature then added \$3.5 million, all from the new Municipal University Forensic Laboratory Fund, for FY 2014 to provide funding for a new forensic science laboratory at Washburn University for use by the Kansas Bureau of Investigation;
- Transferred \$6,751,952 from the State Highway Fund to the Department of Revenue's Division of Vehicles Modernization Fund in FY 2013; transferred \$893,036 from the State Highway Fund to the Department of Education in FY 2013, \$143.5 million for FY 2014, and \$107.5 million for FY 2015; and increased the transfer from the State Highway Fund to the Kansas Highway Patrol Operations Fund by \$315,986 in FY 2013;
- Deleted \$25,000 in FY 2013, \$321,267 and 3.0 FTE positions for FY 2014, and \$305,161 and 3.0 FTE positions for FY 2015, all from special revenue funds, to transfer certain emergency response responsibilities from the Department of Transportation to the Adjutant General's Department;

- Approved direct transfers from the State Highway Fund to the Kansas Highway Patrol Operations Fund, totaling \$55.1 million for FY 2014 and \$56.5 million for FY 2015, to support the operations of the Kansas Highway Patrol;
- Reduced the sales tax to 6.15 percent, effective July 1, 2013. This change in sales tax also led to a recalculation of the amount the State Highway Fund receives in order to keep them whole. It was estimated that KDOT would receive sales tax in the amount of \$478.5 million for FY 2014 and \$510.3 million for FY 2015; and
- Passed HB 2234, which names the Secretary of Transportation (Secretary) as the Director of Operations of the Kansas Turnpike Authority (KTA). The Director of Operations is responsible for the daily administration of the toll roads, bridges, structures, and facilities constructed, maintained, and/or operated by the KTA and the Director, or the Director's designee, would have such powers as are necessary to carry out those responsibilities. The bill set this provision to expire July 1, 2016 (this sunset provision was later removed by the 2015 Legislature in HB 2085):
 - The bill provided the KTA cannot use KTA toll or other revenue in ways other than those established in current law: maintaining, repairing, and operating turnpike projects; paying principal and interest on bonds and creating reserves for the same; fixing and collecting tolls; and entering into certain types of contracts;
 - The bill changed authority for contracting between KTA and KDOT for three years. The bill adds an effective date of July 1, 2016, to provisions in current law regarding contracting between the KTA and KDOT (generally, allowing KTA to contract with KDOT for use of KDOT resources for certain types of work related to KTA projects); and
 - In a new section, the bill stated the KTA retains its separate identity, powers, and duties as an instrumentality of the State; however, the bill in this new section requires duplication of effort, facilities, and equipment between KDOT and the KTA be minimized in operation and maintenance of turnpikes and highways in the state. The KTA and the Secretary are authorized to take actions, including the temporary transfer of personnel, property, and equipment from the KTA to the Secretary and from the Secretary to the KTA. Further, the bill requires the integrity of the bonded indebtedness be maintained through the actions of the KTA. The provisions of this new section were set by the bill to expire July 1, 2016 (this sunset provision was later removed by the 2015 Legislature in HB 2085).

The **2014 Legislature** took the following actions on the agency's budget:

- Deleted \$4.8 million in FY 2014 and \$10.5 million for FY 2015 in debt service expenditures based on the most recent estimates from the Highway Revenue Estimating Group;
- Deleted \$1.4 million in FY 2014 and \$1.7 million for FY 2015 in Special City and County Highway Fund expenditures based on the most recent estimates from the Highway Revenue Estimating Group;

- Deleted \$3.5 million, all from the Municipal University Forensic Laboratory Fund, to reflect expenditures not made from the Fund in FY 2014. These funds were later transferred to the State General Fund as part of 2014 HB 2506;
- Transferred \$7.5 million, all from the State Highway Fund, to the State General Fund to provide for Statehouse grounds renovation and repair payments in FY 2014;
- Transferred \$20.0 million, all from the State Highway Fund, to the Statehouse Debt Service account of the Department of Administration to pay for Statehouse Debt Service payments for FY 2015; and
- Added \$20,800, all from the State Highway Fund, from 2014 Sub. for HB 2424, which allows the agency to expend gifts and donations for designations and memorial signage for FY 2015.

The **2015 Legislature** approved reductions to preservation projects and lettings of \$51.0 million in FY 2015, \$491.0 million for FY 2016, and \$30.0 million for FY 2017, and reductions to agency operations of \$7.8 million in FY 2015, \$13.3 million for FY 2016, and \$13.8 million for FY 2017. These approved reductions helped achieve savings for various transfers, including those to the State General Fund as follows: \$158.5 million in FY 2015 as part of House Sub. for SB 4 and \$129.3 million for FY 2016 and \$130.8 million for FY 2017 as part of House Sub. for SB 112. House Sub. for SB 112 also included language suspending the restriction capping Bond Debt Service expenditures to 18.0 percent of projected State Highway Fund revenues for both FY 2016 and FY 2017.

Additional legislation affecting the agency passed during the **2015 Session** and effective for FY 2016 includes the following:

- HB 2085 removed the sunset on the KDOT and KTA partnership. Additionally, the legislation designated the Secretary of Transportation as the Director of the Kansas Turnpike Authority. The Secretary previously had been designated the Director of Operations for the KTA;
- SB 270 made several changes to tax law, including raising the state sales tax rate from 6.15 percent to 6.50 percent. The bill requires 16.226 percent for FY 2016 and 16.154 percent beginning July 1, 2016, of state sales tax collections to be deposited in the State Highway Fund. The overall portion of state sales tax receipts directed to the State Highway Fund remains at four-tenths above the CTP level;
- SB 127 requires the Secretary of Transportation, prior to installing any memorial signs, to have received donations that cover the costs associated with designing and installing the signs plus 50.0 percent to help defray future maintenance costs;
- HB 2391 provides state agencies the authority to hire and promote individuals into regular unclassified positions; and

- Senate Sub for HB 2135 authorizes the Director of the Budget to lapse appropriations or transfer funding from special revenue funds to the State General Fund, up to a total of \$100.0 million, at any time during FY 2016 if the Director determined the unencumbered ending balance of the State General Fund for FY 2016 would be less than \$100.0 million. This authority did not apply to appropriations for the Judicial Branch, Legislative Branch agencies, debt service, employer contributions to the Kansas Public Employees Retirement System (KPERs), the Department of Education (except the agency's operating expenditures account), or demand transfers to the school district capital improvements fund.

The **2016 Legislature**, through the passage of House Sub. for SB 161, added language to reinstate the maximum annual debt service on outstanding bonds issued shall not exceed 18.0 percent of projected annual State Highway Fund revenues, and set the cap to 19.0 percent for FY 2017. After FY 2017, the cap would continue at 18.0 percent annual debt service to projected annual State Highway Fund revenues. This bill also created the Conversion of Materials and Equipment Fund.

Additional legislation affecting the agency passed during the **2016 Session** includes:

- House Sub. for SB 249 added language directing certain duties for the Director of Unmanned Aircraft Systems for FY 2017;
- SB 245 created the DUI Memorial Signage program, and the Legislature added \$70,000, all from the State Highway Fund, for expenditures related to the administration and operation of this program for FY 2017; and
- HB 2610 added \$19,300 for four memorial signage designations for FY 2017. These FY 2017 designations included the Chief Warrant Officer 5 David Carter Fallen Veterans Memorial Interchange; the John Troy, Pete Hughes, and Earl Seifert Highway; the Captain Chris Norgren Memorial Interchange; and the SGT Lavern W. Tegtmeier Memorial Highway.

The **2017 Legislature** took the following actions on the agency's budget:

- Transferred \$3.3 million, all from the Agency Operations account of the State Highway Fund to the State General Fund, which reflects the information technology savings certified under 2015 House Sub. for SB 112, Sec. 80(s)(1);
- Added \$252,380, all from the State Highway Fund, for costs associated with the implementation of 2017 HB 2096 for FY 2018. This amount includes \$250,000 for transit bus operation on certain highway shoulders in Wyandotte County and \$2,380 for the Eldon K Miller memorial highway designation contained within 2017 HB 2096 for FY 2018;
- Added \$3.2 million in FY 2017, \$1.8 million for FY 2018, and \$2.7 million for FY 2019, all from the Special City and County Highway Fund, to reflect November 2016 estimated expenditures from the highway revenue estimate;
- Transferred the following amounts from the State Highway Fund to the State General Fund: \$266.6 million in FY 2017, \$288.3 million for FY 2018, and \$293.1 million for FY 2019;

- Deleted State Highway Fund preservation projects expenditures of \$284.1 million in FY 2017, \$393.1 million for FY 2018, and \$194.6 million for FY 2019. Additionally, the Legislature deleted State Highway Fund state projects expenditures of \$19.5 million in FY 2017 and \$185.0 million for FY 2019. These deletions provided for recommended revenue transfers from the State Highway Fund for each respective fiscal year;
- Appropriated the Seat Belt Safety Fund created in 2017 SB 89, which increases the fine from \$10 to \$30 for a person 18 years and older not wearing a seat belt, and deposits this increase into this newly created fund as a no limit fund for FY 2018 and FY 2019;
- Added language to provide bonding authority up to an additional \$400.0 million, at the discretion of the Secretary of Transportation, for reconstruction and maintenance of existing highways over the course of FY 2018 and FY 2019;
- Added language limiting total debt issuance for the T-WORKS program to \$1.7 billion for FY 2018 and FY 2019; and
- Added \$1.2 million, all from special revenue funds, for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019.

The **2018 Legislature** took the following actions on the agency's budget:

- Added \$5.4 million for increases in debt service interest expenditures related to the issuance of \$200.0 million for projects in FY 2018, and added \$15.0 million for FY 2019 related to the issuance of the remaining \$200.0 million;
- Added language limiting the remaining \$200.0 million in bonding authority over the course of FY 2018 and FY 2019 to apply to net proceeds of bond issuance and not solely the principal amount of the bond issuance in FY 2018 and for FY 2019;
- Added language to do the following: review the 23 T-WORKS projects that were delayed to check their priority; meet with the local government officials confirming that such project continues to be the local government's priority project (no substitutions); upon finalizing the 23 projects, implement the bidding process in the most cost-effective manner (do not require bundling); and provide an update report to the 2019 Legislature on the implementation of the projects required by this subsection;
- Passed 2018 House Sub. for SB 391, which establishes the Joint Legislative Transportation Vision Task Force; and

- Passed 2018 SB 375, which designates portions of highways in Kansas as memorial highways in honor of Kansas Highway Patrol officers and a Johnson County deputy sheriff killed in the line of duty, amended several current designations, and added language that a commemorative sign shall include certain information about rank or title.

The **2019 Legislature** took the following actions on the agency's budget:

- Transferred \$50.0 million from the State General Fund to the State Highway Fund in FY 2019. The amount transferred was based upon the amount that State General Fund revenues during FY 2019 exceeded the Consensus Revenue Estimates for FY 2019, with a 25.0 percent match required for funds transferred. The amount transferred was not to exceed \$50.0 million. Actual State General Fund revenues exceeded estimates in FY 2019 and satisfied and provided for the complete transfer of \$50.0 million from the State General Fund to the State Highway Fund;
- The Legislature added \$6.4 million, all from the State Highway Fund, for the acceleration of delayed T-WORKS projects for FY 2020. Funding for this acceleration comes from reducing transfers from the State Highway Fund to the State General Fund for FY 2020;
- The Legislature provided \$978,500, all from the operations account of the State Highway Fund, for additional information technology modernization funding for FY 2020;
- The Legislature budgeted \$160.0 million, all from special revenue funds, coming from reduced transfers from the State Highway Fund, for additional transportation investments for FY 2020; and
- The Legislature added \$3.3 million, all from special revenue funds, for a 2.5 percent salary adjustment for most state employees for FY 2020.

BUDGET SUMMARY AND KEY POINTS

FY 2020 – Current Year. The **agency** requests a revised FY 2020 reportable budget of \$1.5 billion, all from special revenue funds. This is an increase of \$46.3 million, or 3.2 percent, above the FY 2020 approved amount. Changes from the FY 2020 approved amount by the 2019 Legislature include increases within contractual services (\$36.0 million), other assistance (\$13.8 million), and aid to local units of government (\$2.1 million). These increases are partially offset by decreases in capital improvement expenditures (\$6.1 million) and commodities (\$329,584). This is the tenth year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules. The FY 2020 revised estimate includes salaries and wages expenditures of \$153.1 million, which is no change from the FY 2020 approved amount. The agency's budget includes FY 2020 pay raises totaling \$3.4 million annually, which the agency anticipates absorbing with salary savings from unfilled positions.

The primary increases are due to additional expenditures for architects and engineers, other assistance, and additional aid to local units of government. The agency's revised estimate includes a supplemental request for information technology expenditures related to Office of

Information Technology Services rates increases. The FY 2020 revised estimate includes 2,351.0 FTE positions, which is no change from the approved number. The agency's budget does not include any shrinkage. The agency has included within its budget pay raises for position classifications the agency notes as being under market, or ones that the agency has the most difficulty recruiting and retaining at current pay levels. The raises will apply to 1,429 employees and cost approximately \$3.4 million, including employer fringe benefit contributions, in FY 2020. The agency's budget includes plans to let approximately \$400.0 million in preservation projects and \$187.0 million in expansion and modernization projects. Funding includes expenditures for the Cost Share Program and Enhanced Safety Program. In addition, FY 2020 funding includes the increased expenditures for City Connecting Link payments at the rate of \$5,000 per lane mile.

The **Governor** recommends FY 2020 reportable expenditures totaling \$1.5 billion, all from special revenue funds. The recommendation is an all funds decrease of \$525,016, or 0.3 percent, below the revised FY 2020 estimate. Recommended adjustments to the agency's FY 2020 revised estimate include adding \$335,824, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2019 Highway Consensus Revenue Estimating group, and not recommending the agency's supplemental request for funding for Office of Information Technology Services rates (\$860,840 decrease).

FY 2021 – Budget Year. The **agency** requests a FY 2021 reportable budget of \$1.6 billion, all from special revenue funds. This is an increase of \$79.7 million, or 5.3 percent, above the FY 2020 revised estimate. This is the 11th year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules. The FY 2021 request includes salaries and wages expenditures of \$153.6 million, which is an increase of \$477,147, or 0.3 percent, above the FY 2020 revised estimate. The agency states this accounts for increases for group health insurance and inflation. The agency's budget includes continuation of FY 2020 pay raises into FY 2021 totaling \$3.4 million annually, which the agency anticipates absorbing with salary savings from unfilled positions.

The increase is mainly attributable to increased construction expenditures, part of which results from bond proceeds utilized in FY 2020, and KDOT reflects the expenditures for bonded projects in the year in which principal debt payments on these projects are made. The agency's budget includes plans to let approximately \$400.0 million in preservation projects and \$223.0 million in expansion and modernization projects. Funding includes the Cost Share Program, Enhanced Safety Program, and the Local Bridge Program. In addition, FY 2021 funding includes increased City Connecting Link payments at the increased rate of \$5,000 per lane mile as was included in the FY 2020 revised estimate.

The **Governor** recommends FY 2021 reportable expenditures totaling \$1.6 billion, all from special revenue funds. The recommendation is an all funds increase of \$611,506, or less than 0.1 percent, above the agency's FY 2021 request. The Governor's recommendation adds \$611,506, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2019 Highway Consensus Revenue Estimating group. The Governor's recommendation includes the agency's enhancement request for funding for Office of Information Technology Services rates (\$341,000).

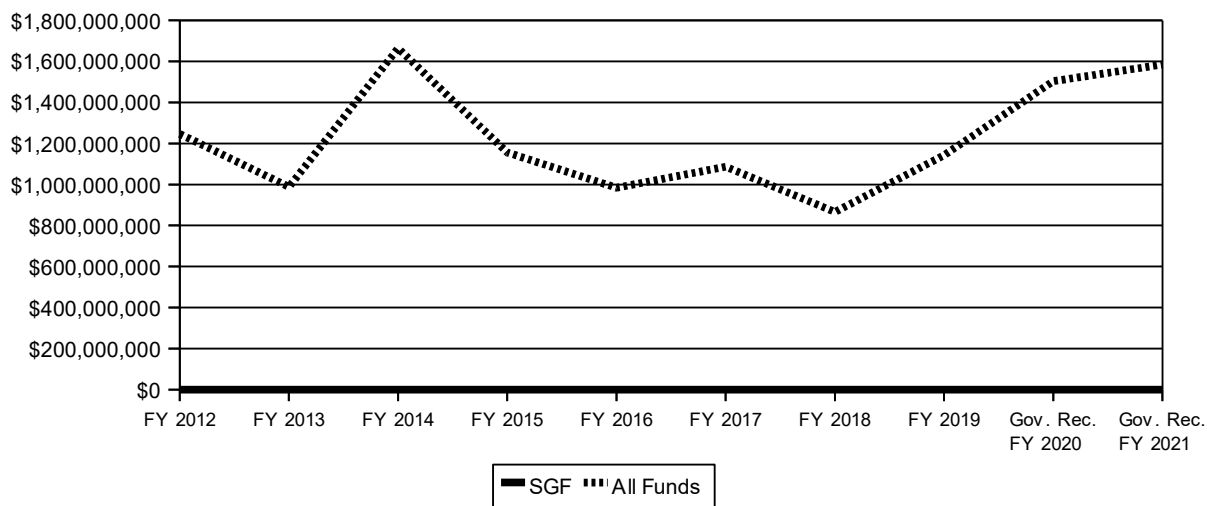
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Interstate Miles on the State Highway System That Are Classified as "Good"	N/A	67.0%	66.0%	66.0%	65.0%	65.0%
Percent of Non-interstate Miles on the State Highway System That Are Classified as "Good"	N/A	64.0%	61.0%	61.0%	55.0%	55.0%
Percentage of Highway Construction Projects Completed on Time or Early	N/A	96.0%	100.0%	99.0%	100.0%	100.0%
Number of Preservation Miles Programmed for Construction	915	1,860	1,521	1,663	1,923	2,131
Agency Expenditures						
Reportable All Funds (Dollars in Billions)	\$ 1.09	\$ 0.87	\$ 1.10	\$ 1.14	\$ 1.50	\$ 1.58
FTE Positions	2,310.0	2,355.3	2,351.0	2,351.0	2,351.0	2,351.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2012 – FY 2021



OPERATING EXPENDITURES - REPORTABLE FY 2012 – FY 2021

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2012	\$ 0	-- %	\$ 1,246,526,150	(17.1)%	2,967.5
2013	0	--	987,928,803	(20.7)	2,880.5
2014	0	--	1,663,870,780	68.4	2,737.5
2015	0	--	1,155,650,548	(30.5)	2,737.5
2016	0	--	984,172,447	(14.8)	2,515.6
2017	0	--	1,086,280,648	10.4	2,310.0
2018	0	--	866,154,640	(20.3)	2,355.3
2019	0	--	1,142,395,819	31.9	2,351.0
2020 Gov. Rec.	0	--	1,503,631,998	31.6	2,351.0
2021 Gov. Rec.	0	--	1,584,443,462	5.4	2,351.0
Ten-Year Change					
Dollars/Percent	\$ 0	-- %	\$ 337,917,312	27.1 %	(616.5)

Summary of Operating Budget FY 2019 - FY 2021

		Agency Estimate					Governor's Recommendation			
		Actual FY 2019	Estimate FY 2020	Request FY 2021	Dollar Change from FY 20	Percent Change from FY 20	Rec. FY 2020	Rec. FY 2021	Dollar Change from FY 20	Percent Change from FY 20
By Program:										
Administration	\$	40,263,039	\$ 53,497,283	\$ 53,259,352	\$ (237,931)	(0.4) %	\$ 52,636,443	\$ 53,259,352	\$ 622,909	1.2 %
Trans. Plan. & Mod. Sup.		53,748,552	76,159,456	80,686,731	4,527,275	5.9	76,159,456	80,686,731	4,527,275	5.9
Local Support		182,552,913	189,872,386	186,281,763	(3,590,623)	(1.9)	190,208,210	186,893,269	(3,314,941)	(1.7)
Maintenance		141,035,140	153,940,011	163,885,642	9,945,631	6.5	153,940,011	163,885,642	9,945,631	6.5
Construction		724,796,175	1,030,687,878	1,099,718,468	69,030,590	6.7	1,030,687,878	1,099,718,468	69,030,590	6.7
<i>Subtotal - Reportable</i>	<i>\$</i>	<i>1,142,395,819</i>	<i>\$ 1,504,157,014</i>	<i>\$ 1,583,831,956</i>	<i>\$ 79,674,942</i>	<i>5.3 %</i>	<i>\$1,503,631,998</i>	<i>\$ 1,584,443,462</i>	<i>\$ 80,811,464</i>	<i>5.4 %</i>
Administration	\$	98,483	\$ 251,000	\$ 251,000	\$ 0	0.0 %	\$ 251,000	\$ 251,000	\$ 0	0.0 %
Trans. Plan. & Mod. Sup.		4,054,090	5,627,192	3,755,500	(1,871,692)	(33.3)	5,627,192	3,755,500	(1,871,692)	(33.3)
Local Support		0	0	0	0	--	0	0	0	--
Maintenance		978,257	1,400,000	1,400,000	0	0.0	1,400,000	1,400,000	0	0.0
Construction		699,177,388	281,865,556	210,250,217	(71,615,339)	(25.4)	281,865,556	210,250,217	(71,615,339)	(25.4)
<i>Subtotal - Non-report</i>	<i>\$</i>	<i>704,308,218</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>
TOTAL	\$	1,846,704,037	\$ 1,793,300,762	\$ 1,799,488,673	\$ 6,187,911	0.3 %	\$ 1,792,775,746	\$ 1,800,100,179	\$ 7,324,433	0.4 %
By Major Object of Expenditure:										
Salaries and Wages	\$	139,282,509	\$ 153,117,221	\$ 153,594,368	\$ 477,147	0.3 %	\$ 153,117,221	\$ 153,594,368	\$ 477,147	0.3 %
Contractual Services		101,849,024	160,896,124	152,631,048	(8,265,076)	(5.1)	160,035,284	152,631,048	(7,404,236)	(4.6)
Commodities		36,319,490	45,470,526	47,882,770	2,412,244	5.3	45,470,526	47,882,770	2,412,244	5.3
Capital Outlay		27,332,945	16,188,079	22,334,351	6,146,272	38.0	16,188,079	22,334,351	6,146,272	38.0
Debt Service		92,854,895	91,648,167	86,250,587	(5,397,580)	(5.9)	91,648,167	86,250,587	(5,397,580)	(5.9)
<i>Subtotal - Operations</i>	<i>\$</i>	<i>397,638,863</i>	<i>\$ 467,320,117</i>	<i>\$ 462,693,124</i>	<i>\$ (4,626,993)</i>	<i>(1.0) %</i>	<i>\$ 466,459,277</i>	<i>\$ 462,693,124</i>	<i>\$ (3,766,153)</i>	<i>(0.8) %</i>
Aid to Local Units	\$	196,231,716	\$ 213,257,452	\$ 209,896,717	\$ (3,360,735)	(1.6) %	\$ 213,593,276	\$ 210,508,223	\$ (3,085,053)	(1.4) %
Other Assistance		28,630,672	41,884,491	45,911,713	4,027,222	9.6	41,884,491	45,911,713	4,027,222	9.6
Capital Improvements		519,894,568	781,694,954	865,330,402	83,635,448	10.7	781,694,954	865,330,402	83,635,448	10.7
<i>Subtotal - Reportable</i>	<i>\$</i>	<i>1,142,395,819</i>	<i>\$ 1,504,157,014</i>	<i>\$ 1,583,831,956</i>	<i>\$ 79,674,942</i>	<i>5.3 %</i>	<i>\$1,503,631,998</i>	<i>\$ 1,584,443,462</i>	<i>\$ 80,811,464</i>	<i>5.4 %</i>
<i>Non-reportable</i>	<i>\$</i>	<i>704,308,218</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>
TOTAL	\$	1,846,704,037	\$ 1,793,300,762	\$ 1,799,488,673	\$ 6,187,911	0.3 %	\$ 1,792,775,746	\$ 1,800,100,179	\$ 7,324,433	0.4 %
Financing:										
State Highway Fund	\$	436,320,297	\$ 1,103,537,216	\$ 1,189,360,459	\$ 85,823,243	7.8 %	\$ 1,102,676,376	\$ 1,189,360,459	\$ 86,684,083	7.9 %
All Other Funds		267,987,921	400,619,798	394,471,497	(6,148,301)	(1.5)	400,955,622	395,083,003	(5,872,619)	(1.5)
<i>Subtotal - Reportable</i>	<i>\$</i>	<i>704,308,218</i>	<i>\$ 1,504,157,014</i>	<i>\$ 1,583,831,956</i>	<i>\$ 79,674,942</i>	<i>5.3 %</i>	<i>\$1,503,631,998</i>	<i>\$ 1,584,443,462</i>	<i>\$ 80,811,464</i>	<i>5.4 %</i>
State Highway Fund	\$	753,518,954	\$ 210,930,897	\$ 211,061,717	\$ 130,820	0.1 %	\$ 210,930,897	\$ 211,061,717	\$ 130,820	0.1 %
All Other Funds		388,876,865	78,212,851	4,595,000	(73,617,851)	(94.1)	78,212,851	4,595,000	(73,617,851)	(94.1)
<i>Subtotal - Non-report</i>	<i>\$</i>	<i>1,142,395,819</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>	<i>\$ 289,143,748</i>	<i>\$ 215,656,717</i>	<i>\$ (73,487,031)</i>	<i>(25.4) %</i>
TOTAL	\$	1,846,704,037	\$ 1,793,300,762	\$ 1,799,488,673	\$ 6,187,911	0.3 %	\$ 1,792,775,746	\$ 1,800,100,179	\$ 7,324,433	0.4 %

BUDGET OVERVIEW

A. FY 2020 – Current Year

Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund expenditures.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2020	Agency Estimate FY 2020	Agency Change from Approved	Governor Rec. FY 2020	Governor Change from Approved
State General Fund \$	0	\$ 0	\$ 0	\$ 0	0
All Other Funds	1,457,891,344	1,504,157,014	46,265,670	1,503,631,998	45,740,654
TOTAL	\$ 1,457,891,344	\$ 1,504,157,014	\$ 46,265,670	\$ 1,503,631,998	\$ 45,740,654
FTE Positions	2,351.0	2,351.0	0.0	2,351.0	0.0

The **agency** requests a FY 2020 reportable budget of \$1.5 billion, all from special revenue funds. This is an increase of \$46.3 million, or 3.2 percent, above the FY 2020 approved amount. Changes from the FY 2020 amount approved by the 2019 Legislature include increases within contractual services (\$36.0 million), other assistance (\$13.8 million), and aid to local units of government (\$2.1 million). These increases are partially offset by decreases in capital improvement expenditures (\$6.1 million) and commodities (\$329,584). This is the tenth year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules. The FY 2020 revised estimate includes salaries and wages expenditures of \$153.1 million, which is no change from the FY 2020 approved amount. The agency's budget includes FY 2020 pay raises totaling \$3.4 million annually, which the agency anticipates absorbing with salary savings from unfilled positions.

The primary increases are due to additional contractual expenditures for architects and engineers as the agency anticipates the need for these services for projects within the next transportation plan, other assistance to spend down funding that has accumulated in the Rail Service Improvement Fund, and additional aid to local units of government due to the latest estimation of the usage of the federal fund exchange program. The agency's revised estimate includes a supplemental request for information technology expenditures related to Office of Information Technology Services rates increases. The FY 2020 revised estimate includes 2,351.0 FTE positions, which is no change from the approved number. The agency's budget does not include any shrinkage. The agency has included within its budget pay raises for position classifications the agency notes as being under market, or ones that the agency has the most difficulty recruiting and retaining at current pay levels. The raises will apply to 1,429 employees and cost approximately \$3.4 million, including fringe benefits, in FY 2020. The agency's budget includes plans to let approximately \$400.0 million in preservation projects and \$187.0 million in expansion and modernization projects. Funding includes expenditures for the Cost Share Program and Enhanced Safety Program. In addition, FY 2020 funding includes the increased expenditures for City Connecting Link payments at the rate of \$5,000 per lane mile.

The agency's FY 2020 revised estimate includes federal and local aid reimbursement estimates totaling \$417.6 million. This is a decrease of \$6.5 million, or 1.5 percent, below the FY 2019 actual amount.

The **Governor** recommends FY 2020 reportable expenditures totaling \$1.5 billion, all from special revenue funds. The recommendation is an all funds decrease of \$525,016, or 0.3 percent, below the agency's revised FY 2020 estimate. Recommended adjustments to the agency's revised FY 2020 estimate include adding \$335,824, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2019 Highway Consensus Revenue Estimating group, and not recommending the agency's supplemental request for Office of Information Technology Services rate funding (\$860,840 decrease).

Supplemental Detail

FY 2020 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
OITS Rates	\$ 0	\$ 860,840	0.0	\$ 0	\$ 0	0.0

The **agency** requests \$860,840, all from the State Highway Fund, for the Office of Information Technology Services (OITS) initiatives for Data Center as a Service (\$560,000), and Centralized Service Desk (\$300,840) in FY 2020.

The additional funding for the **Centralized Service Desk** supports the initiative to move all KDOT information technology (IT) service calls and dispatching to a single operation for the Executive Branch. The Centralized Service Desk provides the Executive Branch with a foundation that will enable the measurement of service requests and incidents, ensure timely delivery of IT services, and produce meaningful reporting and metrics on the delivery of those services to the agencies. The Centralized Service Desk also provides IT with the platform to appropriately engage with contracted vendors and manage the requests and incidents associated with their service delivery to the State.

The additional funding for the **(Data Center as a Service)** Unisys Hybrid Data Center is requested to move all KDOT servers, data storage and disaster recovery activities from the current outdated and inadequate data centers in Topeka to Level 3 data centers operated by Unisys in Eagan, Minnesota, and Ashburn, Virginia. These data centers meet required security and fault tolerance compliance requirements for critical state and federal program functions. Currently, KDOT IT equipment is beyond end of life and the agency faces significant risk due to hardware failure.

The 2019 Legislature approved \$987,500 for expenditures associated with these two initiatives, which represented about half of the estimated expenditures included in the September 14, 2018, budget submission. The \$860,840 in additional funding being requested represents the current estimated costs above the \$987,500 provided. The total cost is lower than the original estimate as a result of a delay in the agency moving over to the Unisys Hybrid Data Center.

The **Governor** does not recommend the supplemental request for OITS Rates in FY 2020.

B. FY 2021 – Budget Year

FY 2021 OPERATING BUDGET SUMMARY				
	Agency Request	Governor's Recommendation	Difference	
Total Request/Recommendation	\$ 1,583,831,956	\$ 1,584,443,462	\$	611,506
FTE Positions	2,351.0	2,351.0		0.0
Change from FY 2020:				
<i>Dollar Change:</i>				
State General Fund	\$ 0	\$ 0		
All Other Funds	79,674,942	80,811,464		
TOTAL	\$ 79,674,942	\$ 80,811,464		
<i>Percent Change:</i>				
State General Fund	-- %	-- %		
All Other Funds	5.0	5.1		
TOTAL	5.0 %	5.1 %		
Change in FTE Positions	0.0	0.0		

The **agency** requests a FY 2021 reportable budget of \$1.6 billion, all from special revenue funds. This is an increase of \$79.7 million, or 5.3 percent, above the FY 2020 revised estimate. This is the 11th year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules. The FY 2021 request includes salaries and wages expenditures of \$153.6 million, which is an increase of \$477,147, or 0.3 percent, above the FY 2020 revised estimate. The agency states this accounts for increases for employee benefits for group health insurance and inflation. The agency's budget includes continuation of FY 2020 pay raises into FY 2021 totaling \$3.4 million annually, which the agency anticipates absorbing with salary savings from unfilled positions. The FY 2021 request includes 2,351.0 FTE positions, which is no change from the FY 2020 revised estimate. The agency's budget does not include any shrinkage.

The increase is mainly attributable to increased construction expenditures, part of which results from bond proceeds utilized in FY 2020, and KDOT reflects the expenditures for bonded projects in the year in which principal debt payments on these projects are made. The agency's budget includes plans to let approximately \$400.0 million in preservation projects and \$223.0 million in expansion and modernization projects. Funding includes the Cost Share Program, Enhanced Safety Program, and the Local Bridge Program. In addition, FY 2021 funding includes increased City Connecting Link payments at the increased rate of \$5,000 per lane mile as was included in the FY 2020 revised estimate.

The agency's budget request includes federal and local aid reimbursements estimates totaling \$425.2 million. This is an increase of \$7.5 million, or 1.8 percent, above the FY 2020 revised estimate.

Adjustments by Program

Administration. This is an all funds decrease of \$237,931, or 0.4 percent, below the FY 2020 revised estimate. The decrease in expenditures is primarily within capital outlay (\$688,013), which is partially offset by increases in contractual services (\$361,259), salaries and wages (\$65,905), and commodities (\$22,918). The agency is requesting an enhancement for Office of Information Technology Services Data Center as a Service and Centralized Service Desk (\$341,000).

Transportation Planning and Modal Support. This is an increase of \$4.5 million, or 5.9 percent, above the FY 2020 revised estimate. The increases are due to expenditures for other assistance (\$4.0 million), contractual services (\$270,471), and aid to local units of government (\$235,705).

Local Support. This is an all funds decrease of \$3.6 million, or 1.9 percent, below the FY 2020 revised estimate. The primary decrease occurs within expenditures for aid to local units of government (\$3.6 million).

Maintenance. This is an all funds increase of \$9.9 million, or 6.5 percent, above the FY 2020 revised estimate. This increase occurs within expenditures for capital outlay (\$6.8 million), commodities (\$2.4 million), contractual services (\$547,958), and salaries and wages (\$274,801).

Construction. Operations expenditures are an all funds decrease of \$14.6 million, or 5.9 percent, below the FY 2020 revised estimate and primarily occur within contractual services (\$9.4 million) and debt service (\$5.4 million). Capital improvements expenditures are an increase of \$83.6 million, or 10.7 percent, above the FY 2020 revised estimate.

The **Governor** recommends FY 2021 reportable expenditures totaling \$1.6 billion, all from special revenue funds. The recommendation is an all funds increase of \$611,506, or less than 0.1 percent, above the FY 2021 request. The Governor's recommendation adds \$611,506, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2019 Highway Consensus Revenue Estimating group. The Governor's recommendation includes the agency's enhancement request for funding for Office of Information Technology Services rates (\$341,000).

Enhancement Detail

FY 2021 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
OITS Rates	\$ 0	\$ 341,000	0.0	\$ 0	\$ 341,000	0.0

The **agency** requests \$341,000, all from the State Highway Fund, for Office of Information Technology Services (OITS) rates to cover expenditures for the OITS initiatives for Data Center as a Service and Centralized Service Desk for FY 2021. The agency notes that the additional funding is necessary to move all KDOT servers, data storage, and disaster recovery activities from the current outdated and inadequate data centers in Topeka to Level 3 data centers operated by Unisys in Eagan, Minnesota, and Ashburn, Virginia. These data centers

meet required security and fault tolerance compliance requirements for critical state and federal program functions. Currently, KDOT information technology equipment is beyond end of life and the agency faces significant risk due to hardware failure. The FY 2021 enhancement request for this initiative is less than the FY 2020 supplemental request due to a decrease in rates from the central OITS for this service for FY 2021. The \$341,000 being requested represents the estimated cost above the \$987,500 provided by the 2019 Legislature.

The **Governor** recommends the agency's enhancement request for Data Center as a Service and Centralized Service Desk for FY 2021.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The Legislature added \$41.8 million, including \$22.0 million from the State General Fund, for FY 2020 to provide salary adjustments equivalent to one step on the Statewide Pay Matrix, or approximately 2.5 percent, for employees who did not receive a salary adjustment elsewhere in the 2019 appropriations bill. For unclassified employees, the salary adjustments are distributed as a merit pool to be awarded as determined by the head of each agency. This adjustment excludes Kansas state legislators, employees of the Kansas Highway Patrol who are part of the Career Progression Plan, special agents of the Kansas Bureau of Investigation included in the Recruitment and Retention Plan, Department of Corrections employees receiving salary adjustments as part of the Correctional Officer plan, and teachers and licensed personnel and employees at the Kansas State School for the Deaf and the Kansas State School for the Blind. **For this agency, FY 2020 salary adjustments total \$3,301,818, all from special revenue funds.**

In addition, funding of \$11.5 million from the State General Fund was included to provide a 15.9 percent salary adjustment for Correctional Officer I, I(A), II, and II(A) positions and a 5.0 percent salary adjustment for other correctional employees who routinely work with offenders for FY 2020. State General Fund moneys totaling \$400,000 was added to the Board of Indigents' Defense Services for increasing public defender salary and \$186,931 was added to Larned State Hospital to provide salary adjustments for Mental Health Developmental Disability (MHDD) technicians.

For FY 2021, the Governor recommends adding \$26.1 million, including \$11.3 million from the State General Fund, for a 2.5 percent state employee base pay adjustment. The plan will increase salaries for classified and unclassified employees in the Executive Branch. The Legislative Branch, the Judicial Branch, the Schools for the Blind and Deaf, and the state universities are not included in the proposed pay plan. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

Longevity Bonus Payments. In FY 2020 and for FY 2021, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2020 payment is \$3.3 million, including \$1.2 million from the State General Fund. For FY 2021, the estimated cost is \$3.4 million, including \$1.3 million from the State General Fund. **For this agency, FY 2020 longevity payments total \$226,680, all from special revenue funds, and FY 2021 longevity payments total \$238,120, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate including death and disability for KPERs State and School is scheduled to be 15.41 percent in FY 2020 and 15.23 percent for FY 2021. The Governor is recommending the KPERs State/School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2021. Reamortization would reduce employer contributions for the KPERs State/School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$131.0 million from the State General Fund and \$150.4 million from all funds for FY 2021. **No savings from this policy are currently included in this agency's budget.**

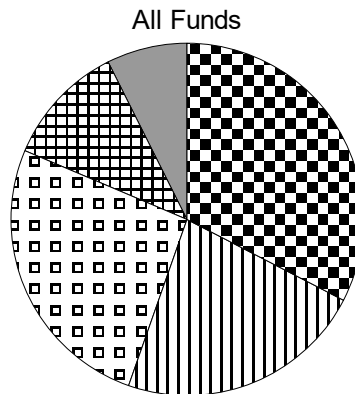
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2021	Gov. Rec. Percent of Total FY 2021
State Highway Fund	75.1 %	75.1 %
Highway Bonds Debt Service	13.1	13.1
Special City and County Highway Fund	9.7	9.7
Coordinated Public Transportation Assistance	0.7	0.7
Rail Service Improvement Fund	0.6	0.6
All Other Funds	0.8	0.8
TOTAL	100.0 %	100.0 %
<i>Note: Totals may not add due to rounding.</i>		

PROGRAM DETAIL

Reportable Operating Expenditures by Program

Governor's FY 2021 Recommendation



Administration
 Transportation and Modal Support
 Local Support

Maintenance
 Construction

Note: The pie chart data does not include capital improvement expenditures.

Program	Gov. Rec. All Funds FY 2021	Percent of Total	Gov. Rec. SGF FY 2021	Percent of Total
Administration	\$ 53,259,352	7.4 %	\$ 0	-- %
Transportation Planning and Modal Support	80,686,731	11.2	0	--
Local Support	186,893,269	26.0	0	--
Maintenance	163,885,642	22.8	0	--
Construction	234,388,066	32.6	0	--
TOTAL	\$ 719,113,060	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2019 – FY 2021					
Program	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Administration	349.5	360.8	360.8	360.8	360.8
Transportation Planning and Modal Support	78.0	81.0	81.0	81.0	81.0
Local Support	18.0	21.0	21.0	21.0	21.0
Maintenance	1,262.0	1,244.0	1,244.0	1,244.0	1,244.0
Construction	643.5	644.2	644.2	644.2	644.2
TOTAL	2,351.0	2,351.0	2,351.0	2,351.0	2,351.0
<i>Note: For purposes of this analysis, full-time equivalent (FTE) positions now include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.</i>					

A. Administration

The goal of the Administration and Transportation Planning program is to “provide the direction, planning, coordination, communication, and administrative support that foster an integrated, multi-modal transportation system to meet the needs of Kansas.” KDOT maintains a central office with the state divided into six districts. This program coordinates public outreach through media, legislative, and intergovernmental relations. To achieve these goals, the management program is composed of the following three subprograms: Administration, Office of the Secretary, and Operations Support.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percent of Bridges on the State Highway System in “Good” Condition	76.0 %	75.0 %	75.0 %	72.0 %	71.0 %	71.0 %
Percent of Interstate Miles on the State Highway System That Are Classified as “Good”	N/A	67.0 %	66.0 %	66.0 %	65.0 %	65.0 %
Percent of Non-interstate Miles on the State Highway System That Are Classified as “Good”	N/A	64.0 %	61.0 %	61.0 %	55.0 %	55.0 %
Number of Lost Time Accidents	49	24	80	25	20	15
Agency Expenditures						
Reportable All Funds (Dollars in Millions) \$	44.2	\$ 38.7	\$ 48.9	\$ 40.3	\$ 52.6	\$ 53.3
FTE Positions	388.0	348.0	349.5	349.5	360.8	360.8

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 24,236,152	\$ 28,479,997	\$ 28,479,997	\$ 28,545,902	\$ 28,545,902
Contractual Services	15,066,867	22,464,940	21,604,100	22,826,199	22,826,199
Commodities	407,846	673,994	673,994	696,912	696,912
Capital Outlay	488,925	1,228,352	1,228,352	540,339	540,339
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 40,199,790</i>	<i>\$ 52,847,283</i>	<i>\$ 51,986,443</i>	<i>\$ 52,609,352</i>	<i>\$ 52,609,352</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	63,249	650,000	650,000	650,000	650,000
Capital Improvements	441	0	0	0	0
Reportable Exp.	\$ 40,263,480	\$ 53,497,283	\$ 52,636,443	\$ 53,259,352	\$ 53,259,352
Non-reportable Exp.	98,483	251,000	251,000	251,000	251,000
TOTAL	\$ 40,361,963	\$ 53,748,283	\$ 52,887,443	\$ 53,510,352	\$ 53,510,352
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	40,263,480	53,497,283	52,636,443	53,259,352	53,259,352
Reportable Exp.	\$ 40,263,480	\$ 53,497,283	\$ 52,636,443	\$ 53,259,352	\$ 53,259,352
Non-reportable Exp.	98,483	251,000	251,000	251,000	251,000
TOTAL	\$ 40,361,963	\$ 53,748,283	\$ 52,887,443	\$ 53,510,352	\$ 53,510,352
FTE Positions	349.5	360.8	360.8	360.8	360.8

The **agency** requests FY 2020 revised reportable operating expenditures totaling \$53.5 million, all from special revenue funds, for the Administration program. This is an all funds increase of \$1.9 million, or 3.7 percent, above the FY 2020 approved amount. The increase is primarily attributable to increases in salaries and wages (\$1.1 million), capital outlay (\$440,988), and contractual services (\$382,641). This increase is partially due to the agency's supplemental request for funding for Office of Information Technology Services (OITS) initiatives, Data Center as a Service and Centralized Service Desk (\$860,840) in FY 2020. The agency's FY 2020 revised estimate includes 360.8 FTE positions, which is an increase of 11.3 FTE positions above the FY 2020 approved number.

The **Governor** recommends FY 2020 revised reportable operating expenditures totaling \$52.6 million, all from special revenue funds, for the Administration and Transportation Planning Program. This is an all funds decrease of \$860,840, or 1.6 percent, below the agency's FY 2020 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request for funding for Office of Information Technology Services (OITS) rates.

The **agency** requests FY 2021 reportable operating expenditures totaling \$53.3 million, all from special revenue funds, for the Administration program. This is an all funds decrease of \$237,931, or 0.4 percent, below the FY 2020 revised estimate. The decrease in expenditures is primarily within capital outlay (\$688,013), which is partially offset by increases in contractual services (\$361,259), salaries and wages (\$65,905), and commodities (\$22,918). The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests expenditures of \$28.5 million, all from special revenue funds, to fund 360.8 FTE positions for FY 2021. The

request is an all funds increase of \$65,905, or 0.2 percent, above the FY 2020 revised estimate. Primary expenditure increases occur in group health insurance (\$133,035) and unemployment compensation (\$6,090). These increases are partially offset by primary decreases in employer contributions to state employee retirement (\$35,142) and workers compensation (\$41,001);

- **Contractual Services.** The agency requests expenditures of \$22.8 million, all from special revenue funds, for FY 2021. This request is an all funds increase of \$361,259, or 1.6 percent, above the FY 2020 revised estimate. Primary expenditure increases occur in computer software maintenance services (\$273,051), database access fees (\$94,284), and the state buildings capital charge (\$69,776). These increases are partially offset by primary decreases in staffing and recruiting services (\$111,055) and computer programming operations (\$78,497). The agency's FY 2021 request includes a continued enhancement request for OITS Data Center as a Service and Centralized Service Desk (\$341,000);
- **Commodities.** The agency requests expenditures of \$696,912, all from special revenue funds, for FY 2021. This request is an all funds increase of \$22,918, or 3.4 percent, above the FY 2020 revised estimate. Primary expenditure increases reflect stationery and office supplies, data processing supplies, and other supplies and materials expenditures;
- **Capital Outlay.** The agency requests expenditures of \$540,339, all from special revenue funds, for FY 2021. This request is an all funds decrease of \$688,013, or 56.0 percent, below the FY 2020 revised estimate. Primary expenditure decreases occur in microcomputer equipment (\$596,937), software expenditures (\$54,748), and telecommunications connections equipment for data and other communications (\$23,500); and
- **Other Assistance.** The agency requests \$650,000, all from the State Highway Fund, for expenditures for property damage or loss claims for FY 2021. This is no change from the FY 2020 revised estimate.

Non-reportable Expenditures. The agency's request includes non-reportable expenditures of \$251,000 from two sources: expenditures from the conference fees account (\$250,000) and the remittance of collected sales tax (\$1,000). This is no change from the FY 2020 revised estimate.

The **Governor** concurs with the agency's request for FY 2021 expenditures for the Administration program.

B. Transportation Planning and Modal Support

The goal of the Transportation Planning and Modal Support program is to “provide planning, coordination, and assistance to ensure a safe, efficient, and reliable multi-modal transportation network on and off the State Highway System.” The Transportation Planning and Modal Support program handles planning and management of the agency's transportation program efforts, such as T-WORKS. The program provides for capital and operating assistance for public transportation, preservation or improvement of rail service through loans or grants, improvement of public-use aviation facilities, and highway safety activities designed to reduce

traffic accidents and fatalities through modification of driver behavior. To achieve these goals, the management program is comprised of the following five subprograms: Traffic Safety, Transit, Transportation Planning, Aviation, and Rail and Freight.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Kansas Alcohol-related Crashes	N/A	2,150	N/A	1,875	1,850	1,825
Serious Injuries Per Hundred Million Vehicle Miles	3.01	3.00	2.95	3.14	2.77	2.70
Fatalities Per Hundred Million Vehicle Miles	1.20	1.19	1.18	1.26	1.26	1.24
Percentage of Drivers and Passengers Using Safety Belts	87.0%	83.0%	84.0%	84.0%	85.0%	86.0%
Agency Expenditures						
Reportable All Funds (Dollars in Millions) \$	N/A	\$ 48.5	\$ 66.1	\$ 53.7	\$ 76.2	\$ 80.7
FTE Positions	N/A	76.0	78.0	78.0	81.0	81.0

TRANSPORTATION PLANNING AND MODAL SUPPORT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 5,808,083	\$ 7,081,613	\$ 7,081,613	\$ 7,091,693	\$ 7,091,693
Contractual Services	6,019,768	6,657,639	6,657,639	6,928,110	6,928,110
Commodities	385,187	459,402	459,402	474,459	474,459
Capital Outlay	218,377	676,213	676,213	644,953	644,953
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 12,431,415	\$ 14,874,867	\$ 14,874,867	\$ 15,139,215	\$ 15,139,215
Aid to Local Units	12,959,714	20,050,098	20,050,098	20,285,803	20,285,803
Other Assistance	28,357,423	41,234,491	41,234,491	45,261,713	45,261,713
Capital Improvements	0	0	0	0	0
Reportable Exp.	\$ 53,748,552	\$ 76,159,456	\$ 76,159,456	\$ 80,686,731	\$ 80,686,731
Non-reportable Exp.	4,054,090	5,627,192	5,627,192	3,755,500	3,755,500
TOTAL	\$ 57,802,642	\$ 81,786,648	\$ 81,786,648	\$ 84,442,231	\$ 84,442,231
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	53,748,552	76,159,456	76,159,456	80,686,731	80,686,731
Reportable Exp.	\$ 53,748,552	\$ 76,159,456	\$ 76,159,456	\$ 80,686,731	\$ 80,686,731
Non-reportable Exp.	4,054,090	5,627,192	5,627,192	3,755,500	3,755,500
TOTAL	\$ 57,802,642	\$ 81,786,648	\$ 81,786,648	\$ 84,442,231	\$ 84,442,231
FTE Positions	78.0	81.0	81.0	81.0	81.0

The **agency** requests FY 2021 reportable operating expenditures totaling \$80.7 million, all from special revenue funds, for the Transportation Planning and Modal Support program. This is an increase of \$4.5 million, or 5.9 percent, above the FY 2020 revised estimate. The increases are due to expenditures for other assistance (\$4.0 million), contractual services

(\$270,471), and aid to local units of government (\$235,705). The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests expenditures of \$7.1 million, all from special revenue funds, to fund 81.0 FTE positions for FY 2021. This is an all funds increase of \$10,080, or 0.1 percent, above the FY 2020 revised estimate. The expenditure increase primarily occurs in group health insurance (\$26,995). This is partially offset by decreases to workers compensation (\$10,428) and employer contributions to state employee retirement (\$8,667);
- **Contractual Services.** The agency requests expenditures of \$6.9 million, all from special revenue funds, for FY 2021. This is an all funds increase of \$270,471, or 4.1 percent, above the FY 2020 revised estimate. Expenditure increases primarily occur in advertising and marketing (\$476,784) and printing and binding expenditures at the state facility (\$80,031). These increases are partially offset by decreases in consulting services (\$339,690);
- **Commodities.** The agency requests expenditures of \$474,459, all from special revenue funds, for FY 2021. This is an all funds increase of \$15,057, or 3.3 percent, above the FY 2020 revised estimate. Primary increases occur in professional and scientific supplies (\$11,790) and gasoline expenditures (\$2,273);
- **Capital Outlay.** The agency requests expenditures of \$644,953, all from special revenue funds, for FY 2021. This is an all funds decrease of \$31,260, or 4.6 percent, below the FY 2020 revised estimate. Expenditure decreases primarily occur in data communications equipment (\$20,000) and software expenditures (\$10,860);
- **Aid to Local Units of Government.** The agency requests \$20.3 million, all from special revenue funds, for FY 2021. This is an all funds increase of \$235,705, or 1.2 percent, above the FY 2020 revised estimate. The expenditure increase is in additional state aid to local units of government for safety programs and initiatives (\$637,019), which is partially offset by a decrease in federal aid to local units of government (\$401,314); and
- **Other Assistance.** The agency requests \$45.3 million, all from special revenue funds, for FY 2021. This is an all funds increase of \$4.0 million, or 9.8 percent, above the FY 2020 revised estimate. The expenditure increase is in federal assistance (\$11.0 million), which is partially offset by a decrease in state assistance (\$6.9 million) for safety programs and initiatives.

Non-reportable Expenditures. The agency's request includes non-reportable expenditures of \$3.8 million, which includes payments for the Rail Loan program and transfers to other state agencies for safety programs.

The **Governor** concurs with the agency's request for FY 2021 expenditures for the Transportation and Modal Support program.

C. Local Support

The goal of the Local Support program is to “assist in providing safe, efficient, and reliable local transportation systems.” This program provides planning and financial assistance to local governments and administers both state and federal funding for city and county roads, street, and bridge improvements; rural public transportation planning and assistance; transportation for the elderly and disabled; and highway safety plans and programs. The Local Support program includes aid to local units of government through the Special City and County Highway Fund (SCCHF). The SCCHF receives funding from motor fuel taxes and motor carrier property taxes. The funds are distributed quarterly, with 57.0 percent distributed to counties and 43.0 percent distributed to cities. Each county receives a base allocation of \$5,000 with the remainder distributed on a formula based on motor vehicle registration fees, average daily vehicle miles traveled, and total road miles within each county. The city distribution is based on population. This program includes safety programs targeting seat belt usage, drunk driving, underage drinking, and community awareness such as the “Click It or Ticket” and “You Drink, You Drive, You Lose” media campaigns. To achieve these goals, the local support program is composed of the following subprograms: Special City and County Aid, and Local Projects.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Number of Projects Awarded to Local Public Government Authorities	N/A	82	85	83	85	85
Agency Expenditures						
Reportable All Funds (Dollars in Millions)	\$ 240.3	\$ 172.2	\$ 187.2	\$ 182.6	\$ 190.2	\$ 186.9
FTE Positions	42.0	18.0	18.0	18.0	21.0	21.0

LOCAL SUPPORT SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 1,618,740	\$ 1,914,761	\$ 1,914,761	\$ 1,917,821	\$ 1,917,821
Contractual Services	82,951	88,050	88,050	90,251	90,251
Commodities	18,633	21,200	21,200	21,730	21,730
Capital Outlay	6,190	1,021	1,021	1,047	1,047
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 1,726,514</i>	<i>\$ 2,025,032</i>	<i>\$ 2,025,032</i>	<i>\$ 2,030,849</i>	<i>\$ 2,030,849</i>
Aid to Local Units	180,826,399	187,847,354	188,183,178	184,250,914	184,862,420
Other Assistance	0	0	0	0	0
Capital Improvements	0	0	0	0	0
Reportable Exp.	\$ 182,552,913	\$ 189,872,386	\$ 190,208,210	\$ 186,281,763	\$ 186,893,269
Non-reportable Exp.	0	0	0	0	0
TOTAL	\$ 182,552,913	\$ 189,872,386	\$ 190,208,210	\$ 186,281,763	\$ 186,893,269
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	182,552,913	189,872,386	190,208,210	186,281,763	186,893,269
Reportable Exp.	\$ 182,552,913	\$ 189,872,386	\$ 190,208,210	\$ 186,281,763	\$ 186,893,269
Non-reportable Exp.	0	0	0	0	0
TOTAL	\$ 182,552,913	\$ 189,872,386	\$ 190,208,210	\$ 186,281,763	\$ 186,893,269
FTE Positions	18.0	21.0	21.0	21.0	21.0

The **agency** requests FY 2021 reportable operating expenditures totaling \$186.3 million, all from special revenue funds, for the Local Support program. This is an all funds decrease of \$3.6 million, or 1.9 percent, below the FY 2020 revised estimate. The primary decrease occurs within expenditures for aid to local units of government (\$3.6 million). The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests expenditures of \$1.9 million, all from special revenue funds, to fund 21.0 FTE positions for FY 2021. The request is an all funds increase of \$3,060, or 0.2 percent, above the FY 2020 revised estimate. The expenditure increase primarily occurs in group health insurance (\$7,711). This increase is partially offset by decreases to workers compensation (\$2,786) and expenditures for employer contributions to state employee retirement (\$2,318);
- **Contractual Services.** The agency requests expenditures of \$90,251, all from special revenue funds, for FY 2021. This request is an increase of \$2,201, or 2.5 percent, above the FY 2020 revised estimate. The expenditure increase primarily occurs in intergovernmental local communications service operations (\$550), computer software rental (\$400), and other smaller increases;
- **Commodities.** The agency requests expenditures of \$21,730, all from special revenue funds, for FY 2021. This request is an increase of \$530, or 2.5 percent, above the FY 2020 revised estimate. The expenditure increase primarily occurs in gasoline expenditures (\$500);

- **Capital Outlay.** The agency requests expenditures of \$1,047, all from special revenue funds, for FY 2021. This request is an increase of \$26, or 2.5 percent, above the FY 2020 revised estimate. This increase occurs in office furniture expenditures; and
- **Aid to Local Units of Government.** The agency requests expenditures of \$184.3 million, all from special revenue funds, for expenditures for Special City and County Highway Aid (\$156.3 million) and State Aid (\$28.0 million) for FY 2021. This is a decrease of \$3.6 million, or 1.9 percent, below the FY 2020 revised estimate. The expenditure decrease primarily occurs within the Special City and County Highway Aid expenditures.

The **Governor** concurs with the agency's expenditures for the Local Support program in FY 2020 and FY 2021, and reflects the most recent estimated revenues and expenditures by the November 2019 Highway Consensus Revenue Estimating group by adding \$335,824 in FY 2020 and \$611,506 for FY 2021.

D. Maintenance

The Maintenance program contains all regular highway and bridge maintenance functions performed by the State. Regular maintenance activities are designed to preserve, repair, and restore the roadway system to its designed or accepted standards. System elements include travel-way surfaces, shoulders, roadsides, drainage facilities, bridges, signs, and markings. Also included are traffic services, such as lighting and signal operation, snow and ice removal, and operation of roadside rest areas. Maintenance activities are undertaken to offset the effects of deterioration, damage, and vandalism. Deterioration includes the effects of aging, weather, material fatigue, and design and construction weaknesses. Activities also include repair of buildings and equipment essential to perform maintenance activities. Funds also are provided to cities to assist in maintenance of routes designated as highway connecting links. Costs for maintenance of these links are apportioned between KDOT and the city as determined by agreement. KDOT reimburses cities and counties at the rate of \$3,000-per-lane mile for links maintained. In addition, funds are available for substantial maintenance on city connecting links, and costs for maintenance of these links are apportioned between KDOT and the city as determined by agreement. When cities enter into an agreement for the city connecting links to be maintained by the State, KDOT then becomes responsible for all maintenance on the connecting link.

Also included in this program are Communication System expenditures for the agency's interoperable communications towers. The agency maintains the interoperable statewide 800 MHz radio system for use by the State, KDOT, and local public safety agencies. Agency leasing expenditures are included as non-reportable expenditures while federal funds for the program are included as reportable expenditures.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Total Level of Service for Maintenance Quality Assurance Program	N/A	89.4	88.0	88.3	88.3	88.3
Maintenance Expenditures Per Lane Mile	N/A	\$ 4,500	\$ 4,500	\$ 4,600	\$ 4,500	\$ 4,500
Agency Expenditures						
Reportable All Funds (Dollars in Millions)	\$ 129.1	\$ 133.6	\$ 147.9	\$ 141.3	\$ 153.9	\$ 163.9
FTE Positions	1,220.0	1,257.0	1,262.0	1,262.0	1,244.0	1,244.0

MAINTENANCE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 63,981,978	\$ 68,362,695	\$ 68,362,695	\$ 68,637,496	\$ 68,637,496
Contractual Services	22,566,205	24,308,118	24,308,118	24,856,076	24,856,076
Commodities	33,794,367	42,838,459	42,838,459	45,205,975	45,205,975
Capital Outlay	18,036,987	13,070,739	13,070,739	19,826,095	19,826,095
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 138,379,537	\$ 148,580,011	\$ 148,580,011	\$ 158,525,642	\$ 158,525,642
Aid to Local Units	2,445,603	5,360,000	5,360,000	5,360,000	5,360,000
Other Assistance	210,000	0	0	0	0
Capital Improvements	297,997	0	0	0	0
Reportable Exp.	\$ 141,333,137	\$ 153,940,011	\$ 153,940,011	\$ 163,885,642	\$ 163,885,642
Non-reportable Exp.	978,257	1,400,000	1,400,000	1,400,000	1,400,000
TOTAL	\$ 142,311,394	\$ 155,340,011	\$ 155,340,011	\$ 165,285,642	\$ 165,285,642
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	141,333,137	153,940,011	153,940,011	163,885,642	163,885,642
Reportable Exp.	\$ 141,333,137	\$ 153,940,011	\$ 153,940,011	\$ 163,885,642	\$ 163,885,642
Non-reportable Exp.	978,257	1,400,000	1,400,000	1,400,000	1,400,000
TOTAL	\$ 142,311,394	\$ 155,340,011	\$ 155,340,011	\$ 165,285,642	\$ 165,285,642
FTE Positions	1,262.0	1,244.0	1,244.0	1,244.0	1,244.0

The **agency** requests FY 2021 reportable operating expenditures totaling \$163.9 million, all from special revenue funds, for the Maintenance program. This is an all funds increase of \$9.9 million, or 6.5 percent, above the FY 2020 revised estimate. This increase occurs within expenditures for capital outlay (\$6.8 million), commodities (\$2.4 million), contractual services (\$547,958), and salaries and wages (\$274,801). The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests expenditures of \$68.6 million, all from special revenue funds, to fund 1,244.0 FTE positions for FY 2021. The request is an all funds increase of \$274,801, or 0.4 percent, above the FY 2020 revised estimate. Primary expenditure increases occur in group health insurance (\$434,831) and unemployment compensation (\$13,924). These increases are

partially offset by decreases in workers compensation (\$94,274) and employer contributions to state employee retirement (\$82,054);

- **Contractual Services.** The agency requests expenditures of \$24.9 million, all from special revenue funds, for FY 2021. This request is an increase of \$547,958, or 2.3 percent, above the FY 2020 revised estimate. Primary expenditure increases occur in architects and engineers (\$85,130), other fees (\$67,964), repair and servicing of building grounds (\$59,846), solid waste charges (\$42,660), weed spraying (\$40,543), electricity expenditures (\$33,541), and others;
- **Commodities.** The agency requests expenditures of \$45.2 million, all from special revenue funds, for FY 2021. This request is an increase of \$2.4 million, or 5.5 percent, above the FY 2020 revised estimate. Primary expenditure increases occur in gasoline (\$978,651), bio-diesel (\$352,866), diesel fuel (\$255,507), highway asphalt concrete (\$179,457), highway white traffic paint (\$118,588), and highway aggregates (\$108,761);
- **Capital Outlay.** The agency requests expenditures of \$19.8 million, all from special revenue funds, for FY 2021. This request is an increase of \$6.8 million, or 51.7 percent, above the FY 2020 revised estimate. The primary expenditure increase occurs in trucks (\$6.8 million). The agency states that funds are being used to replace a backlog of dump trucks that are eligible for replacement; and
- **Aid to Local Units of Government.** The agency requests expenditures of \$5.4 million, all from special revenue funds, for expenditures for highway to city connecting link maintenance for FY 2021.

Non-reportable Expenditures. The agency requests non-reportable expenditures totaling \$1.4 million for FY 2021. These expenditures are for inter-agency transfers, including motor fuel sales.

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Maintenance program.

E. Construction

The Construction program includes functions and activities associated with constructing new highways and performing major renovations of existing state highways and facilities. The program is divided into eight subprograms: Debt Service; Design/Right of Way, Construction Inspection, Expansion (State Projects), Modernization, Buildings, Local Construction, and Preservation. Activities include right-of-way purchase, design, construction supervision, materials testing, facilities construction and remodeling, and payment of principal and interest on construction financed through the issuance of bonds. In addition, federal aid to local governments is included in this program. Highway construction projects are classified as preservation, modernization, and expansion/enhancement.

Preservation. Preservation functions are intended to protect public investment by preserving the as-built condition as long as possible and minimizing the need for major improvements. Preservation activities include resurfacing, bridge painting, bridge and culvert repair, major sign replacement, and safety improvements.

Modernization. This program encompasses activities that bring a roadway or intersection up to current design standards. This can be accomplished by widening or adding shoulders, flattening hills or removing curves in a road.

Expansion/Enhancement. This program includes projects that are designed to improve safety, relieve congestion, improve access, and enhance economic development. The categories are corridor improvements, bypass construction, and interchange and separation improvements. Projects must be on the State Highway System or a logical addition to the State Highway System.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
Percentage of Highway Construction Projects Completed on Time or Early	N/A %	96.0 %	100.0 %	99.0 %	100.0 %	100.0 %
Number of Miles Resurfaced	N/A	1,859	N/A	1,662	1,919	2,127
Number of Preservation Miles Programmed for Construction	915	1,860	1,521	1,663	1,923	2,131
Number of Bridges and Culverts Programmed for Construction	33	43	102	104	68	97
Agency Expenditures						
Reportable All Funds (Dollars in Millions)	\$ 670.6	\$ 473.2	\$ 650.3	\$ 724.8	\$ 1,030.7	\$ 1,099.7
FTE Positions	660.0	656.3	643.5	643.5	644.2	644.2

CONSTRUCTION SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Salaries and Wages	\$ 43,637,556	\$ 47,278,155	\$ 47,278,155	\$ 47,401,456	\$ 47,401,456
Contractual Services	58,113,233	107,377,377	107,377,377	97,930,412	97,930,412
Commodities	1,713,457	1,477,471	1,477,471	1,483,694	1,483,694
Capital Outlay	8,582,466	1,211,754	1,211,754	1,321,917	1,321,917
Debt Service	92,854,895	91,648,167	91,648,167	86,250,587	86,250,587
Subtotal - Operations	\$ 204,901,607	\$ 248,992,924	\$ 248,992,924	\$ 234,388,066	\$ 234,388,066
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Capital Improvements	519,894,568	781,694,954	781,694,954	865,330,402	865,330,402
Reportable Exp.	\$ 724,796,175	\$ 1,030,687,878	\$ 1,030,687,878	\$ 1,099,718,468	\$ 1,099,718,468
Non-reportable Exp.	699,177,388	281,865,556	281,865,556	210,250,217	210,250,217
TOTAL	\$1,423,973,563	\$1,312,553,434	\$1,312,553,434	\$1,309,968,685	\$1,309,968,685
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	724,796,175	1,030,687,878	1,030,687,878	1,099,718,468	1,099,718,468
Reportable Exp.	\$ 724,796,175	\$ 1,030,687,878	\$ 1,030,687,878	\$ 1,099,718,468	\$ 1,099,718,468
Non-reportable Exp.	699,177,388	281,865,556	281,865,556	210,250,217	210,250,217
TOTAL	\$1,423,973,563	\$1,312,553,434	\$1,312,553,434	\$1,309,968,685	\$1,309,968,685
FTE Positions	643.5	644.2	644.2	644.2	644.2

The **agency** requests FY 2021 reportable operating expenditures totaling \$1.1 billion, all from special revenue funds, for the Construction program. This amount includes operations expenditures totaling \$234.4 million and capital improvements totaling \$865.3 million for the Construction program. Operations expenditures are an all funds decrease of \$14.6 million, or 5.9 percent, below the FY 2020 revised estimate and primarily occur within contractual services (\$9.4 million) and debt service (\$5.4 million). Capital improvements expenditures are an increase of \$83.6 million, or 10.7 percent, above the FY 2020 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests expenditures of \$47.4 million, all from special revenue funds, to fund 644.2 FTE positions for FY 2021. The request is an all funds increase of \$123,301, or 0.3 percent, above the FY 2020 revised estimate. The primary increase occurs in group health insurance (\$232,302). This is partially offset by decreases to workers compensation (\$67,542) and employer contributions to state employee retirement (\$57,849);
- **Contractual Services.** The agency requests expenditures of \$97.9 million, all from special revenue funds, for FY 2021. The request is a decrease of \$9.4 million, or 8.8 percent, below the FY 2020 revised estimate. The primary expenditure decrease occurs in architects and engineers (\$9.4 million);
- **Commodities.** The agency requests expenditures of \$1.5 million, all from special revenue funds, for FY 2021. The request is an increase of \$6,223, or 0.4 percent, above the FY 2020 revised estimate. The primary expenditure increase occurs in gasoline (\$19,255). This is partially offset by a primary decrease to equipment and parts (\$11,150);
- **Capital Outlay.** The agency requests expenditures of \$1.3 million, all from special revenue funds, for FY 2021. The request is an increase of \$110,163, or 9.1 percent, above the FY 2020 revised estimate. The primary increase occurs in professional and scientific equipment (\$131,764);
- **Debt Service Interest.** The agency requests expenditures of \$86.3 million, all from special revenue funds, for FY 2021. This is an all funds decrease of \$5.4 million, or 5.9 percent, below the FY 2020 revised estimate; and
- **Capital Improvements.** The agency requests expenditures of \$865.3 million, all from special revenue funds, for FY 2021. This request is an increase of \$83.6 million, or 10.7 percent, above the FY 2020 revised estimate. The primary expenditure increases occur in highway bridge construction contracts (\$78.1 million), debt service principal (\$5.6 million), land and interest in land (\$1.9 million), and buildings (\$1.6 million).

Non-reportable Expenditures. The agency's FY 2021 budget includes non-reportable expenditures totaling \$210.3 million, all from special revenue funds, for inter-fund transfers (\$209.0 million) and traffic control expenditures for the Kansas Highway Patrol (\$1.5 million).

The **Governor** concurs with the agency's FY 2021 request for expenditures for the Construction program.

F. Debt Service

This section details principal, interest, and administrative costs related to bond debt for KDOT. These expenditures are included as part of the Construction program; the following Debt Service table is provided as a breakout for additional detail on debt service expenditures.

As of December 2019, outstanding transportation programs debt totals \$2.7 billion, which includes both principal and interest. This amount is composed of \$2.2 billion from the T-WORKS Program and \$0.537 billion from the prior Comprehensive Transportation Program (CTP). These amounts are also reflected in the following table:

Remaining Debt Service Payments by Program						
Program		Principal		Interest		Total Payments
CTP	\$	474,760,000	\$	61,793,823	\$	536,553,823
T-WORKS		1,509,385,000		700,837,281		2,210,222,281
TOTAL	\$	1,984,145,000	\$	762,631,104	\$	2,746,776,104

The agency's budget anticipates paying off outstanding CTP debt for FY 2025. Senate Sub. for HB 2002 (2017) included the following provisions in FY 2018 and FY 2019: authorized the issuance of \$400.0 million in bonds over the course of FY 2018 and FY 2019, at the discretion of the Secretary of Transportation. The legislation also set the limit on total allowable debt issuance for the T-WORKS Program at \$1.70 billion during FY 2018 and FY 2019. The agency has issued \$200.0 million in par value bonds in October 2017, and the remaining \$200.0 million in net proceeds bonds was issued in October 2018. The agency notes, in FY 2020, the 18.0 percent annual bond debt services expenditures to annual projected State Highway Fund revenues cap once again comes into effect, which was part of the original T-WORKS Program debt issuance provisions. The agency states that based upon the November 2019 Highway Revenue Estimating Group, it is currently just slightly under the 18.0 percent current debt to revenues ratio.

PERFORMANCE MEASURES						
Measure	Actual FY 2017	Actual FY 2018	Gov. Rec. FY 2019	Actual FY 2019	Gov. Rec. FY 2020	Gov. Rec. FY 2021
There are no performance measures submitted for this program.						
Agency Expenditures						
Reportable All Funds (Dollars in Millions)	\$ 196.0	\$ 198.3	\$ 210.7	\$ 210.6	\$ 207.6	\$ 207.8
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

DEBT SERVICE SUMMARY OF EXPENDITURES FY 2019 – FY 2021					
Item	Actual FY 2019	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Expenditures:					
Debt Service Interest	\$ 92,854,895	\$ 91,648,167	\$ 91,648,167	\$ 86,250,587	\$ 86,250,587
Debt Service Principal	116,973,949	115,765,000	115,765,000	121,350,000	121,350,000
Administrative Costs	757,073	170,000	170,000	170,000	170,000
Non-expense	341,542,198	0	0	0	0
TOTAL	\$ 552,128,115	\$ 207,583,167	\$ 207,583,167	\$ 207,770,587	\$ 207,770,587
Financing:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Non-expense	341,542,198	0	0	0	0
All Other Funds	210,585,917	207,583,167	207,583,167	207,770,587	207,770,587
TOTAL	\$ 552,128,115	\$ 207,583,167	\$ 207,583,167	\$ 207,770,587	\$ 207,770,587

The **agency** requests a FY 2020 revised estimate for debt service expenditures totaling \$207.6 million, all from special revenue funds.

The **Governor** concurs with the agency's FY 2020 revised estimate for debt service expenditures.

The **agency** requests FY 2021 debt service expenditures totaling \$207.8 million, all from special revenue funds.

The **Governor** concurs with the agency's FY 2021 request for debt service expenditures.

CAPITAL IMPROVEMENTS

KDOT maintains approximately 981 buildings, comprising approximately 3.0 million square feet. Structures include 218 primary buildings housing KDOT and Kansas Highway Patrol personnel, offices, shops, and labs, and 773 support structures functioning as chemical, equipment, and materials storage facilities, as well as wash buildings. In addition, there are 36 Safety Rest Areas that are maintained throughout the state. These expenditures are included as part of the Construction program; the following table is provided as a breakdown for additional detail on buildings expenditures.

CAPITAL IMPROVEMENTS - BUILDINGS PROJECTS				
Project	Agency Est. FY 2020	Gov. Rec. FY 2020	Agency Req. FY 2021	Gov. Rec. FY 2021
Rehabilitation and Repair	\$ 5,062,055	\$ 5,062,055	\$ 4,000,000	\$ 4,000,000
Re-roof Buildings - Various Locations	1,515,435	1,515,435	877,435	877,435
Subarea Modernization - Various Locations	5,368,529	5,368,529	4,853,963	4,853,963
Remote Chemical Storage Bunkers	0	0	20,000	20,000
Chemical Storage Facilities	0	0	236,060	236,060
Purchase Land - Various Locations	45,392	45,392	75,000	75,000
Update Electrical and Bay Extension District Shops	1,179,750	1,179,750	1,217,260	1,217,260
Relocate Subarea - Newton	0	0	2,620,800	2,620,800
Construct District Two Annex	0	0	907,500	907,500
TOTAL	\$ 13,171,161	\$ 13,171,161	\$ 14,808,018	\$ 14,808,018
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	13,171,161	13,171,161	14,808,018	14,808,018
TOTAL	\$ 13,171,161	\$ 13,171,161	\$ 14,808,018	\$ 14,808,018

FY 2020 – Current Year. The **agency** estimates revised FY 2020 capital improvement expenditures totaling \$13.2 million, all from the State Highway Fund. This is an increase of \$2.4 million, or 22.43 percent, above the amount approved by the 2019 Legislature. The revised estimate includes \$8.1 million for projects and \$5.1 million for rehabilitation and repair. The agency states this increase is due to reappropriations for projects that were delayed from the previous fiscal year. The agency notes it utilizes the state architect and staff, and priority is given to those projects for which funds are subject to lapsing. Additionally, the agency notes zoning and regulations can affect the progress of a project. The agency's FY 2020 revised estimate includes: 1) estimated re-roofing expenditures for nine locations, 2) subarea bay modernizations for three locations, 3) land purchase to expand an existing location in Salina totaling \$45,392, all from the State Highway Fund, and 4) update of the electrical and bay extension district shop in Hutchinson.

The **Governor** concurs with the agency's FY 2020 revised estimate for building projects expenditures.

FY 2021 – Budget Year. The **agency** requests FY 2021 capital improvement expenditures totaling \$14.8 million, all from the State Highway Fund. This is an increase of \$1.6 million, or 12.4 percent, above the FY 2020 revised estimate. The revised estimate includes \$10.8 million for projects and \$4.0 million for rehabilitation and repair. The increase is primarily due to additional requests for project expenditures. The agency's FY 2021 request includes: 1) re-roofing expenditures for 11 locations, 2) subarea bay modernizations for four locations, 3) remote chemical storage bunkers for two locations, 4) a chemical storage facility in Eureka, 5) land purchases totaling \$75,000, 6) updating the Electrical and Bay Extension District Shop in Salina, 7) relocation of the subarea in Newton, and 8) the construction of a District Two Annex.

The **Governor** concurs with the agency's FY 2021 request for building projects expenditures.

STATE FUNDING SOURCES FY 2000-FY 2021 ESTIMATE (DOLLARS IN THOUSANDS)						
Fiscal Year	Motor Fuels Tax	Sales Tax Transfer Received	Revised Sales Tax Direct Deposit*	Vehicle Registration Fees	Totals	
2000 Actual	\$ 356,069	\$ 62,240	\$ 88,598	\$ 134,289	\$ 641,196	
2001 Actual	356,399	51,709	89,241	132,439	629,788	
2002 Actual	371,201	94,288	91,611	132,969	690,069	
2003 Actual	408,119	0	89,369	146,306	643,794	
2004 Actual	420,353	0	90,137	149,369	659,859	
2005 Actual	422,760	0	93,353	154,108	670,221	
2006 Actual	424,666	0	98,914	155,834	679,414	
2007 Actual	430,547	0	158,393	163,047	751,987	
2008 Actual	427,808	0	273,293	162,100	863,201	
2009 Actual	417,771	0	268,740	162,655	849,166	
CTP TOTAL	\$ 4,035,693	\$ 208,237	\$ 1,341,649	\$ 1,493,116	\$ 7,078,695	
2010 Actual	\$ 421,071	\$ 0	\$ 259,445	\$ 166,178	\$ 846,694	
2011 Actual	432,730	0	292,641	167,386	892,757	
2012 Actual	431,549	0	312,358	166,316	910,223	
2013 Actual	411,852	0	319,382	186,962	918,196	
2014 Actual	433,806	0	485,458	201,051	1,120,315	
2015 Actual	436,058	0	511,724	208,935	1,156,717	
2016 Actual	447,300	0	517,698	204,363	1,169,361	
2017 Actual	454,808	0	514,510	211,159	1,180,477	
2018 Actual	458,183	0	529,477	207,621	1,195,281	
2019 Estimate*	462,238	0	532,712	207,500	1,202,450	
2020 Estimate*	464,488	0	547,162	212,000	1,223,650	
2021 Estimate*	466,468	0	559,685	212,000	1,238,153	

* FY 2019, FY 2020, and FY 2021 revised estimates are based upon projections provided by the November 2019 consensus revenue estimating process.