

BUDGET ANALYSIS

FISCAL YEAR 2025

Submitted to the 2024 Kansas Legislature



Volume II

FY 2025 Overview
Agriculture and Natural Resources
Education
Human Services
Public Safety
Transportation

Kansas Legislative Research Department
February 2024

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FOREWORD

The *Fiscal Year 2025 Budget Analysis* is provided to assist the Legislature in the review of agency budget requests and the Governor's budget recommendations for fiscal years 2024 and 2025.

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 the Overview of the FY 2025 Governor's Budget Report and agencies in General Government.

Volume II of this publication contains agencies in Agriculture and Natural Resources, Education, Human Services, Public Safety, and Transportation.

LEGISLATIVE FISCAL ANALYST ASSIGNMENTS—FY 2024

Abstracters' Board of Examiners HRENCHIR, NICOLE (785-296-3535)	Kansas Department of Transportation RIEDEL, MURL (785-296-3184)
Adjutant General's Department RIEDEL, MURL (785-296-3184)	Kansas Guardianship Program WADDELL, ARIANNA (785-291-0516)
Behavioral Sciences Regulatory Board LaMUNYON, DAYTON (785-296-4405)	Kansas Highway Patrol RIEDEL, MURL (785-296-3184)
Board of Accountancy CAINE, CHARDAE (785-296-3183)	Kansas Human Rights Commission HRENCHIR, NICOLE (785-296-3535)
Board of Barbering DE BOER, MARTIN (785-296-4439)	Kansas Insurance Department PRATT, MOLLY (785-296-1494)
Board of Cosmetology DE BOER, MARTIN (785-296-4439)	Kansas Lottery DE BOER, MARTIN (785-296-4439)
Board of Examiners in Optometry PROSSER, AMANDA (785-296-7879)	Kansas Public Employees Retirement System WU, STEVEN (785-296-4447)
Board of Indigents' Defense Services DE BOER, MARTIN (785-296-4439)	Kansas Racing and Gaming Commission DE BOER, MARTIN (785-296-4439)
Board of Nursing LEOPOLD, MEGAN (785-296-4419)	Kansas Sentencing Commission MORROW, SHIRLEY (785-296-3542)
Board of Tax Appeals CAINE, CHARDAE (785-296-3183)	Kansas State Board of Healing Arts LEOPOLD, MEGAN (785-296-4419)
Board of Technical Professions WADDELL, ARIANNA (785-291-0516)	Kansas State Board of Mortuary Arts PROSSER, AMANDA (785-296-7879)
Board of Veterinary Examiners DRURY, LUKE (785-296-7250)	Kansas State Department of Education LIGHT, JENNIFER (785-296-4410)
Citizens' Utility Ratepayer Board DRURY, LUKE (785-296-7250)	Kansas State Fair DRURY, LUKE (785-296-7250)
Department for Children and Families PROSSER, AMANDA (785-296-7879)	Kansas State School for the Blind PROSSER, AMANDA (785-296-7879)
Department of Administration WU, STEVEN (785-296-4447)	Kansas State School for the Deaf PROSSER, AMANDA (785-296-7879)
Department of Wildlife and Parks DRURY, LUKE (785-296-7250)	Kansas Water Office DRURY, LUKE (785-296-7250)
Emergency Medical Services Board RIEDEL, MURL (785-296-3184)	Legislative Coordinating Council DEAR, DYLAN (785-296-0665)
Governmental Ethics Commission PRATT, MOLLY (785-296-1494)	Legislative Division of Post Audit DEAR, DYLAN (785-296-0665)
Health Care Stabilization Fund Board of Governors PRATT, MOLLY (785-296-1494)	Legislative Research Department DEAR, DYLAN (785-296-0665)
Judicial Branch DE BOER, MARTIN (785-296-4439)	Legislature DEAR, DYLAN (785-296-0665)
Judicial Council DE BOER, MARTIN (785-296-4439)	Office of Administrative Hearings DE BOER, MARTIN (785-296-4439)
Kansas Board of Hearing Aid Examiners HRENCHIR, NICOLE (785-296-3535)	Office of Information and Technology Services FISHER, JAMES (785-296-6490)
Kansas Board of Pharmacy LEOPOLD, MEGAN (785-296-4419)	Office of the Attorney General DE BOER, MARTIN (785-296-4439)
Kansas Bureau of Investigation RIEDEL, MURL (785-296-3184)	Office of the Governor DEAR, DYLAN (785-296-0665)
Kansas Commission on Peace Officers' Standards and Training MORROW, SHIRLEY (785-296-3542)	Office of the Revisor of Statutes DEAR, DYLAN (785-296-0665)
Kansas Commission on Veterans Affairs Office PRATT, MOLLY (785-296-1494)	Office of the Secretary of State PRATT, MOLLY (785-296-1494)
Kansas Corporation Commission DRURY, LUKE (785-296-7250)	Office of the State Bank Commissioner PRATT, MOLLY (785-296-1494)
Kansas Dental Board HRENCHIR, NICOLE (785-296-3535)	Office of the State Treasurer CAINE, CHARDAE (785-296-3183)
Kansas Department for Aging and Disability Services LaMUNYON, DAYTON (785-296-4405)	Pooled Money Investment Board CAINE, CHARDAE (785-296-3183)
Kansas Department of Agriculture DRURY, LUKE (785-296-7250)	Postsecondary Education Systemwide HORTON, BRIANNA (785-296-6684)
Kansas Department of Commerce CAINE, CHARDAE (785-296-3183)	Real Estate Appraisal Board WADDELL, ARIANNA (785-291-0516)
Kansas Department of Corrections MORROW, SHIRLEY (785-296-3542)	Real Estate Commission WADDELL, ARIANNA (785-291-0516)
Kansas Department of Credit Unions PRATT, MOLLY (785-296-1494)	State Fire Marshal RIEDEL, MURL (785-296-3184)
Kansas Department of Health and Environment LEOPOLD, MEGAN (785-296-4419)	State Historical Society LIGHT, JENNIFER (785-296-4410)
Kansas Department of Labor WU, STEVEN (785-296-4447)	State Institutions for Intellectual Disabilities LaMUNYON, DAYTON (785-296-4405)
Kansas Department of Revenue CAINE, CHARDAE (785-296-3183)	State Institutions for Mental Health LaMUNYON, DAYTON (785-296-4405)
	State Library LIGHT, JENNIFER (785-296-4410)

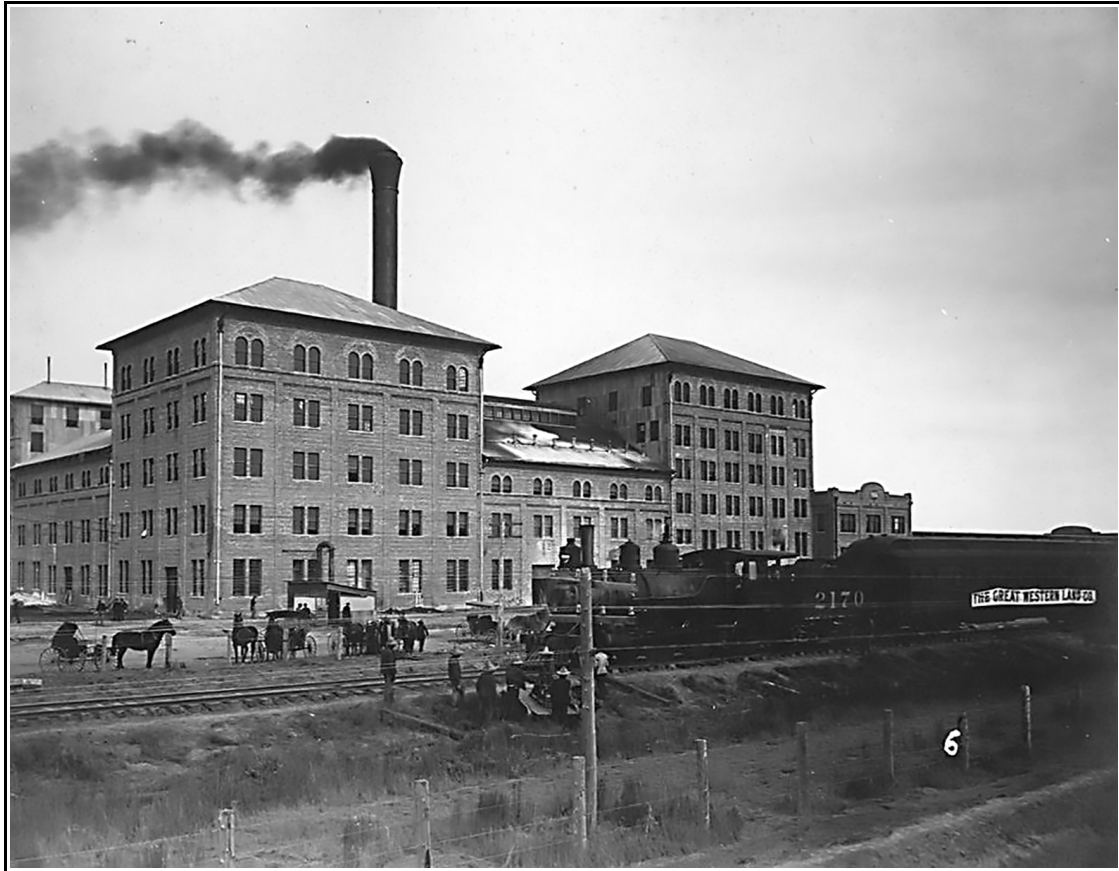
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Sentencing Commission, Kansas.....	1421	II
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Treasurer, State	104	I
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Veterinary Examiners, Board of.....	701	I
Water Office, Kansas	777	II
Wildlife and Parks, Department of	740	II

AGRICULTURE AND NATURAL RESOURCES



**Garden City Sugar Company's \$1,000,000 beet sugar factory,
built 1905-1907, Garden City, Kansas**
*Kansas State Historical Society,
Copy and Reuse Restrictions Apply
via <https://www.kansasmemory.org/item/200050>*

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

The Governor's FY 2025 recommendation for the Agriculture and Natural Resources function totals \$325.2 million from all funding sources, including \$29.3 million from the State General Fund.

Agencies in this Function:		The FY 2025 recommendation represents a State General Fund decrease of 17.8 percent, or \$6.4 million, from FY 2024. Expenditures from all funds decrease by 4.6 percent, or \$15.6 million, from FY 2024.
<i>Kansas Department of Agriculture</i>	713	
<i>Department of Wildlife and Parks</i>	740	
<i>Kansas Water Office</i>	777	
<i>Kansas State Fair</i>	796	

A total of 1267.0 FTE positions are recommended by the Governor for the Agriculture and Natural Resources function in FY 2025, which is an increase of 4.0 FTE positions from FY 2024. Of all state FTE positions, 3.0 percent are in this function.

Agencies in this function comprise 0.3 percent of the total State General Fund budget in FY 2025, which is a 0.1 percent increase above FY 2024. They comprise 1.2 percent of expenditures from all funding sources in FY 2025, which is a decrease of 0.2 percent below FY 2024.

KANSAS DEPARTMENT OF AGRICULTURE

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

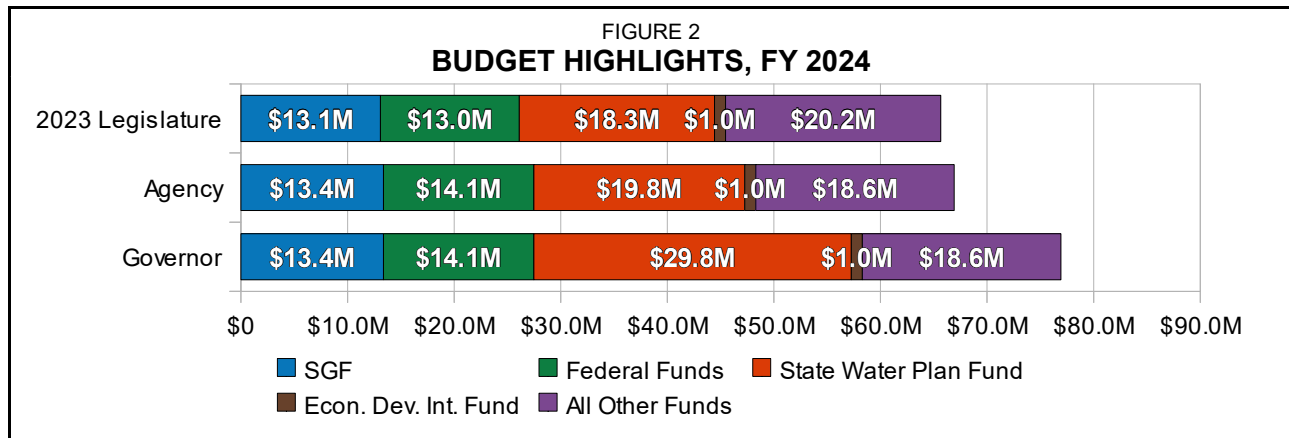
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 11,161,149	\$ 13,370,040	\$ 13,370,040	\$ 13,660,600	\$ 14,610,600
Federal Funds	13,189,143	14,103,989	14,103,989	12,726,166	12,726,166
All Other Funds	28,120,431	39,446,938	49,446,938	42,812,878	42,812,878
<i>Subtotal</i>	<i>\$ 52,470,723</i>	<i>\$ 66,920,967</i>	<i>\$ 76,920,967</i>	<i>\$ 69,199,644</i>	<i>\$ 70,149,644</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 52,470,723	\$ 66,920,967	\$ 76,920,967	\$ 69,199,644	\$ 70,149,644
Percentage Change:					
State General Fund	24.1 %	19.8 %	19.8 %	2.2 %	9.3 %
All Funds	13.4 %	27.5 %	46.6 %	3.4 %	(8.8) %
FTE Positions	353.0	352.8	352.8	352.8	352.8

The Kansas Department of Agriculture is responsible for implementing food safety, consumer and environmental protection, and water resource allocation programs. This includes the assurance of safe meat, milk, and egg supplies; 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.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$59.2 million, including \$13.0 million from the State General Fund (SGF), for the Kansas Department of Agriculture for FY 2024. Several adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required.

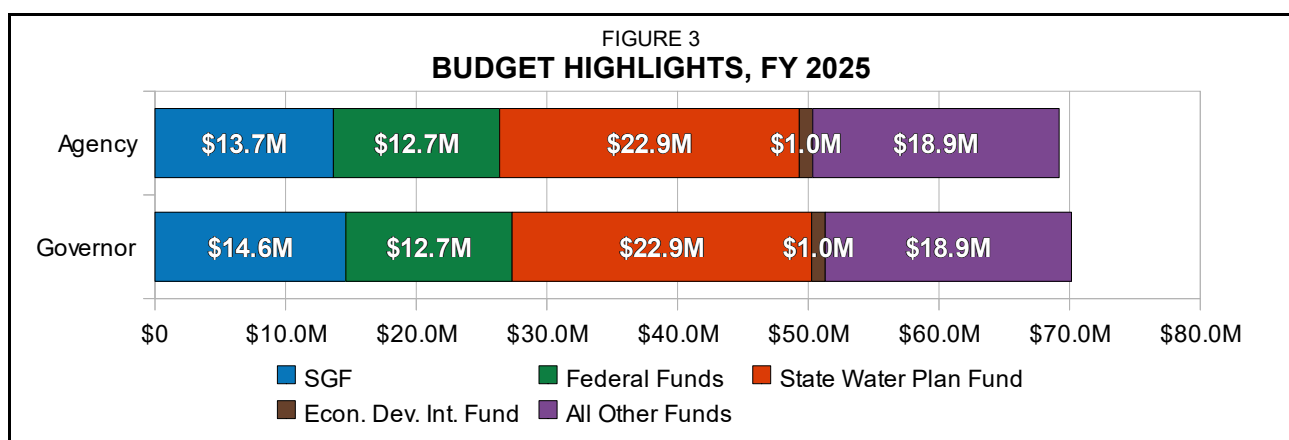
1. **SGF REAPPROPRIATION.** A total of \$19,473 in unspent FY 2023 SGF moneys reappropriated into the approved amount in FY 2024.
2. **SWPF REAPPROPRIATION.** The agency also reappropriated \$6.4 million in unspent FY 2023 State Water Plan Fund (SWPF) moneys into FY 2024.
3. **2022 HOUSE SUB. FOR SUB. FOR SB 267.** The 2022 Legislature appropriated \$60,000 SGF for FY 2024 for the agency's Grain Warehouse program. The funding was added to allow the agency to decrease the proposed fee increase on licensed public grain warehouses.



The **agency** requests a revised estimate of \$66.9 million, including \$13.4 million SGF, in expenditures and 352.8 FTE positions in FY 2024. The estimate is an all funds increase of \$1.3 million, or 1.9 percent, including an increase of \$285,977 SGF, or 2.2 percent, above the FY 2024 approved amount. The all funds increase is primarily attributable to the agency requesting a transfer of \$1.5 million from the SWPF at the Kansas Water Office in FY 2024. Expenditures associated with this transfer support water reservoir protection efforts. The SGF increase is attributable to three agency supplemental requests totaling \$285,977. Those supplemental requests include laboratory supplies (\$150,000 SGF), livestock brand investigators (\$50,000 SGF), and funding for the pay plan shortfall (\$85,977 SGF).

The **Governor** recommends expenditures totaling \$76.9 million, including \$13.4 million SGF and \$29.8 million SWPF, in FY 2024. This is an increase of \$10.0 million, all SWPF, or 14.9 percent, above the agency's FY 2024 revised estimate. The recommendation includes three agency supplemental requests totaling \$285,977 SGF, including \$150,000 SGF for laboratory supplies, \$50,000 SGF for livestock investigators, and \$85,977 SGF for the pay plan shortfall.

The Governor recommends additional SWPF transfers from the Kansas Water Office to the Kansas Department of Agriculture totaling \$10.0 million in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023.



The **agency** requests \$69.2 million, including \$13.7 million SGF, in expenditures and 352.8 FTE positions for FY 2025. This is an all funds increase of \$2.3 million, or 3.4 percent, and an increase of \$290,560 SGF, or 2.2 percent, above the FY 2024 revised estimate. The all funds increase is primarily attributable to the agency requesting transfer increases totaling \$9.5 million from the SWPF at the Kansas Water Office for FY 2025. Expenditures associated with these transfers support water reservoir protection efforts, water use database modernization, irrigation

technology, crop and livestock research, water resources cost share, aid to conservation districts, water transition assistance, dam construction rehabilitation, and stream bank stabilization.

The SGF increase is attributable to six agency enhancement requests totaling \$525,000. Those enhancement requests include laboratory supplies (\$150,000 SGF), emergency animal facilities investigation (AFI) shelters (\$50,000 SGF), disease outbreak planning in the Emergency Management program (\$200,000 SGF), agency litigation (\$50,000 SGF), livestock investigators (\$50,000 SGF), and U.S. Department of Agriculture (USDA) feral swine removal (\$25,000). Four of the agency's enhancement requests are new for FY 2025 and two continue funding requested in the agency's FY 2024 revised estimate.

The **Governor** recommends expenditures totaling \$70.1 million, including \$14.6 million SGF and \$22.9 million SWPF, for FY 2025. This is an increase of \$950,000, all SGF, or 1.4 percent, above the agency's FY 2025 request. The recommendation includes five agency enhancement requests totaling \$475,000 SGF, including \$150,000 SGF for laboratory supplies, \$50,000 SGF for emergency AFI shelters, \$200,000 SGF for the Emergency Management program, \$50,000 SGF for agency litigation, and \$25,000 SGF for feral swine removal.

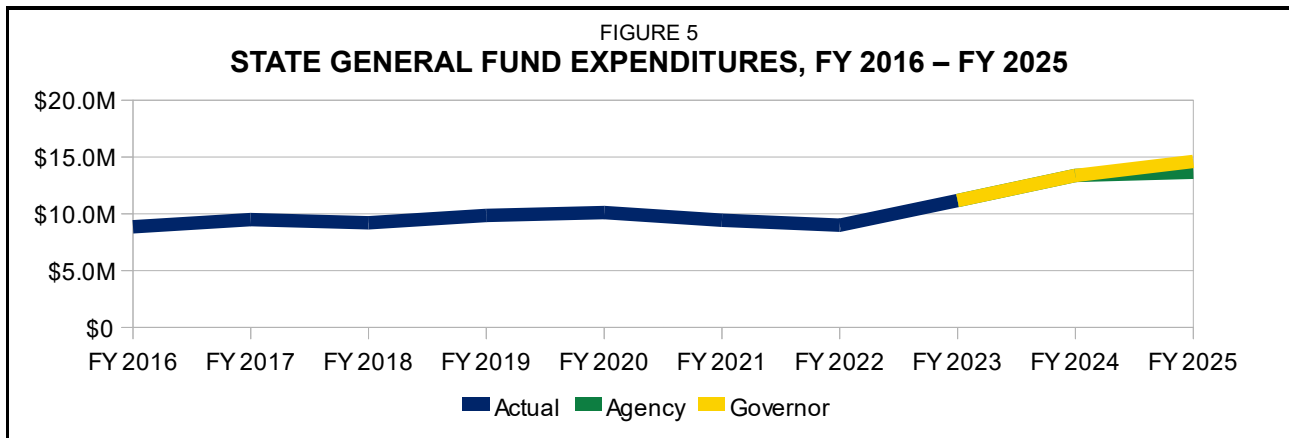
The Governor does not recommend the agency's enhancement request totaling \$50,000 SGF for livestock investigators for FY 2025, but does recommend the addition of \$1.0 million SGF for the agency's Local Farm to Food initiative to offset decreased federal funding for the initiative for FY 2025.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 23,261,402	\$ 28,827,919	\$ 28,827,919	\$ 28,732,951	\$ 28,732,951
Contractual Services	19,257,812	19,262,716	22,262,716	18,889,901	18,839,901
Commodities	988,492	1,078,613	1,078,613	1,052,721	1,052,721
Capital Outlay	1,610,157	1,556,517	1,556,517	1,251,129	1,251,129
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 45,117,863</i>	<i>\$ 50,725,765</i>	<i>\$ 53,725,765</i>	<i>\$ 49,926,702</i>	<i>\$ 49,876,702</i>
Aid to Local Units	2,473,373	2,502,706	2,502,706	3,502,706	3,502,706
Other Assistance	4,879,487	13,692,496	20,692,496	15,770,236	16,770,236
<i>Subtotal—Operating</i>	<i>\$ 52,470,723</i>	<i>\$ 66,920,967</i>	<i>\$ 76,920,967</i>	<i>\$ 69,199,644</i>	<i>\$ 70,149,644</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 52,470,723	\$ 66,920,967	\$ 76,920,967	\$ 69,199,644	\$ 70,149,644
Financing:					
State General Fund	\$ 11,161,149	\$ 13,370,040	\$ 13,370,040	\$ 13,660,600	\$ 14,610,600
State Water Plan Fund	9,233,284	19,789,755	29,789,755	22,929,244	22,929,244
Eco. Dev. In. Fund	1,013,273	1,030,744	1,030,744	1,030,744	1,030,744
Federal Funds	13,189,143	14,103,989	14,103,989	12,726,166	12,726,166
All Other Funds	17,873,874	18,626,439	18,626,439	18,852,890	18,852,890
TOTAL	\$ 52,470,723	\$ 66,920,967	\$ 76,920,967	\$ 69,199,644	\$ 70,149,644
FTE Positions	353.0	352.8	352.8	352.8	352.8

STATE GENERAL FUND

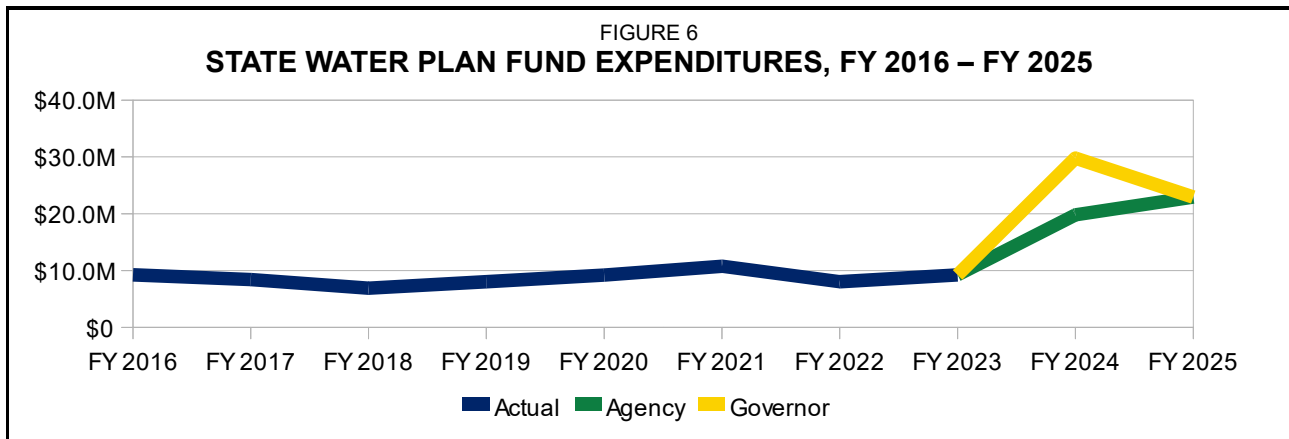


For the Kansas Department of Agriculture, actual SGF expenditures averaged \$9.4 million from FY 2016 to FY 2022. FY 2023 actual SGF expenditures totaled \$11.2 million. This increase is the result of the 2022 Legislature approving additional positions and filling vacant positions for the agency's Animal Health, Meat and Poultry, and Dam Safety programs, along with salary increases approved for most state employees in FY 2023. Additionally, the 2023 Legislature approved additional SGF expenditures for the agency's Soil Health initiative and Water Resource Cost Share program.

In FY 2024, the agency requests a revised estimate with SGF expenditures totaling \$13.4 million. The request includes SGF reappropriations totaling \$19,473 and \$60,000 SGF approved by the 2022 Legislature in FY 2024 for the Grain Warehouse program to allow the agency to decrease its proposed fee increase on licensed public grain warehouses. Additionally, the agency submits

three supplemental requests totaling \$285,977 SGF in FY 2024 for laboratory supplies, livestock brand investigators, and funding for the pay plan shortfall.

STATE WATER PLAN FUND



The State Water Plan Fund (SWPF) is used by the Department of Agriculture for more than a dozen different initiatives, ranging from aid to conservation districts to soil health. Expenditures from the SWPF have remained relatively flat from FY 2016 through FY 2023. From FY 2016 to FY 2023, actual expenditures from the SWPF averaged \$8.7 million. For FY 2024, the agency requests SWPF expenditures totaling \$19.8 million and includes \$6.4 million in reappropriated SWPF moneys along with a transfer of \$1.5 million SWPF from the Kansas Water Office. Expenditures associated with this transfer would go to support water reservoir protection efforts.

The Governor recommends additional SWPF transfers from the Kansas Water Office totaling \$10.0 million in FY 2024, which aligns with action taken by the State Finance Council in November 2023. The transfers result in increased expenditures for the Rattlesnake Creek and Quivira National Wildlife Refuge Impairment, as well as dam construction and rehabilitation.

FY 2024 ANALYSIS

FIGURE 7

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 13,004,590	\$ 59,167,335	353.0
1. SGF Reappropriation	19,473	19,473	--
2. SWPF Reappropriation	-	6,408,002	--
3. 2022 House Sub. for Sub. for SB 267	60,000	60,000	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 13,084,063</i>	<i>\$ 65,654,810</i>	<i>353.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
4. Laboratory Supplies	\$ 150,000	\$ 150,000	--
5. Livestock Investigators	50,000	50,000	--
6. Pay Plan Shortfall	85,977	85,977	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 285,977</i>	<i>\$ 285,977</i>	<i>--</i>
7. SWPF Transfers	\$ -	\$ 1,467,795	--
8. All Other Adjustments	-	(487,615)	(0.2)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 13,370,040</i>	<i>\$ 66,920,967</i>	<i>352.8</i>
Governor's Recommendation:			
9. Additional SWPF Transfers	\$ -	\$ 10,000,000	--
TOTAL	\$ 13,370,040	\$ 76,920,967	352.8

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, several adjustments were made to the \$59.2 million appropriated to the Kansas Department of Agriculture for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION.** A total of \$19,473 in unspent FY 2023 SGF moneys reappropriated into the approved amount in FY 2024.
2. **SWPF REAPPROPRIATION.** The agency also reappropriated \$6.4 million in unspent FY 2023 SWPF moneys into FY 2024.
3. **2022 HOUSE SUB. FOR SUB. FOR SB 267.** The 2022 Legislature appropriated \$60,000 SGF for FY 2024 for the agency's Grain Warehouse program. The funding was added to allow the agency to decrease the proposed fee increase on licensed public grain warehouses.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$66.9 million, including \$13.4 million SGF and \$19.8 million SWPF, in FY 2024. The revised estimate is an increase of \$1.3 million, or 1.9 percent, above the FY 2024 approved budget. The majority of the expenditure increase is attributable to a transfer of \$1.5 million from the SWPF in FY 2024. The increase is partially offset by all other adjustments made by the agency.

The revised estimate includes \$285,977 SGF for the following supplemental requests:

4. **LABORATORY SUPPLIES.** The agency requests \$150,000 SGF in FY 2024 for rising costs and inflation relating to expenditures for professional scientific supplies and lab consumables.

5. **LIVESTOCK INVESTIGATORS.** The agency requests \$50,000 SGF in FY 2024 for livestock investigators. These expenditures are included in contractual services expenditures, not salary and wage expenditures. The agency indicates these are payments made to the Office of the Attorney General for two livestock brand investigators.
6. **PAY PLAN SHORTFALL.** The revised estimate includes \$85,977 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Department of Agriculture, a supplemental appropriation of \$85,977 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental requests, the revised estimate includes an increase of \$980,180 in base budget expenditures. Significant adjustments are as follows:

7. **SWPF TRANSFERS.** The revised estimate includes increased expenditures of \$1.5 million SWPF for Kansas water reservoir protection efforts in FY 2024. This increase is derived from a transfer made in addition to the appropriations from the SWPF approved by the 2023 Legislature. The transfer would come from the Kansas Water Office, and show as reduced expenditures in that agency and increased expenditures for the Kansas Department of Agriculture. These expenditures are assistance payments for agricultural conservation programs.
8. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency total a decrease of \$487,615, all from special revenue funds. The decrease is primarily attributable to decreased expenditures for classified employees pay and changes to fringe benefit rates. These decreases are partially offset by increases in expenditures for capital outlay, including software and trucks, and commodities, including gas and other supplies and materials. The agency's request also includes a decrease of 0.2 FTE position, mainly from the Agri-Business Services program.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$76.9 million, including \$13.4 million SGF and \$29.8 million SWPF, in FY 2024. The Governor's recommendation is an increase of \$10.0 million, all SWPF, or 14.9 percent, above the agency's FY 2024 revised estimate. The recommendation includes three agency supplemental requests totaling \$285,977 SGF, including \$150,000 SGF for laboratory supplies, \$50,000 SGF for livestock investigators, and \$85,977 SGF for the pay plan shortfall.

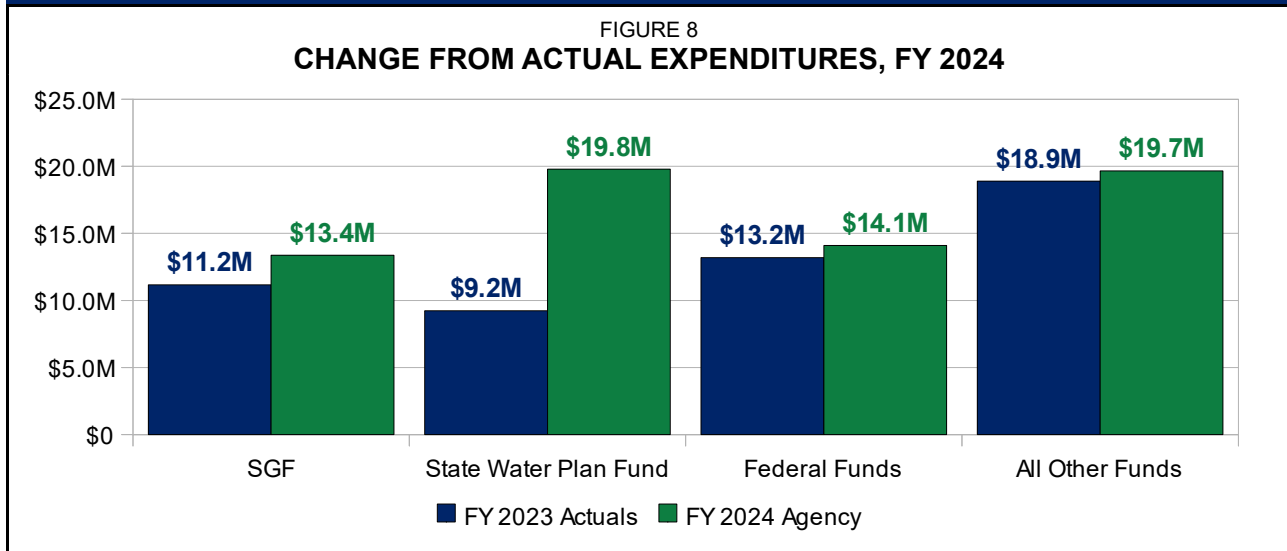
The **Governor's** recommendation also includes the following adjustment:

9. **ADDITIONAL STATE WATER PLAN FUND TRANSFERS.** The Governor recommends additional SWPF transfers from the Kansas Water Office to the Kansas Department of Agriculture totaling \$10.0 million in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023.

The recommendation transfers \$7.0 million SWPF for the Rattlesnake Creek and Quivira National Wildlife Refuge Impairment, including sub-basin water resources management and water transition assistance programs, and \$3.0 million for dam construction and rehabilitation.

This recommendation results in decreased expenditures for the Kansas Water Office totaling \$10.0 million, while increasing expenditures for the Kansas Department of Agriculture by \$10.0 million in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$66.9 million, including \$13.4 million SGF and \$19.8 million SWPF, in FY 2024. This is an increase of \$14.5 million, or 27.5 percent, from all funding sources, including \$2.2 million SGF, or 19.8 percent, above the FY 2023 actual expenditures. The all funds increase is mostly attributable to the agency reappropriating \$6.4 million SWPF from FY 2023 into FY 2024 and the agency requesting additional expenditures totaling \$1.5 million from an SWPF transfer in FY 2024.

The SGF increase is attributable to action taken by the 2023 Legislature. The 2023 Legislature added \$2.0 million SGF and 8.0 FTE positions to hire additional personnel and give existing personnel in certain program areas salary increases for FY 2024. The program areas include water, conservation, and agricultural marketing.

The 2023 Legislature also approved \$1.1 million, including \$354,177 SGF, for FY 2024 for salary increases for employees of the Department of Agriculture as a part of the FY 2024 pay plan.

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 13,155,073	\$ 66,205,118	352.8
Enhancement Requests:			
1. Laboratory Supplies	\$ 150,000	\$ 150,000	--
2. Livestock Investigators	50,000	50,000	--
3. Emergency AFI Shelters	50,000	50,000	--
4. Emergency Management Program	200,000	200,000	--
5. KDA Agency Litigation	50,000	50,000	--
6. USDA Feral Swine	25,000	25,000	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 525,000</i>	<i>\$ 525,000</i>	<i>--</i>
7. SGF Reappropriations	\$ (19,473)	\$ (19,473)	--
8. SWPF Reappropriations	-	(6,408,002)	--
9. SWPF Transfers	-	9,547,491	--
10. Local Food Purchase Grant	-	(2,565,128)	--
11. Federal Cooperating Technical Partners	-	1,914,638	--
<i>Subtotal—Agency Request</i>	<i>\$ 13,660,600</i>	<i>\$ 69,199,644</i>	<i>352.8</i>
Governor's Recommendation:			
12. Livestock Investigators - Not Recommended	\$ (50,000)	\$ (50,000)	--
13. Local Farm to Food	1,000,000	1,000,000	--
TOTAL	\$ 14,610,600	\$ 70,149,644	352.8

AGENCY REQUEST

The **agency** requests \$69.2 million, including \$13.7 million SGF and \$22.9 million SWPF, for FY 2025. This is an all funds increase of \$2.3 million, or 3.4 percent, including an SGF increase of \$290,560, or 2.2 percent, above the FY 2024 revised estimate. The all funds increase is attributable to the agency requesting additional expenditures from the SWPF in FY 2025. The SGF increase is attributable to agency enhancement requests.

The request includes \$525,000 SGF for the following enhancement requests:

- LABORATORY SUPPLIES.** The agency requests \$150,000 SGF for FY 2025 for rising costs and inflation relating to expenditures for professional scientific supplies and lab consumables.
- LIVESTOCK INVESTIGATORS.** The agency requests \$50,000 SGF for FY 2025 for livestock investigators. These expenditures are included in contractual services expenditures, not salary and wage expenditures. The agency indicates these are payments made to the Office of the Attorney General for two livestock brand investigators.
- EMERGENCY AFI SHELTERS.** The agency requests \$50,000 SGF for FY 2025 for the AFI program. The agency indicates the funding will be used for payments to emergency shelters housing seized animals.
- EMERGENCY MANAGEMENT PROGRAM.** The agency requests \$200,000 SGF for FY 2025 for the Emergency Management program. The agency indicates the funding will be used to continue preparing and planning for the threat of animal disease outbreaks.

5. **KDA AGENCY LITIGATION.** The agency requests \$50,000 SGF for FY 2025 for contract attorneys to handle litigation across the agency.
6. **USDA FERAL SWINE.** The agency requests \$25,000 SGF for FY 2025 for the USDA feral swine removal program.

Absent the enhancement requests, the request includes an increase of \$3.1 million in base budget expenditures. Significant adjustments are as follows:

7. **SGF REAPPROPRIATIONS.** The agency's FY 2024 revised estimate includes reappropriations from the SGF totaling \$19,473. The agency estimates spending those dollars in FY 2024 and does not anticipate carrying any money into FY 2025.
8. **SWPF REAPPROPRIATIONS.** The agency's FY 2024 revised estimate includes reappropriations from the SWPF totaling \$6.4 million. The agency estimates spending those dollars in FY 2024 and does not anticipate carrying any money into FY 2025.
9. **SWPF TRANSFERS.** The agency requests increased expenditures of \$9.5 million to align with transfers from the SWPF totaling \$11.0 million in FY 2025. The transfers would come from the Kansas Water Office, and they would show as reduced expenditures in that agency and increased expenditures for the Kansas Department of Agriculture.

Similar to the agency's FY 2024 revised estimate, one transfer would support Kansas water reservoir protection efforts for FY 2025. Other transfers support water use database modernization, irrigation technology, crop and livestock research, water resources cost share, aid to conservation districts, water transition assistance, dam construction rehabilitation, and stream bank stabilization.

These items are discussed in more detail in the *Special Topics* section of this budget analysis.

10. **LOCAL FOOD PURCHASE GRANT.** The agency's FY 2025 request includes reduced expenditures from the Local Food Purchase Grant Fund totaling \$2.6 million when compared with the FY 2024 revised estimate. The agency estimates expenditures relating to the federal local food purchase grant to be mostly expended in FY 2024 and will not carry forward to FY 2025. These funds are designed to maintain and improve food and agriculture supply chain resiliency. KDA accomplishes this through assisting in procuring and distributing local and regional foods in collaboration with food banks.
11. **FEDERAL COOPERATING TECHNICAL PARTNERS.** The agency's FY 2025 request includes increased expenditures from the Federal Cooperating Technical Partners Fund totaling \$1.9 million when compared with the FY 2024 revised estimate. These funds are designed to strengthen and enhance the effectiveness of the National Flood Insurance Program.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$70.1 million, including \$14.6 million SGF and \$22.9 million SWPF, for FY 2025. The Governor's recommendation is an increase of \$950,000, all SGF, or 1.4 percent, above the agency's FY 2025 request. The recommendation includes five agency enhancement requests totaling \$475,000 SGF, which includes \$150,000 SGF for laboratory supplies, \$50,000 SGF for emergency AFI shelters, \$200,000 SGF for the emergency

management program, \$50,000 SGF for agency litigation, and \$25,000 SGF for feral swine removal.

The **Governor's** recommendation includes the following adjustments:

12. **LIVESTOCK INVESTIGATORS - NOT RECOMMENDED.** The Governor does not recommend \$50,000 SGF for the agency's enhancement request concerning livestock investigators for FY 2025. The Governor recommends funding for this purpose in FY 2024 but not for FY 2025.
13. **LOCAL FARM TO FOOD.** The Governor recommends \$1.0 million SGF for the Local Farm to Food Program for FY 2025. The agency estimates most federal funds to be expended on the initiative in FY 2024 and will not carry over to FY 2025. The Governor's recommendation applies state funding to this initiative.

The initiative makes local foods available for local consumption by partnering with food banks and producers.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 10 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Laboratory Supplies	\$ 150,000	\$ 150,000	-	\$ 150,000	\$ 150,000	-
2. Livestock Investigators	50,000	50,000	-	50,000	50,000	-
3. Pay Plan Shortfall	85,977	85,977	-	85,977	85,977	-
TOTAL	\$ 285,977	\$ 285,977	-	\$ 285,977	\$ 285,977	-
FY 2025 Enhancements:						
4. Laboratory Supplies	\$ 150,000	\$ 150,000	-	\$ 150,000	\$ 150,000	-
5. Livestock Investigators	50,000	50,000	-	-	-	-
6. Emergency AFI Shelters	50,000	50,000	-	50,000	50,000	-
7. Emergency Management Program	200,000	200,000	-	200,000	200,000	-
8. KDA Agency Litigation	50,000	50,000	-	50,000	50,000	-
9. USDA Feral Swine	25,000	25,000	-	25,000	25,000	-
10. Local Farm to Food	-	-	-	1,000,000	1,000,000	-
TOTAL	\$ 525,000	\$ 525,000	-	\$ 1,475,000	\$ 1,475,000	-

- LABORATORY SUPPLIES.** The agency requests \$150,000 SGF in FY 2024 for rising costs and inflation relating to expenditures for professional scientific supplies and lab consumables.

The Governor recommends adoption of this request.

- LIVESTOCK INVESTIGATORS.** The agency requests \$50,000 SGF in FY 2024 for livestock investigators. These expenditures are included in contractual services expenditures, not salary and wage expenditures. The agency indicates these are payments made to the Office of the Attorney General for two livestock brand investigators.

The Governor recommends adoption of this request.

- PAY PLAN SHORTFALL.** The revised estimate includes \$85,977 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Department of Agriculture, a supplemental appropriation of \$85,977 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- LABORATORY SUPPLIES.** The agency requests \$150,000 SGF for FY 2025 for rising costs and inflation relating to expenditures for professional scientific supplies and lab consumables.

The Governor recommends adoption of this request.

5. **LIVESTOCK INVESTIGATORS.** The agency requests \$50,000 SGF for FY 2025 for livestock investigators. These expenditures are included in contractual services expenditures, not in salary and wage expenditures. The agency indicates these are payments made to the Office of the Attorney General for two livestock brand investigators.

The Governor does not recommend adoption of this request.

6. **EMERGENCY AFI SHELTERS.** The agency requests \$50,000 SGF for FY 2025 for the AFI program. The agency indicates the funding will be used for payments for emergency shelters to house seized animals.

The Governor recommends adoption of this request.

7. **EMERGENCY MANAGEMENT PROGRAM.** The agency requests \$200,000 SGF for FY 2025 for the Emergency Management program. The agency indicates the funding will be used to continue preparing and planning for the threat of animal disease outbreaks.

The Governor recommends adoption of this request.

8. **KDA AGENCY LITIGATION.** The agency requests \$50,000 SGF for FY 2025 for contract attorneys to handle litigation across the agency. The agency indicates litigation costs are not regularly budgeted for and notes that the number of lawsuits the agency is engaged in at any given time has recently increased. The agency indicates there are no excess funds available to fund additional outside counsel if necessary.

The Governor recommends adoption of this request.

9. **USDA FERAL SWINE.** The agency requests \$25,000 SGF for FY 2025 for the USDA feral swine removal program. The agency indicates that the USDA has recently informed the agency that federal funds made available for feral swine removal will be reduced as a result of budget cuts. The agency notes that with federal funds being reduced, state funds will be necessary to assist in feral swine removal efforts.

The Governor recommends adoption of this request.

10. **LOCAL FARM TO FOOD.** The Governor recommends \$1.0 million SGF for the Local Farm to Food initiative for FY 2025. The initiative works to make local foods available for local consumption by partnering with food banks and producers. The agency previously used moneys from a federal Local Food Purchase Grant, which is mostly expended in FY 2024. The Governor's recommendation would use SGF in the absence of federal funding for the initiative for FY 2025.

The Governor recommends adoption of this request.

SPECIAL TOPICS

2023 SENATE SUB. FOR HB 2302

The 2023 Legislature passed and the Governor signed Senate Sub. for HB 2302, which authorizes a transfer of \$35.0 million SGF to the SWPF in FY 2024 and intends a transfer of the same amount each year through FY 2027. This amount is in addition to the \$6.0 million SGF transfer already authorized in statute (KSA 82a-953a), resulting in authorized transfers from the SGF to the SWPF totaling \$41.0 million in FY 2024.

The bill also transfers \$5.0 million SWPF to a newly created Water Technical Assistance Fund and \$12.0 million SWPF to a newly created Water Projects Grant Fund in FY 2024. If the Legislature approves the appropriation of \$35.0 million SGF to the SWPF in future years, the \$5.0 million SWPF transfer to the Water Technical Assistance Fund and \$12.0 million SWPF transfer to the Water Projects Grant Fund would occur. Both funds are administered by the Kansas Water Office.

The 2022 Legislature appropriated an additional \$18.0 million SWPF to the Kansas Water Office in 2024. That increased funding is estimated to be expended by the Kansas Water Office in FY 2024. For FY 2025, the Kansas Water Office requests to maintain those appropriations and to transfer most of those monies to other state agencies rather than expend them. This will show decreased expenditures for the Kansas Water Office and increased expenditures for other state agencies in FY 2025.

For the Kansas Department of Agriculture, the agency's FY 2025 request includes transfers totaling \$11.0 million from the SWPF at the Kansas Water Office. The table below shows requested appropriations, transfers, and net expenditures by program area for FY 2025.

STATE WATER PLAN FUND APPROPRIATIONS AND TRANSFERS, FY 2025			
<u>Program Area</u>	<u>Gov. Rec. Appropriation</u>	<u>Gov. Rec. Transfers In</u>	<u>Gov. Rec. Expenditures</u>
Interstate Water Issues	\$ 527,927	\$ -	\$ 527,927
Water Use Database	100,000	150,000	250,000
Modernization			
Subbasin Water	673,847	-	673,847
Resources			
Management			
Irrigation Technology	550,000	2,000,000	2,550,000
Crop and Livestock	350,000	100,000	450,000
Research			
Soil Health	400,000	-	400,000
Water Resources Cost	2,834,714	2,165,286	5,000,000
Share			
Nonpoint Source	1,866,598	-	1,866,598
Pollution Assistance			
Aid to Conservation	2,502,706	1,000,000	3,502,706
Districts			
Water Transition	554,142	1,000,000	1,554,142
Assistance Program			
Dam Construction	650,000	2,350,000	3,000,000

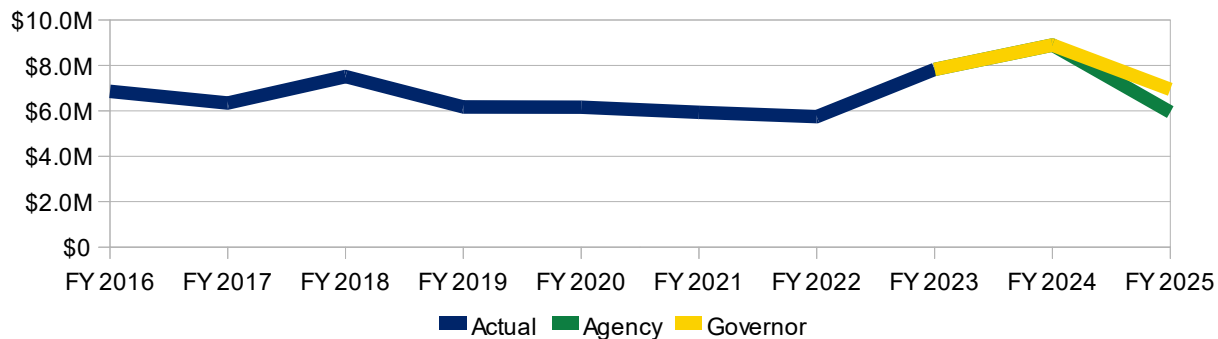
STATE WATER PLAN FUND APPROPRIATIONS AND TRANSFERS, FY 2025			
Program Area	Gov. Rec. Appropriation	Gov. Rec. Transfers In	Gov. Rec. Expenditures
Rehabilitation			
Riparian and Wetland	154,024	-	154,024
Program			
Stream Bank	750,000	750,000	1,500,000
Stabilization			
Kansas Reservoir	-	1,500,000	1,500,000
Protection Initiative			
TOTAL	11,913,958	11,015,286	22,929,244

PROGRAM OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 7,819,669	\$ 8,893,422	\$ 8,893,422	\$ 5,943,561	\$ 6,943,561
Agri-Business Services	16,595,241	18,586,589	18,586,589	18,568,173	18,568,173
Agriculture Marketing	2,061,121	2,683,124	2,683,124	2,496,524	2,496,524
Animal Health	3,903,705	3,615,954	3,615,954	3,954,208	3,904,208
Conservation	10,319,935	19,908,012	26,908,012	23,522,811	23,522,811
Water Resources	11,771,052	13,233,866	16,233,866	14,714,367	14,714,367
TOTAL	\$ 52,470,723	\$ 66,920,967	\$ 76,920,967	\$ 69,199,644	\$ 70,149,644
FTE Positions:					
Administration	33.9	34.0	34.0	34.0	34.0
Agri-Business Services	194.2	193.0	193.0	193.0	193.0
Agriculture Marketing	10.7	10.0	10.0	10.0	10.0
Animal Health	22.9	21.8	21.8	21.8	21.8
Conservation	10.0	10.0	10.0	10.0	10.0
Water Resources	81.3	84.1	84.1	84.1	84.1
TOTAL	353.0	352.8	352.8	352.8	352.8

ADMINISTRATION

FIGURE 12
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA Chapter 74, Article 5; KSA 74-569; KSA 74-576

- PROGRAM GOALS:**
- Provide timely, accurate, and efficient fiscal services.
 - Provide comprehensive human resources services to Kansas Department of Agriculture (KDA) employees and future KDA employees.
 - Assist programs with the modernization of legacy information technology services and continue to improve existing services.
 - Provide timely, accurate, and efficient legal services.
 - Advocate for agriculture and KDA programs through traditional and other media.
 - Provide open records to the public in a timely manner.

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

FIGURE 13
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 829,950	\$ 1,050,246	\$ 1,050,246	\$ 941,750	\$ 1,941,750
Federal Funds	2,602,936	3,070,766	3,070,766	162,167	162,167
All Other Funds	4,386,783	4,772,410	4,772,410	4,839,644	4,839,644
TOTAL	\$ 7,819,669	\$ 8,893,422	\$ 8,893,422	\$ 5,943,561	\$ 6,943,561
Percent Change:					
SGF	(3.2) %	26.5 %	-- %	(10.3) %	106.2 %
All Funds	36.2 %	13.7 %	-- %	(33.2) %	16.8 %
FTE Positions	33.9	34.0	34.0	34.0	34.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Administration program expenditures of \$5.9 million, including \$941,750 SGF. This is an all funds decrease of \$2.9 million, or 33.2 percent, including an SGF decrease of \$108,496, or 10.3 percent, below the agency's FY 2024 revised estimate. The all funds decrease is mostly attributable to the agency estimating lower expenditures for contractual services in FY 2025. Specifically,

the agency is estimating lower expenditures from the federal Local Food Purchase Grant. The SGF decrease is partially offset by the agency's enhancement request of \$50,000 SGF for additional contracted attorney services supporting agency litigation for FY 2025.

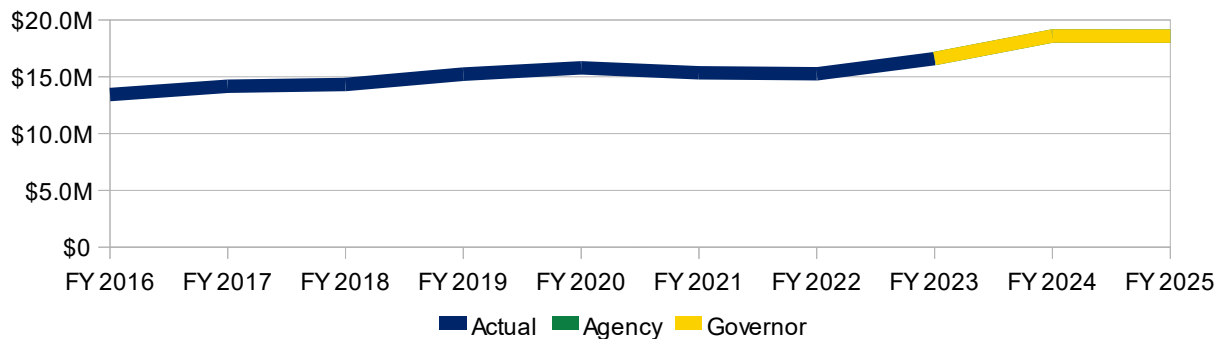
The **Governor** recommends \$6.9 million, including \$1.9 million SGF, for the

Administration program for FY 2025. The recommendation concurs with the agency's request, which includes one agency enhancement request totaling \$50,000 SGF for contracted attorney services supporting agency

litigation, and adds \$1.0 million SGF for the Local Farm to Food initiative for FY 2025. This is an increase of \$1.1 million SGF above the agency's FY 2025 request.

AGRI-BUSINESS SERVICES

FIGURE 14
AGRI-BUSINESS SERVICES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Dairy Law KSA 65-771 through 65-791; 65-643 *et seq.*; 36-501 *et seq.*; 31-101 *et seq.*; 21-3711, 31-3736, 27-3737; 83-201 through 224; 2-1001 *et seq.*; 2-1201 *et seq.*; 2-2901 *et seq.*; 65-6a18; 65-771 through 791; 50-901 *et seq.*; 2-2201 *et seq.*; 2-2801 *et seq.*; 2-2438 *et seq.*; 2-3301 *et seq.*; 2-1415 *et seq.*; 2-2712 *et seq.*; 2-1314 *et seq.*; 2-3901 *et seq.*; 83-201 through 224; 55-422 through 427; 83-143 through 149

PROGRAM GOALS:

- Provide a fair-minded regulatory environment for the Kansas dairy and commercial feed industry, which results in safe, clean, unadulterated milk, dairy, and commercial feed products for both animal and human feed consumers.
- Gain program efficiencies by continuing to automate and streamline inspection, sampling, and record-keeping processes.
- Achieve and maintain compliance with FDA guidelines and national standards.
- Provide uniform, effective, and efficient food safety inspections in order to protect public health and maintain the public's confidence in Kansas establishments.
- Maintain outreach to customers through training and educational meetings.
- Protect grain depositors by performing subsequent exams of all licensed public grain warehouses once a year to ensure there are no losses due to fraud or mismanagement of records and that grain quality is kept to the standards set forth by the State of Kansas.
- Protect consumer and animal health through multiple chemical and microbiological analysis of various food products sold in Kansas.
- Provide fair-minded regulatory environment to the Kansas meat and poultry inspection industry to ensure "equal to" status with Food Safety and Inspection Service.
- Maintain Kansas primacy under the Federal Insecticide, Fungicide, and Rodenticide Act to facilitate Kansas agriculture and restrict federal enforcement for noncompliance by Kansas pesticide business.
- Provide a system to safeguard Kansas' native and cultivated resources by excluding and/or early detection of high-profile exotic pests of regulatory significance that also allows the continued export of Kansas-produced plants and plant products.
- Provide export commodity assurance for Kansas-produced commodities so that the pest freedom requirement by other states and foreign countries are maintained to allow expeditious movement of those commodities in foreign and domestic trade.

The Agri-Business Services program consists of the Meat and Poultry Inspection, Food Safety, Dairy and Feed Safety, Weights and Measures, Grain Warehouses, Agricultural Laboratories, Plant Protection and Seed, and Pesticide and Fertilizer programs.

FIGURE 15 AGRI-BUSINESS SERVICES FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 3,419,078	\$ 3,493,151	\$ 3,493,151	\$ 3,509,780	\$ 3,509,780
Federal Funds	3,557,962	4,147,860	4,147,860	4,117,092	4,117,092
All Other Funds	9,618,201	10,945,578	10,945,578	10,941,301	10,941,301
TOTAL	\$ 16,595,241	\$ 18,586,589	\$ 18,586,589	\$ 18,568,173	\$ 18,568,173
Percent Change:					
SGF	28.3 %	2.2 %	-- %	0.5 %	-- %
All Funds	8.8 %	12.0 %	-- %	(0.1) %	-- %
FTE Positions	194.2	193.0	193.0	193.0	193.0

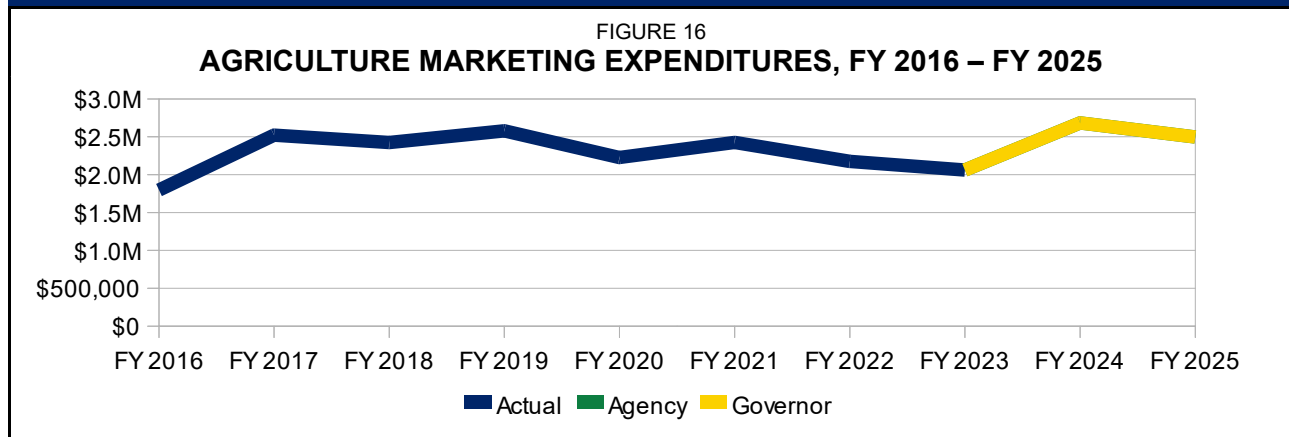
BUDGET ANALYSIS

The **agency** requests FY 2025 Agri-Business Services program expenditures of \$18.6 million, including \$3.5 million SGF. This is an all funds decrease of \$18,416, or 0.1 percent, and an SGF increase of \$16,629, or 0.5 percent, from the FY 2024 revised estimate. The all funds decrease is primarily attributable to decreased estimates for fringe benefits for FY 2025. The decreased estimates for fringe benefits is partially offset by increased estimates for certain contractual services, including subsistence relating to travel. Further offsetting

decreases is an agency enhancement request for FY 2025 totaling \$150,000 SGF for laboratory supplies.

The **Governor** recommends \$18.6 million, including \$3.5 million SGF, for the Agri-Business Services program for FY 2025. The recommendation concurs with the agency's request, which includes one agency enhancement request totaling \$150,000 SGF for laboratory supplies for FY 2025.

AGRICULTURE MARKETING



STATUTORY BASIS: • KSA 74-5, 112-5, 118; 74-50; 156-50; 2-3801-3804; 74-576; 74-504

PROGRAM GOALS: • Serve all Kansans through innovate programming and delivering solutions designed to create an environment that facilitates growth and expansion in agriculture while increasing pride in and awareness of the state's largest industry—agriculture.

- Increase the awareness of making Kansas a potential state for the relocation or expansion of agriculture business.
- Increase and enhance export opportunities for Kansas farmers, ranchers, and agribusinesses.

The Agriculture Marketing program focuses through loan programs, marketing, and on growing the agricultural industry in Kansas agricultural initiatives.

FIGURE 17
AGRICULTURE MARKETING FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 417,049	\$ 772,063	\$ 772,063	\$ 772,407	\$ 772,407
Federal Funds	342,622	201,116	201,116	37,603	37,603
All Other Funds	1,301,450	1,709,945	1,709,945	1,686,514	1,686,514
TOTAL	\$ 2,061,121	\$ 2,683,124	\$ 2,683,124	\$ 2,496,524	\$ 2,496,524
Percent Change:					
SGF	(10.8) %	85.1 %	-- %	0.0 %	-- %
All Funds	(5.2) %	30.2 %	-- %	(7.0) %	-- %
FTE Positions	10.7	10.0	10.0	10.0	10.0

BUDGET ANALYSIS

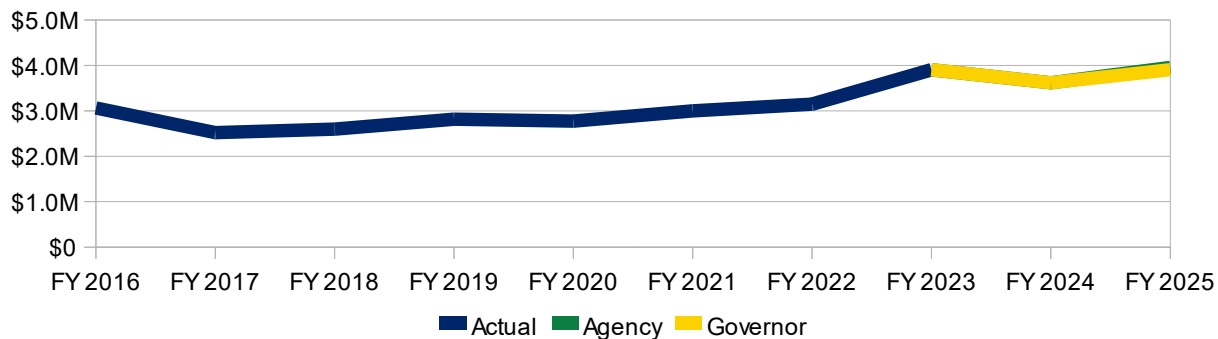
The **agency** requests FY 2025 Agriculture Marketing program expenditures of \$2.5 million, including \$772,407 SGF. This is an all funds decrease of \$186,600, or 7.0 percent, below the FY 2024 revised estimate. The request is also an SGF increase of \$344, or less than 0.1 percent, from the FY 2024 revised estimate. The all funds decrease is primarily attributable to reduced estimates for other assistance

payments from federal funds in the form of aid to qualified non-state organizations in FY 2025.

The **Governor** recommends \$2.5 million, including \$772,407 SGF, for the Agriculture Marketing program for FY 2025. The recommendation concurs with the agency's request.

ANIMAL HEALTH

FIGURE 18
ANIMAL HEALTH EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 47-104 through 47-2306

PROGRAM GOALS: • Support division responsibilities, including disease investigation and response, and maintain interaction with regulated industries and stakeholders.
• Enhance internal communication and professional development.
• Enhance animal disease emergency response capabilities.

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.

FIGURE 19
ANIMAL HEALTH FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,094,606	\$ 1,204,820	\$ 1,204,820	\$ 1,486,856	\$ 1,436,856
Federal Funds	848,348	714,042	714,042	709,967	709,967
All Other Funds	1,960,751	1,697,092	1,697,092	1,757,385	1,757,385
TOTAL	\$ 3,903,705	\$ 3,615,954	\$ 3,615,954	\$ 3,954,208	\$ 3,904,208
Percent Change:					
SGF	58.7 %	10.1 %	-- %	23.4 %	(3.4) %
All Funds	24.0 %	(7.4) %	-- %	9.4 %	(1.3) %
FTE Positions	22.9	21.8	21.8	21.8	21.8

BUDGET ANALYSIS

The **agency** requests FY 2025 Animal Health program expenditures of \$4.0 million, including \$1.5 million SGF. This is an all funds increase of \$338,254, or 9.4 percent, and an SGF increase of \$282,036, or 23.4 percent, above the FY 2024 revised estimate. The increase is primarily attributable to agency enhancement requests

totaling \$325,000 SGF for FY 2025. These enhancement requests include funding for emergency AFI shelters (\$50,000 SGF), disease outbreak planning in Emergency Management (\$200,000 SGF), livestock brand investigators (\$50,000 SGF), and USDA feral swine removal (\$25,000 SGF). These increases

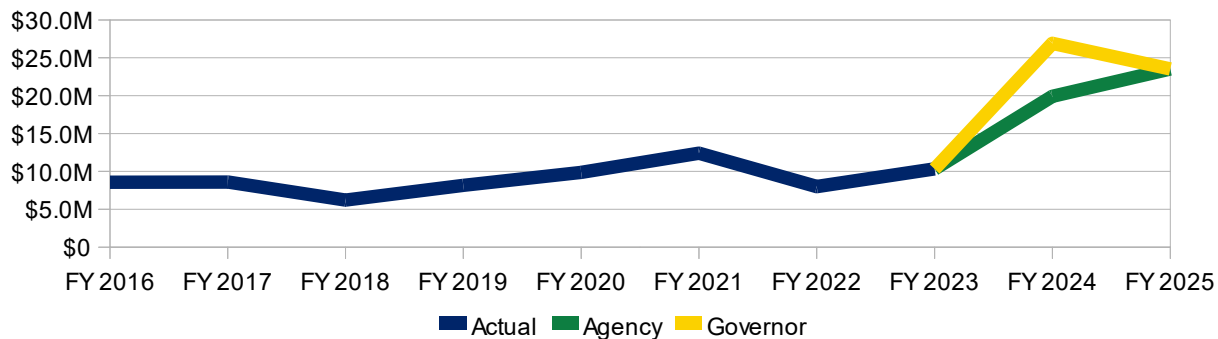
are partially offset by decreased estimates for certain commodities, including gasoline.

The **Governor** recommends \$3.9 million, including \$1.4 million SGF, for the Animal Health program for FY 2025. This is a decrease of \$50,000 SGF, or 1.3 percent, below the agency's request. The recommendation

includes three agency enhancement requests for emergency AFI shelters (\$50,000 SGF), disease outbreak planning in Emergency Management (\$200,000 SGF), and USDA feral swine removal (\$25,000 SGF). The Governor's recommendation does not include the agency's request of \$50,000 SGF for livestock brand investigators.

CONSERVATION

FIGURE 20
CONSERVATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 2-1901 to 2-1918

PROGRAM GOALS:

- Provide support for conservation districts.
- Increase the efficiency and effectiveness of the State Water Plan program implementation and administration.
- Implement the State Water Plan and 50-Year Water Vision by addressing priority resource concerns through increased local technical assistance and targeted conservation practices with special initiatives and partnerships, cooperative grants, and agreements.

The Conservation program operates eight subprograms, including: Aid to Conservation Districts, Watershed Dam Construction, Water Resource Cost-Share, Water Supply Restoration, Nonpoint Source Pollution, Riparian and Wetland Protection, Land Reclamation, and Water Quality Buffer Initiatives.

FIGURE 21
CONSERVATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 767,913	\$ 620,859	\$ 620,859	\$ 624,345	\$ 624,345
Federal Funds	812,179	1,931,424	1,931,424	1,669,518	1,669,518
All Other Funds	8,739,843	17,355,729	24,355,729	21,228,948	21,228,948
TOTAL	\$ 10,319,935	\$ 19,908,012	\$ 26,908,012	\$ 23,522,811	\$ 23,522,811
Percent Change:					
SGF	63.5 %	(19.1) %	-- %	0.6 %	-- %
All Funds	29.0 %	92.9 %	35.2 %	18.2 %	-- %
FTE Positions	10.0	10.0	10.0	10.0	10.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Conservation program expenditures of \$23.5 million, including \$624,345 SGF. This is an all funds increase of \$3.6 million, or 18.2 percent, and an SGF increase of \$3,486, or 0.6 percent, above the FY 2024 revised estimate.

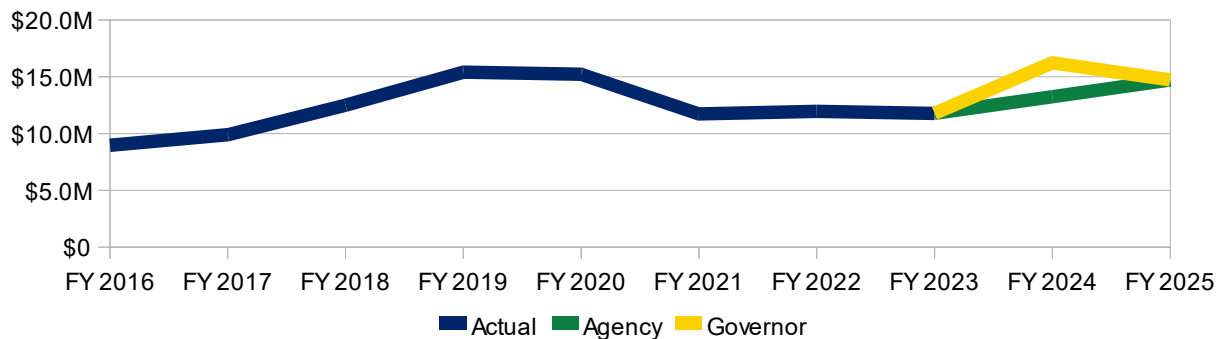
The all funds increase is primarily attributable to increasing estimates for other assistance and aid to local units in FY 2025. These increases in aid to locals and other assistance expenditures

are related to agricultural conservation program payments from the SWPF and are primarily related to dam construction, rehabilitation, and irrigation technology, as well as conservation district aid.

The **Governor** recommends \$23.5 million, including \$624,345 SGF, for the Conservation program for FY 2025. The recommendation concurs with the agency's request.

WATER RESOURCES

FIGURE 22
WATER RESOURCES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 47-104 through 47-2306

- PROGRAM GOALS:**
- Process applications to appropriate water and changes to existing water rights in Kansas.
 - Ensure water rights and the resources are protected.
 - Conduct field work, public outreach, and transparent rule development.
 - Protect Kansas water supplies through administering the Kansas-Colorado Arkansas River Compact.
 - Protect Kansas water supplies through administering the Kansas-Colorado-Nebraska Republican River Compact.
 - Continue to encourage the development and use of sound science to inform water management decisions.
 - Regulate dams, stream modifications, levees, and flood plain fills for the protection of life, property, and public safety.
 - Ensure effective community engagement and risk communication.
 - Increase public awareness of flood plain management, stream obstructions, and channel changes.

The Water Resources program includes Water Management Services, 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, coordination with other

water-related agencies, and facilitating the stakeholder process in the state. The Water Appropriations program administers the Kansas Water Appropriations 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.

FIGURE 23
WATER RESOURCES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,632,553	\$ 6,228,901	\$ 6,228,901	\$ 6,325,462	\$ 6,325,462
Federal Funds	5,025,096	4,038,781	4,038,781	6,029,819	6,029,819
All Other Funds	2,113,403	2,966,184	5,966,184	2,359,086	2,359,086
TOTAL	\$ 11,771,052	\$ 13,233,866	\$ 16,233,866	\$ 14,714,367	\$ 14,714,367
Percent Change:					
SGF	20.6 %	34.5 %	-- %	1.6 %	-- %
All Funds	(1.5) %	12.4 %	22.7 %	11.2 %	-- %
FTE Positions	81.3	84.1	84.1	84.1	84.1

BUDGET ANALYSIS

The **agency** requests FY 2025 Water Resources expenditures of \$14.7 million, including \$6.3 million SGF. This is an all funds increase of \$1.5 million, or 11.2 percent, including an SGF increase of \$96,561, or 1.6 percent, above the FY 2024 revised estimate.

The all funds increase is due to the agency increasing estimates for expenditures relating to

architects and engineers in FY 2025. The increased expenditures are financed with federal funding sources.

The **Governor** recommends \$14.7 million, including \$6.3 million SGF, for the Water Resources program for FY 2025. The recommendation concurs with the agency's request.

DEPARTMENT OF WILDLIFE AND PARKS

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

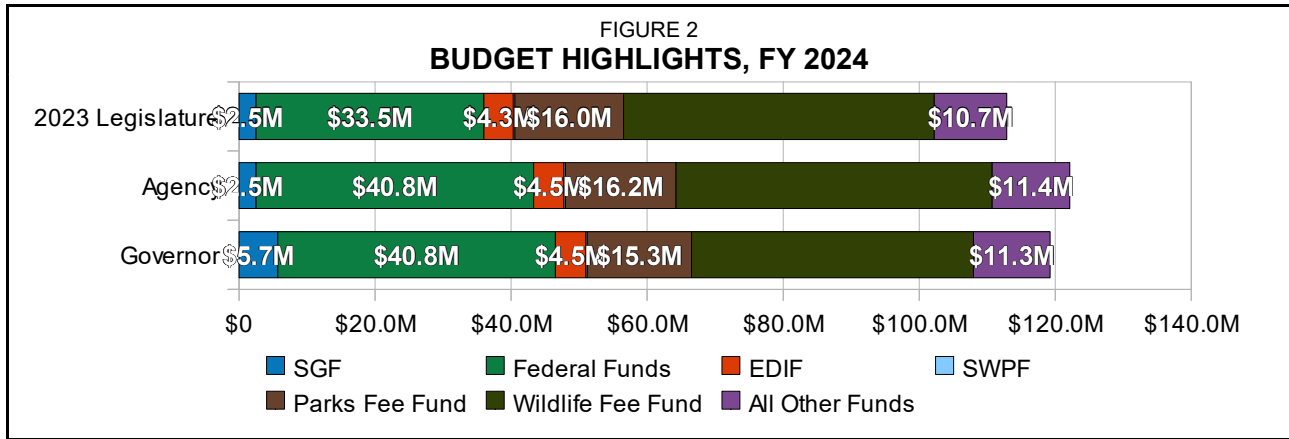
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	22,455,882	22,798,785	22,798,785	23,052,043	23,052,043
All Other Funds	57,453,831	67,104,494	63,509,855	64,965,942	63,684,483
<i>Subtotal</i>	<i>\$ 79,909,713</i>	<i>\$ 89,903,279</i>	<i>\$ 86,308,640</i>	<i>\$ 88,017,985</i>	<i>\$ 86,736,526</i>
Capital Improvements:					
State General Fund	\$ -	\$ 2,500,000	\$ 5,700,000	\$ 200,000	\$ 200,000
Federal Funds	5,531,502	18,003,000	18,003,000	22,669,815	22,669,815
All Other Funds	7,504,625	11,725,841	9,237,333	10,316,700	8,505,584
<i>Subtotal</i>	<i>\$ 13,036,127</i>	<i>\$ 32,228,841</i>	<i>\$ 32,940,333</i>	<i>\$ 33,186,515</i>	<i>\$ 31,375,399</i>
TOTAL	\$ 92,945,840	\$ 122,132,120	\$ 119,248,973	\$ 121,204,500	\$ 118,111,925
Percentage Change:					
State General Fund	-- %	-- %	128.0 %	(99.9) %	-- %
All Funds	(0.3) %	31.4 %	28.3 %	(0.8) %	(1.0) %
FTE Positions	456.0	464.0	463.0	465.0	465.0

The Department of Wildlife and Parks (KDWP) is a cabinet-level agency administered by the Secretary of Wildlife and Parks. The Secretary is appointed by the Governor, subject to confirmation by the Kansas Senate. The Kansas Wildlife and Parks 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 and Parks 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.

EXECUTIVE SUMMARY

Subsequent to the 2023 Session, one adjustment was made to the \$112.9 million, including \$2.5 million SGF, appropriated to the Department of Wildlife and Parks for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

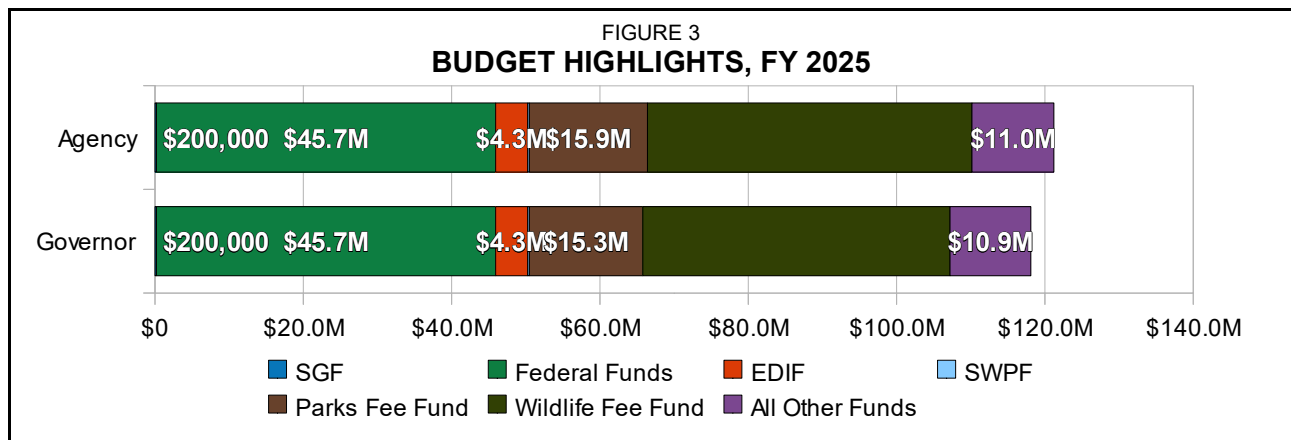
- **EDIF REAPPROPRIATION.** The agency reappropriated \$138,485 from the Economic Development Initiatives Fund (EDIF) from FY 2023 into FY 2024.



The **agency** requests a revised estimate of \$122.1 million, including \$2.5 million SGF, \$4.5 million from the EDIF, and \$224,457 from the State Water Plan Fund (SWPF), in expenditures and 464.0 FTE positions in FY 2024. This is an all funds increase of \$9.3 million, or 8.2 percent, above the FY 2024 approved amount. The increase is primarily attributable to the agency's supplemental requests totaling \$7.1 million, all from special revenue funds. The increase is also partially attributable to increased estimates for salaries and wages and fringe benefit costs in FY 2024. The agency's request also includes the addition of 7.0 FTE positions above the FY 2024 approved amount.

The **Governor** recommends \$119.2 million, including \$5.7 million SGF, \$224,457 SWPF, and \$4.5 million EDIF in expenditures and 463.0 FTE positions in FY 2024. The recommendation is an all funds decrease of \$2.9 million, or 2.4 percent, below the agency's FY 2024 revised estimate and includes a decrease of 1.0 FTE position. The recommendation includes an SGF increase of \$3.2 million, or 128.0 percent, above the agency's revised estimate.

The all funds decrease is partially attributable to the Governor not recommending an agency supplemental request for \$111,461, all from special revenue funds, and 1.0 FTE position for Lehigh State Park in FY 2024. The all funds decrease is also partially attributable to the Governor recommending reducing expenditures from the Wildlife Fee Fund by \$5.0 million, which primarily includes \$2.0 million for capital improvements, \$1.2 million for salaries and wages, and \$1.5 million for contractual services. These reductions from the Wildlife Fee Fund are partially offset by the Governor recommending \$6.0 million, including \$3.0 million SGF, for an enhancement request concerning the Flint Hills Trail Grant and Match. The recommendation for this enhancement is an increase of \$3.0 million SGF to provide the State's entire portion for the project in FY 2024. The SGF increase is also partially attributable to the Governor recommending \$200,000 SGF to replace a shower house at El Dorado State Park in FY 2024.



The **agency** requests \$121.2 million, including \$200,000 SGF, \$4.3 million EDIF, and \$224,457 SWPF, in expenditures and 465.0 FTE positions for FY 2025. The request is an all funds decrease of \$927,620 million, or 0.8 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to one-time agency expenditures and supplemental requests in FY 2024 that do not re-occur for FY 2025. The decrease is also partially attributable to the agency estimating lower expenditures for commodities for FY 2025 when compared with FY 2024. These decreases are partially offset by increased estimates for other capital improvement projects, including maintenance at state parks. The agency's request also includes the addition of 1.0 FTE position above the FY 2024 revised estimate.

The **Governor** recommends \$118.1 million, including \$200,000 SGF, \$224,457 SWPF, and \$4.4 million EDIF in expenditures and 465.0 FTE positions for FY 2025. The recommendation is an all funds decrease of \$3.1 million, or 2.6 percent, below the agency's FY 2025 request.

The all funds difference is mostly attributable to the Governor recommending reducing expenditures from the Wildlife Fee Fund by \$2.4 million, which includes \$1.5 million for capital improvements and \$856,459 for salaries and wages.

The Governor recommends \$3.5 million, all from special revenue funds, for the Flint Hills Trail Grant and Match for FY 2025. The Governor also recommends \$800,000, including \$200,000 SGF, to purchase a parcel of land adjacent to the Lovewell Wildlife Management Area in Jewell County for FY 2025.

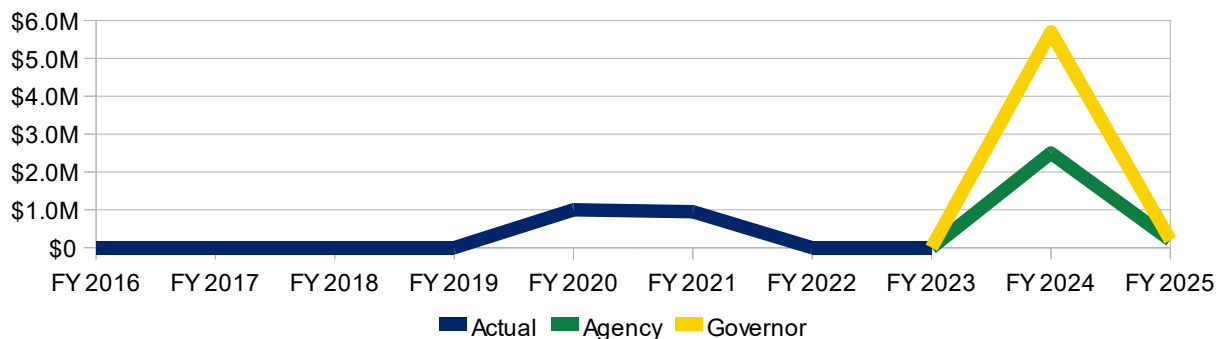
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 34,927,663	\$ 43,613,284	\$ 42,068,114	\$ 43,191,312	\$ 42,124,853
Contractual Services	27,202,892	29,247,666	27,514,231	28,767,854	28,552,854
Commodities	8,135,449	9,100,404	9,511,574	7,740,257	7,740,257
Capital Outlay	8,740,457	6,122,525	5,395,321	6,891,162	6,891,162
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 79,006,461</i>	<i>\$ 88,083,879</i>	<i>\$ 84,489,240</i>	<i>\$ 86,590,585</i>	<i>\$ 85,309,126</i>
Aid to Local Units	859,064	319,400	319,400	194,400	194,400
Other Assistance	44,188	1,500,000	1,500,000	1,233,000	1,233,000
<i>Subtotal—Operating</i>	<i>\$ 79,909,713</i>	<i>\$ 89,903,279</i>	<i>\$ 86,308,640</i>	<i>\$ 88,017,985</i>	<i>\$ 86,736,526</i>
Capital Improvements	13,036,127	32,228,841	32,940,333	33,186,515	31,375,399
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 92,945,840	\$ 122,132,120	\$ 119,248,973	\$ 121,204,500	\$ 118,111,925
Financing:					
State General Fund	\$ -	\$ 2,500,000	\$ 5,700,000	\$ 200,000	\$ 200,000
Econ. Dev. Int. Fund	3,596,921	4,483,864	4,483,864	4,345,379	4,345,379
State Water Plan Fund	224,457	224,457	224,457	224,457	224,457
Parks Fee Fund	12,508,214	16,243,964	15,332,503	15,912,026	15,302,026
Wildlife Fee Fund	35,690,603	46,488,332	41,446,646	43,766,897	41,399,322
Federal Funds	27,987,384	40,801,785	40,801,785	45,721,858	45,721,858
All Other Funds	12,938,261	11,389,718	11,259,718	11,033,883	10,918,883
TOTAL	\$ 92,945,840	\$ 122,132,120	\$ 119,248,973	\$ 121,204,500	\$ 118,111,925
FTE Positions	456.0	464.0	463.0	465.0	465.0

STATE GENERAL FUND

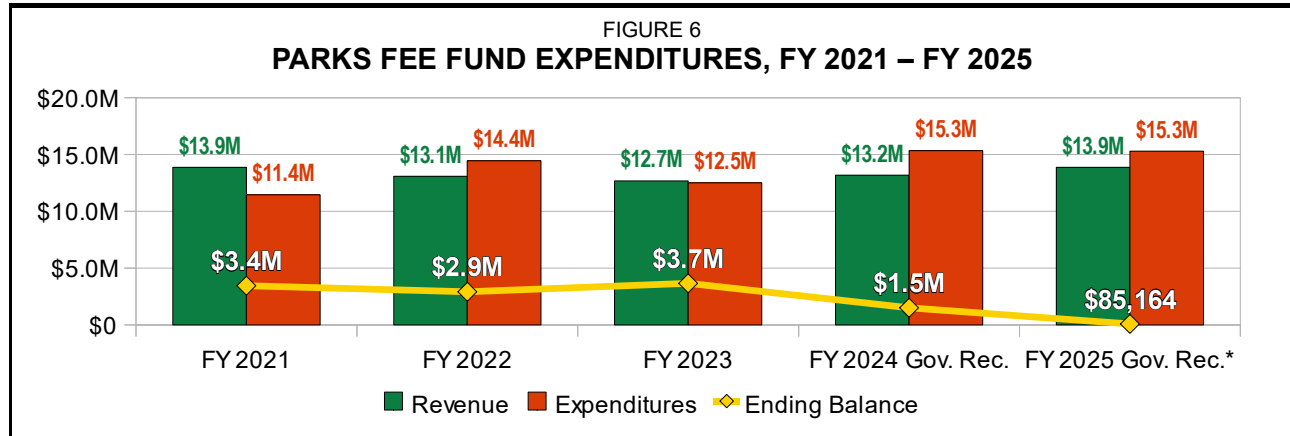
FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



From FY 2015 to FY 2019, the agency had no SGF expenditures. In FY 2020, the Governor recommended and the Legislature approved \$2.0 million for emergency park repairs after the spring 2019 flooding. The agency expended \$1.0 million of that amount in FY 2020 and \$951,371 in FY 2021. The agency had no SGF expenditures in FY 2022 or FY 2023. For FY 2024, the Governor recommended and the 2023 Legislature approved \$2.5 million SGF for one-time dam repairs. The agency's revised estimate makes no changes to the SGF amount approved by the 2023 Legislature. For FY 2025, the agency requests \$200,000 SGF as a state match to leverage federal funds for a land purchase in Jewell County. The prospective land is adjacent to the Lovewell Wildlife Management Area in Jewell County.

In FY 2024, the Governor recommends increased SGF expenditures totaling \$3.2 million, including \$3.0 million as state matching funds for the Flint Hills Trail System and \$200,000 to replace a shower house at El Dorado State Park. For FY 2025, the Governor recommends, \$200,000 SGF as a state match to leverage federal funds for a land purchase in Jewell County.

PARKS FEE FUND



* For FY 2025, the lowest month ending balance for the Parks Fee Fund will occur in April, with a balance of \$27,111.

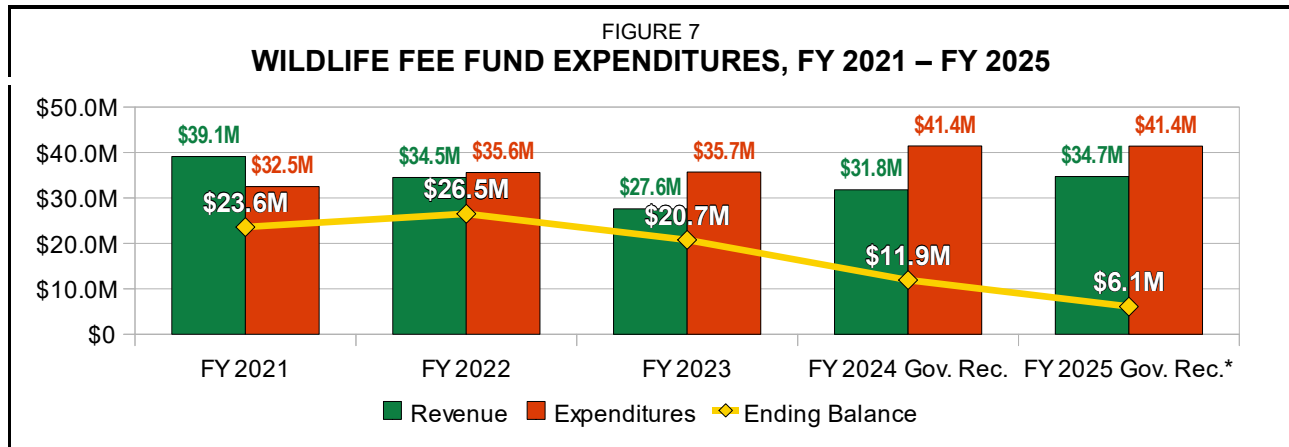
The Parks Fee Fund is the depository for moneys received from state park permit fees, tolls, rentals, and charges derived from the use, lease, or operation of state parks. The Department establishes fees for the use of state parks by rules and regulations, which are reviewed by the Kansas Wildlife and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

In FY 2024 and for FY 2025, expenditures are estimated to exceed revenues for the Parks Fee Fund, which reduces the fund's ending balance to \$77,890 for FY 2025.

From FY 2021 to FY 2023, the Parks Fee Fund experienced average expenditures totaling \$12.8 million per year while revenues to the Parks Fee Fund averaged \$13.2 million. The agency's revised FY 2024 request from the Parks Fee Fund totals \$16.2 million in expenditures, which is an increase of \$3.4 million, or a 26.9 percent, above the agency's three year average. On average, from FY 2021 to FY 2023, the Parks Fee Fund has receipted roughly \$500,000 more into the fund than expended each year.

The Governor's recommendation adjusts agency expenditures from the Parks Fee Fund for both fiscal years, and revises revenue estimates into the fund. The Governor's recommendation reduces expenditures from the fund by \$911,461, or 5.6 percent, in FY 2024 and \$610,000, or 3.8 percent, for FY 2025. The Governors recommendation also increases revenue estimates by \$150,000 in FY 2024 and for FY 2025..

WILDLIFE FEE FUND



* For FY 2025, the lowest month ending balance for the Wildlife Fee Fund will occur in March, with a balance of \$1.0 million.

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 and Parks Commission through the approval of rules and regulations submitted by the Secretary of Wildlife and Parks.

In FY 2024 and for FY 2025, expenditures are estimated to exceed revenues for the Wildlife Fee Fund, which reduces the fund's ending balance to \$6.1 million for FY 2025.

For the Wildlife Fee Fund, from FY 2021 to FY 2023, expenditures averaged \$34.6 million per year while revenues averaged \$33.7 million. The agency's revised FY 2024 request from the Wildlife Fee Fund totals \$46.5 million in expenditures, which is an increase of \$11.9 million, or 34.4 percent, above the agency's three-year average. Over the past three years, on average, the agency has expended more moneys from the Wildlife Fee Fund than it has receipted revenues into the fund.

The Governor's recommendation adjusts agency expenditures from the Wildlife Fee Fund for both fiscal years, and revises revenue estimates into the fund. The Governor's recommendation reduces expenditures from the fund by \$5.0 million, or 10.8 percent, in FY 2024 and \$2.4 million, or 5.4 percent for FY 2025. The Governors recommendation also increases revenue estimates by \$3.8 million in FY 2024 and \$6.7 million for FY 2025..

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 2,500,000	\$ 112,869,008	457.0
1. EDIF Reappropriation	-	138,485	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 2,500,000</i>	<i>\$ 113,007,493</i>	<i>457.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Lehigh, Little Jerusalem, Kanopolis, Clinton Parks Projects	\$ -	\$ 3,500,000	--
3. Flint Hills Trail Grant and Match	-	3,300,000	--
4. El Dorado State Park Shower House	-	200,000	--
5. Lehigh State Park Position	-	111,461	1.0
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ -</i>	<i>\$ 7,111,461</i>	<i>1.0</i>
6. Salaries and Wages	\$ -	\$ 2,026,245	6.0
7. All Other Adjustments	-	(13,079)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 2,500,000</i>	<i>\$ 122,132,120</i>	<i>464.0</i>
Governor's Recommendation:			
8. Lehigh State Park Position - Not Recommended	\$ -	\$ (111,461)	(1.0)
9. Flint Hills Trail Grant and Match - Modification	3,000,000	2,700,000	--
10. El Dorado State Park Shower House - Modification	200,000	-	--
11. Fee Fund Adjustments	-	(5,471,686)	--
TOTAL	\$ 5,700,000	\$ 119,248,973	463.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$112.9 million, including \$2.5 million SGF, appropriated to the Department of Wildlife and Parks for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **EDIF REAPPROPRIATION.** The agency reappropriated \$138,485 from the EDIF from FY 2023 into FY 2024.

AGENCY ESTIMATE

The **agency** requests revised FY 2024 expenditures of \$122.1 million, including \$2.5 million SGF, in FY 2024. This is an increase of \$9.1 million, or 8.1 percent, above the FY 2024 approved amount. The revised estimate includes 464.0 FTE positions, which is an increase of 7.0 FTE positions above the FY 2024 approved number.

The revised estimate includes \$7.1 million, all from special revenue funds, for the following supplemental requests:

2. **LEHIGH, LITTLE JERUSALEM, KANOPOLIS, CLINTON PARKS PROJECTS.** The agency requests \$3.5 million, all from federal American Rescue Plan Act (ARPA) funds, for capital improvement projects at Lehigh, Little Jerusalem, Kanopolis, and Clinton state parks in FY 2024.

3. **FLINT HILLS TRAIL GRANT AND MATCH.** The agency requests \$3.3 million, including \$300,000 from the Parks Fee Fund and \$3.0 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail in FY 2024. The agency indicates that a federal grant totaling \$3.0 million was recently awarded to the Parks Division and the federal grant needs to be added to the agency's budget in FY 2024 for funds to be expended. The request also includes an increase of \$300,000 in expenditures from the agency's Park Fee Fund to provide a state match for the grant in FY 2024.
4. **EL DORADO STATE PARK SHOWER HOUSE.** The agency requests \$200,000, all from the Parks Fee Fund, to replace a shower house at the El Dorado State Park in FY 2024. The agency notes that an increase in expenditure authority will be required for the agency to replace the shower house.
5. **LEHIGH STATE PARK POSTION.** The agency requests \$111,461, all from the Parks Fee Fund, and 1.0 FTE position in FY 2024. The request would allow the agency to hire 1.0 FTE position for the newly created Lehigh State Park in Allen County.

Absent the supplemental requests, the revised estimate includes an increase of \$2.0 million in base budget expenditures. Significant adjustments are as follows:

6. **SALARIES AND WAGES.** The agency's revised FY 2024 estimate includes increases in salaries and wages expenditures totaling \$2.0 million, all from special revenue funds. The increase is primarily attributable to increased estimates for employee pay and fringe benefits. The agency's request also includes the addition of 6.0 FTE positions, which include 1.0 FTE position in the Administration Program, 4.0 FTE positions in the Ecological Services Program, and 1.0 FTE position in the Parks Program.
7. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency result in a net decrease totaling \$13,079, all from special revenue funds. The agency estimates lower expenditures for capital improvements in FY 2024, which are partially offset by increased estimates for contractual services.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends revised FY 2024 expenditures of \$119.2 million, including \$5.7 million SGF. The recommendation is a decrease of \$2.9 million, or 2.4 percent, below the agency's FY 2024 revised estimate. The Governor recommends adding \$3.2 million SGF for two agency supplemental requests, along with adjusting the funding mixes for those supplemental requests. The Governor also recommends reducing fee fund expenditures by \$5.5 million. Finally, the Governor does not recommend the agency's supplemental request of \$111,461 SGF and 1.0 FTE position for Lehigh State Park in FY 2024.

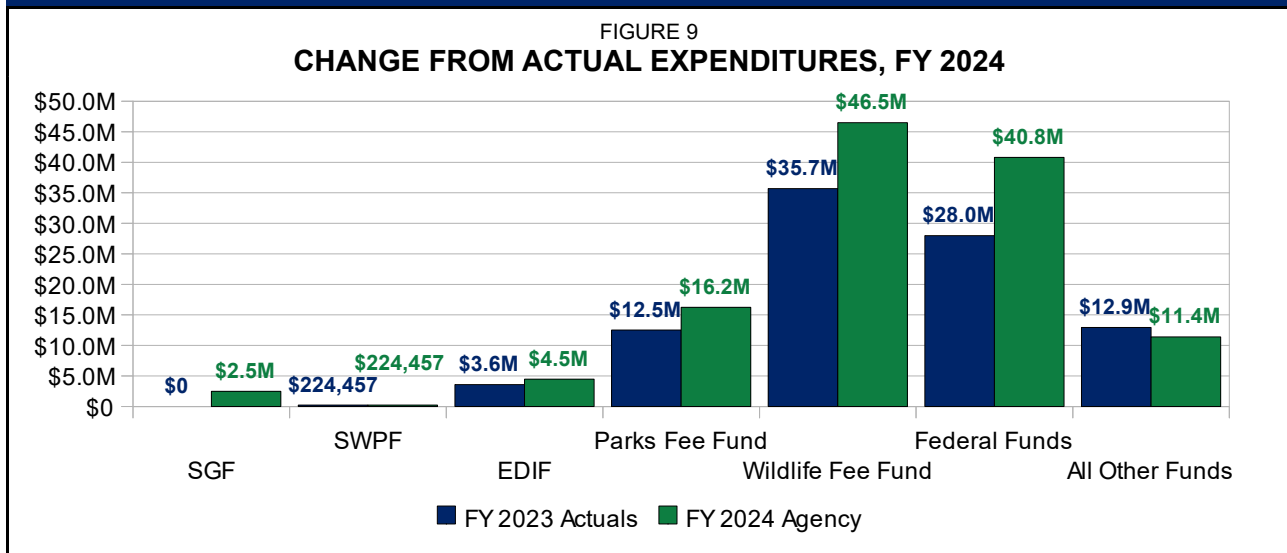
The **Governor's** recommendation includes the following adjustments:

8. **LEHIGH STATE PARK POSITION - NOT RECOMMENDED.** The Governor does not recommend adoption of \$111,461 SGF and 1.0 FTE position for Lehigh State Park in FY 2024.
9. **FLINT HILLS TRAIL GRANT AND MATCH - MODIFICATION.** The Governor recommends a modified version of the agency's supplemental request to continue development of the Flint Hills Trail in FY 2024. The Governor recommends \$6.0 million, including \$3.0 million SGF, for the project in FY 2024. The \$3.0 million SGF represents

the State's portion for the entire project. The recommendation retains \$3.0 million from the federal Highway Planning and Construction Fund for the project, and deletes \$300,000 from the Parks Fee Fund for the project in FY 2024 due to the addition of SGF.

10. **EL DORADO STATE PARK SHOWER HOUSE - MODIFICATION.** The Governor recommends a modified version of the agency's supplemental request to replace a shower house at the El Dorado State Park in FY 2024. The Governor recommends \$200,000 SGF for the project in FY 2024. This recommendation deletes \$200,000 from the Parks Fee Fund for the project and replaces it with SGF.
11. **FEE FUND ADJUSTMENTS.** The Governor recommends reducing expenditures across several agency fee funds by \$5.5 million, including \$5.0 million from the Wildlife Fee Fund, \$300,000 from the Parks Fee Fund, and \$130,000 from the Wildlife and Parks Non-restricted Fund in FY 2024. These adjustments would more closely align expenditures from the funds with projected revenues.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$122.1 million, including \$2.5 million SGF, in FY 2024. This is an increase of \$29.2 million, or 31.4 percent, above the agency's FY 2023 actual expenditures. Of the increase of \$29.2 million, \$19.2 million is for capital improvement projects. Major changes for capital improvements include fish and wildlife maintenance, wetlands development, shooting range development, and dam maintenance. Included in the agency's estimate for dam maintenance is \$2.5 million SGF that was approved by the 2023 Legislature for one-time dam repairs. The agency also submits supplemental requests totaling \$7.0 million, all from special revenue funds, for capital improvement projects in FY 2024.

The agency's FY 2024 revised estimate also includes increased estimates for salaries and wages expenditures when compared with FY 2023. The increase is partially attributable to pay increases approved by the 2023 Legislature and the transition of law enforcement officers employed by the agency to the Kansas Police and Firemen's (KP&F) Retirement System starting in FY 2024. Previously, these law enforcement officers were members of the Kansas Public Employees Retirement System (KPERS). Employer contributions are higher for KP&F members than for members of KPERS. The agency's revised FY 2024 estimate also includes an increase of 8.0 FTE positions when compared with actual FY 2023 FTE positions.

The agency estimates expenditures from the Parks Fee Fund totaling \$16.2 million in FY 2024, which is an increase of \$3.7 million, or 29.9 percent, above actual expenditures from the fund in FY 2023. The agency also estimates expenditures from the Wildlife Fee Fund totaling \$46.5 million in FY 2024, which is an increase of \$10.8 million, or 30.3 percent, above actual expenditures from the fund in FY 2023. For both of these funds, the primary source of the increase over actual expenditures is for salaries and wages.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 2,500,000	\$ 121,641,564	464.0
Enhancement Requests:			
1. Match for Federal Grant - Land Acquisition	\$ 200,000	\$ 800,000	--
2. Flint Hills Trail Grant and Match	-	500,000	--
3. Lehigh State Park Position	-	103,894	1.0
<i>Subtotal-Enhancement Requests Only</i>	<i>\$ 200,000</i>	<i>\$ 1,403,894</i>	<i>1.0</i>
4. EDIF Reappropriations	\$ -	\$ (138,485)	--
5. Commodities	-	(1,360,147)	--
6. Lehigh, Little Jerusalem, Kanopolis, Clinton Park Projects	-	(3,500,000)	--
7. Dam Maintenance	(2,500,000)	(2,500,000)	--
8. El Dorado State Park Shower House	-	(200,000)	--
9. Other Capital Improvements	-	5,857,674	--
<i>Subtotal-Agency Request</i>	<i>\$ 200,000</i>	<i>\$ 121,204,500</i>	<i>465.0</i>
Governor's Recommendation:			
10. Flint Hills Trail Grant and Match - Partial Adoption	\$ -	\$ (300,000)	--
11. Fee Fund Adjustments	-	(2,792,575)	--
TOTAL	\$ 200,000	\$ 118,111,925	465.0

AGENCY REQUEST

The **agency** requests expenditures totaling \$121.2 million from all funding sources, including \$200,000 SGF, for FY 2025. The request is a decrease of \$927,620, or 0.8 percent, below the FY 2024 revised estimate. The decrease is partially attributable to reduced estimates for commodities for FY 2025. These decreases are partially offset by agency enhancement requests and increased estimates for capital improvement projects. The request includes 465.0 FTE positions, which is an increase of 1.0 FTE position above the FY 2024 revised estimate.

The request includes \$1.4 million from all funding sources, including \$200,000 SGF, for the following enhancement requests:

- MATCH FOR FEDERAL GRANT - LAND ACQUISITION.** The agency requests \$800,000, including \$200,000 SGF, to purchase a parcel of land adjacent to the Lovewell Wildlife Management Area in Jewell County. The agency indicates that the SGF portion of the request would be used as matching funds for a federal grant to acquire the property.
- FLINT HILLS TRAIL GRANT AND MATCH.** The agency requests \$3.8 million, including \$300,000 from the Parks Fee Fund and \$3.5 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail. This is an increase of \$500,000, all from federal funds, above the agency's request for the same purpose in FY 2024.
- LEHIGH STATE PARK POSITIONS.** The agency requests \$215,355, all from the Parks Fee Fund, and 2.0 FTE positions for FY 2025. This is an increase of \$103,894 and 1.0 FTE position above the agency's request in FY 2024. The agency's request for FY 2025 includes maintaining the 1.0 FTE position from FY 2024 and hiring an additional 1.0 FTE position for the newly created Lehigh State Park in Allen County.

Absent the enhancement requests, the request includes a decrease of \$1.8 million in base budget expenditures when compared with FY 2024. Significant adjustments are as follows:

4. **EDIF REAPPROPRIATIONS.** The agency's FY 2024 revised estimate includes reappropriations from the Economic Development Initiatives Fund totaling \$138,485. The agency estimates spending those dollars in FY 2024 and does not anticipate carrying any money into FY 2025.
5. **COMMODITIES.** The agency's FY 2025 budget includes a decrease in commodities expenditures totaling \$1.4 million. The agency is estimating lower expenditures relating to motor vehicle parts and other supplies and materials in FY 2025 when compared with FY 2024. This decrease is mostly found in the agency's Parks and Fish programs.
6. **LEHIGH, LITTLE JERUSALEM, KANOPOLIS, CLINTON PARKS PROJECTS.** The agency's revised FY 2024 estimate includes \$3.5 million, all from federal APRA funds, for capital improvement projects at Lehigh, Little Jerusalem, Kanopolis and Clinton State Parks. The agency estimates spending those moneys in FY 2024 and does not estimate carrying any balances for this purpose into FY 2025.
7. **DAM MAINTENANCE.** The 2023 Legislature approved \$2.5 million SGF for one-time dam repairs for the agency in FY 2024. The agency estimates spending those moneys in FY 2024 and does not estimate carrying any balances for this purpose into FY 2025.
8. **EL DORADO STATE PARK SHOWER HOUSE.** The agency's revised FY 2024 estimate includes a supplemental appropriation of \$200,000, all from the Parks Fee Fund, to replace a shower house at the El Dorado State Park. The agency estimates spending those moneys in FY 2024 and does not estimate carrying any balances for this purpose into FY 2025.
9. **OTHER CAPITAL IMPROVEMENTS.** The agency estimates increased expenditures for other capital improvement projects totaling \$5.9 million, including \$2.8 million from federal ARPA funds, for FY 2025. Specifically, the agency estimates increased expenditures for Parks Maintenance in FY 2025 when compared with FY 2024. The increased expenditures for Parks Maintenance is partially offset by decreased expenditures for Fish and Wildlife Maintenance and Cabin Site Preparation.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$118.1 million, including \$200,000 SGF. The request is a decrease of \$3.1 million, or 2.6 percent, below the agency's FY 2025 request. The Governor's recommendation includes two agency enhancement requests and partially adopts another agency enhancement request for FY 2025. The Governor also recommends reducing fee fund expenditures by \$2.8 million in FY 2025.

The **Governor's** recommendation includes the following adjustments:

10. **FLINT HILLS TRAIL GRANT AND MATCH - PARTIAL ADOPTION.** The Governor recommends \$3.5 million, all from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail. The recommendation deletes \$300,000 from the Parks Fee Fund for the project for FY 2025 due to the addition of SGF in FY 2024 representing the State's portion for the entire project.

11. **FEE FUND ADJUSTMENTS.** The Governor recommends reducing expenditures across several agency fee funds by \$2.8 million, including \$2.4 million from the Wildlife Fee Fund, \$310,000 from the Parks Fee Fund, and \$115,000 from the Wildlife and Parks Non-restricted Fund for FY 2025. These adjustments would more closely align expenditures from the funds with projected revenues.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Lehigh, Little Jerusalem, Kanopolis, Clinton Parks Projects	\$ -	\$ 3,500,000	-	\$ -	\$ 3,500,000	-
2. Flint Hills Trail Grant and Match	-	3,300,000	-	3,000,000	6,000,000	-
3. El Dorado State Park Shower House	-	200,000	-	200,000	200,000	-
4. Lehigh State Park Position	-	111,461	1.0	-	-	-
TOTAL	\$ -	\$ 7,111,461	1.0	\$ 3,200,000	\$ 9,700,000	-
FY 2025 Enhancements:						
5. Flint Hills Trail Grant and Match	\$ -	\$ 3,800,000	-	\$ -	\$ 3,500,000	-
6. Match for Federal Grant - Land Acquisition	200,000	800,000	-	200,000	800,000	-
7. Lehigh State Park Positions	-	215,355	2.0	-	215,355	2.0
TOTAL	\$ 200,000	\$ 4,815,355	2.0	\$ 200,000	\$ 4,515,355	2.0

1. **LEHIGH, LITTLE JERUSALEM, KANOPOLIS, CLINTON PARKS PROJECTS.** The agency requests \$3.5 million, all from the federal ARPA funds, for capital improvement projects at Lehigh, Little Jerusalem, Kanopolis and Clinton State Parks in FY 2024.

The Governor recommends adoption of this request.

2. **FLINT HILLS TRAIL GRANT AND MATCH.** The agency requests \$3.3 million, including \$300,000 from the Parks Fee Fund and \$3.0 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail in FY 2024. The agency indicates that a federal grant totaling \$3.0 million was recently awarded to the Parks Division and the federal grant needs to be added to the agency's budget in FY 2024 for funds to be expended. The request also includes an increase of \$300,000 in expenditures from agency's Park Fee Fund to provide a state match for the grant in FY 2024.

The Governor recommends adoption of this request, with modification. The Governor recommends \$6.0 million, including \$3.0 million SGF, for the Flint Hills Trail. The \$3.0 million SGF represents the State's portion for the entire project. The recommendation retains \$3.0 million from the federal Highway Planning and Construction Fund for the project and deletes \$300,000 from the Parks Fee Fund for the project in FY 2024 due to the addition of SGF.

3. **EL DORADO STATE PARK SHOWER HOUSE.** The agency requests \$200,000, all from the Parks Fee Fund, to replace a shower house at the El Dorado State Park in FY 2024. The agency notes that an increase in expenditure authority will be required for the agency to replace the shower house.

The Governor recommends adoption of this request, with modification. The Governor recommends \$200,000 SGF to replace a shower house at El Dorado State Park in FY 2024. The recommendation deletes \$200,000 from the Parks Fee Fund and adds \$200,000 SGF for this project in FY 2024.

4. **LEHIGH STATE PARK POSITION.** The agency requests \$111,461, all from the Parks Fee Fund, and 1.0 FTE position in FY 2024. The request would allow the agency to hire 1.0 FTE position for the newly created Lehigh State Park in Allen County. This position would care for park property and oversee development.

The Governor does not recommend adoption of this request.

5. **FLINT HILLS TRAIL GRANT AND MATCH.** The agency requests \$3.8 million, including \$300,000 from the Parks Fee Fund and \$3.5 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail for FY 2025. This is an increase of \$500,000, all from federal funds, above the agency's request for the same purpose in FY 2024.

The Governor recommends partial adoption of this request for FY 2025. The Governor recommends \$3.5 million, all from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail. The recommendation deletes \$300,000 from the Parks Fee Fund for the project for FY 2025 due to the addition of SGF in FY 2024 representing the State's portion.

6. **MATCH FOR FEDERAL GRANT - LAND ACQUISITION.** The agency requests \$800,000, including \$200,000 SGF, to purchase a parcel of land adjacent to the Lovewell Wildlife Management Area in Jewell County. The agency indicates that the SGF portion of the request would be used as matching funds for a federal grant to acquire the property. The purchase of this property was previously recommended by the Governor, but the 2023 Legislature did not approve the purchase.

The Governor recommends adoption of this request.

7. **LEHIGH STATE PARK POSITIONS.** The agency requests \$215,355, all from the Parks Fee Fund, and 2.0 FTE positions for FY 2025. This is an increase of \$103,894 and 1.0 FTE position above the agency's request in FY 2024. The agency's request for FY 2025 includes maintaining the 1.0 FTE position from FY 2024 and hiring an additional 1.0 FTE position for the newly created Lehigh State Park in Allen County. This positions would care for park property and oversee development.

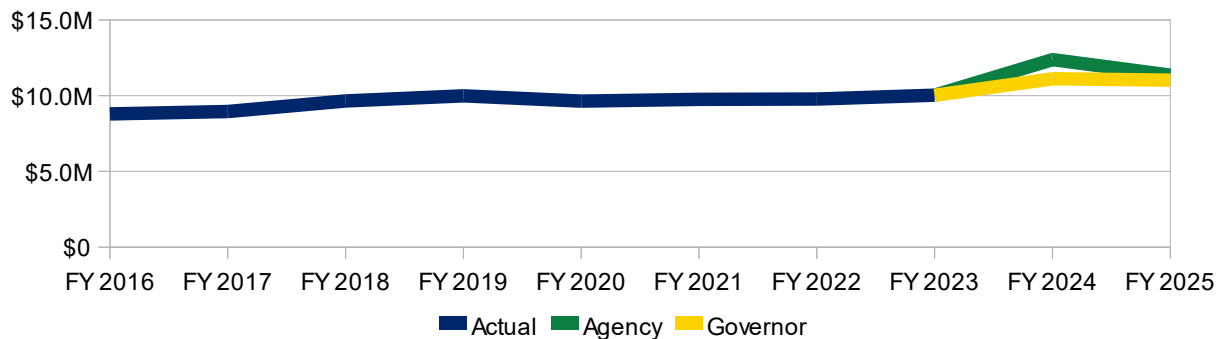
The Governor recommends adoption of this request. The Governor's recommendation would add funding and 2.0 FTE positions for FY 2025 rather than hiring 1.0 FTE position in FY 2024 and another 1.0 FTE position for FY 2025.

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 10,024,963	\$ 12,376,959	\$ 11,115,430	\$ 11,356,985	\$ 11,019,278
Ecological Services	2,386,718	4,232,042	3,945,092	4,089,850	4,049,859
Education	2,377,478	2,744,548	2,341,498	2,431,956	2,397,829
Fish	9,627,938	10,332,190	10,185,969	9,681,550	9,595,595
Grants	1,498,917	319,400	319,400	169,400	169,400
Law Enforcement	8,760,764	12,227,245	11,475,210	12,047,608	11,670,100
Parks	15,816,583	17,871,934	17,560,473	18,093,777	17,883,777
Public Lands	15,019,957	14,210,518	14,562,950	14,268,775	14,152,296
Wildlife	14,396,395	15,588,443	14,802,618	15,878,084	15,798,392
Capital Improvements	13,036,127	32,228,841	32,940,333	33,186,515	31,375,399
TOTAL	\$ 92,945,840	\$ 122,132,120	\$ 119,248,973	\$ 121,204,500	\$ 118,111,925
FTE Positions:					
Administration	69.0	71.0	71.0	71.0	71.0
Ecological Services	12.0	16.0	16.0	16.0	16.0
Education	15.0	15.0	15.0	15.0	15.0
Fish	54.0	54.0	54.0	54.0	54.0
Grants	-	-	-	-	-
Law Enforcement	90.0	90.0	90.0	90.0	90.0
Parks	116.0	118.0	117.0	119.0	119.0
Public Lands	54.0	54.0	54.0	54.0	54.0
Wildlife	46.0	46.0	46.0	46.0	46.0
Capital Improvements	-	-	-	-	-
TOTAL	456.0	464.0	463.0	465.0	465.0

ADMINISTRATION

FIGURE 13
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS:

- Provide an accurate and dependable licensing and permit platform.
- Provide accurate and timely accounting for all budgets within the agency.
- Provide accurate information in regard to all aspects of the agency to constituents.

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 Pratt office also includes support services of aircraft operations, accounting, business management, licensing and permitting, purchasing, and facility maintenance operations.

The Administration program also includes the Kansas Wildlife and Parks Commission.

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	277,659	394,891	394,891	597,152	597,152
All Other Funds	9,747,304	11,982,068	10,720,539	10,759,833	10,422,126
TOTAL	\$ 10,024,963	\$ 12,376,959	\$ 11,115,430	\$ 11,356,985	\$ 11,019,278
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	2.6 %	23.5 %	(10.2) %	(8.2) %	(3.0) %
FTE Positions	69.0	71.0	71.0	71.0	71.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Administration program expenditures of \$11.4 million, including \$2.0 million from the EDIF. This is an all funds decrease of \$1.0 million, or 8.2 percent, below the FY 2024 revised estimate. This decrease is primarily attributable to decreased estimates for

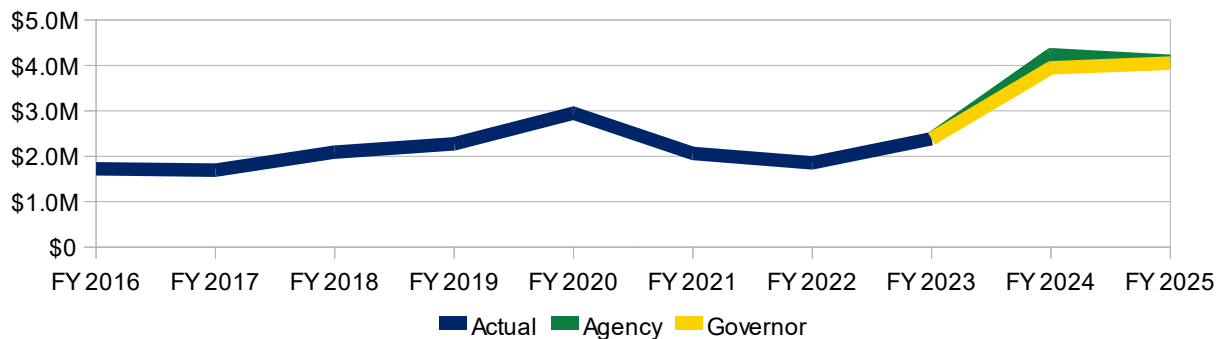
capital outlay expenditures. Specifically, the agency is estimating lower expenditures for the purchase of trucks, which is partially offset by increased estimates for other capital outlay items of expenditure.

The **Governor** recommends FY 2025 expenditures of \$11.0 million, all from special revenue funds. The recommendation is a decrease of \$337,707, or 3.0 percent, below the agency's FY 2025 request. The decrease is attributable to the Governor recommending reduced expenditures from several agency fee

funds, including \$115,000 from the Wildlife and Parks Non-Restricted Fund, \$100,000 from the Parks Fee Fund, and \$122,707 from the Wildlife Fee Fund. The Governor recommends reducing expenditures for salaries and wages as well as contractual services for the Administration program for FY 2025.

ECOLOGICAL SERVICES

FIGURE 15
ECOLOGICAL SERVICES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805; 32-597 through 32-963; 32-1012; 32-1033; 82a-325 through 82a-327

PROGRAM GOALS:

- Conduct project reviews for activities that impact fish and wildlife resources.
- Help conserve sensitive or imperiled fish and wildlife species as determined by the State Wildlife Action Plan.
- Develop and implement recovery plans for all species listed as in need of conservation, threatened, or endangered in the State of Kansas.

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 2016, the Ecological Services program was budgeted within the Fish and Wildlife program.

FIGURE 16
ECOLOGICAL SERVICES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,192,427	1,642,479	1,642,479	1,794,462	1,794,462
All Other Funds	1,194,291	2,589,563	2,302,613	2,295,388	2,255,397
TOTAL	\$ 2,386,718	\$ 4,232,042	\$ 3,945,092	\$ 4,089,850	\$ 4,049,859
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	28.7 %	77.3 %	(6.8) %	(3.4) %	(1.0) %
FTE Positions	12.0	16.0	16.0	16.0	16.0

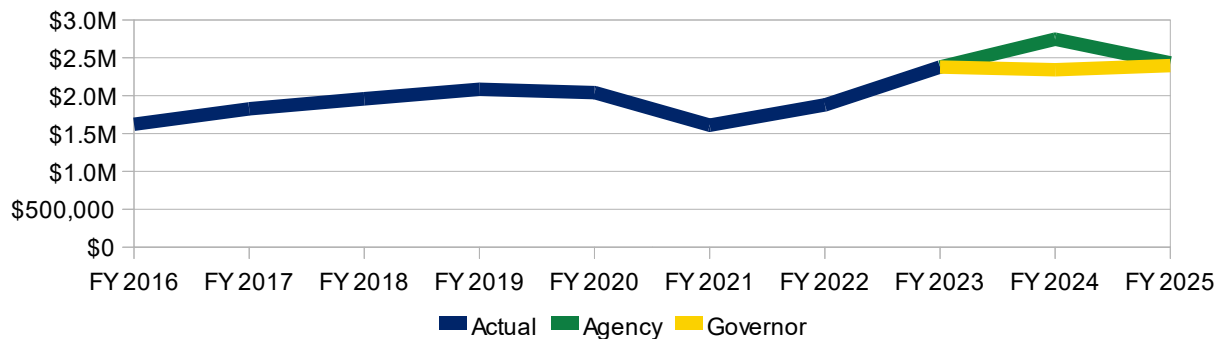
BUDGET ANALYSIS

The **agency** requests FY 2025 Ecological Services program expenditures of \$4.1 million, all from special revenue funds. This is a decrease of \$142,192, or 3.4 percent, below the FY 2024 revised estimate. This decrease is primarily attributable to the agency estimating lower expenditures for temporary employees when compared with FY 2024.

The **Governor** recommends FY 2025 expenditures of \$4.0 million, all from special revenue funds. The recommendation is a decrease of \$39,991, or 1.0 percent, below the agency's FY 2025 request. The decrease is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$39,991. The Governor recommends reducing expenditures for salaries and wages for the Ecological Services program for FY 2025.

EDUCATION

FIGURE 17
EDUCATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805; 32-920 through 924; 32-912 through 914; 32-1139 through 1149

PROGRAM GOALS:

- Connect people to the agency mission through strategies to engage with and support customers with broad experiences and backgrounds as they participate in and enjoy the outdoor opportunities of Kansas.
- Produce safe, knowledgeable, responsible, and legal hunters and fur-harvesters who will support wildlife management strategies that produce healthy populations of wildlife for the enjoyment of the people of Kansas.
- Assist all individuals in developing awareness, knowledge, skills, and commitment to result in safe, responsible behavior and actions concerning Kansas' wildlife resources.
- Inspire life-long learning through outdoor skills program and outreach efforts designed to enhance the knowledge, understanding, and appreciation of all Kansas' natural resources.

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 2016, the Education program was budgeted within the Fish and Wildlife program.

FIGURE 18
EDUCATION FINANCING, FY 2023 – FY 2025

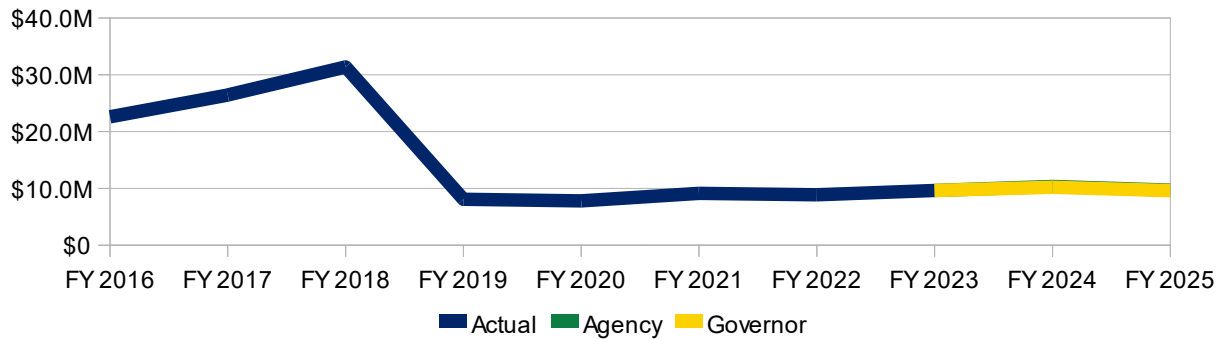
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	441,742	476,111	476,111	498,342	498,342
All Other Funds	1,935,736	2,268,437	1,865,387	1,933,614	1,899,487
TOTAL	\$ 2,377,478	\$ 2,744,548	\$ 2,341,498	\$ 2,431,956	\$ 2,397,829
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	26.6 %	15.4 %	(14.7) %	(11.4) %	(1.4) %
FTE Positions	15.0	15.0	15.0	15.0	15.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Education program expenditures of \$2.4 million, all from special revenue funds. This is an all funds decrease of \$312,592, or 11.4 percent, below the FY 2024 revised estimate. This decrease is attributable to several expenditure categories, including contractual services, commodities, and capital outlay. Specifically, the agency is estimating the greatest reductions coming from utilities and the purchase of professional, scientific supplies and materials for FY 2025 when compared with FY 2024.

The **Governor** recommends FY 2025 expenditures of \$2.4 million, all from special revenue funds. The recommendation is a decrease of \$34,127, or 1.4 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$34,127. The Governor recommends reducing expenditures for salaries and wages for the Education program for FY 2025.

FIGURE 19
FISH EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-801; 32-805

PROGRAM GOALS: • Conserve Kansas sport, non-sport, and threatened and endangered fishes, the water they rely on, and their habitats.
 • Increase fishing opportunity and fishing success.
 • Market the agency's fisheries program.
 • Fully support, mentor, and reward the dedicated staff.

The Fish program 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 Fish program was included with the Public Lands and Wildlife programs.

FIGURE 20
FISH FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	4,480,888	4,715,191	4,715,191	4,181,834	4,181,834
All Other Funds	5,147,050	5,616,999	5,470,778	5,499,716	5,413,761
TOTAL	\$ 9,627,938	\$ 10,332,190	\$ 10,185,969	\$ 9,681,550	\$ 9,595,595
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	8.6 %	7.3 %	(1.4) %	(6.3) %	(0.9) %
FTE Positions	54.0	54.0	54.0	54.0	54.0

BUDGET ANALYSIS

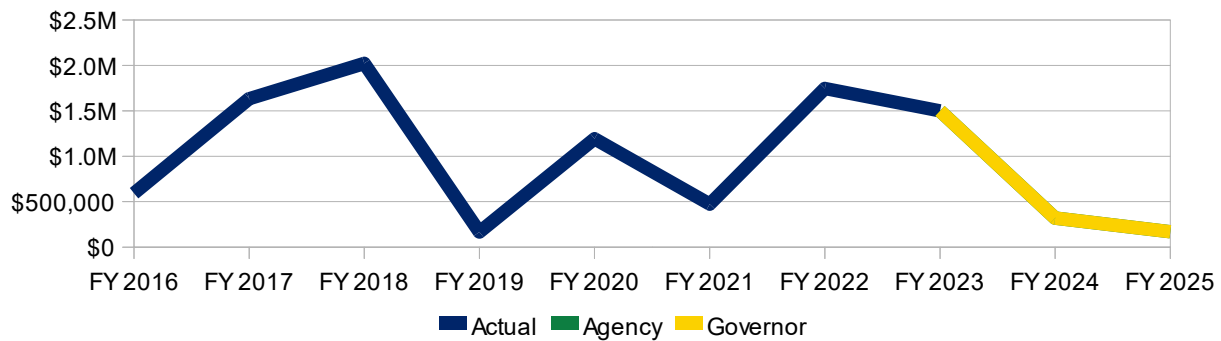
The **agency** requests FY 2025 Fish program expenditures of \$9.7 million, including \$224,457 from the State Water Plan Fund. This is an all funds decrease of \$650,640, or 6.3 percent, below the FY 2024 revised estimate. This decrease is primarily attributable to reduced

estimates for commodities in FY 2025 when compared with FY 2024. Specifically, the agency is estimating lower expenditures in FY 2025 for motor vehicle parts and other supplies and materials.

The **Governor** recommends FY 2025 expenditures of \$9.6 million, all from special revenue funds. The recommendation is a decrease of \$85,955, or 0.9 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$85,955. The Governor recommends reducing expenditures for salaries and wages for the Fish program for FY 2025.

GRANTS

FIGURE 21
GRANTS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS: • N/A

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 agency's 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.

FIGURE 22
GRANTS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,371,615	189,000	189,000	-	-
All Other Funds	127,302	130,400	130,400	169,400	169,400
TOTAL	\$ 1,498,917	\$ 319,400	\$ 319,400	\$ 169,400	\$ 169,400
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(14.2) %	(78.7) %	-- %	(47.0) %	-- %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

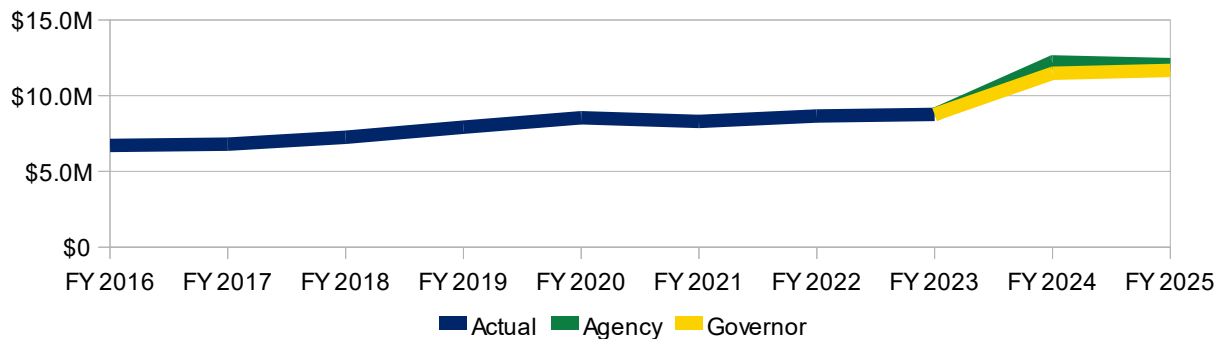
The **agency** requests FY 2025 Grants program expenditures of \$169,400, all from special revenue funds. This is an all funds decrease of \$150,000, or 47.0 percent, below the FY 2024 revised estimate. This decrease is primarily attributable to reduced estimates for aid to locals from the federal Sport Fish Restoration Program Fund in FY 2025 when

compared with FY 2024. Specifically, the agency is estimating lower expenditures in FY 2025 for state aid to subdivisions of local governments, including counties and cities.

The **Governor** concurs with the agency's FY 2025 request for the Grants program.

LAW ENFORCEMENT

FIGURE 23
LAW ENFORCEMENT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS: • Provide public health and safety for all public lands users through proactive management and 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.

FIGURE 24
LAW ENFORCEMENT FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,367,393	795,799	795,799	826,022	826,022
All Other Funds	7,393,371	11,431,446	10,679,411	11,221,586	10,844,078
TOTAL	\$ 8,760,764	\$ 12,227,245	\$ 11,475,210	\$ 12,047,608	\$ 11,670,100
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	1.2 %	39.6 %	(6.2) %	(1.5) %	(3.1) %
FTE Positions	90.0	90.0	90.0	90.0	90.0

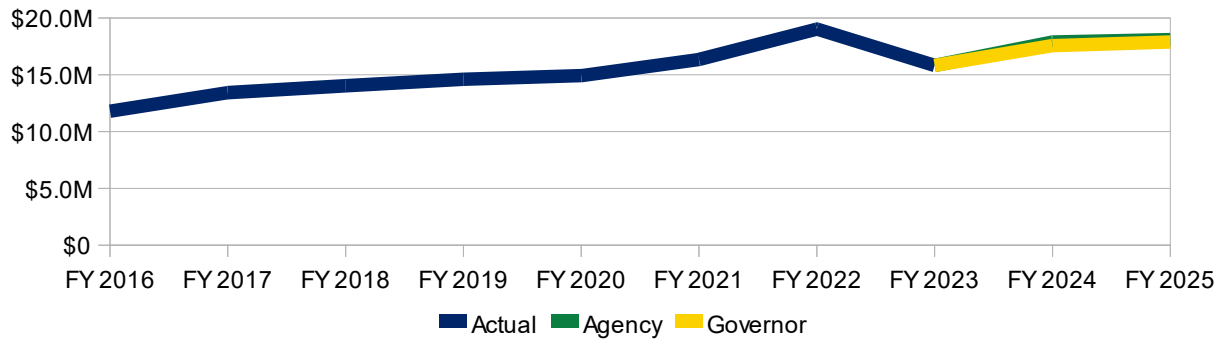
BUDGET ANALYSIS

The **agency** requests FY 2025 Law Enforcement program expenditures of \$12.0 million, all from special revenue funds. This is a decrease of \$179,637, or 1.5 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to the agency estimating lower expenditures for repair services and the purchase of vehicles parts.

The **Governor** recommends FY 2025 expenditures of \$11.7 million, all from special revenue funds. The recommendation is a decrease of \$377,508, or 3.1 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$377,508. The Governor recommends reducing expenditures for salaries and wages for the Law Enforcement program for FY 2025.

PARKS

FIGURE 25
PARKS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS: • Effectively manage, protect, and administer the state's parks, visitors, and associated wildlife efficiently, while providing a diversity of quality outdoor recreation experiences with special regard toward natural resource protection.

- Promote Kansas' quality outdoor recreation activities and quality of life experiences.
- Enhance the public's knowledge of the importance of outdoor recreation to the Kansas economy.

The Parks program manages the 28 state parks and the Prairie Spirit Trail. The following 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.); Lehigh-Portland State Park (Allen 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.).

FIGURE 26
PARKS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	(276,535)	230,236	230,236	242,269	242,269
All Other Funds	16,093,118	17,641,698	17,330,237	17,851,508	17,641,508
TOTAL	\$ 15,816,583	\$ 17,871,934	\$ 17,560,473	\$ 18,093,777	\$ 17,883,777
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(16.8) %	13.0 %	(1.7) %	1.2 %	(1.2) %
FTE Positions	116.0	118.0	117.0	119.0	119.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Parks program expenditures of \$18.1 million, including \$2.3 million from the Economic Development Initiatives Fund. This is an all funds increase of \$221,843, or 1.2 percent, from the FY 2024 revised estimate. The increase is partially attributable to an agency enhancement request for FTE positions at the newly created Lehigh State Park for FY 2025. The increase is also attributable to the agency estimating higher base expenditures for capital outlay, including the purchase of trucks for FY 2025, when compared with FY 2024.

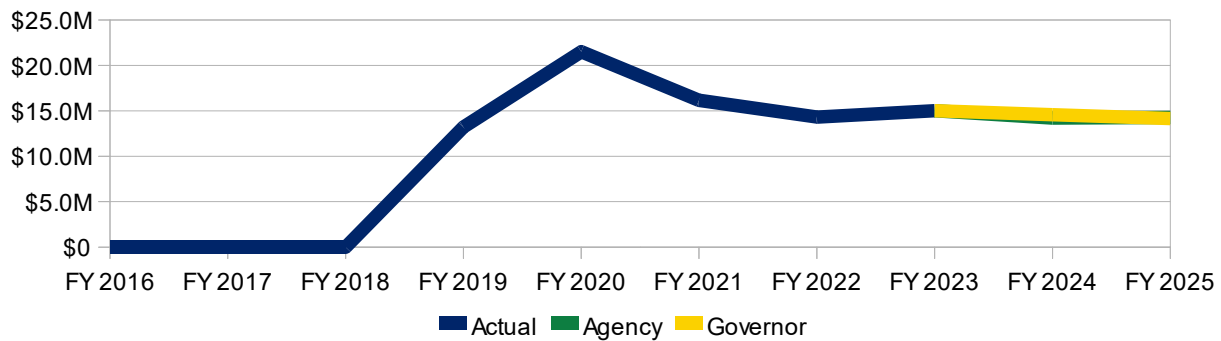
The **Governor** recommends FY 2025 expenditures of \$17.9 million, all from special

revenue funds. The recommendation is a decrease of \$210,000, or 1.2 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Parks Fee Fund by \$210,000. The Governor recommends reducing expenditures for salaries and wages for the Parks program for FY 2025.

The Governor also recommends adoption of the agency's enhancement request totaling \$215,355, all from Parks Fee Fund, and 2.0 FTE positions to hire staff at the newly created Lehigh State Park in Allen County. These positions would care for park property and oversee development.

PUBLIC LANDS

FIGURE 27
PUBLIC LANDS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS:

- Optimize public access for hunters, anglers, and other compatible recreational opportunities.
- Conserve, manage, and optimize wildlife and their habitats.
- Provide appropriate infrastructure to support hunting, fishing, and other compatible recreational opportunities.
- Provide public health and safety for all public lands users through proactive management and law enforcement.

The Public Lands program is responsible for the habitat management of 412,000 acres of land and water. The program's 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 Fish and Wildlife programs.

FIGURE 28
PUBLIC LANDS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	4,972,479	5,107,610	5,107,610	4,694,512	4,694,512
All Other Funds	10,047,478	9,102,908	9,455,340	9,574,263	9,457,784
TOTAL	\$ 15,019,957	\$ 14,210,518	\$ 14,562,950	\$ 14,268,775	\$ 14,152,296
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	5.0 %	(5.4) %	2.5 %	0.4 %	(0.8) %
FTE Positions	54.0	54.0	54.0	54.0	54.0

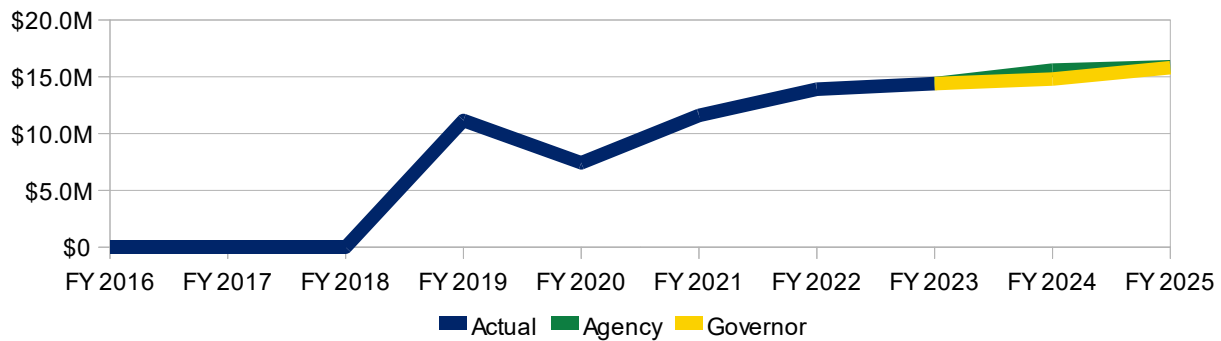
BUDGET ANALYSIS

The **agency** requests FY 2025 Public Lands program expenditures of \$14.3 million, all from special revenue funds. This is an all funds increase of \$58,257, or 0.4 percent, above the FY 2024 revised estimate. The increase is attributable to increased expenditures for agricultural supplies, fuel, and building and grounds repair services. The increase is partially offset by reduced estimates for certain fees paid by the agency.

The **Governor** recommends FY 2025 expenditures of \$14.2 million, all from special revenue funds. The recommendation is a decrease of \$116,479, or 1.2 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$116,479. The Governor recommends reducing expenditures for salaries and wages for the Public Lands program for FY 2025.

WILDLIFE

FIGURE 29
WILDLIFE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 32-801; 32-802; 32-805

PROGRAM GOALS:

- Monitor wildlife populations and their habitats.
- Assess public appreciation, demand, and tolerance for wildlife resources.
- Provide programs designed to conserve, protect, and enhance wildlife habitat.
- Provide wildlife-related recreational opportunity.

The Wildlife program conducts research, surveys, and wildlife management. The Wildlife program is funded from the Wildlife Fee Fund, with most projects qualifying for 75.0 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 Fish and Public Lands programs.

FIGURE 30

WILDLIFE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	8,628,214	9,247,468	9,247,468	10,217,450	10,217,450
All Other Funds	5,768,181	6,340,975	5,555,150	5,660,634	5,580,942
TOTAL	\$ 14,396,395	\$ 15,588,443	\$ 14,802,618	\$ 15,878,084	\$ 15,798,392
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	3.5 %	8.3 %	(5.0) %	1.9 %	(0.5) %
FTE Positions	46.0	46.0	46.0	46.0	46.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Wildlife program expenditures of \$15.9 million, all from special revenue funds. This is an all funds increase of \$289,641, or 1.9 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the agency estimating increased expenditures for contractual services, including land rental payments, in FY 2025 when compared with FY 2024.

The **Governor** recommends FY 2025 expenditures of \$15.8 million, all from special revenue funds. The recommendation is a decrease of \$79,692, or 0.5 percent, below the agency's FY 2025 request. The change is attributable to the Governor recommending reduced expenditures from the Wildlife Fee Fund by \$79,692. The Governor recommends reducing expenditures for salaries and wages for the Wildlife program for FY 2025.

CAPITAL IMPROVEMENTS

FIGURE 31
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Parks Maintenance	\$ 3,441,184	\$ 3,594,841	\$ 3,594,841	\$ 10,310,000	\$ 10,310,000
Public Land Maintenance	1,571,528	150,000	150,000	150,000	150,000
Fish and Wildlife Maintenance	2,484,989	6,215,000	4,226,492	5,860,015	4,348,899
Bridge Maintenance	-	200,000	200,000	200,000	200,000
Road Maintenance	2,008,881	1,700,000	1,700,000	1,700,000	1,700,000
Land and Water Development	234,869	-	-	-	-
Wetlands Development	1,145,338	2,800,000	2,800,000	2,800,000	2,800,000
Cabin Site Prep	-	500,000	500,000	-	-
Motor Boat Access	613,157	2,974,000	2,974,000	3,471,500	3,471,500
Coast Guard Access	49,256	400,000	400,000	600,000	600,000
Land Acquisition	819,411	400,000	400,000	400,000	400,000
River Access	-	150,000	150,000	150,000	150,000
Shooting Range Development	242,140	2,100,000	2,100,000	2,100,000	2,100,000
Trails Development	-	700,000	700,000	-	-
Regional Office and Building Maintenance	10,726	220,000	220,000	220,000	220,000
Dam Maintenance	-	3,125,000	3,125,000	625,000	625,000
Flood Damage Repairs	414,648	-	-	-	-
El Dorado State Park Shower House	-	200,000	200,000	-	-
Lehigh, Little Jerusalem, Kanopolis, Clinton Parks Projects	-	3,500,000	3,500,000	-	-
Flint Hills Trail Grant and Match	-	3,300,000	6,000,000	3,800,000	3,500,000
Match for Federal Grant - Land Acquisition	-	-	-	800,000	800,000
TOTAL	\$ 13,036,127	\$ 32,228,841	\$ 32,940,333	\$ 33,186,515	\$ 31,375,399
Financing:					
SGF	\$ -	\$ 2,500,000	\$ 5,700,000	\$ 200,000	\$ 200,000
Federal Funds	5,531,502	18,003,000	18,003,000	22,669,815	22,669,815
All Other Funds	7,504,625	11,725,841	9,237,333	10,316,700	8,505,584
TOTAL	\$ 13,036,127	\$ 32,228,841	\$ 32,940,333	\$ 33,186,515	\$ 31,375,399

FY 2024 CAPITAL IMPROVEMENTS

The **agency** estimates revised FY 2024 capital improvements expenditures of \$32.2 million, including \$2.5 million SGF. This is an all funds increase of \$6.9 million, or 27.4 percent, above the FY 2024 approved budget. The increase is attributable to the agency's supplemental requests and is partially offset by reduced estimates for Parks Maintenance in FY 2024.

Agency supplemental requests for capital improvement projects in FY 2024 include the following:

- El Dorado State Park Shower House (\$200,000, all from special revenue funds),
- Flint Hills Trail Grant and Match (\$3.3 million, all from special revenue funds); and
- Lehigh, Little Jerusalem, Kanopolis, and Clinton Parks Projects (\$3.5 million, all from federal funds).

The **Governor** recommends expenditures totaling \$32.9 million, including \$5.7 million SGF, for capital improvement projects in FY 2024. This is an all funds increase of \$711,492, or 2.2 percent, including an SGF increase of \$3.2 million, or 128.0 percent, above the agency's revised estimate in FY 2024. The SGF increase is attributable to the Governor recommending adoption of a modified agency supplemental request. In FY 2024, the Governor recommends \$6.0 million, including \$3.0 million SGF, for the Flint Hills Trail Grant and Match. The \$3.0 million SGF represents the State's portion for the entire project. The recommendation retains \$3.0 million from the federal Highway Planning and Construction Fund for the project, and deletes \$300,000 from

the Parks Fee Fund for the project in FY 2024 due to the addition of SGF. The Governor also recommends \$200,000 SGF to replace a shower house at El Dorado State Park in FY 2024. This recommendation retains the agency's request to replace the shower house, but uses SGF moneys rather agency fee funds.

The SGF increases are partially offset by the Governor recommending a total of \$4.2 million, all from special revenue funds, for Fish and Wildlife Maintenance in FY 2024, which is a decrease of \$2.0 million below the agency's revised request. This adjustment would more closely align expenditures from the Wildlife Fee Fund with projected revenues in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests FY 2025 capital improvements expenditures of \$33.2 million, including \$200,000 SGF. This is an all funds increase of \$957,674, or 3.0 percent, above the FY 2024 revised estimate. This increase is primarily attributable to increased estimates for Parks Maintenance and the agency's enhancement requests. These increases are partially offset by reductions in other capital improvement project areas, including one-time supplemental requests for Lehigh, Little Jerusalem, Kanopolis, and Clinton Parks

The **Governor** recommends expenditures totaling \$31.4 million, including \$200,000 SGF for capital improvement projects for FY 2025. This is a decrease of \$1.8 million, or 5.5 percent, all from special revenue funds, below the agency's revised estimate for FY 2025.

The Governor recommends one agency enhancement request and partial adoption of a second agency enhancement request for capital improvement projects for FY 2025. The Governor recommends \$800,000, including \$200,000 SGF, to purchase a parcel of land adjacent to the Lovewell Wildlife Management Area in Jewell County. The Governor also recommends partial adoption of the agency's enhancement request for the Flint Hills Trail

Projects in FY 2024 that do not reoccur in FY 2025.

Agency enhancement requests for capital improvement projects for FY 2025 include the following:

- Match for Federal Grant - Land Acquisition (\$800,000, including \$200,000 SGF); and
- Flint Hills Trail Grant and Match (\$3.8 million, all from special revenue funds).

Grant and Match. The Governor recommends \$3.5 million, all from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail. This recommendation deletes \$300,000, all from the Parks Fee Fund, from the agency's request for FY 2025 due to the addition of SGF in FY 2024 for the entire State portion.

The Governor also recommends \$4.3 million, all from special revenue funds, for Fish and Wildlife Maintenance for FY 2025, which is a decrease of \$1.5 million below the agency's FY 2025 request. This adjustment would more closely align expenditures from the Wildlife Fee Fund with projected revenues for FY 2025.

CAPITAL IMPROVEMENT PROJECTS

- **PARKS MAINTENANCE.** These projects include campground improvements, including utility and shower house upgrades. For FY 2024, parks maintenance expenditures are estimated at \$3.6 million, and for FY 2025, expenditures are estimated at \$10.3 million.
- **PUBLIC LANDS MAINTENANCE.** Wildlife area repairs compose most of these projects. For FY 2024 and FY 2025, public lands maintenance expenditures are estimated at \$150,000.
- **FISH AND WILDLIFE MAINTENANCE.** The agency estimates expenditures for repairs and new construction at multiple hatcheries. Projects include construction of storage buildings, improving fishing access, pump station upgrades, and pond upgrades. For FY 2024, fish and wildlife maintenance expenditures are estimated at \$6.2 million, and for FY 2025, expenditures are estimated at \$5.9 million. The Governor recommends expenditures totaling \$4.2 million in FY 2024 and \$4.3 million for FY 2025, all from special revenue funds, for Fish and Wildlife Maintenance.
- **BRIDGE MAINTENANCE.** The agency is responsible for basic maintenance needs of multiple bridges across the state. For FY 2024 and FY 2025, bridge maintenance expenditures are estimated at \$200,000.
- **ROAD MAINTENANCE.** The agency maintains and develops access roads in state parks and other wildlife areas. For FY 2024 and FY 2025, road maintenance expenditures are estimated at \$1.7 million.
- **LAND AND WATER DEVELOPMENT.** This federally funded program focuses on increasing and improving outdoor development and acquisition for recreational activities. Past projects include campground improvements, splash pad construction, and boat slip and cabin construction. The agency does not estimate any expenditures for these projects in FY 2024 or FY 2025.
- **WETLANDS DEVELOPMENT.** Funding for this program is used to acquire and develop wetlands to provide habitat for threatened and endangered migratory species in Kansas. The lands are also used for recreational bird watching. For FY 2024 and FY 2025, wetlands development expenditures are estimated at \$2.8 million.
- **CABIN SITE PREPARATION.** Funding for this program will be used to construct foundations and utilities connections in future cabin sites. For FY 2024, cabin site preparation expenditures are estimated at \$500,000. The agency estimates no expenditures for these projects in FY 2025.
- **MOTORBOAT ACCESS.** The U.S. Fish and Wildlife Service requires that at least 15.0 percent of federal aid funds received by the agency be utilized for motorboat access projects. Projects include dock construction/replacement, boat ramp construction, toilet block construction, and parking access. For FY 2024, motorboat access expenditures are estimated at \$3.0 million, and for FY 2025, expenditures are estimated at \$3.5 million.
- **COAST GUARD ACCESS.** This funding will be utilized to construct/maintain boat houses for storage of law enforcement vessels. For FY 2024, coast guard access expenditures are estimated at \$400,000, and for FY 2025, expenditures are estimated at \$600,000.
- **LAND ACQUISITION.** The agency notes it has management control over approximately 0.2 percent of the land in Kansas. It also notes that to meet the agency's goals of habitat management and preservation and providing recreational opportunities, additional lands must be purchased. For FY 2024 and FY 2025, land acquisition expenditures are estimated at \$400,000.

- **RIVER ACCESS.** The agency notes that in order to promote recreational opportunity on Kansas rivers, it is vital to create river access. Projects include road access, parking, lighting, and boat launch facilities. For FY 2024 and FY 2025, river access expenditures are estimated at \$150,000.
- **SHOOTING RANGE DEVELOPMENT.** The agency states that facilities to practice marksmanship and the safe handling of firearms are important to the agency's mission, as firearms are vital to many recreational activities of the agency. This project includes construction of facilities and repair of current facilities. For FY 2024 and FY 2025, shooting range development expenditures are estimated at \$2.1 million.
- **TRAILS DEVELOPMENT.** This federally funded program increases and improves trails access for hiking, riding, and walking. For FY 2024, trails development expenditures are estimated at \$700,000. There are no estimated expenditures for these projects in FY 2025. The agency submitted supplemental and enhancement requests in FY 2024 and FY 2025 for continued work on the Flint Hills Trail, which are described below.
- **REGIONAL OFFICE AND BUILDING MAINTENANCE.** In FY 2021, the agency initiated a program of upkeep and repair to agency buildings. The program aims to increase the lifespan of buildings. For FY 2024 and FY 2025, building maintenance expenditures are estimated at \$220,000.
- **DAM MAINTENANCE.** These projects include restoration and modernization of the agency's dams. Specific projects include clearing and removing trees, repairing failing inlets and outlets, and repairing structure of the dams. For FY 2024, dam maintenance expenditures are estimated at \$3.1 million, including \$2.5 million SGF, and for FY 2025, expenditures are estimated at \$625,000, all from special revenue funds.
- **EL DORADO STATE PARK SHOWER HOUSE.** The agency requests \$200,000, all from the Parks Fee Fund, to replace a shower house at El Dorado State Park in FY 2024. The Governor recommends using SGF moneys to replace a shower house at El Dorado State Park in FY 2024. This recommendation deletes \$200,000 from Parks Fee Fund and adds \$200,000 SGF for the same purpose in FY 2024.
- **LEHIGH, LITTLE JERUSALEM, KANOPOLIS, AND CLINTON PARKS PROJECTS.** The agency requests \$3.5 million, all from federal American Rescue Plan Act funds, for capital improvement projects at Lehigh, Little Jerusalem, Kanopolis and Clinton State Parks in FY 2024.
- **FLINT HILLS TRAIL GRANT AND MATCH.** The agency requests \$3.3 million, including \$300,000 from the Parks Fee Fund and \$3.0 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail in FY 2024. The agency indicates that a federal grant totaling \$3.0 million was recently awarded to the Parks Division and the federal grant needs to be added to the agency's budget in FY 2024 for funds to be expended. The agency's request also includes an increase of \$300,000 in expenditures from the agency's Park Fee Fund to provide a state match in FY 2024. For FY 2025, the agency requests \$3.8 million, including \$300,000 from the Parks Fee Fund and \$3.5 million from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail.

The Governor recommends a modified and partial adoption of the agency's requests in FY 2024 and for FY 2025. In FY 2024, the The Governor recommends \$6.0 million, including \$3.0 SGF, for the project. The \$3.0 million SGF represents the State's entire portion for the project. The recommendation retains \$3.0 million from the federal Highway Planning and Construction Fund for the project, and deletes \$300,000 from the Parks Fee Fund for the project in FY 2024 due to the addition of SGF. For FY 2025, the Governor recommends

\$3.5 million, all from the federal Highway Planning and Construction Fund, to continue development of the Flint Hills Trail. This is a decrease of \$300,000, all from the Parks Fee Fund, below the agency's request for the project for FY 2025 due to the addition of SGF for the state's entire portion in FY 2024.

- **MATCH FOR FEDERAL GRANT - LAND ACQUISITION.** The agency requests \$800,000, including \$200,000 SGF, to purchase a parcel of land adjacent to the Lovewell Wildlife Management Area in Jewell County. The agency indicates that the SGF portion of the request would be used as matching funds for a federal grant to acquire the property.

KANSAS WATER OFFICE

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 1,067,715	\$ 1,129,945	\$ 1,129,945	\$ 1,351,356	\$ 1,351,356
Federal Funds	326,464	445,829	445,829	273,568	273,568
All Other Funds	5,817,097	53,253,244	37,453,244	37,423,534	37,423,534
<i>Subtotal</i>	<i>\$ 7,211,276</i>	<i>\$ 54,829,018</i>	<i>\$ 39,029,018</i>	<i>\$ 39,048,458</i>	<i>\$ 39,048,458</i>
Capital Improvements:					
State General Fund	\$ 2,988,250	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 2,988,250</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 10,199,526	\$ 54,829,018	\$ 39,029,018	\$ 39,048,458	\$ 39,048,458
Percentage Change:					
State General Fund	(94.8) %	(72.1) %	(72.1) %	19.6 %	19.6 %
All Funds	(88.7) %	437.6 %	282.7 %	(28.8) %	0.0 %
FTE Positions	19.0	22.0	22.0	24.0	24.0

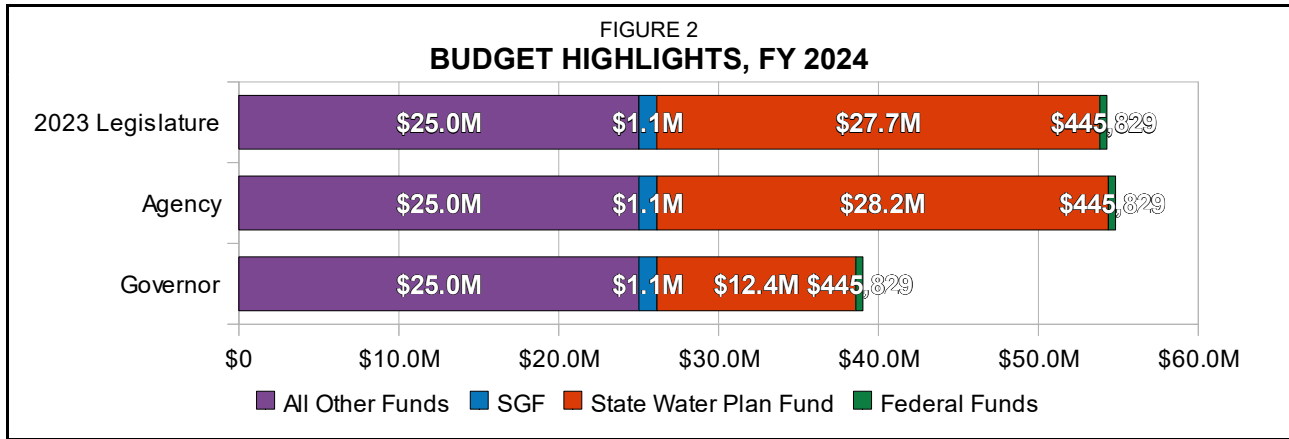
The Kansas Water Office is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority, develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw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

Through the agency's operation 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.

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.

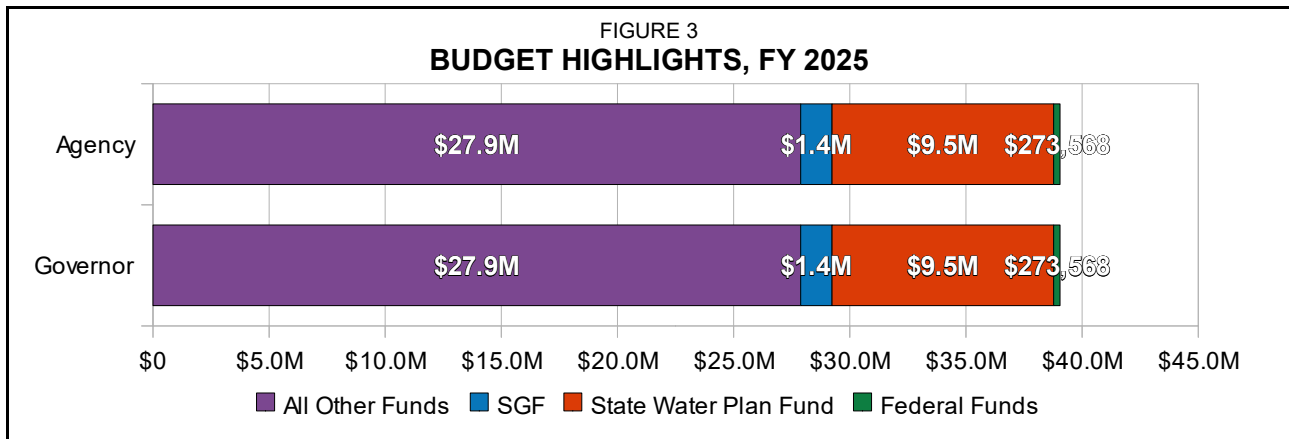
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$50.9 million, including \$1.1 million from the State General Fund (SGF), for the Kansas Water Office for FY 2024. Several adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required. Those changes include reappropriations of \$221 SGF and \$3.4 million from the State Water Plan Fund (SWPF).



The **agency** requests a revised estimate of \$54.8 million, including \$1.1 million SGF, in expenditures and 22.0 FTE positions in FY 2024. This is an increase of \$542,969, including \$10,764 SGF, above the agency's approved budget. The revised estimate includes two supplemental requests totaling \$2.0 million, including \$10,764 SGF, and \$2.0 million from the State Water Plan Fund for coverage of the pay plan shortfall and continued water-injection dredging at Tuttle Creek reservoir. The agency also requests to transfer \$1.5 million from the State Water Plan Fund to the Kansas Department of Agriculture. In addition to monetary changes in the agency's revised estimate, the agency requests to add 3.0 FTE positions in FY 2024.

The **Governor** recommends expenditures of \$39.0 million, including \$1.1 million SGF and \$12.4 million from the SWPF. This is a decrease of \$15.8 million, or 28.8 percent, below the FY agency's 2024 revised estimate. The decrease is attributable to the recommendation to transfer \$15.8 million in SWPF from the Kansas Water Office to the Kansas Department of Agriculture and the Kansas Department for Health and Environment in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023. Absent this transfer, the Governor concurs with the agency's revised estimate.



The **agency** requests \$39.0 million, including \$1.4 million SGF, and 24.0 FTE positions for FY 2025. This is an all funds decrease of \$15.8 million, or 28.8 percent, including an SGF increase of \$221,411, or 19.6 percent, from the FY 2024 revised estimate. The decrease is attributable to the absence of SWPF reappropriations totaling \$3.4 million, which will not reoccur for FY 2025, and increased SWPF transfers to other state agencies totaling \$13.3 million when compared with the FY 2024 revised estimate. The decrease is partially offset by two enhancement requests totaling \$218,016, which primarily involve the addition of 2.0 FTE positions.

The **Governor** concurs with the agency's FY 2025 request.

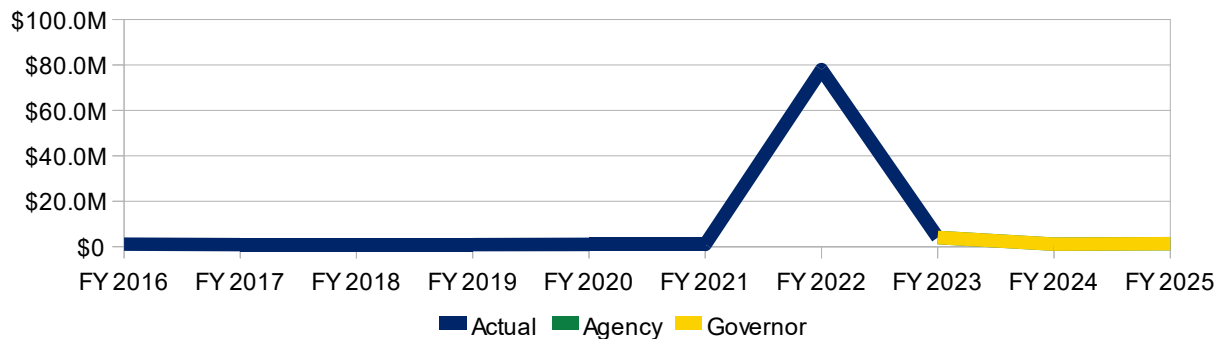
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 1,573,795	\$ 2,079,209	\$ 2,079,209	\$ 2,291,471	\$ 2,291,471
Contractual Services	4,778,731	15,223,843	15,223,843	16,094,142	16,094,142
Commodities	117,968	136,225	136,225	136,225	136,225
Capital Outlay	9,887	27,500	27,500	36,730	36,730
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 6,480,381</i>	<i>\$ 17,466,777</i>	<i>\$ 17,466,777</i>	<i>\$ 18,558,568</i>	<i>\$ 18,558,568</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	730,895	37,362,241	21,562,241	20,489,890	20,489,890
<i>Subtotal—Operating</i>	<i>\$ 7,211,276</i>	<i>\$ 54,829,018</i>	<i>\$ 39,029,018</i>	<i>\$ 39,048,458</i>	<i>\$ 39,048,458</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	2,988,250	-	-	-	-
TOTAL	\$ 10,199,526	\$ 54,829,018	\$ 39,029,018	\$ 39,048,458	\$ 39,048,458
Financing:					
State General Fund	\$ 4,055,965	\$ 1,129,945	\$ 1,129,945	\$ 1,351,356	\$ 1,351,356
State Water Plan Fund	2,687,436	28,239,110	12,439,110	9,539,677	9,539,677
Federal Funds	326,464	445,829	445,829	273,568	273,568
All Other Funds	3,129,661	25,014,134	25,014,134	27,883,857	27,883,857
TOTAL	\$ 10,199,526	\$ 54,829,018	\$ 39,029,018	\$ 39,048,458	\$ 39,048,458
FTE Positions	19.0	22.0	22.0	24.0	24.0

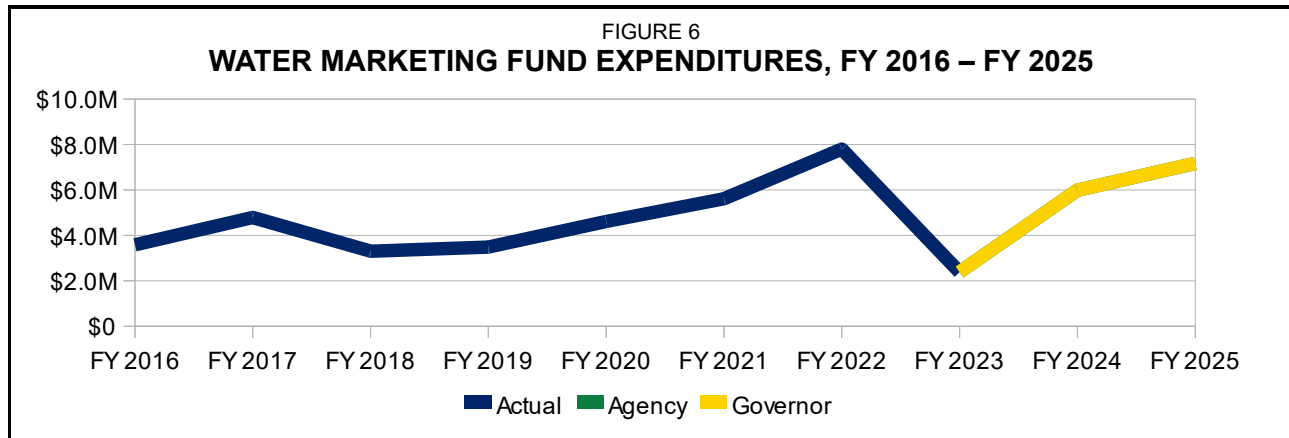
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



For the Kansas Water Office, SGF expenditures increased from FY 2021 to FY 2022 when the 2022 Legislature added \$80.0 million SGF to pay off water supply storage debt for Big Hill, Clinton, and Hillsdale reservoirs. For FY 2023, SGF expenditures totaled \$4.1 million. Of that amount, \$3.0 million was expended to partially pay off water supply storage debt associated with Milford and Perry reservoirs. SGF expenditures are estimated at \$1.0 million and \$1.4 million for FY 2024 and FY 2025, respectively.

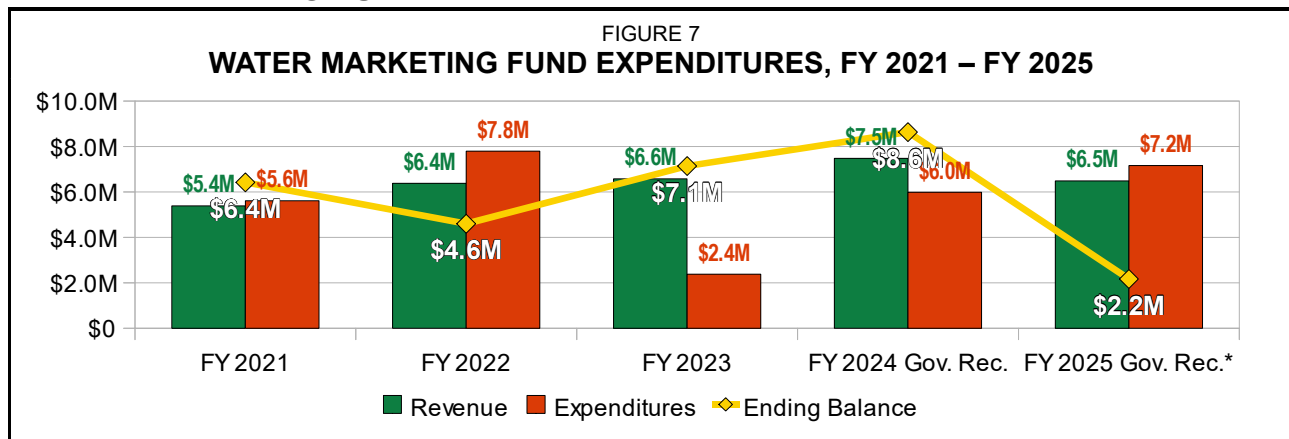
WATER MARKETING FUND



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 the 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.

WATER MARKETING FUND



* For FY 2025, the lowest month ending balance for the Water Marketing Fund will occur in January, with a balance of \$1.4 million.

The Water Marketing Fund expenditures decreased in FY 2023 because the agency decreased expenditures from the fund for debt service interest and principal payments when compared with FY 2022 expenditures. Instead, SGF was used in FY 2023 to pay debt service toward certain water supply storage debts. It is also notable that the 2023 Legislature appropriated \$52.0 million from the SGF in FY 2023 to the Office of the State Treasurer for the purpose of retiring water supply storage debts associated with Milford and Perry reservoirs. Once those debts are retired, the Kansas Water Office will no longer have outstanding debt payments for water supply storage. For

FY 2024 and FY 2025, the agency estimates expenditures to normalize from the Water Marketing Fund without adding SGF moneys. Despite water supply storage debts being retired, the Kansas Water Office has ongoing contracts with the U.S. Army Corp of Engineers for operations and maintenance.

In addition to increasing expenditures from the fund, the agency estimates increasing transfers from the Water Marketing Fund to the State Conservation Storage Water Supply Fund in FY 2025. Transfers out of the Water Marketing Fund total \$5.9 million for FY 2025. Increasing expenditures, along with increasing transfers, from the fund will reduce ending balances in the fund by FY 2025.

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 1,118,960	\$ 50,857,045	19.0
1. SGF Reappropriation	221	221	--
2. SWPF Reappropriations	-	3,428,783	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 1,119,181</i>	<i>\$ 54,286,049</i>	<i>19.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
3. Pay Plan Shortfall	\$ 10,764	\$ 10,764	--
4. SWPF Water-Injection Dredging	-	2,000,000	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 10,764</i>	<i>\$ 2,010,764</i>	<i>--</i>
5. SWPF Transfers	\$ -	\$ (1,467,795)	--
6. All Other Adjustments	-	-	3.0
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 1,129,945</i>	<i>\$ 54,829,018</i>	<i>22.0</i>
Governor's Recommendation:			
7. Additional SWPF Transfers	\$ -	\$ (15,800,000)	--
TOTAL	\$ 1,129,945	\$ 39,029,018	22.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, several adjustments were made to the \$50.9 million appropriated to the Kansas Water Office for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION.** The agency carried over \$221 SGF in unspent moneys from FY 2023 into FY 2024.
2. **SWPF REAPPROPRIATIONS.** The agency carried over \$3.4 million from the SWPF in unspent moneys from FY 2023 into FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$54.8 million, including \$1.1 million SGF, in FY 2024. This is an increase of \$542,969, including \$10,764 SGF, above the agency's approved budget. The revised estimate includes \$2.0 million, including \$10,764 SGF and \$2.0 million SWPF, for the following supplemental requests:

3. **PAY PLAN SHORTFALL.** The revised estimate includes \$10,764 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Water Office, a supplemental appropriation of \$10,764 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

4. **SWPF WATER-INJECTION DREDGING.** The Kansas Water Office indicates that \$2.0 million SWPF for Water-Injection Dredging at Tuttle Creek reservoir was lapsed in FY 2023. This funding was previously appropriated for FY 2023 and was not expended. The agency did not have reappropriation authority for the funds to roll into FY 2024 and, as a result of not being expended, the funding was lapsed. The agency requests this funding be added to the agency's budget for FY 2024.

Absent the supplemental requests, the revised estimate includes a decrease of \$1.5 million in expenditures. Significant adjustments are as follows:

5. **SWPF TRANSFERS.** The agency's revised estimate in FY 2024 includes transferring \$1.5 million SWPF to the Department of Agriculture. Specifically, the transfer would be for the Kansas Reservoir Protection Initiative. This transfer would result in decreased expenditures for the Kansas Water Office totaling \$1.5 million while increasing expenditures for the Kansas Department of Agriculture by the same amount in FY 2024.
6. **ALL OTHER ADJUSTMENTS.** The agency requests to add 3.0 FTE positions in FY 2024 above the agency's approved number. The position increase includes 0.5 FTE position in the Water Supply Contracts Program and 2.5 FTE positions in the Water Planning and Administration Program. There is no increase in funding requested in association with these FTE positions.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$39.0 million, including \$1.1 million SGF and \$12.4 million from the SWPF. This is a decrease of \$15.8 million, or 28.8 percent, below the FY agency's 2024 revised estimate. The decrease is attributable to the recommendation to transfer \$15.8 million in SWPF from the Kansas Water Office to the Kansas Department of Agriculture and the Kansas Department for Health and Environment in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023. Absent this transfer, the Governor concurs with the agency revised estimate.

The **Governor's** recommendation includes the following adjustments:

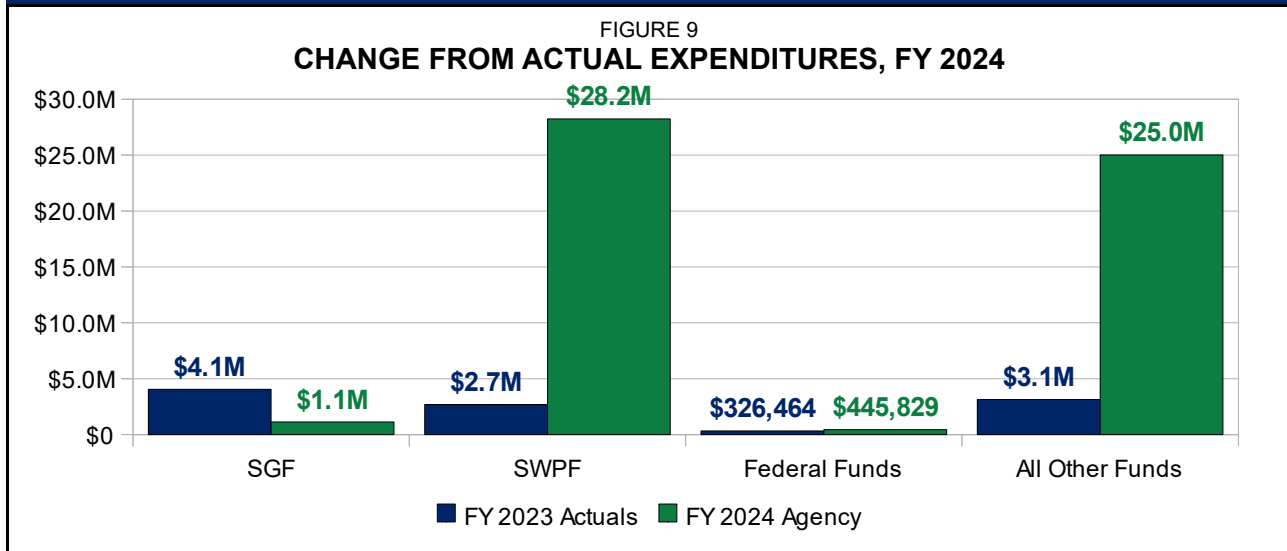
7. **ADDITIONAL SWPF TRANSFERS.** The Governor recommends additional SWPF transfers from the Kansas Water Office to the Kansas Department of Agriculture and the Kansas Department for Health and Environment totaling \$15.8 million in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023.

The recommendation transfers \$10.0 million from the Kansas Water Office to the Kansas Department of Agriculture, including \$7.0 million for Rattlesnake Creek and Quivira National Wildlife Refuge Impairment, including sub-basin water resources management and water transition assistance programs, and \$3.0 million for dam construction and rehabilitation.

The recommendation also transfers \$5.8 million from the Kansas Water Office to the Kansas Department of Health and Environment for water quality initiatives, including contamination remediation, total maximum daily load initiatives, surface water trash removal, and small-town infrastructure support

This recommendation results in decreased expenditures for the Kansas Water Office totaling \$15.8 million, while increasing expenditures for the Kansas Department of Agriculture by \$10.0 million and increasing expenditures for the Kansas Department of Health and Environment by \$5.8 million in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$54.8 million, including \$1.1 million SGF, in FY 2024. This is an all funds increase of \$44.6 million, or 437.6 percent, including an SGF decrease of \$2.9 million, or 72.1 percent, from FY 2023 actual expenditures. Much of the change from actual FY 2023 expenditures and the agency's revised estimate is related to enactment of 2023 Senate Sub. for HB 2302.

Senate Sub. for HB 2302 created two new funds, the Water Technical Assistance Fund and the Water Projects Grant Fund, to be administered by the Kansas Water Office. Expenditures from these funds are \$5.0 million and \$12.0 million, respectively, in FY 2024. In addition, the bill transferred \$35.0 million SGF to the SWPF, and the 2023 Legislature appropriated an additional \$18.0 million SWPF to the Kansas Water Office in 2024. That increased funding, along with reappropriations from the SWPF from FY 2023 into FY 2024, account for the changes from actual expenditures in FY 2024.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 1,133,110	\$ 55,529,866	22.0
Enhancement Requests:			
1. Capital Outlay for New FTE Positions	\$ 9,230	\$ 9,230	--
2. Funding for New FTE Positions	209,016	209,016	2.0
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 218,246</i>	<i>\$ 218,246</i>	<i>2.0</i>
3. SGF Reappropriations	\$ (221)	\$ (221)	--
4. SWPF Reappropriations	-	(3,428,783)	--
5. SWPF Transfers	-	(13,270,650)	--
<i>Subtotal—Agency Request</i>	<i>\$ 1,351,135</i>	<i>\$ 39,048,458</i>	<i>22.0</i>
Governor's Recommendation:			
6. No Changes	\$ -	\$ -	--
TOTAL	\$ 1,351,135	\$ 39,048,458	24.0

AGENCY REQUEST

The **agency** requests FY 2025 expenditures of \$39.0 million, including \$1.4 million SGF, for FY 2025. This is an all funds decrease of \$15.8 million, or 28.8 percent, including an SGF increase of \$221,411, or 19.6 percent, from the FY 2024 revised estimate.

The request includes \$218,246 SGF for the following enhancement requests:

- CAPITAL OUTLAY FOR NEW FTE POSITIONS.** The agency requests \$9,230 SGF for computers, monitors, and equipment for the requested two new FTE positions for FY 2025.
- FUNDING FOR NEW FTE POSITIONS.** The agency requests \$209,016 SGF and 2.0 FTE positions in the Water Planning and Administration Program for FY 2025.

The agency indicates that one position would provide additional technical expertise in data compilation and analysis, water supply model development and interpretation, and other duties supporting water supply analysis for priority sources of supply at the state level.

- The agency indicates that another position would increase overall awareness of Kansas water resources through the implementation of Kansas Water Plan education, communication, and public outreach-related actions, items, and priorities.

Absent the enhancement requests, the request includes a decrease of \$16.7 million, including \$221 SGF, in expenditures. Significant adjustments are as follows:

- SGF REAPPROPRIATIONS.** The agency's FY 2024 revised estimate includes reappropriations from the SGF totaling \$221. The agency estimates spending those dollars in FY 2024 and does not anticipate carrying any money into FY 2025.

5. **SWPF REAPPROPRIATIONS.** The agency's FY 2024 revised estimate includes reappropriations from the State Water Plan Fund totaling \$3.4 million. The agency estimates spending those dollars in FY 2024 and does not anticipate carrying any balances into FY 2025.
6. **SWPF TRANSFERS.** The agency estimates transfers to other state agencies totaling \$14.7 million for FY 2025, which is an increase of \$13.3 million above the FY 2024 revised estimate. The increase in transfers to other state agencies would result in decreased expenditures at the Kansas Water Office by the same amount.

The 2022 Legislature appropriated an additional \$18.0 million SWPF to the Kansas Water Office in 2024. That increased funding is estimated to be expended by the agency in FY 2024. For FY 2025, the agency requests to maintain those appropriations and to transfer most of those moneys to other state agencies rather than expend them. This will show decreased expenditures for the Kansas Water Office and increased expenditures for other state agencies in FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2025 request.

7. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2025 request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11

SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 10,764	\$ 10,764	-	\$ 10,764	\$ 10,764	-
2. SWPF Water-Injection Dredging	-	2,000,000	-	-	2,000,000	-
TOTAL	\$ 10,764	\$ 2,010,764	-	\$ 10,764	\$ 2,010,764	-
FY 2025 Enhancements:						
3. Capital Outlay for New FTE Positions	\$ 9,230	\$ 9,230	-	\$ 9,230	\$ 9,230	-
4. Funding for New FTE Positions	209,016	209,016	2.0	209,016	209,016	2.0
TOTAL	\$ 218,246	\$ 218,246	2.0	\$ 218,246	\$ 218,246	2.0

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$10,764 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Water Office, a supplemental appropriation of \$10,764 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **SWPF WATER-INJECTION DREDGING.** The Kansas Water Office indicates that \$2.0 million SWPF for Water-Injection Dredging at Tuttle Creek reservoir was lapsed in FY 2023. This funding was previously appropriated for FY 2023 and was not expended. The agency did not have reappropriation authority for the funds to roll into FY 2024 and, as a result of not being expended, the funding was lapsed. The agency requests this funding be added to the agency's budget for FY 2024 for the same purpose.

The Governor recommends adoption of this request.

3. **CAPITAL OUTLAY FOR NEW FTE POSITIONS.** The agency requests \$9,230 SGF for computers, monitors, and equipment for the requested two new FTE positions for FY 2025.

The Governor recommends adoption of this request.

4. **FUNDING FOR NEW FTE POSITIONS.** The agency requests \$209,016 SGF and 2.0 FTE positions in the Water Planning and Administration Program for FY 2025.

The agency indicates that one position would provide additional technical expertise in data compilation and analysis, water supply model development and interpretation, and other duties supporting water supply analysis for priority sources of supply at the state level.

The agency indicates that another position would increase overall awareness of Kansas water resources through the implementation of Kansas Water Plan education, communication, and public outreach-related actions, items, and priorities.

The Governor recommends adoption of this request.

SPECIAL TOPICS

2023 SENATE SUB. FOR HB 2302

The 2023 Legislature passed and the Governor signed Senate Sub. for HB 2302, which authorizes a transfer of \$35.0 million SGF to the SWPF in FY 2024 and intends the same transfer be made every successive year through FY 2027. This amount is in addition to the \$6.0 million SGF transfer already authorized in statute, resulting in authorized transfers from the SGF to the SWPF totaling \$41.0 million in FY 2024.

The bill also transfers \$5.0 million SWPF to a newly created Water Technical Assistance Fund and \$12.0 million SWPF to a newly created Water Projects Grant Fund in FY 2024. If the Legislature approves the appropriation of \$35.0 million SGF to the SWPF in future years, the \$5.0 million SWPF transfer to the Water Technical Assistance Fund and \$12.0 million SWPF transfer to the Water Projects Grant Fund would occur. Both funds are administered by the Kansas Water Office.

The 2022 Legislature appropriated an additional \$18.0 million SWPF to the Kansas Water Office in 2024. That increased funding is estimated to be expended by the agency in FY 2024. For FY 2025, the agency requests to maintain those appropriations and to transfer most of those moneys to other state agencies rather than expend them. This will show decreased expenditures for the Kansas Water Office and increased expenditures for other state agencies in FY 2025.

The agency's FY 2025 request essentially takes additional revenues to the SWPF and applies them to the agency's budget to be expended or transferred to other state agencies. Increasing transfers from the SGF to the SWPF through FY 2027, which is the stated intent of 2023 Senate Sub. for HB 2302, will increase balances of the SWPF without corresponding appropriations from the SWPF in future fiscal years.

The Governor recommends transfers totaling \$17.3 million SWPF from the Kansas Water Office in FY 2024, which includes \$5.8 million to the Department of Health and Environment and \$11.5 million to the Department of Agriculture.

For FY 2025, the Governor recommends transfers totaling \$14.7 million SWPF from the Kansas Water Office, which includes \$3.7 million to the Department of Health and Environment, \$11.0 million to the Department of Agriculture, and \$13,159 to the University of Kansas.

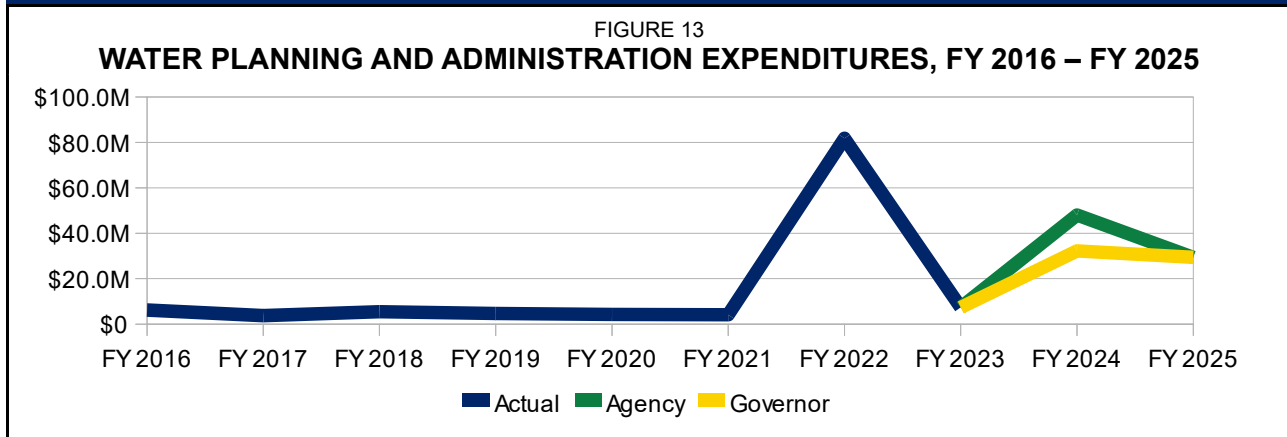
The table below represents aggregate recommended transfers that result in reduced expenditures for the Kansas Water Office and increased expenditures for those agencies receiving SWPF transfers, completing offsetting one another. Further details regarding these transfers can be found in the Budget Analysis for the agencies listed in the table below.

GOVERNOR-RECOMMENDED INTER-AGENCY STATE WATER PLAN FUND TRANSFERS, FY 2024 AND FY 2025			
Agency	FY 2024 Gov. Rec.	FY 2025 Gov. Rec.	
Kansas Department of Health and Environment	\$ 5,800,000	\$ 3,710,000	
Kansas Department of Agriculture	11,467,795	11,015,286	
Kansas Water Office	(17,267,795)	(14,738,445)	
Kansas Department of Wildlife and Parks	-	-	
University of Kansas	-	13,159	

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Water Planning and Administration	\$ 7,326,795	\$ 48,029,734	\$ 32,229,734	\$ 29,379,453	\$ 29,379,453
Public Water Supply	2,872,731	6,799,284	6,799,284	9,669,005	9,669,005
TOTAL	\$ 10,199,526	\$ 54,829,018	\$ 39,029,018	\$ 39,048,458	\$ 39,048,458
FTE Positions:					
Water Planning and Administration	9.0	11.5	11.5	13.5	13.5
Public Water Supply	10.0	10.5	10.5	10.5	10.5
TOTAL	19.0	22.0	22.0	24.0	24.0

WATER PLANNING AND ADMINISTRATION



STATUTORY BASIS: • KSA 74-2622; 82a-901 *et seq.*; 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1401 *et seq.*; 82a-2301 *et seq.*; 74-2613; 74-2608; 82a-220; 82a-733; 82a-901 *et seq.*; 82a-1101 *et seq.*; 82a-1401 *et seq.*; 82a-1501a; 82a-1801 *et seq.*; 82a-2101

PROGRAM GOALS:

- Develop and propose water policies that are long-term in scope.
- Identify and address priority water resource issues in Kansas.
- Support the Kansas Water Authority in its role of making policy recommendations to the Governor and Legislature.
- Measure the condition of the water resources in the state.
- Provide adequate technical analysis and background to support the development of policy and priority issues.
- Measure and assess the status of effectiveness of practices and policies implemented through the State Water Plan.
- Be an active participant in water resources policy formation and recommendations that result in legislation.
- Foster a trust in the planning process that is conducted in an open public forum based on sound research.
- Involve the public and stakeholders in the development of proposed policy initiatives.
- Create electronic and written publications in a format and style that the public finds accessible.
- Annually host the Governor's Conference on the Future of Water in Kansas to disseminate information and encourage public engagement in water issues.

The Water Planning and Administration 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 Fund moneys; and approving water storage sales, water marketing rates, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office. The Authority is composed of 24 members who represent stakeholder groups and are informed of water-related issues representing water users, water interests, environmental interests, and the general public.

FIGURE 14 WATER PLANNING AND ADMINISTRATION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,055,965	\$ 1,129,945	\$ 1,129,945	\$ 1,351,356	\$ 1,351,356
Federal Funds	326,464	445,829	445,829	273,568	273,568
All Other Funds	2,944,366	46,453,960	30,653,960	27,754,529	27,754,529
TOTAL	\$ 7,326,795	\$ 48,029,734	\$ 32,229,734	\$ 29,379,453	\$ 29,379,453
Percent Change:					
SGF	(94.8) %	(72.1) %	-- %	19.6 %	-- %
All Funds	(91.0) %	555.5 %	(32.9) %	(38.8) %	-- %
FTE Positions	9.0	11.5	11.5	13.5	13.5

BUDGET ANALYSIS

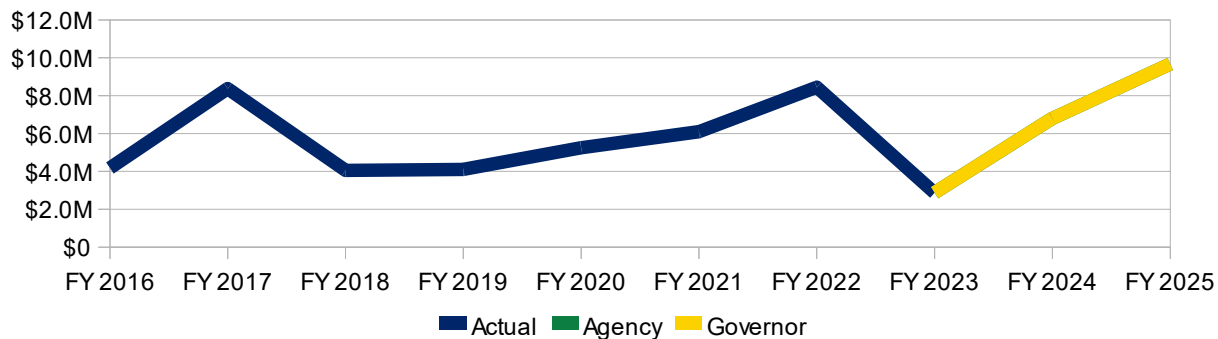
The **agency** requests FY 2025 Water Planning and Administration program expenditures of \$29.4 million, including \$1.4 million SGF. This is an all funds decrease of \$18.7 million, or 38.8 percent, including an SGF increase of \$221,411 million, or 19.6 percent, from the program's FY 2024 revised estimate. The increase in SGF is attributable to agency's enhancement requests totaling \$218,246 for FY 2025 and increased estimates for base budget expenditures in FY 2025 when compared with FY 2024. The all funds decrease is attributable

to the transfer of SWPF moneys to other state agencies instead of expending them, and the absence of expenditures for the agency's supplemental request for Water-Injection Dredging at Tuttle Creek reservoir. That supplemental request is one time, in FY 2024, and does not occur again for FY 2025.

The **Governor** concurs with the agency's FY 2025 Water Planning and Administration program request.

PUBLIC WATER SUPPLY

FIGURE 15
PUBLIC WATER SUPPLY EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1604 *et seq.*; 82a-2301 *et seq.*; 82a-2401 *et seq.*

PROGRAM GOALS:

- Ensure that the water supply needs of the citizens of Kansas are met in an economical and efficient manner.
- Ensure that municipal, industrial, and irrigation water rights on the major rivers have an adequate water supply during drought conditions.
- Effectively utilize storage to lengthen support during low flow conditions.

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 coordinates reservoir operations to meet multiple uses, primarily benefiting municipal and industrial customers.

FIGURE 16
PUBLIC WATER SUPPLY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	2,872,731	6,799,284	6,799,284	9,669,005	9,669,005
TOTAL	\$ 2,872,731	\$ 6,799,284	\$ 6,799,284	\$ 9,669,005	\$ 9,669,005
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(66.0) %	136.7 %	-- %	42.2 %	-- %
FTE Positions	10.0	10.5	10.5	10.5	10.5

BUDGET ANALYSIS

The **agency** requests FY 2025 Public Water Supply program expenditures of \$9.7 million, all from special revenue funds. This is an increase of \$2.9 million, or 42.2 percent, above the program's FY 2024 revised estimate. The increase is primarily due to estimated increases in contractual service expenditures paid to the

U.S. Army Corps of Engineers for operations and maintenance of water storage space in FY 2025 when compared with FY 2024.

The **Governor** concurs with the agency's FY 2025 Public Water Supply program request.

CAPITAL IMPROVEMENTS

FIGURE 17

CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Debt Service Principal:					
Future Use Storage Debt (Milford and Perry)	2,988,250	-	-	-	-
<i>Subtotal–Debt</i>	<u>\$ 2,988,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 2,988,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Financing:					
SGF	\$ 2,988,250	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	<u>\$ 2,988,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FY 2024 CAPITAL IMPROVEMENTS

The **agency** estimates no capital improvement expenditures in FY 2024. This matches the agency's approved budget for capital improvements in FY 2024.

Expenditures relating to that debt service is shown in the budget for the Office of the State Treasurer for FY 2023 and FY 2024.

The 2023 Legislature appropriated \$52.0 million SGF in FY 2023 to the Office of the State Treasurer for the purpose of retiring outstanding water supply storage debt associated with Milford and Perry reservoirs.

Once debt associated with Milford and Perry reservoirs is retired, the agency will not have any outstanding debts for water supply storage.

The **Governor** concurs with the agency's request in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** estimates no capital improvement expenditures for FY 2025.

The **Governor** concurs with the agency's request for FY 2025.

KANSAS STATE FAIR

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 783,405	\$ 885,000	\$ 135,000	\$ 135,000	\$ 635,000
Federal Funds	-	250,000	250,000	-	-
All Other Funds	6,430,794	6,800,596	7,050,596	6,919,297	6,919,297
<i>Subtotal</i>	<i>\$ 7,214,199</i>	<i>\$ 7,935,596</i>	<i>\$ 7,435,596</i>	<i>\$ 7,054,297</i>	<i>\$ 7,554,297</i>
Capital Improvements:					
State General Fund	\$ 963,446	\$ 12,874,180	\$ 12,874,180	\$ -	\$ -
Federal Funds	-	600,000	600,000	-	-
All Other Funds	593,221	924,358	924,358	941,735	941,735
<i>Subtotal</i>	<i>\$ 1,556,667</i>	<i>\$ 14,398,538</i>	<i>\$ 14,398,538</i>	<i>\$ 941,735</i>	<i>\$ 941,735</i>
TOTAL	\$ 8,770,866	\$ 22,334,134	\$ 21,834,134	\$ 7,996,032	\$ 8,496,032
Percentage Change:					
State General Fund	7.5 %	687.7 %	644.7 %	(99.0) %	(95.1) %
All Funds	34.6 %	154.6 %	148.9 %	(64.2) %	(61.1) %
FTE Positions	27.0	27.0	27.0	27.0	27.0

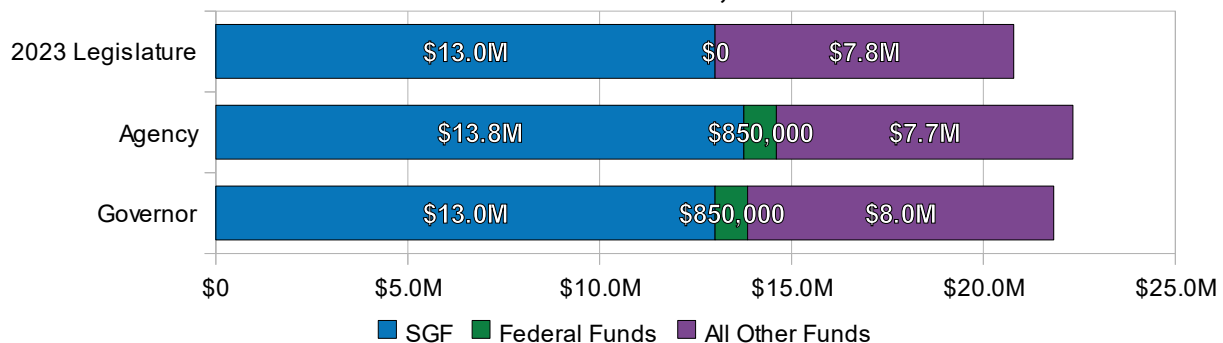
The mission of the Kansas State Fair (Fair) is to promote and showcase Kansas agriculture, industry, and culture; create opportunity for commercial activity; and provide an educational and entertaining experience that is the pride of all Kansans. The State Fair is the state's largest single event, attracting more than 350,000 people, plus an estimated 200,000 people to the nearly 500 non-State Fair events held throughout the year on the fairgrounds.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$7.9 million, including \$135,000 from the State General Fund (SGF), for the Kansas State Fair for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency is:

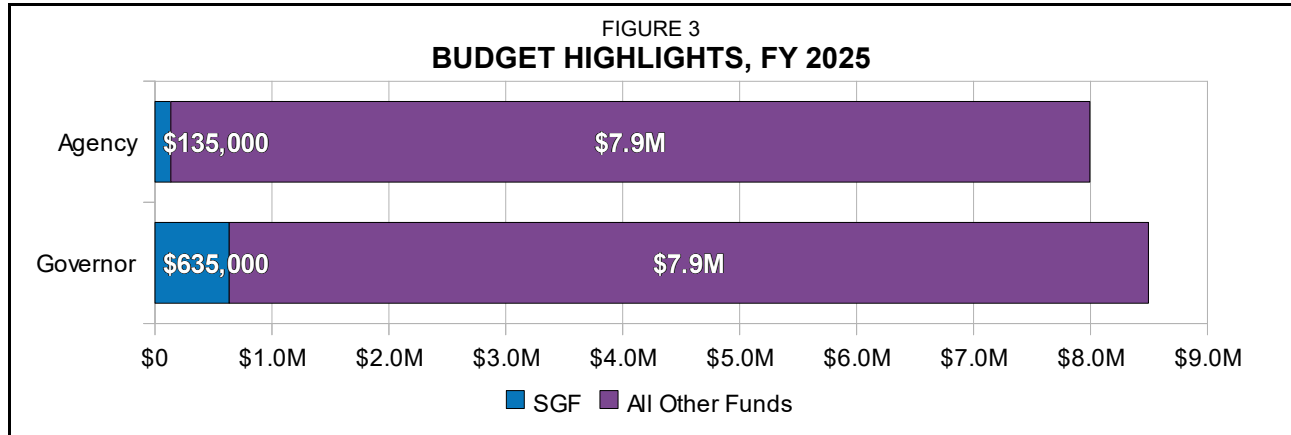
- **SGF REAPPROPRIATIONS.** \$12.9 million in unspent SGF moneys was shifted from FY 2023 to FY 2024. Included in this amount is \$9.9 million SGF for the Bison Arena renovation and \$3.0 million SGF for State Fair facility upgrades.

FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** requests a revised estimate of \$22.3 million, including \$13.8 million SGF, in expenditures and 27.0 FTE positions in FY 2024. This is an all funds increase of \$1.5 million, or 7.4 percent, above the FY 2024 approved amount. The all funds increase is mostly attributable to the agency receiving \$850,000 in federal American Rescue Plan Act (ARPA) funding in FY 2024. The agency's SGF request is an increase of \$750,000, or 5.8 percent, above the agency's approved SGF amount and is attributable to four supplemental requests. The agency's request of 27.0 FTE positions matches the approved amount in FY 2024.

The **Governor** recommends expenditures totaling \$21.8 million, including \$13.0 million SGF, and 27.0 FTE positions in FY 2024. The recommendation is an all funds decrease of \$500,000, or 2.2 percent, including an SGF decrease of \$750,000 SGF, or 5.5 percent, below the agency's revised FY 2024 estimate. The Governor does not recommend adoption of three of the agency's supplemental requests and recommends one agency supplemental request be funded with agency fee funds instead of SGF in FY 2024.



The **agency** requests \$8.0 million, including \$135,000 SGF, in expenditures and 27.0 FTE positions for FY 2025. This is an all funds decrease of \$14.3 million, or 64.2 percent, including an SGF decrease of \$13.6 million, or 99.0 percent, below the agency's revised FY 2024 estimate. The decrease is mostly attributable to SGF appropriations for capital improvements in FY 2024 that do not reoccur for FY 2025. The decrease is also partially attributable to projects funded with federal ARPA monies in FY 2024 that do not reoccur for FY 2025.

The **Governor** recommends expenditures totaling \$8.5 million, including \$635,000 SGF, and 27.0 FTE positions for FY 2025. The recommendation is an increase of \$500,000, all SGF, or 6.3 percent, above the agency's FY 2025 request. The increase is attributable to the Governor recommending three of the agency's FY 2024 supplemental requests be moved to FY 2025.

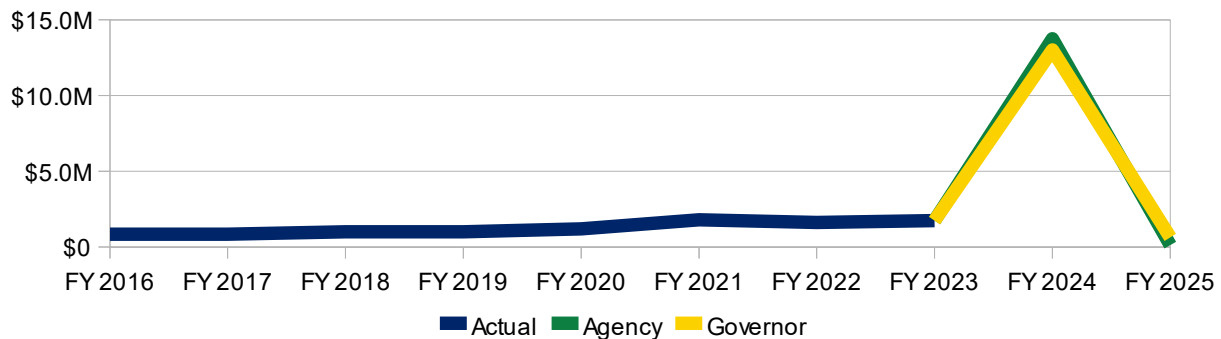
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 2,101,877	\$ 2,211,422	\$ 2,211,422	\$ 2,263,032	\$ 2,263,032
Contractual Services	4,051,757	4,184,650	4,184,650	4,280,673	4,280,673
Commodities	427,733	1,164,900	664,900	424,446	924,446
Capital Outlay	614,360	356,100	356,100	67,622	67,622
Debt Service Interest	18,472	18,524	18,524	18,524	18,524
<i>Subtotal</i>	<i>\$ 7,214,199</i>	<i>\$ 7,935,596</i>	<i>\$ 7,435,596</i>	<i>\$ 7,054,297</i>	<i>\$ 7,554,297</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 7,214,199</i>	<i>\$ 7,935,596</i>	<i>\$ 7,435,596</i>	<i>\$ 7,054,297</i>	<i>\$ 7,554,297</i>
Capital Improvements	1,387,809	14,229,680	14,229,680	772,877	772,877
Debt Service Principal	168,858	168,858	168,858	168,858	168,858
TOTAL	\$ 8,770,866	\$ 22,334,134	\$ 21,834,134	\$ 7,996,032	\$ 8,496,032
Financing:					
State General Fund	\$ 1,746,851	\$ 13,759,180	\$ 13,009,180	\$ 135,000	\$ 635,000
State Fair Fee Fund	6,496,370	6,969,454	6,969,454	7,088,155	7,088,155
State Fair Capital	527,645	755,500	1,005,500	772,877	772,877
Improvements Fund					
Federal Funds	-	850,000	850,000	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 8,770,866	\$ 22,334,134	\$ 21,834,134	\$ 7,996,032	\$ 8,496,032
FTE Positions	27.0	27.0	27.0	27.0	27.0

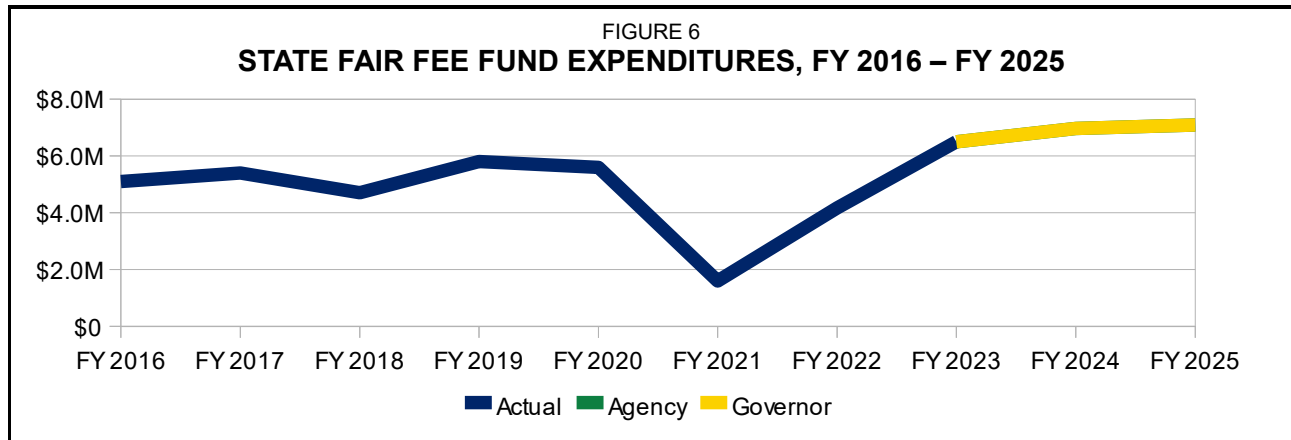
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



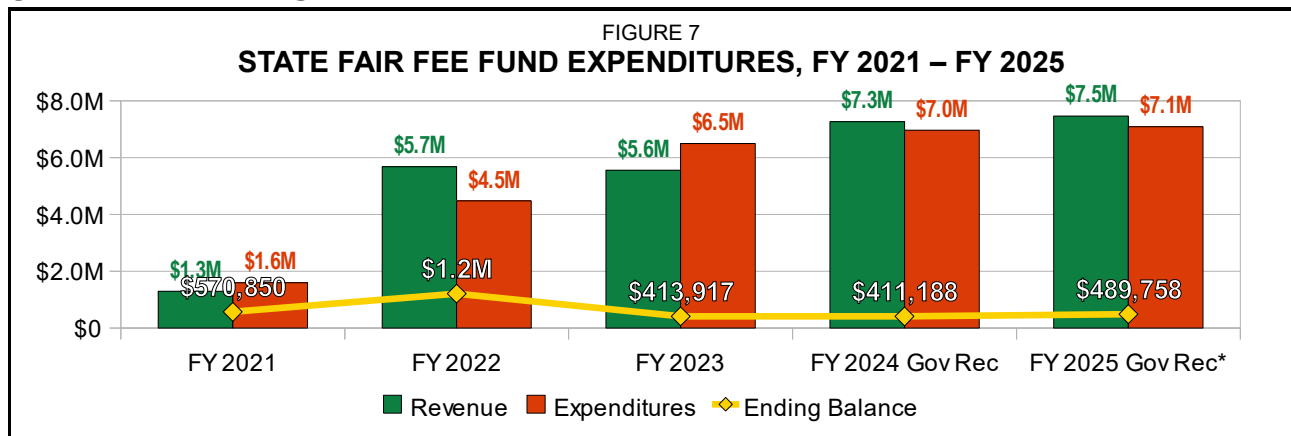
Prior to FY 2018, SGF moneys were used only for debt service expenditures for the State Fair. Beginning in FY 2018, the agency also budgeted \$150,000 SGF for utilities costs. In FY 2020, the agency received \$205,000 from the SGF Coronavirus Relief Account to replace lost revenue from non-State Fair events and RV Park reservations that were canceled due to the COVID-19 pandemic. In FY 2021, the agency received \$2.3 million from the SGF Coronavirus Relief Account to replace lost revenue due to the cancellation of the 2020 State Fair Event. Approximately half of those funds were expended in FY 2021, and the remainder reappropriated into FY 2022. The Legislature appropriated \$14.5 million SGF for FY 2023 for the Fair's capital improvement budget. The agency reappropriated \$12.9 million SGF for these projects in FY 2024. The Governor's recommendation includes \$635,000 SGF for FY 2025.

STATE FAIR FEE FUND



The State Fair Fee Fund is funded from both State Fair and non-State Fair activities on the State Fairgrounds. Revenue sources include admission fees to the State Fair event and Grandstand entertainment, premium book advertising, building rentals, sales and concessions, and parking fees. The agency estimates total non-State Fair use of the State Fairgrounds to be nearly 600 events throughout the year.

STATE FAIR FEE FUND



* For FY 2025, the lowest month ending balance for the State Fair Fee Fund will occur in MONTH, with a balance of \$1.0 million.

The State Fair Fee Fund experienced lower revenue and expenditures in FY 2021 due to the cancellation of the 2020 State Fair event. In FY 2022, reappropriated SGF moneys were available for use for operations, decreasing the amount expended from the State Fair Fee Fund. Those SGF moneys were not available for FY 2023, increasing expenditures from the State Fair Fee Fund. In FY 2024 and for FY 2025, expenditures and revenues for the State Fair Fee Fund are estimated to normalize.

FY 2024 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 135,000	\$ 7,916,009	27.0
1. SGF Reappropriation	12,874,180	12,874,180	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 13,009,180</i>	<i>\$ 20,790,189</i>	<i>27.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Lighting Upgrades	\$ 300,000	\$ 300,000	--
3. Grounds Maintenance and Upgrades	250,000	250,000	--
4. Camera Upgrades	100,000	100,000	--
5. Administration Building Upgrades	100,000	100,000	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 750,000</i>	<i>\$ 750,000</i>	<i>--</i>
6. ARPA Lights and Cameras	\$ -	\$ 600,000	--
7. ARPA Emergency Command Center	-	250,000	--
8. All Other Adjustments	-	(56,055)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 13,759,180</i>	<i>\$ 22,334,134</i>	<i>27.0</i>
Governor's Recommendation:			
9. Supplemental Requests Not Recommended	\$ (500,000)	\$ (500,000)	--
10. Grounds and Maintenance Upgrades Funding Switch	(250,000)	-	--
TOTAL	\$ 13,009,180	\$ 21,834,134	27.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$7.9 million, including \$135,000 SGF, appropriated to the Kansas State Fair for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** \$12.9 million unspent SGF moneys was shifted from FY 2023 into FY 2024. Included in this amount is \$9.9 million for the Bison Arena renovation and \$3.0 million for State Fair Facilities upgrades.

AGENCY ESTIMATE

The **agency** submits a revised FY 2024 estimate of \$22.3 million, including \$13.8 million SGF. This is an all funds increase of \$1.5 million, or 7.4 percent, above the agency's approved amount. The agency's request also includes 27.0 FTE positions, which is equal to the approved number in FY 2024.

The revised estimate includes \$750,000 SGF for the following supplemental requests:

2. **LIGHTING UPGRADES.** The agency requests \$300,000 SGF to upgrade lighting on the State Fairgrounds in FY 2024. The 2023 Legislature appropriated \$600,000 from the ARPA State Relief Fund to install additional lighting and cameras on the State Fairgrounds in FY 2024. The agency's supplemental request would expand this project by upgrading existing lighting. These lighting upgrades would include the use of high efficiency LED bulbs.

3. **GROUNDS MAINTENANCE AND UPGRADES.** The agency requests \$250,000 SGF to repair and replace heating, ventilation, and air conditioning (HVAC) systems located in the Sunflower North and Sunflower South buildings on the State Fairgrounds in FY 2024.
4. **CAMERA UPGRADES.** The agency requests \$100,000 SGF to upgrade cameras on the State Fairgrounds in FY 2024. The 2023 Legislature appropriated \$600,000 in ARPA money to install additional lighting and cameras on the State Fairgrounds in FY 2024. The agency's supplemental request would expand this project by adding additional cameras on the State Fairgrounds.
5. **ADMINISTRATION BUILDING UPGRADES.** The agency requests \$100,000 SGF to upgrade the administration building located on the State Fairgrounds in FY 2024. Funding would be used to replace carpet, reconfigure office space, and create a secure information technology room. A recent security audit recommended better-securing of IT equipment and funding would help to address concerns identified in the audit.

Absent the supplemental requests, the revised estimate includes an increase of \$793,945 in base budget expenditures. Significant adjustments are as follows:

6. **ARPA LIGHTS AND CAMERAS.** The 2023 Legislature recommended \$600,000 in ARPA funding to install security lights and cameras on the State Fairgrounds in FY 2023. At the time of the recommendation, it was unclear whether ARPA funds would be available to use on the project. On June 15, 2023, funds were certified and transferred to the State Fair for this purpose, and the agency includes the addition of \$600,000 ARPA to install security lights and cameras on the State Fairgrounds in FY 2024.
7. **ARPA EMERGENCY COMMAND CENTER.** The agency's request includes \$250,000 in ARPA funding to purchase technology and equipment to facilitate the creation of an Emergency Operation Center at the State Fairgrounds in FY 2024. This ARPA funding was approved by the State Finance Council on December 21, 2022, as part of the State Efficiency and Modernization Program.
8. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency result in a reduction of \$56,055 from the agency's approved FY 2024 budget. The reduction is attributable to reduced estimates for pay for regular, unclassified employees and is partially offset by increased estimates for certain commodities, including materials and supplies for buildings in FY 2024.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$21.8 million, including \$13.0 million SGF, and 27.0 FTE positions in FY 2024. This is an all funds decrease of \$500,000, or 2.2 percent, and an SGF decrease of \$750,000, or 5.5 percent, below the agency's FY 2024 revised estimate. The Governor's recommendation of 27.0 FTE positions is equal to the agency's FY 2024 revised estimate.

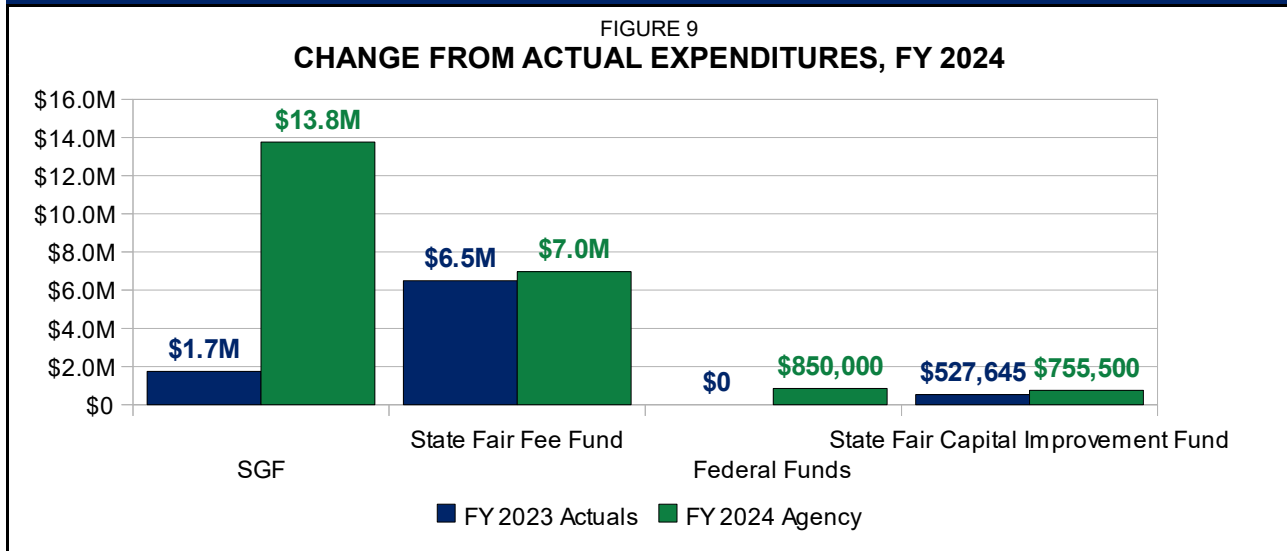
The **Governor's** recommendation includes the following adjustments:

9. **SUPPLEMENTAL REQUESTS NOT RECOMMENDED.** The Governor does not recommend adoption of the following supplemental requests:

- The Governor does not recommend adoption of \$300,00 SGF to upgrade lighting on the State Fairgrounds in FY 2024. Instead, the Governor recommends adoption of this request for FY 2025.
- The Governor does not recommend adoption of \$100,000 SGF to upgrade cameras on the State Fairgrounds in FY 2024. Instead, the Governor recommends adoption of this request for FY 2025.
- The Governor does not recommend adoption of \$100,000 SGF to upgrade the administration building located on the State Fairgrounds in FY 2024. Instead, the Governor recommends adoption of this request for FY 2025.

10. **GROUPS MAINTENANCE AND UPGRADES FUNDING SWITCH.** The Governor recommends \$250,000, all from the State Fair Capital Improvements Fund, for ground maintenance and upgrades to repair and replace HVAC systems located in the Sunflower North and Sunflower South buildings on the State Fairgrounds in FY 2024. The Governor's recommendation deletes \$250,000 SGF and adds \$250,000 from the State Fair Capital Improvements Fund for this purpose in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$22.3 million, including \$13.8 million SGF, in FY 2024. This is an all funds increase of \$13.6 million, or 154.6 percent, including an SGF increase of \$12.0 million, or 687.7 percent, above the FY 2023 actual expenditures. The SGF increase is primarily attributable to reappropriated moneys for capital improvements at the State Fairgrounds. Included in the reappropriated SGF is \$9.0 million for the Bison Arena renovations and \$3.0 million for State Fair facilities upgrades, which include road repairs and adding air conditioning units to certain buildings. The SGF change in the agency's revised FY 2024 estimate from FY 2023 actual expenditures is also partially attributable to the agency's supplemental requests totaling \$750,000 SGF in FY 2024.

The remaining difference between FY 2023 actual expenditures and the agency's revised FY 2024 estimate is primarily attributable to funding for security lights and cameras and an Emergency Command Center in FY 2024 that did not occur in FY 2023. These projects are estimated to be funded with ARPA moneys and total \$850,000, including \$600,000 for security lights and cameras and \$250,000 for an Emergency Command Center.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 13,759,180	\$ 22,470,212	27.0
1. SGF Reappropriations	\$ (12,874,180)	\$ (12,874,180)	--
2. Lighting Upgrades	(300,000)	(300,000)	--
3. Grounds Maintenance and Upgrades	(250,000)	(250,000)	--
4. Camera Upgrades	(100,000)	(100,000)	--
5. Administration Building Upgrades	(100,000)	(100,000)	--
6. ARPA Lights and Cameras	-	(600,000)	--
7. ARPA Emergency Command Center	-	(250,000)	--
<i>Subtotal—Agency Request</i>	<i>\$ 135,000</i>	<i>\$ 7,996,032</i>	<i>27.0</i>
Governor's Recommendation:			
8. Lighting Upgrades	\$ 300,000	\$ 300,000	--
9. Camera Upgrades	100,000	100,000	--
10. Administration Building Upgrades	100,000	100,000	--
TOTAL	\$ 635,000	\$ 8,496,032	27.0

AGENCY REQUEST

The **agency** requests \$8.0 million, including \$135,000 SGF, for FY 2025. This is an all funds decrease of \$14.3 million, or 64.2 percent, and an SGF decrease of \$13.6 million, or 99.0 percent, below the agency's revised FY 2024 estimate. The agency also requests 27.0 FTE positions for FY 2025, which is the same as the FY 2024 revised estimate.

Significant adjustments are as follows:

1. **SGF REAPPROPRIATION.** The agency carried over \$12.9 million of unspent SGF moneys from FY 2023 into FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying any reappropriations over to FY 2025.
2. **LIGHTING UPGRADES.** The agency's revised FY 2024 estimate includes a supplemental request totaling \$300,000 SGF to upgrade lighting on the State Fairgrounds in FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.
3. **GROUND'S MAINTENANCE AND UPGRADES.** The agency's revised FY 2024 estimate includes a supplemental request totaling \$250,000 SGF to repair and replace HVAC systems located in the Sunflower North and Sunflower South buildings on the State Fairgrounds in FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.
4. **CAMERA UPGRADES.** The agency's revised FY 2024 estimate includes a supplemental request totaling \$100,000 SGF to upgrade cameras on the State Fairgrounds in FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.
5. **ADMINISTRATION BUILDING UPGRADES.** The agency's revised FY 2024 estimate includes a supplemental request totaling \$100,000 SGF to upgrade the administration building located on the State Fairgrounds in FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.

6. **ARPA LIGHTS AND CAMERAS.** The agency's revised FY 2024 estimate includes \$600,000 in ARPA funding to install security lights and cameras, as recommended by the 2023 Legislature. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.
7. **ARPA EMERGENCY COMMAND CENTER.** The agency's revised FY 2024 estimate includes \$250,000 in ARPA funding to purchase technology and equipment to facilitate the creation of an Emergency Operation Center at the State Fairgrounds in FY 2024. The agency estimates expending those moneys in FY 2024 and not carrying them over to FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$8.5 million, including \$635,000 SGF, and 27.0 FTE positions for FY 2025. The recommendation is an increase of \$500,000, all SGF, or 6.3 percent, above the agency's request for FY 2025. The Governor's recommendation of 27.0 FTE positions is the same as the agency's FY 2025 request.

The **Governor's** recommendation includes the following adjustments:

8. **LIGHTING UPGRADES.** The Governor recommends \$300,000 SGF to upgrade lighting on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.
9. **CAMERA UPGRADES.** The Governor recommends \$100,000 SGF to upgrade cameras on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.
10. **ADMINISTRATION BUILDING UPGRADES.** The Governor recommends \$100,000 SGF to upgrade the administration building located on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Administration Building Upgrades	\$ 100,000	\$ 100,000	-	\$ -	\$ -	-
2. Camera Upgrades	100,000	100,000	-	-	-	-
3. Grounds Maintenance and Upgrades	250,000	250,000	-	-	250,000	-
4. Lighting Upgrades	300,000	300,000	-	-	-	-
TOTAL	\$ 750,000	\$ 750,000	-	\$ -	\$ 250,000	-
FY 2025 Enhancements:						
5. Lighting Upgrades	\$ -	\$ -	-	\$ 300,000	\$ 300,000	-
6. Camera Upgrades	-	-	-	100,000	100,000	-
7. Administration Building Upgrades	-	-	-	100,000	100,000	-
TOTAL	\$ -	\$ -	-	\$ 500,000	\$ 500,000	-

- 1. ADMINISTRATION BUILDING UPGRADES.** The agency requests \$100,000 SGF to upgrade the administration building located on the State Fairgrounds in FY 2024. Funding would be used to replace carpet, reconfigure office space, and create a secure information technology room. A recent security audit recommended better-securing IT equipment and funding would help to address concerns identified in the audit.

The Governor does not recommend adoption of this request in FY 2024.

- 2. CAMERA UPGRADES.** The agency requests \$100,000 SGF to upgrade cameras on the State Fairgrounds in FY 2024. The 2023 Legislature appropriated \$600,000 from the ARPA Fund to install additional lighting and cameras on the State Fairgrounds in FY 2024. The agency's supplemental request would expand this project by adding additional cameras on the State Fairgrounds.

The Governor does not recommend adoption of this request in FY 2024.

- 3. GROUNDS AND MAINTENANCE UPGRADES.** The agency requests \$250,000 SGF to repair and replace HVAC systems located in the Sunflower North and Sunflower South buildings on the State Fairgrounds in FY 2024.

The Governor recommends adoption of this request in FY 2024, but recommends replacing the SGF funding with funding from the State Fair Capital Improvements Fund.

- 4. LIGHTING UPGRADES.** The agency requests \$300,000 SGF to upgrade lighting on the State Fairgrounds in FY 2024. The 2023 recommended and the agency received \$600,000 from the ARPA Fund to install additional lighting and cameras on the State Fairgrounds in FY 2024. The agency's supplemental request would expand this project by upgrading existing lighting. These lighting upgrades would include the use of high-efficiency LED bulbs.

The Governor does not recommend adoption of this request in FY 2024.

5. **LIGHTING UPGRADES.** The Governor recommends \$300,000 SGF to upgrade lighting on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.

The Governor recommends adoption of this request.

6. **CAMERA UPGRADES.** The Governor recommends \$100,000 SGF to upgrade cameras on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.

The Governor recommends adoption of this request.

7. **ADMINISTRATION BUILDING UPGRADES.** The Governor recommends \$100,000 SGF to upgrade the administration building located on the State Fairgrounds for FY 2025. The Governor's recommendation moves the agency's request for the project from FY 2024 to FY 2025.

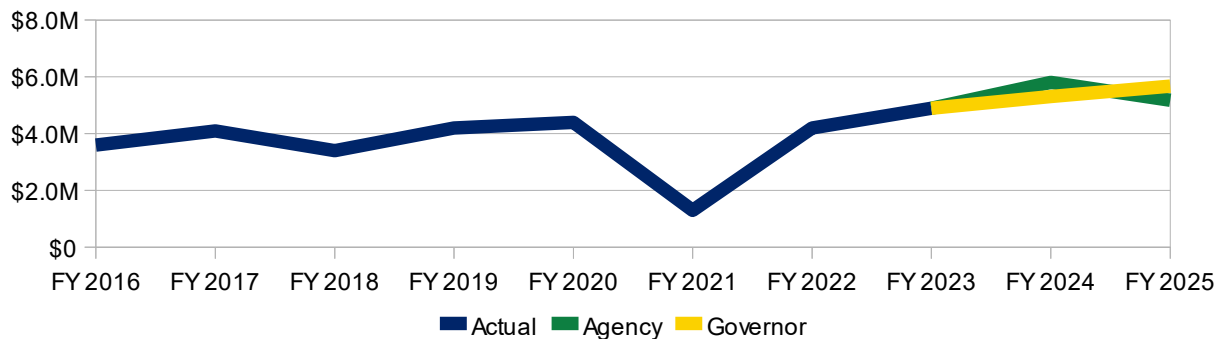
The Governor recommends adoptions of this request.

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 4,894,842	\$ 5,805,060	\$ 5,305,060	\$ 5,171,697	\$ 5,671,967
Facilities Management	2,300,885	2,112,012	2,112,012	1,864,076	1,864,076
Debt Service	187,330	187,382	187,382	187,382	187,382
Capital Improvements	1,387,809	14,229,680	14,229,680	772,877	772,877
TOTAL	\$ 8,770,866	\$ 22,334,134	\$ 21,834,134	\$ 7,996,032	\$ 8,496,302
FTE Positions:					
Administration	17.0	17.0	17.0	17.0	17.0
Facilities Management	10.0	10.0	10.0	10.0	10.0
Debt Service	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	27.0	27.0	27.0	27.0	27.0

ADMINISTRATION

FIGURE 13
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 2-201 through 2-205

PROGRAM GOALS: • Support the mission of the Kansas State Fair – to promote and showcase Kansas agriculture, industry, and culture; to create opportunity for commercial activity; and to provide an educational and entertaining experience that is the pride of all Kansans.

- Enhance the professional development and retention with the Kansas State Fair Team.
- Increase the efficiency and effectiveness of State Fair program implementation and administration.

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

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 106,227	\$ 750,000	\$ -	\$ -	\$ 500,000
Federal Funds	-	-	-	-	-
All Other Funds	4,788,615	5,055,060	5,305,060	5,171,697	5,171,697
TOTAL	\$ 4,894,842	\$ 5,805,060	\$ 5,305,060	\$ 5,171,697	\$ 5,671,697
Percent Change:					
SGF	(91.0) %	606.0 %	(100.0) %	(100.0) %	(500,000.0) %
All Funds	(0.3) %	18.6 %	(8.6) %	(10.9) %	9.7 %
FTE Positions	17.0	17.0	17.0	17.0	17.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Administration program expenditures of \$5.2 million, all from special revenue funds. This is an all funds decrease of \$633,363, or 10.9 percent, and an SGF decrease of \$750,000, or 100.0 percent, below the FY 2024 revised estimate. The SGF decrease is attributable to agency's supplemental requests in FY 2024 that do not

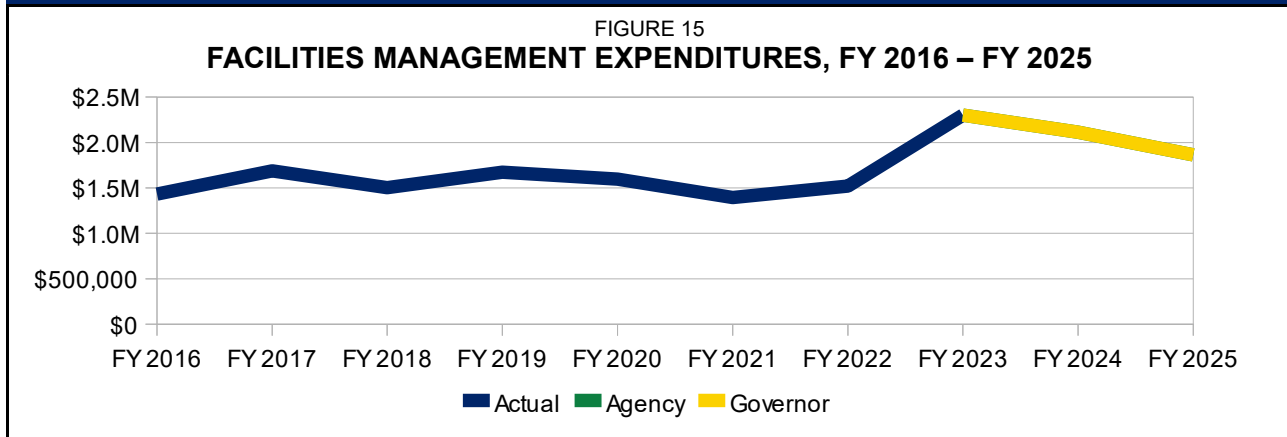
reoccur for FY 2025. These decreases are partially offset by increased estimates for lecturers, speakers, and entertainers, along with other increased estimates for other contractual service expenditures. The decreases are also partially offset by increased estimates for salaries and wages, including pay

of regular, unclassified employees and the associated fringe benefits.

The **Governor** recommends \$5.7 million for the Administration program for FY 2025. This is an increase of \$500,000, all SGF, or 9.7

percent, above the agency's request for FY 2025. The Governor recommends three agency supplemental requests in FY 2024 be moved to FY 2025. The Governor recommends \$300,000 SGF for lighting upgrades, \$100,000 SGF for camera upgrades, and \$100,000 SGF for administration building upgrades for FY 2025.

FACILITIES MANAGEMENT



STATUTORY BASIS: • KSA 2-201 through 2-205

PROGRAM GOALS: • Provide the Kansas State Fairgrounds, which encompasses approximately 280 acres with 75 buildings and nearly 24 acres under roof, as a safe and secure facility for all Kansans and guests to the state.

- The State Fair is the state's largest single event and typically attracts more than 300,000 people annually, plus an estimated 200,000 people to the more than 600 non-Fair events held throughout the year.

The Facilities Management program works to provide convenient, safe, and attractive buildings and grounds to patrons of the State Fair and non-State Fair activities on the State Fairgrounds. The Facilities Management program is staffed by 10.0 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.

FIGURE 16
FACILITIES MANAGEMENT FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 677,178	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
Federal Funds	-	250,000	250,000	-	-
All Other Funds	1,623,707	1,727,012	1,727,012	1,729,076	1,729,076
TOTAL	\$ 2,300,885	\$ 2,112,012	\$ 2,112,012	\$ 1,864,076	\$ 1,864,076
Percent Change:					
SGF	50.7 %	(80.1) %	-- %	-- %	-- %
All Funds	51.3 %	(8.2) %	-- %	(11.7) %	-- %
FTE Positions	10.0	10.0	10.0	10.0	10.0

BUDGET ANALYSIS

The **agency** requests FY 2025 Facilities Management expenditures of \$1.9 million, including \$135,000 SGF. This is an all funds decrease of \$247,936, or 11.7 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to the absence of \$250,000 ARPA for expenditures relating to the creation of an Emergency Command Center in

FY 2024 that do not reoccur for FY 2025. This decrease is partially offset by increased estimates for electricity for FY 2025.

The **Governor** concurs with the agency's request for the Facilities Management program for FY 2025.

CAPITAL IMPROVEMENTS

FIGURE 17
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Bison Arena Renovation	\$ -	\$ 9,908,670	\$ 9,908,670	\$ -	\$ -
State Fair Facilities Upgrades	963,446	2,965,510	2,965,510	-	-
Ongoing Maintenance	424,363	755,500	755,500	772,877	772,877
Lights and Cameras	-	600,000	600,000	-	-
<i>Subtotal–Projects</i>	<i>\$ 1,387,809</i>	<i>\$ 14,229,680</i>	<i>\$ 14,229,680</i>	<i>\$ 772,877</i>	<i>\$ 772,877</i>
Debt Service Principal:					
Expo Center Rehabilitation	\$ 168,858	\$ 168,858	\$ 168,858	\$ 168,858	\$ 168,858
<i>Subtotal–Debt</i>	<i>\$ 168,858</i>	<i>\$ 168,858</i>	<i>\$ 168,858</i>	<i>\$ 168,858</i>	<i>\$ 168,858</i>
TOTAL	\$ 1,556,667	\$ 14,398,538	\$ 14,398,538	\$ 941,735	\$ 941,735
Financing:					
SGF	\$ 963,446	\$ 12,874,180	\$ 12,874,180	\$ -	\$ -
Federal Funds	-	600,000	600,000	-	-
All Other Funds	593,221	924,358	924,358	941,735	941,735
TOTAL	\$ 1,556,667	\$ 14,398,538	\$ 14,398,538	\$ 941,735	\$ 941,735

FY 2024 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvement expenditures of \$14.4 million, including \$12.9 million SGF, in FY 2024. This is an all funds increase of \$766,045, or 5.6 percent, above the agency's approved amount. The increase is mostly attributable to \$600,000 in ARPA funding for security lighting and cameras on the State Fair Grounds. This funding was appropriated by the 2023

Legislature in FY 2023 and was transferred to the agency on June 15, 2023. Subsequently, the agency added the funding to the its FY 2024 revised estimate.

The increase is also partially attributable to increased estimates for ongoing maintenance on the State Fairgrounds in FY 2024.

The **Governor** concurs with the agency's FY 2024 revised estimate for capital improvement projects.

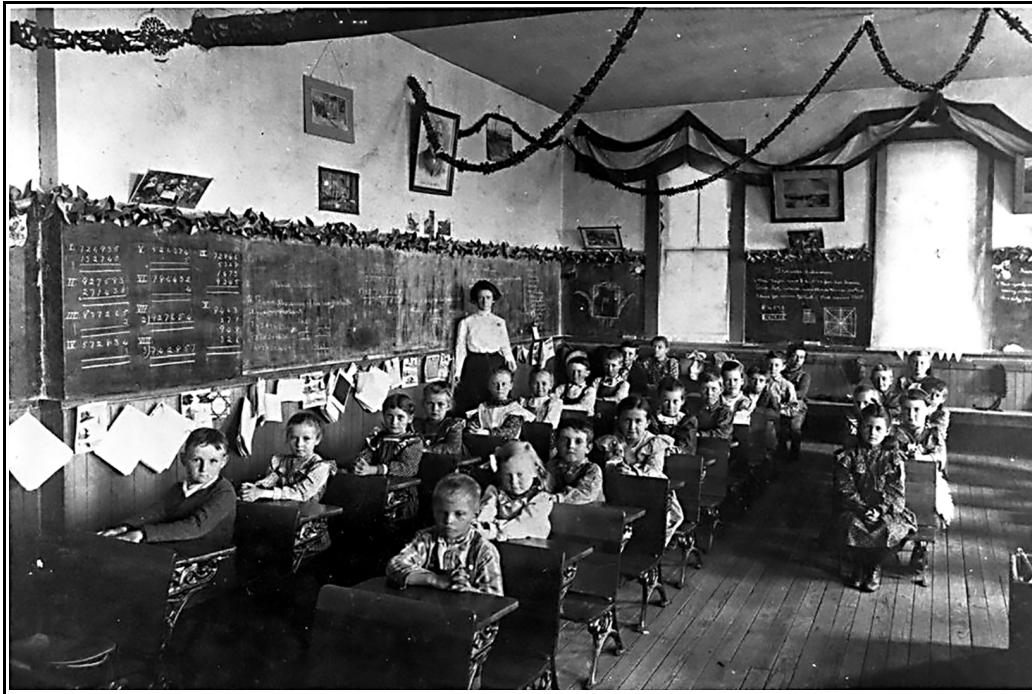
FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests capital improvement expenditures totaling \$941,735, all from special revenue funds, for FY 2025. This is a decrease of \$13.5 million below the FY 2024 revised estimate. The decrease is entirely attributable to

projects being completed in FY 2024 and not being carried over into FY 2025. These decreases are partially offset by increased estimates for ongoing maintenance on the State Fairgrounds for FY 2025.

The **Governor** concurs with the agency's FY 2025 request for capital improvement projects.

EDUCATION



Students and schools, Hoxie, Kansas, ca. 1900-1930
*Kansas State Historical Society,
Copy and Reuse Restrictions Apply
via <https://www.kansasmemory.org/item/218871/page/1>*

The Education function of government provides educational services to Kansans through agencies under the supervision of the State Board of Education and the Board of Regents, as well as indirect services provided by the Kansas State Historical Society and the State Library. This function includes the following agencies under 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 Board of Regents.

The Governor's FY 2025 recommendation for the Education function totals \$10.9 billion from all funding sources, including \$6.3 billion from the State General Fund.

Agencies in this Function:	
<i>Kansas State Department of Education.....</i>	<i>817</i>
<i>Postsecondary Education Systemwide.....</i>	<i>847</i>
<i>Board of Regents.....</i>	<i>873</i>
<i>Emporia State University.....</i>	<i>875</i>
<i>Fort Hays State University.....</i>	<i>877</i>
<i>Kansas State University.....</i>	<i>879</i>
<i>Kansas State University – Extension Systems and</i>	
<i>Agricultural Research Programs.....</i>	<i>880</i>
<i>Kansas State University Veterinary Medical Center.....</i>	<i>882</i>
<i>Pittsburg State University.....</i>	<i>883</i>
<i>University of Kansas.....</i>	<i>884</i>
<i>University of Kansas Medical Center.....</i>	<i>885</i>
<i>Wichita State University.....</i>	<i>886</i>
<i>State Historical Society.....</i>	<i>892</i>
<i>Kansas State School for the Blind.....</i>	<i>916</i>
<i>Kansas State School for the Deaf.....</i>	<i>936</i>
<i>State Library.....</i>	<i>955</i>

The FY 2025 recommendation represents a State General Fund increase of 8.3 percent, or \$480.2 million, above FY 2024. Expenditures from all funds decrease by 1.4 percent, or \$158.2 million, below FY 2024.

A total of 20,444.4 FTE positions are recommended by the Governor for the Education function in FY 2025, which is an increase of 4.3 FTE positions above FY 2024. Of all state FTE positions, 48.0 percent are in this function.

Agencies in this function comprise 56.3 percent of the total State General Fund budget in FY 2025, which is a decrease of 5.2 percent below FY 2024. They comprise 41.2 percent of expenditures from all funding sources in FY 2025, which is a decrease of 2.2 percent below FY 2024.

KANSAS STATE DEPARTMENT OF EDUCATION

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 4,372,657,207	\$ 4,596,284,260	\$ 4,583,171,126	\$ 4,932,707,217	\$ 4,986,761,208
Federal Funds	1,086,446,587	1,137,071,773	1,137,071,773	688,958,713	688,958,713
All Other Funds	1,138,774,162	1,008,698,877	1,029,096,740	985,394,386	953,652,033
Subtotal	\$ 6,597,877,956	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 6,597,877,956	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
Percentage Change:					
State General Fund	6.2 %	5.1 %	4.8 %	7.3 %	8.8 %
All Funds	5.9 %	2.2 %	2.3 %	(2.0) %	(1.8) %
FTE Positions	258.3	267.9	267.9	268.9	267.9

The Kansas State 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 Kansas Board of Regents. Its duties include accrediting elementary and secondary schools, establishing standard courses of study in the public schools, licensing teachers and administrators, approving public and private teacher education programs, and administering a variety of state and federal aid programs.

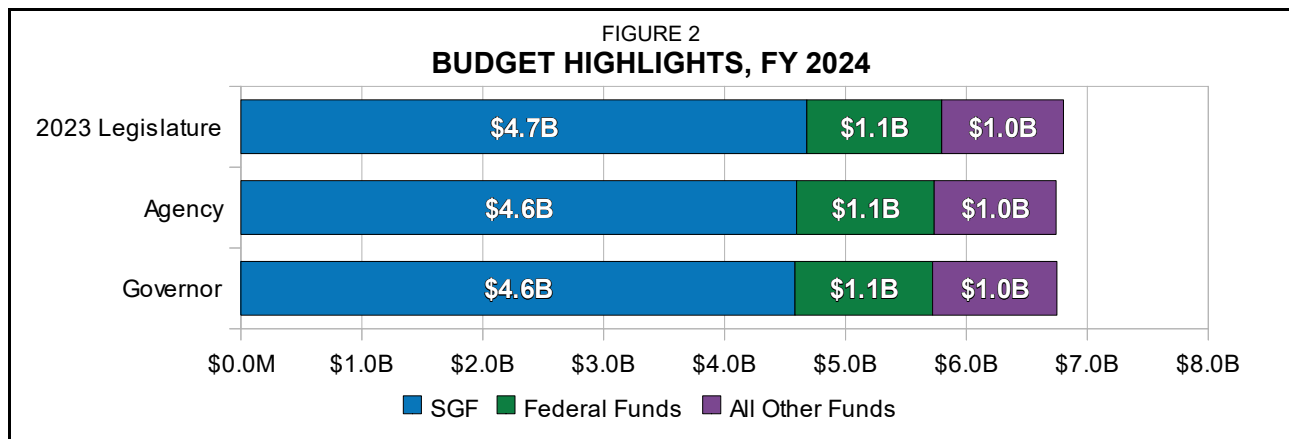
The State Board appoints a Commissioner of Education, who is responsible for the administration of KSDE and serves at the pleasure of the State Board. KSDE consists of three main offices:

- 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.
- 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.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$6.8 billion, including \$4.7 billion from the State General Fund (SGF), for the Kansas State Department of Education for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency is:

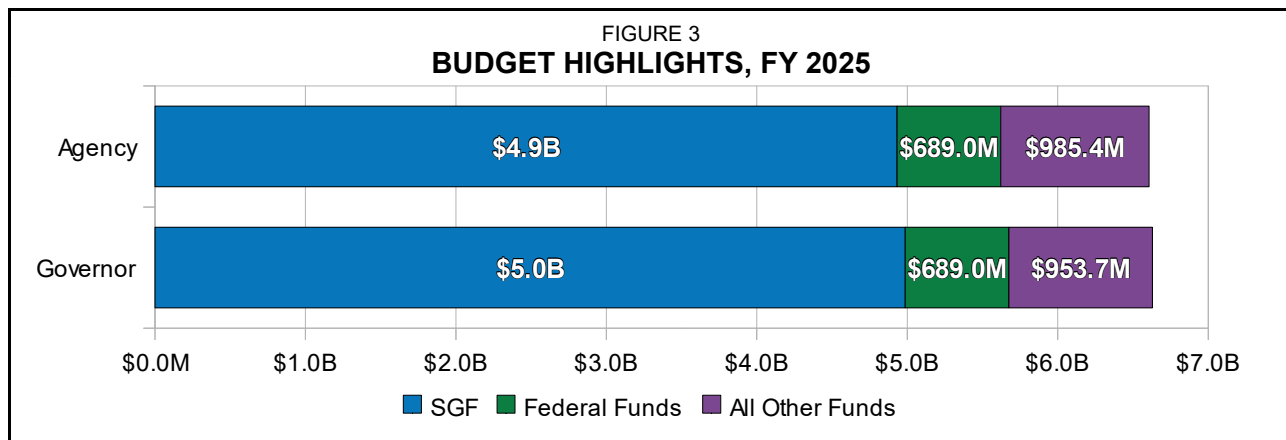
- **SGF REAPPROPRIATIONS.** \$113.5 million in unspent SGF was shifted from FY 2023 to FY 2024. This includes \$95.6 million in State Foundation Aid, \$15.8 million in Supplemental State Aid, \$1.1 million for the School District Juvenile Detention Facility & Flint Hills Job Corps Center Grants, \$886,758 for the Mental Health Intervention Team (MHIT) pilot program, and \$142,314 for Special Education Services Aid.



The **agency** requests a revised estimate of \$6.7 billion, including \$4.6 billion SGF, in expenditures and 267.85 FTE positions in FY 2024. This is an all funds decrease of \$60.2 million, or 0.9 percent, and an SGF decrease of \$84.0 million, or 1.8 percent, below the amount approved by the 2023 Legislature.

The SGF decrease is due to the agency's adjustments in State Foundation Aid and Supplemental State Aid to match the Spring 2023 Education Consensus Estimate (\$84.1 million SGF). The all funds decrease is mainly due to the SGF decrease, which is partially offset by an increase in revised estimates for COVID-19 federal funding-related expenditures. There is an increase of \$22.3 million, mainly in Elementary and Secondary School Emergency Relief (ESSER) III and Emergency Assistance to Non-Public Schools (EANS) funding, which the agency indicates will be used to pay the balance of existing contracts, including \$12.7 million for EANS I and EANS II contracts, \$10.9 million for learning loss contracts, and \$1.7 million for summer enrichment contracts. The ESSER III money must be spent within FY 2024 and the first three months of FY 2025.

The **Governor** recommends \$6.7 billion, including \$4.6 billion SGF, in expenditures and 267.85 FTE positions in FY 2024. This is an all funds increase of \$7.3 million, or 0.1 percent, and an SGF decrease of \$13.1 million, or 0.3 percent, from the agency's revised estimate in FY 2024. The only adjustments recommended by the Governor were to reflect the updated Fall 2023 Education Consensus Estimates.



The **agency** requests \$6.6 billion, including \$4.9 billion SGF, in expenditures and 268.9 FTE positions for FY 2025. This is an all funds decrease of \$135.0 million, or 2.0 percent, and an SGF increase of \$336.4 million, or 7.3 percent, above the revised FY 2024 estimate.

The SGF increase is mainly due to expected increases in State Foundation Aid of \$240.8 million, Special Education Services Aid of \$94.0 million, and Supplemental State Aid of \$20.0 million, offset by a decrease in KPERS-USD contributions of \$20.1 million, according to the Spring 2023 Education Caseloads Estimates.

The all funds decrease is primarily due to a decrease in federal aid to local units of \$420.0 million, mainly due to the end of ESSER III grant funding. Additionally, the expenditures from the statewide 20-mill tax levy for K-12 education is budgeted to decrease by \$15.9 million, according to the Spring 2023 Education Caseloads Estimate. These decreases are partially offset by the SGF increase from the Spring 2023 Caseloads Estimates.

The **Governor** recommends \$6.6 billion, including \$5.0 billion SGF, in expenditures and 267.9 FTE positions for FY 2025. This is an all funds increase of \$22.3 million, or 0.3 percent, and an SGF increase of \$54.1 million, or 1.1 percent, above the agency's FY 2025 request. The Governor's recommendation includes the changes recommended from the Fall 2023 Education Consensus Estimates, an all funds decrease of \$5.2 million, including a decrease of \$66.0 million SGF.

The Governor's recommendation also includes a reduction of \$93.4 million to the School District Finance Fund from the 20-mill property tax. The Governor recommends replacing this money with SGF funds.

The Governor's recommendation also includes three of the agency's enhancement requests for FY 2025, an additional \$3.0 million SGF to increase the number of school districts in the MHIT pilot program; an additional \$1.0 million SGF to fully fund the Mentor Teachers program; and an additional \$1.9 million SGF for professional development state aid. The recommendation also includes a modified version of the agency's enhancement request for Special Education State Aid. The Governor recommends including an increase of \$74.9 million SGF for the first year of a five-year plan to increase Special Education State Aid to 92.0 percent.

The recommendation also includes an additional \$4.0 million SGF so the agency can develop parallel assessments for virtual students for the annual state assessment, and includes three enhancements within the Children's Cabinet, including an additional \$35.0 million SGF and \$815,000 from the Children's Initiatives Fund (CIF).

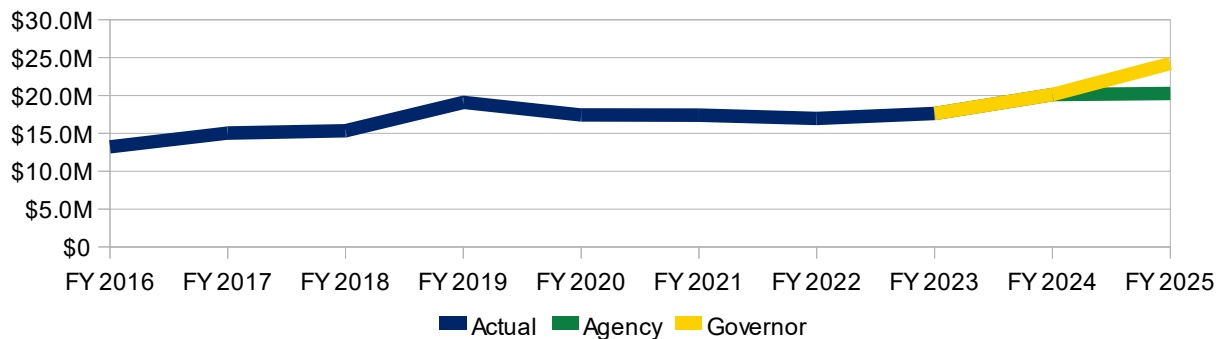
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 21,800,325	\$ 24,412,859	\$ 24,412,859	\$ 24,493,460	\$ 24,413,460
Contractual Services	67,801,905	83,211,382	83,211,382	43,990,191	48,037,691
Commodities	602,457	357,363	357,363	556,454	555,954
Capital Outlay	528,462	176,171	176,171	261,616	259,616
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	\$ 90,733,149	\$ 108,157,775	\$ 108,157,775	\$ 69,301,721	\$ 73,266,721
Aid to Local Units	6,428,562,000	6,524,706,792	6,531,991,521	6,419,389,126	6,401,920,764
Other Assistance	78,582,807	109,190,343	109,190,343	118,369,469	154,184,469
<i>Subtotal—Operating</i>	\$ 6,597,877,956	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 6,597,877,956	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
Financing:					
State General Fund	\$ 4,372,657,207	\$ 4,596,284,260	\$ 4,583,171,126	\$ 4,932,707,217	\$ 4,986,761,208
Children's Initiative Fund	34,663,327	42,009,256	42,009,256	40,641,640	41,456,640
ELARF	41,389,547	43,788,676	43,788,676	42,826,858	42,826,858
Special Revenue Funds	202,864,155	7,199,203	7,199,203	6,816,954	6,816,954
Federal Funds	1,086,446,587	1,137,071,773	1,137,071,773	688,958,713	688,958,713
All Other Funds	859,857,133	915,701,742	936,099,605	895,108,934	862,551,581
TOTAL	\$ 6,597,877,956	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
FTE Positions	258.3	267.9	267.9	268.9	267.9

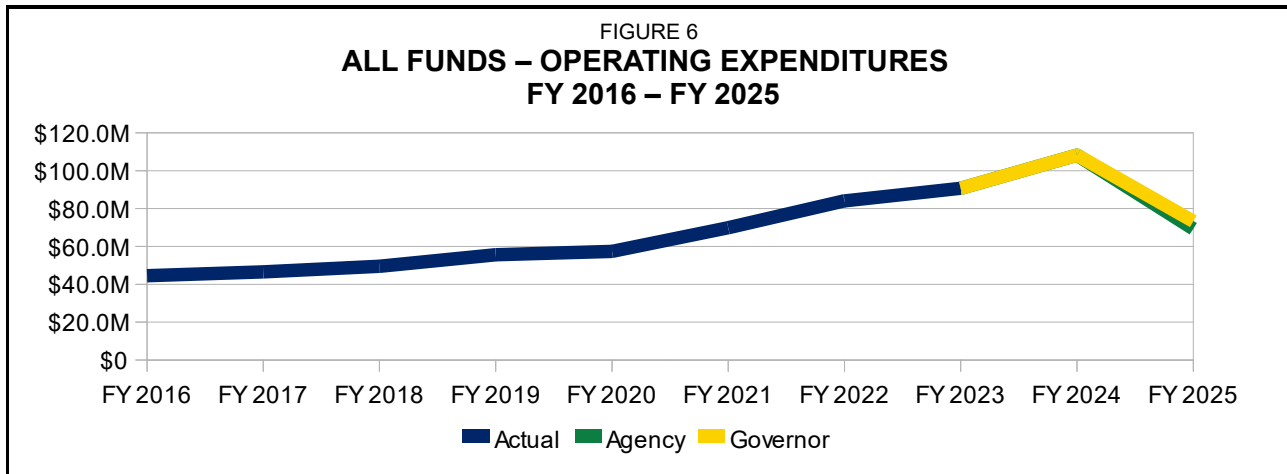
STATE GENERAL FUND – OPERATING EXPENDITURES

FIGURE 5
STATE GENERAL FUND – OPERATING EXPENDITURES
FY 2016 – FY 2025



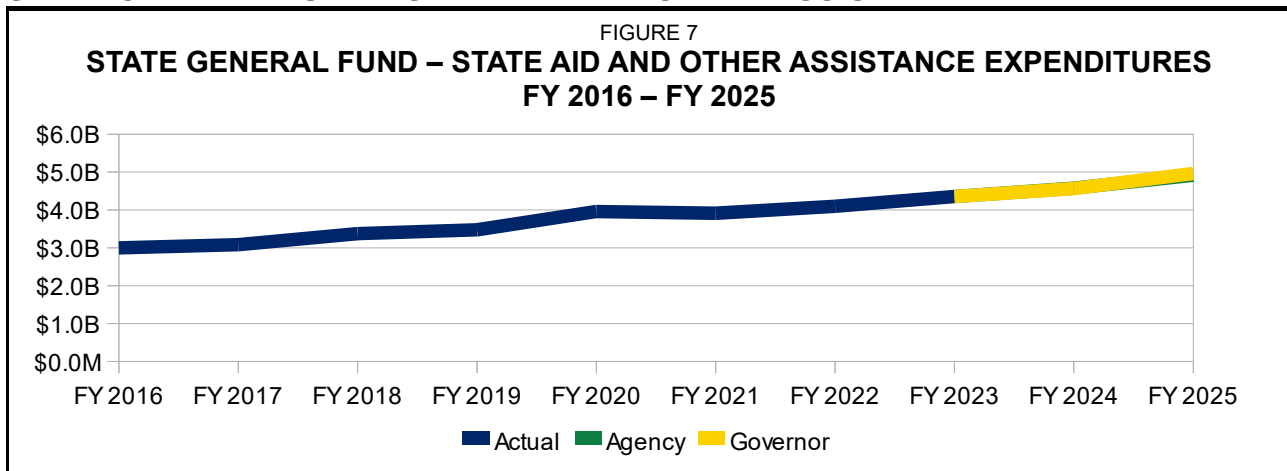
The agency's SGF expenditures for state operations averaged \$16.5 million from FY 2016 to FY 2023. The agency's FY 2024 revised estimate is \$20.1 million SGF for state operations. The agency's FY 2025 request is \$20.3 million SGF for state operations, which is an increase of \$132,982, or 0.66 percent.

ALL FUNDS – OPERATING EXPENDITURES



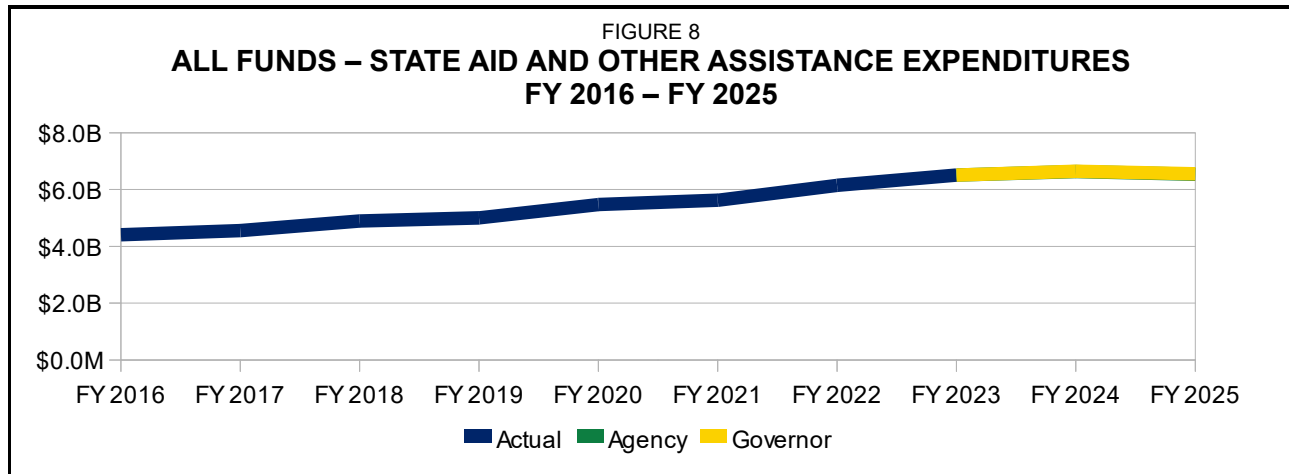
The agency's all funds expenditures for state operations averaged \$62.3 million from FY 2016 to FY 2023. The agency's FY 2024 revised estimate is \$108.2 million all funds for state operations. The agency's FY 2025 request is \$69.3 million all funds for state operations, which is a decrease of \$38.9 million, or 33.93 percent. This decrease is mainly due to the federal COVID-19 funding being spent in FY 2024 and not being continued into FY 2025.

STATE GENERAL FUND – STATE AID AND OTHER ASSISTANCE



The agency's SGF expenditures for state aid and other assistance averaged \$3.7 billion from FY 2016 to FY 2023. The agency's FY 2024 revised estimate is \$4.6 billion SGF for state aid and other assistance. The agency's FY 2025 request is \$4.9 billion SGF for state aid and other assistance, which is an increase of \$336.3 million, or 7.35 percent. This increase is mainly due to increases in State Foundation Aid of \$240.8 million, Special Education Services Aid of \$94.0 million, and Supplemental State Aid of \$20.0 million, partially offset by a decrease in KPERS-USD contributions of \$20.1 million, according to the Spring 2023 Education Caseloads Estimates.

ALL FUNDS – STATE AID AND OTHER ASSISTANCE



The agency's all funds expenditures for state aid and other assistance averaged \$5.3 billion from FY 2016 to FY 2023. The agency's FY 2024 revised estimate is \$6.6 billion all funds for state aid and other assistance. The agency's FY 2025 request is \$6.5 billion all funds for state aid and other assistance, which is a decrease of \$96.1 million, or 1.45 percent. The decrease is primarily due to a decrease in federal aid to local units of \$420.0 million, mainly due to the end of ESSER III grant funding. Additionally, the expenditures from the statewide 20-mill tax levy for K-12 education is budgeted to decrease by \$15.9 million, according to the Spring 2023 Education Caseloads Estimate. These decreases are partially offset by the SGF increase from the Spring 2023 Caseloads Estimates.

FY 2024 ANALYSIS

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 4,566,817,215	\$ 6,688,722,631	258.3
1. SGF Reappropriation	113,515,733	113,515,733	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 4,680,332,948</i>	<i>\$ 6,802,238,364</i>	<i>258.3</i>
Agency Revised Estimate:			
Supplemental Request:			
2. Pay Plan Shortfall	\$ 87,297	\$ 87,297	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 87,297</i>	<i>\$ 87,297</i>	<i>--</i>
3. Spring 2023 Education Consensus Estimate	\$ (84,095,985)	\$ (84,095,985)	--
4. CTE Pilot	(40,000)	(40,000)	--
5. ESEA Federal Aid	-	27,914,224	--
6. Federal Early Childhood Projects Aid	-	7,565,458	--
7. Federal Special Education Aid	-	2,579,439	--
8. Federal School Food Assistance Aid	-	2,171,071	--
9. ARPA Capital Projects	-	(19,375,000)	--
10. CIF Reappropriation	-	1,367,616	--
11. KEY Fund Reappropriation	-	168,585	--
12. Private Donations	-	1,250,000	--
13. Transfer Cash Balance to SGF	-	-	--
14. All Other Adjustments	-	223,841	9.6
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 4,596,284,260</i>	<i>\$ 6,742,054,910</i>	<i>267.9</i>
Governor's Recommendation:			
15. Fall 2023 Education Consensus Estimate	\$ (13,113,134)	\$ 7,284,729	--
TOTAL	\$ 4,583,171,126	\$ 6,749,339,639	267.9

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$6.7 billion, including \$4.7 billion SGF, appropriated to the Kansas State Department of Education for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION.** \$113.5 million in unspent SGF was shifted from FY 2023 to FY 2024. This includes \$95.6 million in State Foundation Aid, \$15.8 million in Supplemental State Aid, \$1.1 million for School District Juvenile Detention Facilities and Flint Hills Job Corps Center Grants, \$886,758 for the MHIT pilot program, and \$142,314 for Special Education Services Aid.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$6.7 billion in expenditures in FY 2024, including \$4.6 billion SGF, \$43.8 million from ELARF, \$42.0 million from the CIF, and \$445,118 from the Kansas Endowment for Youth (KEY) Fund. The revised estimate also includes 267.9 FTE positions in FY 2024.

The revised estimate includes the following supplemental request:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$87,297 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The

2023 Legislature approved \$120.0 million, including \$40.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KSDE, a supplemental appropriation of \$87,297 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental request, the revised estimate includes a decrease of \$60.3 million in base budget expenditures. Significant adjustments are as follows:

3. **SPRING 2023 EDUCATION CONSENSUS ESTIMATE.** The agency made an adjustment of a decrease of \$84.1 million SGF in FY 2024 to match the Spring 2023 Education Consensus numbers. This includes a decrease of \$69.5 million SGF for State Foundation Aid and a decrease of \$14.6 million SGF for Supplemental State Aid.
4. **CTE PILOT.** The agency lapsed \$40,000 SGF in FY 2024 for the Career Technical Education (CTE) Credential pilot program. Pursuant to KSA 72-3822, the program was only to exist for school year (SY) 2022-2023.
5. **ESEA FEDERAL AID.** The increase of \$27.9 million in FY 2024 is federal COVID-19 pandemic funding provided to support the federal Every Student Succeeds Act (ESSA), which reauthorized the federal Elementary and Secondary Education Act (ESEA) of 1965.
6. **FEDERAL EARLY CHILDHOOD PROJECTS AID.** The increase of \$7.6 million in FY 2024 is federal COVID-19 pandemic funding provided to support the development of the early childhood workforce registry and support the Early Childhood Capacity Accelerator grant program.
7. **FEDERAL SPECIAL EDUCATION AID.** The increase of \$2.6 million in FY 2024 is federal COVID-19 pandemic funding provided to help support special education, under the federal Individuals with Disabilities Education Act (IDEA), for children ages 3 through 21 with disabilities.
8. **FEDERAL SCHOOL FOOD ASSISTANCE AID.** The increase of \$2.2 million in FY 2024 is federal COVID-19 pandemic funding provided to help support nonprofit breakfast and national school lunch in schools and residential child care institutions, and meals and snacks for child care centers and day care homes.
9. **ARPA CAPITAL PROJECTS.** The decrease of \$19.4 million in FY 2024 is federal American Rescue Plan Act (ARPA) money. The Children's Cabinet was awarded \$40.0 million in ARPA funding to provide subgrants to early childhood education providers to assist with the capital costs of renovating or constructing new early childhood centers. These subgrants were originally expected to occur in FY 2023 and FY 2024, and they are now happening in FY 2024 and FY 2025. Therefore, there is a decrease of \$19.4 million in FY 2024 in expenditures for this grant and an increase of \$20.0 million in FY 2025.
10. **CIF REAPPROPRIATION.** \$1.4 million in unspent moneys from the Children's Initiatives Fund (CIF) was shifted from FY 2023 to FY 2024. Expenditures from these reappropriated funds occur within four programs: CIF Grants (\$759,688), Early Childhood Infrastructure (\$364,647), Parents as Teachers (\$186,168), and the Pre-K pilot program (\$57,113).

11. **KEY FUND REAPPROPRIATION.** \$168,585 in unspent moneys from the KEY Fund was shifted from FY 2023 to FY 2024.
12. **PRIVATE DONATIONS.** The increase of \$1.25 million in FY 2024 is due to the Children's Cabinet receiving a private grant from the Patterson Family Foundation. This money will be used to support the Early Childhood Capacity Accelerator grant program, which provides grants to early childhood providers with the goal of increasing capacity throughout Kansas.
13. **TRANSFER CASH BALANCE TO SGF.** The agency requests the authority to transfer the cash balance in the School District Capital Improvements Fund to the SGF in FY 2024. There is currently a cash balance of \$328 in the fund due to a check being received by a school district after the final 2023 payment was processed. Starting in FY 2024, Capital Improvement State Aid is being funded as a demand transfer, and the School District Capital Improvements Fund will no longer be used to process state aid payments. Therefore, the agency is requesting that language be added to the appropriations bill authorizing the transfer of this cash balance to the SGF in FY 2024.
14. **ALL OTHER ADJUSTMENTS.** The revised estimate includes an increase of \$223,841 in a variety of other expenditures, primarily in an additional \$238,021 in expenditures from the Teacher and Administrator Fee Fund. The revised estimate also includes an increase of 9.6 FTE positions. According to the agency, these positions will be funded by existing resources and are primarily funded by non-SGF money. The new positions include the following:
- 1.0 FTE position for a **Legislative Analyst** in the Office of the Deputy Commissioner of Fiscal and Administrative Services;
 - 1.0 FTE position for a **Senior Administrative Assistant** in IT;
 - 3.0 FTE positions in teacher licensure;
 - 2.0 FTE positions in the Child Nutrition and Wellness program;
 - 1.0 FTE position for an **Education Program Consultant** in the Special Education Services program;
 - 1.0 FTE position for a **Public Service Executive** that primarily works with COVID-19 relief funds; and
 - 1.0 FTE position for a **Grant Manager** in the Kansas Children's Cabinet.

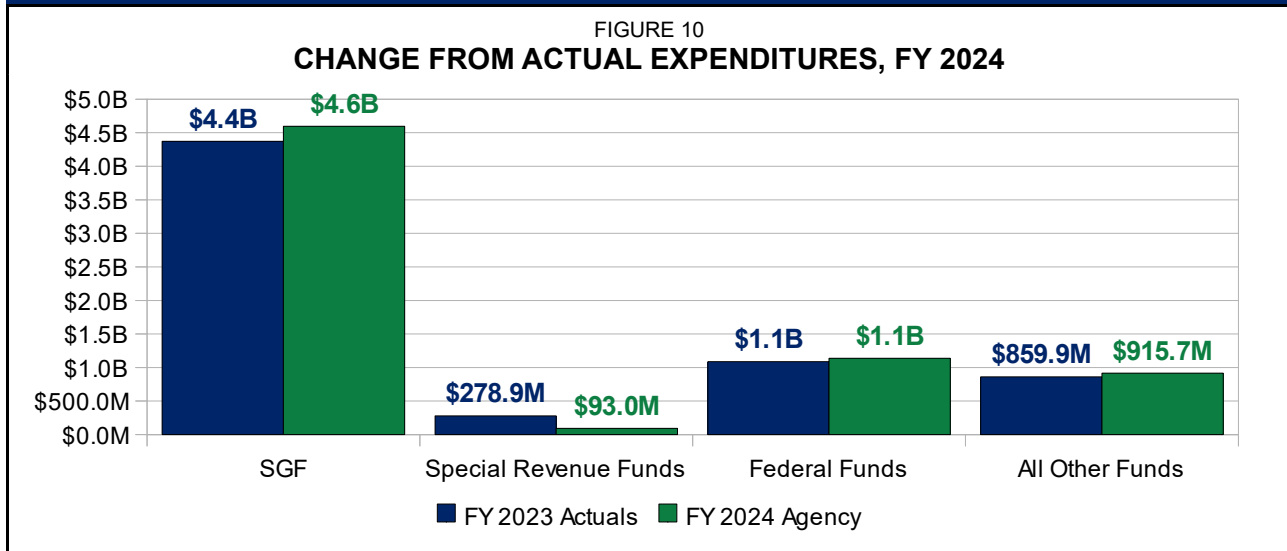
GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$6.7 billion, including \$4.6 billion SGF, in FY 2024. This is an all funds increase of \$7.3 million, or 0.1 percent, but an SGF decrease of \$13.1 million SGF, or 0.3 percent, from the agency's revised estimate. The **Governor's** recommendation also includes 267.85 FTE positions, which is the same as the agency's revised FY 2024 estimate.

The **Governor's** recommendation includes the following adjustment:

15. **FALL 2023 EDUCATION CONSENSUS ESTIMATE.** The Governor recommends an increase of \$7.3 million all funds, including a decrease of \$13.1 million SGF, to match the Fall 2023 Education Consensus Estimate numbers. This includes decreases in SGF, which include a decrease of \$12.4 million for State Foundation Aid, a decrease of \$714,470 for KPERS Non-USD employer contributions, and a decrease of \$341 for KPERS-USD employer contributions. It also includes a decrease of \$102,137 from the Mineral Production Fund. The Fall 2023 Education Consensus Estimate also includes increases of \$6.0 million in the School District Finance Fund, and \$14.5 million from the 20-mill levy.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$6.7 billion, including \$4.6 billion SGF, in FY 2024. This is an all funds increase of \$144.2 million, or 2.2 percent, and an SGF increase of \$223.6 million, or 5.1 percent, above the FY 2023 actual expenditures. The SGF increase is primarily due to the Capital Improvement State Aid moving to an SGF demand transfer in FY 2024 (\$203.0 million). The special revenue funds decrease of \$185.9 million is primarily due to Capital Improvement State Aid becoming an SGF demand transfer (\$196.6 million) rather than a special revenue fund expenditure. The all funds increase is primarily attributable to the SGF increase, offset by the special revenue funds decrease and the planned beginning of a decrease in federal funding relating to COVID-19 expenses between FY 2023 and FY 2024.

FY 2025 ANALYSIS

FIGURE 11

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 4,589,389,228	\$ 6,757,532,662	267.9
Enhancement Requests:			
1. Special Education Services State Aid	\$ 86,664,775	\$ 86,664,775	-
2. MHIT Pilot Program	3,000,000	3,000,000	-
3. Professional Development	1,900,000	1,900,000	-
4. Mentor Teacher Program	1,000,000	1,000,000	-
5. CTE Transportation	517,662	517,662	-
6. School Safety Auditor	85,000	85,000	1.0
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 93,167,437</i>	<i>\$ 93,167,437</i>	<i>1.0</i>
7. Spring 2023 Education Consensus Estimate	\$ 250,150,552	\$ 252,250,552	--
8. ESEA Federal Aid	-	(393,913,897)	--
9. Federal School Food Assistance Aid	-	(88,583,658)	--
10. Federal Special Education Aid	-	(36,514,238)	--
11. ARPA Capital Projects	-	20,000,000	--
12. Student Support and Academic Enrichment Grants	-	3,121,458	--
13. Additional Legislative Requests	-	-	--
<i>Subtotal—Agency Request</i>	<i>\$ 4,932,707,217</i>	<i>\$ 6,607,060,316</i>	<i>268.9</i>
Governor's Recommendation:			
14. Enhancements Not Recommended	\$ (602,662)	\$ (602,662)	(1.0)
15. Special Education Services State Aid	(11,786,250)	(11,786,250)	--
16. Fall 2023 Education Consensus Estimate	(66,020,568)	(5,164,450)	--
17. State Foundation Aid: Increase 20-Mill Exception	93,413,471	-	--
18. Parallel Test Virtual State Assessments	4,050,000	4,050,000	--
19. Children's Cabinet: Child Care Accelerator Grant	30,000,000	30,000,000	--
20. Children's Cabinet: Public-Private Partnership	5,000,000	5,000,000	--
21. Children's Cabinet: Incentives for Specialty Care	-	815,000	--
TOTAL	\$ 4,986,761,208	\$ 6,629,371,954	267.9

AGENCY REQUEST

The **agency** requests \$6.6 billion in expenditures for FY 2025, including \$4.9 billion SGF, \$42.8 million from the ELARF, \$40.6 million from the CIF, and \$276,533 from the KEY Fund. This is an all funds decrease of \$135.0 million, or 2.0 percent, and an SGF increase of \$336.4 million, or 7.3 percent. The agency also requests 268.9 FTE positions for FY 2025.

The request includes \$93.2 million SGF and 1.0 FTE position for the following enhancement requests:

1. **SPECIAL EDUCATION SERVICES STATE AID.** The agency requests an additional \$86.7 million SGF to increase the percent of excess costs to 75.1 percent for FY 2025. The agency has developed a four-year plan to reach 92.0 percent excess costs. If the Legislature appropriated the requested funding in each fiscal year, the percent of excess costs would equal 75.1 percent for FY 2025, 81.5 percent for FY 2026, 87.1 percent for FY 2027, and 92.0 percent in FY 2028. The plan also assumes special education excess costs growth of 5.0 percent per year. The agency would annually recalculate the amount needed to reach 92.0 percent of excess costs by FY 2028.

2. **MENTAL HEALTH INTERVENTION TEAM PILOT PROGRAM.** The agency requests \$3.0 million SGF for additional MHIT Pilot Program funding for FY 2025. This would bring the total funding for the Program to \$16.5 million, all SGF. The agency estimates the additional funding would expand the program to another 15 to 25 unified school districts (USDs), depending on the size of the USDs and their programs. There are currently 90 school districts in the program in FY 2024.
3. **PROFESSIONAL DEVELOPMENT.** The agency requests \$1.9 million SGF for the Professional Development program for FY 2025. Per KSA 72-2551, professional development state aid should be the lesser of 0.5 percent of a school district's general fund or 50.0 percent of actual expenditures for an approved professional development program. Professional Development State Aid is to promote the continuous professional development of all certified personnel serving in K-12 schools in Kansas.

To encourage such activities, state law allows for the distribution of professional development state aid to school districts. Since FY 2018, state aid appropriated for this purpose has not been sufficient to cover the state aid entitlement allowed by statute. From FY 2018 through FY 2021, annual SGF appropriations of \$1.7 million were made, with funds in FY 2022 being eliminated. The program was appropriated \$1.8 million in FY 2023 and for FY 2024. The enhancement request would increase total funding for the program to \$3.7 million for FY 2025. This amount would cover 65.2 percent of the State obligation for FY 2025.

4. **MENTOR TEACHER PROGRAM.** The agency requests \$1.0 million SGF to provide additional funding for the Mentor Teacher Program for FY 2025. This program is governed by KSA 72-2561 through 72-2564, and specifies that probationary teachers are provided support and assistance from an on-site mentor teacher for the first three years of the probationary teacher's career. State law provides for aid to school districts for up to \$1,000 in aid per mentor teacher. The current funding for FY 2025 of \$1.3 million SGF provides stipends for mentors assisting first-year teachers (\$1,000), mentors assisting second-year teachers (\$500), and mentors assisting third-year teachers (\$250). This enhancement request would increase total funding for the program to \$2.3 million SGF for FY 2025, and would provide all mentor teachers in the program to receive the \$1,000 stipend, whether they are mentors for first-year teachers, second-year teachers, or third-year teachers.
5. **CTE TRANSPORTATION.** The agency requests \$517,622 SGF to provide additional funding for career and technical education (CTE) transportation for FY 2025. Under this program, the State reimburses school districts for a portion of the costs to transport 11th and 12th grade students to post-secondary vocational programs. Reimbursement is based on the total number of miles driven and the size of the vehicle used to transport the students. This enhancement request would increase total funding for the program to \$2.0 million SGF for FY 2025.
6. **SCHOOL SAFETY AUDITOR.** The agency requests \$85,000 SGF and 1.0 FTE position to create a new School Safety Auditor position to visit school districts, audit districts' safety plans, and make recommendations to districts on how to improve the physical security of their schools. According to the agency, current school safety staff at KSDE conduct school safety audits on occasion, but have other responsibilities that prevent them from devoting additional time to this task.

Absent the enhancement requests, the request includes a decrease of \$228.1 million, with an increase of \$243.3 million SGF, in base budget expenditures. Significant adjustments are as follows:

7. **SPRING 2023 EDUCATION CONSENSUS ESTIMATE.** The agency made an adjustment of an increase of \$252.3 million, including \$250.2 million SGF, for FY 2025 to match the Spring 2023 Education Consensus numbers. This includes the following adjustments:

- An increase of \$240.8 million SGF for State Foundation Aid, for a total of \$2.6 billion SGF for FY 2025;
- An increase of \$7.4 million SGF for Special Education State Aid, for a total of \$535.5 million SGF for FY 2025;
- An increase of \$20.0 million SGF for Supplemental State Aid, for a total of \$590.0 million SGF for FY 2025; and
- A decrease of \$15.9 million from the 20-mill local property tax levy, for a total of \$793.3 million for FY 2025.

This covers a BASE of \$5,388 per student, which is an increase of \$300, or 5.9 percent, above the FY 2024 BASE. FY 2025 will be the second year in which the BASE will increase by a three-year average of the Midwest CPI-U. The estimate for BASE was revisited in the fall of 2023 and will be revisited in the spring of 2024 before being finalized for FY 2025.

8. **ESEA FEDERAL AID.** The decrease of \$394.0 million for FY 2025 is due to the end of federal COVID-19 pandemic funding, including the ESSER III grant, in FY 2024.
9. **FEDERAL SCHOOL FOOD ASSISTANCE AID.** The decrease of \$88.6 million for FY 2025 is due to federal COVID-19 pandemic funding ending in FY 2024.
10. **FEDERAL SPECIAL EDUCATION AID.** The decrease of \$36.5 million for FY 2025 is due to federal COVID-19 pandemic funding ending in FY 2024.
11. **ARPA CAPITAL IMPROVEMENTS.** The increase of \$20.0 million for FY 2025 is federal ARPA money. The Children's Cabinet was awarded \$40.0 million in ARPA funding to provide subgrants to early childhood education providers to assist with the capital costs of renovating or constructing new early childhood centers. These subgrants were originally expected to occur in FY 2023 and FY 2024, and they are now happening in FY 2024 and FY 2025. Therefore, there is an increase of \$20.0 million in FY 2025 in expenditures for this grant.
12. **STUDENT SUPPORT AND ACADEMIC ENRICHMENT GRANTS.** The increase of \$3.1 million is federal funding specifically for the Title IV, Part A program to improve academic achievement by increasing the capacity of state education agencies (SEAs), local education agencies (LEAs), schools, and local communities to provide all students with access to a well-rounded education; improve school conditions for student learning; and to enhance the use of technology to improve the academic achievement and digital literacy of all students.

13. **ADDITIONAL LEGISLATIVE REQUESTS.** The agency also requests the following to be considered by the Legislature for FY 2025:

- **Inter-Fund Transfers.** The agency requests continued authority to allow the Director of the Budget to transfer funds between the agency's SGF accounts for FY 2025. The Legislature has authorized this language annually since 2019.
- **State Aid Distribution.** The agency requests proviso language that allows the agency to distribute state aid from the State Safety Fund whenever funds are available for FY 2025, rather than by November 1st. Because the agency expressed concern with the cash balance carried year to year, the Legislature has approved similar proviso language for every year since FY 2018.
- **Income Tax Refund Donations.** The agency requests continued authority for FY 2025 to distribute donations of income tax refunds made by Kansas taxpayers to all school districts. Under KSA 79-3221n, Kansas taxpayers may donate all or a portion of their income tax refund or donate funds in addition to their tax liability to a USD of their choice. The continued authority to distribute funding would be used when a specific school district is not chosen by the taxpayer donating funds.
- **New NAEP Account.** The agency requests the creation of a new fund to account for revenues and expenditures associated with the administration of the National Assessment of Educational Progress (NAEP) exam. Previously, this was funded by a grant from the U.S. Department of Education through fund 3592-3070. No expenditures would be made from the account in FY 2024, but the agency is asking it be appropriated in both FY 2024 and FY 2025 in order to have sufficient time to conduct the necessary cash transfers before FY 2025.
- **Communities in Schools Clarification.** On September 5, 2023, the agency received notification that Communities in Schools of Mid-America disassociated with the Communities in Schools network starting in FY 2024. Communities in Schools of Mid-America is now known as SparkWheel. The organization had been receiving \$50,000 per year from the Family and Children Investment Fund to support the Communities in Schools program. The agency requests guidance on whether the \$50,000 allocation should go to SparkWheel or to an organization officially affiliated with the Communities in Schools program.
- **Parallel Assessment Forms.** The agency requests that parallel assessment forms be used for the state assessments, so that in-person students and virtual students are assessed on the same standard using different questions. The agency indicates a concern about the possibility of a breach in security of the assessment otherwise, which would invalidate the entire assessment and the agency would not have state assessment data to report to the Legislature or the federal government for that grade and subject. The agency anticipates that developing and administering parallel assessments, as well as ensuring the security of virtual assessment, would be \$9.4 million, including \$5.3 million on-going costs, for FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$6.6 billion, including \$5.0 billion SGF, \$42.8 million from the ELARF, \$41.5 million from the CIF, and \$276,533 from the KEY Fund. This is an all funds increase of \$22.3 million, or 0.3 percent, and an SGF increase of \$54.1 million, or 1.1 percent, above the agency's request for FY 2025. The Governor also recommends 267.9 FTE positions for FY 2025, which is a decrease of 1.0 FTE position below the agency's FY 2025 request.

The **Governor's** recommendation includes the following adjustments:

14. **ENHANCEMENTS NOT RECOMMENDED.** The Governor does not recommend adoption of the enhancement requests for CTE Transportation (Item 5) and for a new School Safety Auditor position (Item 6).
15. **SPECIAL EDUCATION SERVICES STATE AID.** Instead of a four-year plan for Special Education Services State Aid (Item 1), the Governor recommends a five-year plan. For FY 2025, this includes an additional \$74.9 million SGF to increase the percent of excess costs to 75.7 percent. To reach 92.0 percent, an additional \$74.9 million SGF will be included each year through FY 2029. If the Legislature appropriated the requested funding in each fiscal year, the percent of excess cost would equal 75.7 percent for FY 2025, 80.2 percent for FY 2026, 84.7 percent for FY 2027, 88.7 percent for FY 2028, and 92.0 percent for FY 2029. This results in an \$11.8 million SGF decrease from the agency's enhancement request.
16. **FALL 2023 EDUCATION CONSENSUS ESTIMATE.** The Governor recommends a decrease of \$5.2 million all funds, including a decrease of \$66.0 million SGF, to match the Fall 2023 Education Consensus Estimate numbers. This includes a decrease of \$4.9 million for KPERS Non-USD employer contributions and a decrease of \$1.3 million for KPERS USD employer contributions. It also includes an increase of \$4.0 million in a demand transfer for Capital Outlay State Aid and an increase of \$60.8 million all funds, including a decrease of \$63.8 million SGF, for State Foundation Aid.
17. **STATE FOUNDATION AID – INCREASE 20-MILL EXCEPTION.** The Governor recommends replacing \$93.4 million from the School District Finance Fund with SGF money. As part of the Governor's tax package, the Governor is including an increase for residential property tax exemption on the 20-mill property tax to \$100,000, which would reduce the revenue to the School District Finance Fund by \$93.4 million in FY 2025. The Governor recommends replacing that money with SGF funding instead.
18. **PARALLEL TEST VIRTUAL STATE ASSESSMENTS.** The Governor recommends an additional \$4.0 million SGF for the agency to develop parallel assessments for the annual state assessments. The 2023 Legislature enacted a new law that requires the agency to allow virtual students to take virtual state assessments instead of requiring these students to take the assessments in-person.
19. **CHILDREN'S CABINET – CHILD CARE ACCELERATOR GRANT.** The Governor recommends an additional \$30.0 million SGF for the construction and operation for child care providers to help increase capacity for child care within Kansas for FY 2025. This money is for people who cannot use the current federal funding. The \$30.0 million is a one-time amount to supplement the federal ARPA-SFRF money.
20. **CHILDREN'S CABINET – PUBLIC-PRIVATE PARTNERSHIP.** The Governor recommends \$5.0 million SGF for FY 2025 to fund a public-private partnership establishing ongoing, sustainable, community-level child care solutions within the Dane G. Hansen Foundation's 26 county footprint, mostly in rural Kansas counties. The Greater Northwest Kansas Community Foundation will administer the endowment. The endowment's goal is to sustain child care facilities, allow for higher wages, and allow more Kansans to enter the workforce by having access to reliable childcare.
21. **CHILDREN'S CABINET – INCENTIVES FOR SPECIALTY CARE.** The Governor recommends \$815,000 from the CIF to provide incentives for specialty infant care. Child Care Aware administers a pilot program called "Baby Steps," which provides additional financial incentives for providers who expand access specifically to infant care. The program is currently funded through private philanthropy and serves 53 programs in 20 rural counties.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 12 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplemental:						
1. Pay Plan Shortfall	\$ 87,297	\$ 87,297	-	\$ 87,297	\$ 87,297	-
FY 2025 Enhancements:						
2. Fall 2023 Education Consensus Estimate	\$ -	-	-	\$(66,020,568)	\$(5,164,450)	-
3. Special Education Services State Aid	86,664,775	\$ 86,664,775	-	74,878,525	74,878,525	-
4. MHIT Pilot Program	3,000,000	3,000,000	-	3,000,000	3,000,000	-
5. Professional Development State Aid	1,900,000	1,900,000	-	1,900,000	1,900,000	-
6. Mentor Teacher Program	1,000,000	1,000,000	-	1,000,000	1,000,000	-
7. CTE Transportation	517,662	517,662	-	-	-	-
8. School Safety Auditor	85,000	85,000	1.0	-	-	-
9. State Foundation Aid: Increase 20-Mill Exception	-	-	-	93,413,471	-	-
10. Parallel Test Virtual State Assessments	-	-	-	4,050,000	4,050,000	-
11. Children's Cabinet: Child Care Accelerator Grant	-	-	-	30,000,000	30,000,000	-
12. Children's Cabinet: Public-Private Partnership	-	-	-	5,000,000	5,000,000	-
13. Children's Cabinet: Incentives for Specialty Care	-	-	-	-	815,000	-
TOTAL	\$ 93,167,437	\$ 93,167,437	1.0	\$ 147,221,428	\$ 115,479,075	-

- PAY PLAN SHORTFALL.** The agency's revised estimate includes \$87,297 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature approved \$120.0 million, including \$40.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KSDE, a supplemental appropriation of \$87,297 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- FALL 2023 EDUCATION CONSENSUS CASELOADS.** The **Governor** recommends a decrease of \$5.2 million all funds, including a decrease of \$66.0 million SGF, to match the Fall 2023 Education Consensus Estimate numbers. This includes a decrease of \$4.9 million for KPERs Non-USD employer contributions and a decrease of \$1.3 million for KPERs USD employer contributions. It also includes an increase of \$4.0 million in a demand transfer for Capital Outlay State Aid and an increase of \$60.8 million all funds, including a decrease of \$63.8 million SGF, for State Foundation Aid.
- SPECIAL EDUCATION SERVICES STATE AID.** KSA 72-3422 provides for Special Education Services State Aid to equal 92.0 percent of excess costs for special education in Kansas. Percentage of excess costs for FY 2025 were expected to equal 69.3 percent during the Fall 2023 Education Consensus Estimates. Since federal and state law requires the provision of special education services, school districts must finance any excess costs not funded by the State from their general funds or supplemental general funds, reducing the amount available for general education services.

The **agency** requests an additional \$86.7 million, all SGF, for FY 2025. This would increase the percent of excess costs to 75.1 percent for FY 2025. The agency has developed a four-year plan to reach 92.0 percent excess costs, which is listed below.

SPECIAL EDUCATION STATE AID ENHANCEMENT REQUEST: 4-YEAR PLAN			
Fiscal Year	State Aid	-	Additional Cost
2025	\$ 622,183,593	75.1 %	\$ 86,664,775
2026	708,848,369	81.5	86,667,776
2027	795,716,144	87.1	86,667,776
2028	882,177,919	92.0	86,667,776

If the Legislature appropriated the requested funding in each fiscal year, the percent of excess cost would equal 75.1 percent for FY 2025, 81.5 percent for FY 2026, 87.1 percent for FY 2027, and 92.0 percent in FY 2028. The plan also assumes special education excess costs growth of 5.0 percent per year. The agency would annually recalculate the amount needed to reach 92 percent of excess costs by FY 2028.

The **Governor** recommends \$74.9 million SGF each year from FY 2025 to FY 2029. This would increase the percent of excess costs to 75.7 percent for FY 2025. The Governor's office has developed a five-year plan to reach 92.0 percent excess costs, which is listed below.

SPECIAL EDUCATION STATE AID GOVERNOR'S RECOMMENDATION: 5-YEAR PLAN			
Fiscal Year	State Aid	-	Additional Cost
2025	\$ 610,397,343	75.7 %	\$ 74,878,525
2026	685,275,868	80.2	74,878,525
2027	760,154,393	84.7	74,878,525
2028	835,032,918	88.7	74,878,525
2029	909,911,441	92.0	74,878,525

If the Legislature appropriated the requested funding in each fiscal year, the percent of excess cost would equal 75.7 percent for FY 2025, 80.2 percent for FY 2026, 84.7 percent for FY 2027, 88.7 percent in FY 2028, and 92.0 percent in FY 2029.

4. **MENTAL HEALTH INTERVENTION TEAM PILOT PROGRAM.** The **agency** requests \$3.0 million SGF for additional MHIT Pilot Program funding for FY 2025. This would bring the total funding for the program to \$16.5 million, all SGF. The agency estimates the additional funding would expand the program to another 15 to 25 USDs, depending on the size of the USDs and their programs. There are currently 90 school districts in the program in FY 2024.

The Governor recommends adoption of this request.

5. **PROFESSIONAL DEVELOPMENT STATE AID.** The **agency** requests \$1.9 million SGF for the Professional Development program for FY 2025. Per KSA 72-2551, Professional Development State Aid should be the lesser of 0.5 percent of a school district's general fund or 50.0 percent of actual expenditures for an approved professional development program. Professional Development State Aid is to promote the continuous professional development of all certified personnel serving in K-12 schools in Kansas.

To encourage such activities, state law allows for the distribution of Professional Development State Aid to school districts. Since FY 2018, state aid appropriated for this purpose has not been sufficient to cover the state aid entitlement allowed by statute. From FY 2018 through FY 2021, annual SGF appropriations of \$1.7 million were made, with funds in FY 2022 being eliminated. The program was appropriated \$1.8 million in FY 2023 and for FY 2024. The enhancement request would increase total funding for

the program to \$3.7 million for FY 2025. This amount would cover 65.2 percent of the state obligation for FY 2025.

The Governor recommends adoption of this request.

6. **MENTOR TEACHER PROGRAM.** The **agency** requests \$1.0 million SGF to provide additional funding for the Mentor Teacher Program for FY 2025. This program is governed by KSA 72-2561 through 72-2564, and specifies that probationary teachers are provided support and assistance from an on-site mentor teacher for the first three years of the probationary teacher's career. State law provides for aid to school districts for up to \$1,000 in aid per mentor teacher. The current funding for FY 2025 of \$1.3 million SGF provides stipends for mentors assisting first-year teachers (\$1,000), mentors assisting second-year teachers (\$500), and mentors assisting third-year teachers (\$250). This enhancement request would increase total funding for the program to \$2.3 million SGF for FY 2025, and would provide all mentor teachers in the program to receive the \$1,000 stipend, whether they are mentors for first-year teachers, second-year teachers, or third-year teachers.

The Governor recommends adoption of this request.

7. **CAREER AND TECHNICAL EDUCATION TRANSPORTATION.** The **agency** requests \$517,622 SGF to provide additional funding for career and technical education (CTE) transportation for FY 2025. Under this program, the State reimburses school districts for a portion of the costs to transport 11th and 12th grade students to postsecondary vocational programs. Reimbursement is based on the total number of miles driven and the size of the vehicle used to transport the students. This enhancement request would increase total funding for the program to \$2.0 million SGF for FY 2025.

The Governor does not recommend adoption of this request.

8. **SCHOOL SAFETY AUDITOR.** The **agency** requests \$85,000 SGF and 1.0 FTE position to create a School Safety Auditor position within the agency. The primary responsibilities for this position would be to travel to school districts, audit districts' safety plans, and make recommendations to districts on how to improve the physical security of their schools. According to the agency, current school safety staff at KSDE conduct school safety audits on occasion, but have other responsibilities that prevent them from devoting additional time to this task.

The Governor does not recommend adoption of this request.

9. **STATE FOUNDATION AID – INCREASE 20-MILL EXCEPTION.** The **Governor** recommends replacing \$93.4 million from the School District Finance Fund with SGF money. As part of the Governor's tax package, the Governor is including an increase for residential property tax exemption on the 20-mill property tax to \$100,000, which would reduce the revenue to the School District Finance Fund by \$93.4 million in FY 2025. The Governor recommends replacing that money with SGF funding instead.
10. **PARALLEL TEST VIRTUAL STATE ASSESSMENTS.** The **Governor** recommends an additional \$4.0 million SGF for the agency to develop parallel assessments for the annual state assessments. The 2023 Legislature enacted a new law that requires the agency to allow virtual students to take virtual state assessments instead of requiring these students to take the assessments in-person.

11. **CHILDREN'S CABINET – CHILD CARE ACCELERATOR GRANT.** The **Governor** recommends an additional \$30.0 million SGF for the construction and operation for child care providers to help increase capacity for child care within Kansas for FY 2025. This money is for people who cannot use the current federal funding. The \$30.0 million is a one-time amount to supplement the federal ARPA-SFRF money.
12. **CHILDREN'S CABINET – PUBLIC-PRIVATE PARTNERSHIP.** The **Governor** recommends \$5.0 million SGF for FY 2025 to fund a public-private partnership establishing ongoing, sustainable, community-level childcare solutions within the Dane G. Hansen Foundation's 26 county footprint, mostly in rural Kansas counties. The Greater Northwest Kansas Community Foundation will administer the endowment. The endowment's goal is to sustain child care facilities, allow for higher wages, and allow more Kansans to enter the workforce by having access to reliable childcare.
13. **CHILDREN'S CABINET – INCENTIVES FOR SPECIALTY CARE.** The **Governor** recommends \$815,000 from the CIF to provide incentives specifically for infant care. Across the state, the lack of infant slots limits the accessibility of care for families. Child Care Aware administers a pilot program called "Baby Steps," which provides additional financial incentives for providers who expand access to specialty infant care. The program is currently funded through private philanthropy and serves 53 programs in 20 rural counties.

SPECIAL TOPICS

FY 2024 EDUCATION CONSENSUS ADJUSTMENT

The Governor recommends adoption of the Fall 2023 Education Consensus Estimates in FY 2024. For school finance, the Governor recommends decreased expenditures of \$7.1 million all funds, or 0.1 percent, and a decrease of \$27.5 million SGF, or 0.6 percent, below the approved amount and below the agency's revised estimate. The individual components of the Fall 2023 Education Consensus Estimate for FY 2024 are described below.

SCHOOL FINANCE – STATE FOUNDATION AID

The Governor recommends expenditures of \$3.5 billion, including \$2.6 billion SGF, for State Foundation Aid in FY 2024. This is an all funds decrease of \$8.0 million, including an SGF decrease of \$12.4 million, below the FY 2024 approved amount. The decrease is primarily attributable to an increase of \$14.5 million from the statewide 20-mill property tax and an increase of \$6.0 million in the School District Finance Fund (optional local property taxes) above the FY 2024 approved amounts. Based on the State Foundation Aid formula, those are deducted from the State's total obligation as part of the Local Option Budget (LOB). The increase in deductions is partially offset by an increase in Virtual State Aid of \$8.0 million and an increase in weighted FTE enrollment of 28,000 above the FY 2024 approved amounts.

SCHOOL FINANCE – SUPPLEMENTAL STATE AID

The Governor recommends expenditures of \$570.0 million SGF for Supplemental State Aid in FY 2024. This is a decrease of \$14.6 million SGF from the FY 2024 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 \$528.2 million SGF for Special Education State Aid in FY 2024. This is the same as the FY 2024 approved amount. The Fall 2023 Education Consensus Estimates project that Special Education State Aid will cover 69.3 percent of excess costs in FY 2024.

SCHOOL FINANCE – CAPITAL OUTLAY STATE AID

The Governor recommends expenditures of \$94.0 million SGF for Capital Outlay State Aid in FY 2024. This is the same as the FY 2024 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 SGF. They are considered normal SGF expenditures; however, there is no line-item appropriation in the appropriations bill.

SCHOOL FINANCE – CAPITAL IMPROVEMENT STATE AID

The Governor recommends expenditures of \$203.0 million, all from special revenue funds, for Capital Improvement State Aid in FY 2024. This is the same as the the FY 2024 approved amount. Capital Improvement State Aid provides equalization aid for school districts' bonded indebtedness incurred for capital construction projects.

KPERS-USDS

The Governor recommends expenditures of \$531.9 million SGF for KPERS-USDs in FY 2024. This is a decrease of \$341 below the FY 2024 approved amount.

KPERS-NON-USDS

The Governor recommends expenditures of \$72.9 million, including \$29.1 million SGF, for KPERS-Non-USDs in FY 2024. This is a decrease of \$714,470 SGF below the FY 2024 approved amount.

SPECIAL TOPICS

FY 2025 EDUCATION CONSENSUS ADJUSTMENT

The Governor recommends adoption of the Fall 2023 Education Consensus Estimates for FY 2025. For school finance, the Governor recommends an increase of \$10.0 million all funds, or 0.2 percent, above the approved amount and the agency's request, and a decrease of \$50.9 million SGF, or 1.1 percent, below the approved amount and the agency's request. The individual components of the Fall 2023 Education Consensus Estimates for FY 2025 are described below:

SCHOOL FINANCE–STATE FOUNDATION AID

The Governor recommends expenditures of \$3.7 billion, including \$2.8 billion SGF, for State Foundation Aid for FY 2025. This is an all funds decrease of \$3.0 million, and an SGF decrease of \$63.8 million, below the FY 2025 approved amount. The decrease is primarily attributable to an increase of \$56.8 million from the statewide 20-mill property tax and an increase of \$6.0 million in the School District Finance Fund (optional local property taxes) above the FY 2024 approved amounts. Based on the State Foundation Aid formula, those are deducted from the State's total obligation as part of the LOB. The increase in deductions is partially offset by an increase in Virtual State Aid of \$8.0 million above the FY 2024 approved amounts. The Fall 2023 estimate also includes a slight decrease in BASE rate from the FY 2025 approved, from \$5,388 to \$5,381 per weighted FTE student for FY 2025, as well as a decrease in weighted FTE enrollment of 1,150.

SCHOOL FINANCE – SUPPLEMENTAL STATE AID

The Governor recommends expenditures of \$590.0 million SGF for Supplemental State Aid for FY 2025. This is the same as the FY 2025 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 \$535.5 million SGF for Special Education State Aid for FY 2024. This is an increase of \$151.0 million above the FY 2025 approved amount. The Fall 2023 Education Consensus Estimates project that Special Education State Aid will cover 66.4 percent of excess costs for FY 2025.

SCHOOL FINANCE – CAPITAL OUTLAY STATE AID

The Governor recommends expenditures of \$97.0 million SGF for Capital Outlay State Aid for FY 2025. This is an increase of \$4.0 million above the FY 2025 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 SGF. As such, they are considered normal SGF expenditures; however, there is no line-item appropriation in the appropriations bill.

SCHOOL FINANCE – CAPITAL IMPROVEMENT STATE AID

The Governor recommends expenditures of \$205.0 million, all SGF, for Capital Improvement State Aid for FY 2025. This is the same as the FY 2025 approved amount.

KPERS–USDS

The Governor recommends expenditures of \$506.3 million SGF for KPERS-USDS for FY 2025. This is a decrease of \$4.9 million below the FY 2025 approved amount.

KPERS–NON-USDS

The Governor recommends expenditures of \$68.0 million, including \$25.2 million SGF, for KPERS-Non-USDS for FY 2025. This is a decrease of \$1.3 million SGF below the FY 2025 approved amount.

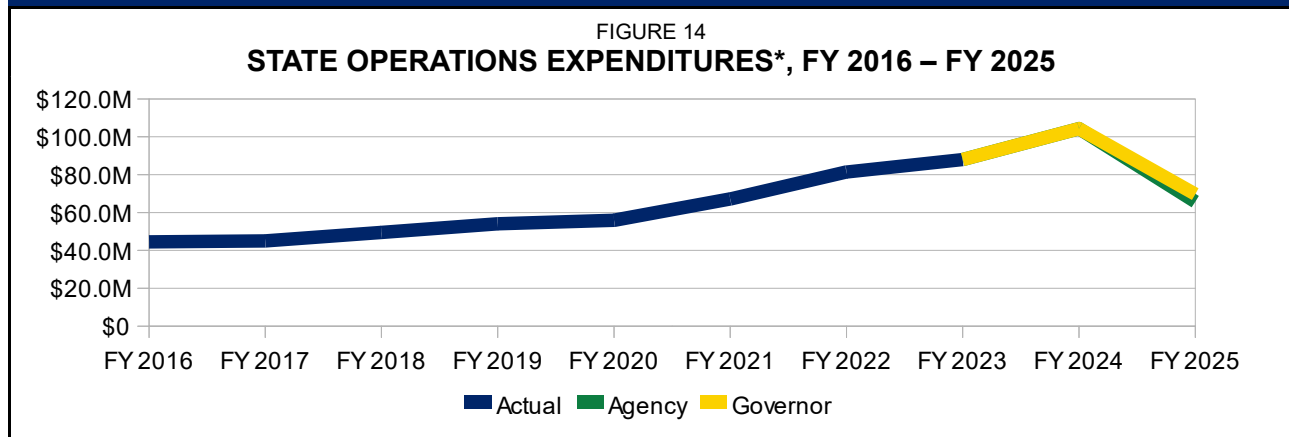
PROGRAMS OVERVIEW

FIGURE 13

EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures*:					
Administration	\$ 49,069,245	\$ 61,598,806	\$ 61,598,806	\$ 23,717,537	\$ 23,632,537
Career & Technical Education	1,437,556	1,578,706	1,578,706	1,611,558	1,611,558
Child Nutrition & Wellness	3,374,607	3,540,312	3,540,312	3,814,630	3,814,630
Financial Aid	2,862,611	4,800,000	4,800,000	4,800,000	4,800,000
Governance of Education	391,866	422,093	422,093	418,406	418,406
Special Education Services	16,585,752	17,394,832	17,394,832	15,576,182	15,576,182
Standards & Assessments	10,063,202	11,185,474	11,185,474	11,627,503	15,677,503
Title Programs & Services	4,190,323	3,767,081	3,767,081	4,169,880	4,169,880
<i>Subtotal—Operating</i>	<i>\$ 87,975,162</i>	<i>\$ 104,287,304</i>	<i>\$ 104,287,304</i>	<i>\$ 65,735,696</i>	<i>\$ 69,700,696</i>
State Aid and Other Assistance*:					
Administration	\$ 483,054,707	\$ 395,849,737	\$ 395,849,737	\$ 94,722,924	\$ 94,722,924
Child Nutrition & Wellness	94,443	-	-	-	-
Financial Aid	5,987,937,529	6,195,768,958	6,203,053,687	6,400,670,953	6,383,202,591
Special Education Services	-	-	-	950,000	950,000
Standards & Assessments	2,244,552	2,408,829	2,408,829	2,270,083	2,270,083
Title Programs & Services	624,586	643,394	643,394	625,611	625,611
Children's Cabinet	33,188,990	39,226,217	39,226,217	38,519,024	74,334,024
<i>Subtotal—Aid and Other Asst.</i>	<i>\$ 6,506,520,221</i>	<i>\$ 6,633,897,135</i>	<i>\$ 6,641,181,864</i>	<i>\$ 6,537,758,595</i>	<i>\$ 6,556,105,233</i>
Children's Cabinet					
Operating Expenditures	\$ 2,757,987	\$ 3,870,471	\$ 3,870,471	\$ 3,566,025	\$ 3,566,025
GRAND TOTAL	\$ 6,597,253,370	\$ 6,742,054,910	\$ 6,749,339,639	\$ 6,607,060,316	\$ 6,629,371,954
FTE Positions:					
Administration	135.1	141.3	141.3	142.3	141.3
Career & Technical Education	12.4	12.6	12.6	12.6	12.6
Child Nutrition & Wellness	32.7	33.5	33.5	33.5	33.5
Children's Cabinet	7.0	8.0	8.0	8.0	8.0
Financial Aid	-	-	-	-	-
Governance of Education	1.0	1.0	1.0	1.0	1.0
Special Education Services	25.5	26.6	26.6	26.6	26.6
Standards & Assessments	30.2	30.0	30.0	30.0	30.0
Title Programs & Services	14.3	14.9	14.9	14.9	14.9
TOTAL	258.3	267.9	267.9	268.9	267.9

STATE OPERATIONS EXPENDITURES**



*Staff note: These expenditures do not include operating expenditures for the Children's Cabinet.

STATUTORY BASIS: • KSA 72-5170, 72-1250 through 72-2167, 72-5131 through 72-5176, 72-1167, 72-2171, 72-242 through 72-263, 72-17,132 through 72-17,148, 72-3403, *et seq.*, 72-3810, *et seq.*

PROGRAM GOALS:

- Access and distribute state and federal revenues to local education agencies and other qualifying organizations.
- Verify the fiscal accountability of all USDs, special education interlocals, cooperatives, service centers, child care centers, and non-public entities.
- Ensure Kansas educators are qualified and prepared to improve the learning of Kansas students.
- Ensure that all educational systems in Kansas achieve Kansas Education Systems Accreditation (FY 2018 was the first year of KESA).
- Develop active communication and partnerships with families, communities, business stakeholders, constituents, and policy partners.

State Operations Expenditures include all expenditures for salaries and wages, contractual services, commodities, and capital outlay within KSDE, with the exception of

expenditures for the Kansas Children's Cabinet. Expenditures for the Children's Cabinet are detailed in a subsequent table.

FIGURE 15
STATE OPERATIONS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 17,624,437	\$ 20,117,526	\$ 20,117,526	\$ 20,250,508	\$ 24,215,508
Federal Funds	65,764,012	78,609,985	78,609,985	40,309,833	40,309,833
All Other Funds	4,624,931	5,559,793	5,559,793	5,175,355	5,175,355
TOTAL	\$ 88,013,380	\$ 104,287,304	\$ 104,287,304	\$ 65,735,696	\$ 69,700,696
Percent Change:					
SGF	18.5 %	14.1 %	-- %	0.7 %	19.6 %
All Funds	28.1 %	18.5 %	-- %	(37.0) %	6.0 %
FTE Positions	251.3	259.9	259.9	260.9	259.9

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency's** revised request for \$104.3 million in FY 2024 is an increase of \$21.6 million, or 26.07 percent, above the FY 2024

approved amount. This increase above the approved budget is mainly due to an increase in federal funding for ESEA of \$21.6 million.

The increase of 8.6 FTE positions in FY 2024 is for additional staffing in the administrative, child nutrition and wellness, special education, career and technical education, and title programs and services programs.

The **Governor** concurs with the agency's revised request for FY 2024.

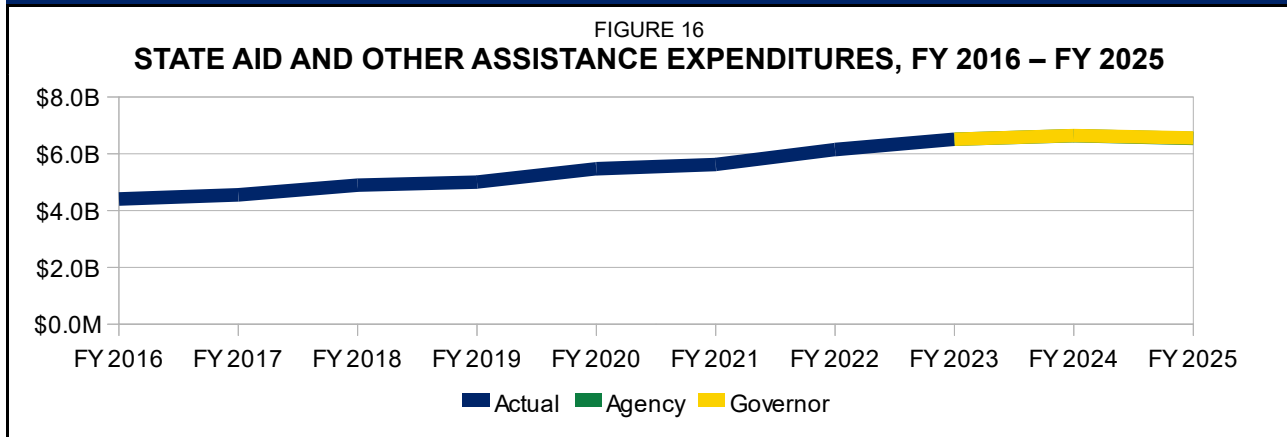
FY 2025 REQUEST

The **agency's** request for \$65.7 million for FY 2025 is a decrease of \$38.6 million, or 37.1 percent, below the revised FY 2024 request. This is mainly attributable to a decrease in federal funding for ESEA of \$36.1 million.

The increase of 1.0 FTE position for FY 2025 is for a school safety auditor within the administrative program.

The **Governor** recommends \$69.7 million for FY 2025, which is an increase of \$4.0 million above the agency's request. This is mainly attributable to the Governor's recommendation for \$4.0 million for a parallel test for virtual students for the state assessment, along with a decrease of \$85,000 and 1.0 FTE position as the Governor did not recommend the agency's enhancement request for a school safety auditor.

STATE AID AND OTHER ASSISTANCE



STATUTORY BASIS: • KSA 72-5131–5176 (KSEEA); KSA 72-53,126 (Capital Outlay); KSA 72-5462 (Capital Improvement); KSA 72-3422, 72-3425, and 72-3440 (SPED); KSA 72-17,132–17,148 (Food Service); KSA 72-4161–4166 (Parents as Teachers); KSA 72-4005–4010 (Driver Education); KSA 72-1173 (Juvenile Detention Facilities)

PROGRAM GOALS: • Provide financial support that will assist local education agencies in meeting the educational needs of students.

State Aid and Other Assistance includes all individuals. It also includes state aid to the state aid to school districts, as well as most Children's Cabinet. grants provided to local agencies and

FIGURE 17
STATE AID AND LOCAL ASSISTANCE FINANCING, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,469,489,182	\$ 4,576,166,734	\$ 4,563,053,600	\$ 4,912,456,709	\$ 4,962,545,700
Federal Funds	1,075,092,424	1,057,650,339	1,057,650,339	647,608,665	647,608,665
All Other Funds	1,131,800,547	1,000,080,062	1,020,477,925	977,693,221	945,950,868
TOTAL	\$ 6,676,382,153	\$ 6,633,897,135	\$ 6,641,181,864	\$ 6,537,758,595	\$ 6,556,105,233
Percent Change:					
SGF	6.2 %	2.4 %	(0.3) %	7.3 %	1.0 %
All Funds	5.9 %	(0.6) %	0.1 %	(1.4) %	0.3 %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** submits a revised estimate for \$6.6 billion, including \$4.6 million SGF, for state aid and other assistance in FY 2024. This is a decrease of \$82.2 million, or 1.2 percent, below the FY 2024 approved amount. This decrease below the approved budget is mainly due to the agency's adjustment for the Spring 2023 Education Consensus Estimate, which reduced state aid by \$84.1 million SGF. This is partially offset by an increase in private donations of \$1.3 million and an increase in CIF

expenditures of \$1.0 million for CIF grants (\$759,688), the parent education program (\$186,168) and the Pre-K pilot program (\$57,113).

The **Governor** recommends \$6.6 billion, including \$4.6 billion SGF, for state aid and other assistance in FY 2024. This is an increase of \$7.3 million all funds above the agency's revised estimate, and a decrease of \$13.1 million SGF. The changes are due to the Fall 2023 Education Consensus Estimate.

FY 2025 REQUEST

The **agency** requests 6.5 billion, including \$4.9 billion SGF, for FY 2025. This is an all funds decrease of \$96.1 million, or 1.45 percent, below the revised FY 2024 request. This is mainly attributable to a decrease of \$410.0 million in federal funds, as the COVID-19 relief money wraps up in FY 2024. It is offset by an increase of \$252.2 million SGF, mainly in State Foundation Aid and Special Education State Aid.

The **Governor** recommends \$6.6 billion, including \$4.6 billion SGF, for FY 2025. This is an increase of \$18.3 million all funds and an increase of \$50.1 million SGF. The SGF increase is due to the Fall 2023 Education Consensus Estimate adjustment and the Governor's recommendations for \$30.0 million SGF for Childcare Accelerator Grants and \$5.0 million SGF for the public-private partnership pilot program. The overall increase is less than the SGF increase due mainly to the Governor's recommendation to switch \$36.6 million from the 20-mill levy to SGF funding, along with the Fall 2023 Education Consensus Estimate.

FIGURE 18
STATE AID AND OTHER ASSISTANCE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
State General Fund:					
State Foundation Aid	\$ 2,585,999,100	\$ 2,584,932,436	\$ 2,572,534,113	\$ 2,825,725,000	\$ 2,855,326,655
Supplemental State Aid	572,923,136	570,000,000	570,000,000	590,000,000	590,000,000
Special Education State Aid	522,877,065	528,160,830	528,160,830	622,183,593	610,397,343
Capital Outlay State Aid	87,260,686	94,000,000	94,000,000	93,000,000	97,000,000
Capital Improvement State Aid*	-	203,000,000	203,000,000	205,000,000	205,000,000
KPERS–USDs	526,710,128	531,880,516	531,880,175	511,145,863	506,277,807
KPERS–Non-USDs	32,909,295	29,810,273	29,095,803	26,555,824	25,215,128
MHIT Pilot Program	9,637,121	14,421,480	14,421,480	16,534,722	16,534,722
Juvenile Detention Grants	3,981,409	6,127,682	6,127,682	5,060,528	5,060,528
School Safety & Security Grants	4,000,000	5,000,000	5,000,000	5,000,000	5,000,000
School Food Assistance	2,510,461	2,510,486	2,510,486	2,510,486	2,510,486
Professional Development	1,770,000	1,770,000	1,770,000	3,670,000	3,670,000
Mentor Teacher Program	1,300,000	1,300,000	1,300,000	2,300,000	2,300,000
Technical Ed. Transportation	1,482,338	1,482,338	1,482,338	2,000,000	1,482,338
Computer Science Adv. Grants	999,706	1,000,000	1,000,000	1,000,000	1,000,000
Juvenile Transitional Crisis Ctr. Pilot	300,000	300,000	300,000	300,000	300,000
Teacher Excellence	222,325	360,693	360,693	360,693	360,693
Deaf-Blind Program Aid	110,000	110,000	110,000	110,000	110,000
Career Technical Education	40,000	-	-	-	-
Childcare Accelerator Grants	-	-	-	-	30,000,000
Public-Private Partnership Pilot	-	-	-	-	5,000,000
<i>Subtotal–SGF</i>	<i>\$ 4,355,032,770</i>	<i>\$ 4,576,166,734</i>	<i>\$ 4,563,053,600</i>	<i>\$ 4,912,456,709</i>	<i>\$ 4,962,545,700</i>
Other State Funds:					
20 Mill Local Property Tax	\$ 796,620,156	\$ 845,800,000	\$ 860,300,000	\$ 829,900,000	\$ 793,286,529
School District Finance Fund	53,933,567	52,000,000	58,000,000	52,000,000	58,000,000
KPERS–ELARF	41,389,547	43,788,676	43,788,676	42,826,858	42,826,858
Capital Improvement State Aid*	196,631,750	-	-	-	-
Mineral Production Fund	8,907,579	16,131,034	16,028,897	11,609,000	9,665,118
Communities in Schools	50,000	50,000	50,000	50,000	50,000
Driver Education Aid	1,610,088	1,615,000	1,615,000	1,615,000	1,615,000
USD Checkoff Fund	84,522	50,000	50,000	50,000	50,000
Private Gifts and Grants	-	1,250,000	1,250,000	1,250,000	1,250,000
Family & Children Investment Fund**	22,633	-	-	-	-
<i>Subtotal–Other State Funds</i>	<i>\$ 1,099,249,842</i>	<i>\$ 960,684,710</i>	<i>\$ 981,082,573</i>	<i>\$ 939,300,858</i>	<i>\$ 906,743,505</i>
Children's Initiatives Fund:					
Parent Education (Parents as Teachers)	\$ 8,351,069	\$ 9,623,803	\$ 9,623,803	\$ 9,437,635	\$ 9,437,635
Kansas Preschool Program (Pre-K Pilot)	4,142,887	4,257,113	4,257,113	4,200,000	4,200,000
Early Childhood Block Grant**	19,784,000	24,014,436	24,014,436	23,254,728	23,254,728
Early Childhood Infrastructure**	257,678	-	-	-	-
Imagination Library**	500,000	1,500,000	1,500,000	1,500,000	1,500,000
Financial Incentives for Spec. Care**	-	-	-	-	815,000
<i>Subtotal–CIF</i>	<i>\$ 33,035,634</i>	<i>\$ 39,395,352</i>	<i>\$ 39,395,352</i>	<i>\$ 38,392,363</i>	<i>\$ 39,207,363</i>
Selected Federal Funds:					
Special Education	\$ 119,526,271	\$ 142,974,753	\$ 142,974,753	\$ 106,460,515	\$ 106,460,515
School Food Assistance	260,250,561	330,627,067	330,627,067	241,736,261	241,736,261
Elementary and Secondary Education Act (ESEA) Prog.	441,561,288	379,004,674	379,004,674	91,162,336	91,162,336
TANF Children's Programs	4,534,280	4,132,317	4,132,317	4,132,317	4,132,317
Comm.-Based Child Abuse Prev.**	2,954,445	1,656,288	1,656,288	1,483,774	1,483,774

FIGURE 18 STATE AID AND OTHER ASSISTANCE, FY 2023 – FY 2025					
All Other Federal Funding	190,999,716	199,255,240	199,255,240	202,633,462	202,633,462
Subtotal–Federal Funds	\$ 1,019,826,561	\$ 1,057,650,339	\$ 1,057,650,339	\$ 647,608,665	\$ 647,608,665
All Other Funds	\$ 2,152,112,037	\$ 2,057,730,401	\$ 2,078,128,264	\$ 1,625,301,886	\$ 1,593,559,533
GRAND TOTAL	\$ 6,507,144,807	\$ 6,633,897,135	\$ 6,641,181,864	\$ 6,537,758,595	\$ 6,556,105,233

* Staff note: Capital Improvement State Aid was a special revenue fund through FY 2023. In FY 2024, that State Aid became a SGF demand transfer, so is reflected in the SGF section rather than the Other State Funds section.

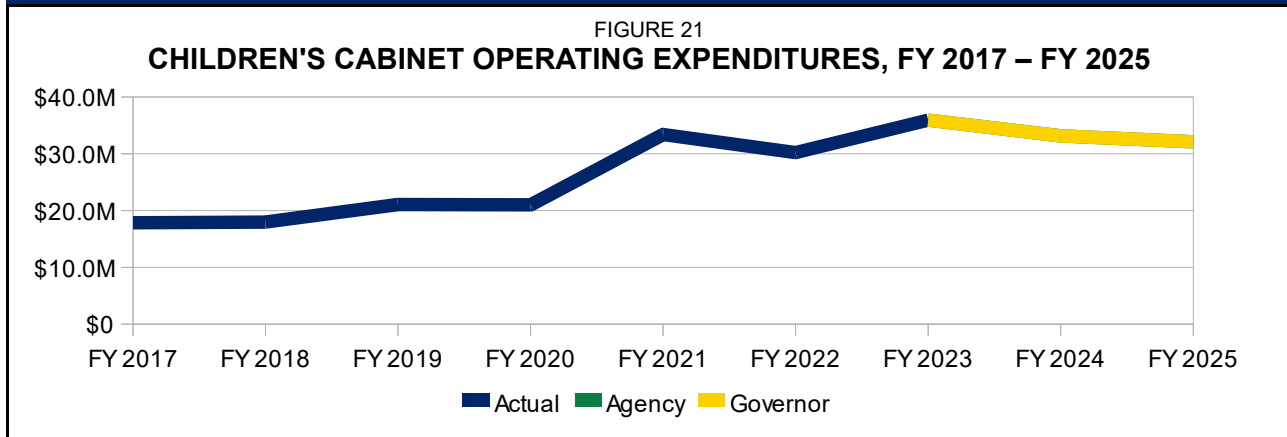
** Staff note: These expenditures reflect programs within the Children's Cabinet.

FIGURE 19 STATE FOUNDATION AID, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,585,999,110	\$ 2,584,932,436	\$ 2,572,534,113	\$ 2,825,725,000	\$ 2,855,326,655
20-Mill Property Tax	796,620,156	845,800,000	860,300,000	829,900,000	793,286,529
School Distance Finance Formula	53,933,567	52,000,000	58,000,000	52,000,000	58,000,000
Mineral Production Fund	8,907,579	16,131,037	16,028,897	11,609,000	9,665,118
TOTAL	\$ 3,445,460,412	\$ 3,498,863,473	\$ 3,506,863,010	\$ 3,719,234,000	\$ 3,716,278,302

FIGURE 20 BASE AID FOR STUDENT EXCELLENCE FY 2023 – FY 2025			
Fiscal Year	Approved	Agency	Governor
2023	\$ 4,846	\$ 4,846	\$ 4,846
2024	5,088	5,088	5,088
2025*	5,388	5,381	5,381

* Staff note: The FY 2025 BASE is an estimate that will not be finalized until the April 2024 Education Consensus Estimate.

CHILDREN'S CABINET*



STATUTORY BASIS: • KSA 38-1901; KSA 38-2103

PROGRAM GOALS: • The Children's Cabinet will develop and implement a coordinated, comprehensive delivery system to improve the health and well-being of children ages 0-5 and families in Kansas and evaluate programs funded with Children's Initiatives Funds.

The Children's Cabinet was 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;
- Identifying barriers to service and gaps in service due to strict definitions of boundaries between departments and agencies and facilitating interagency and interdepartmental cooperation

towards the common goal of serving children and families;

- Reviewing and evaluating program 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, KSDE became the fiscal and administrative agency for the Kansas Children's Cabinet.

FIGURE 22
CHILDREN'S CABINET FINANCING, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operations					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
CIF	1,627,693	2,613,904	2,613,904	2,249,277	2,249,277
Federal Funds	894,232	811,449	811,449	1,040,215	1,040,215
All Other Funds	236,062	445,118	445,118	276,533	276,533
<i>Subtotal - Operations</i>	<i>\$ 2,757,987</i>	<i>\$ 3,870,471</i>	<i>\$ 3,870,471</i>	<i>\$ 3,566,025</i>	<i>\$ 3,566,025</i>
State Aid and Other Asst.					
SGF	\$ -	\$ -	\$ -	\$ -	\$ 35,000,000
CIF	21,052,184	25,514,436	25,514,436	24,754,728	25,569,728
Federal Funds	7,332,286	12,461,781	12,461,781	12,514,296	12,514,296
All Other Funds	-	1,250,000	1,250,000	1,250,000	1,250,000
<i>Subtotal - State Aid</i>	<i>28,384,470</i>	<i>39,226,217</i>	<i>39,226,217</i>	<i>38,519,024</i>	<i>74,334,024</i>
GRAND TOTAL	\$ 31,142,457	\$ 43,096,688	\$ 43,096,688	\$ 42,085,049	\$ 77,900,049
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	18.9 %	38.4 %	-- %	(2.3) %	85.1 %
FTE Positions	7.0	8.0	8.0	8.0	8.0

* *Staff note:* The State Aid and Other Assistance part of the Children's Cabinet can be found in the State Aid and Other Assistance program. The narrative portion of this section only covers operating expenditures and financing for the Children's Cabinet.

BUDGET ANALYSIS: OPERATING EXPENDITURES

FY 2024 REVISED ESTIMATE

The **agency** submits a revised estimate for \$3.9 million, all from special revenue funds, for the Children's Cabinet operating expenditures in FY 2024. The agency's request also includes an additional 1.0 FTE position starting in FY 2024.

The Children's Cabinet includes four programs that have appropriations from the Children's Initiatives Fund. These are the Early Childhood Block Grant, the Early Childhood Infrastructure, the Dolly Parton Imagination Library, and the Children's Cabinet Accountability programs.

The revised estimate for \$8.9 million in FY 2024 is an increase of \$455,411, or 40.3 percent, above the FY 2024 approved amount. This increase above the approved budget is mainly due to an increase of \$344,737 in other professional fees and an increase of \$110,704 in salaries and wages, including an increase of \$31,969 in employer contributions.

The increase of 1.0 FTE position in FY 2024 is for a new grant manager position to manage

the Early Childhood Capacity Accelerator grant program. The program aims to expand the capacity of early childhood providers in Kansas by supporting the expansion of existing childcare providers and supporting the startup costs of new providers.

The **Governor** concurs with the agency's revised estimate for operating expenditures for the Children's Cabinet in FY 2024.

FY 2025 REQUEST

The **agency** submits an estimate of \$3.6 million, all from special revenue funds, for the Children's Cabinet operating expenditures for FY 2025. The agency's estimate is a decrease of \$304,446 below the revised FY 2024 request. This is mainly attributable to a decrease in contractual services of \$301,502. The decreases in both areas are mainly due to Early Childhood Block Grant, CIF, and KEY Fund reappropriations included in the FY 2024 budget no longer being available in FY 2025.

The **Governor** concurs with the agency's FY 2025 request for operating expenditures for the Children's Cabinet.

POSTSECONDARY EDUCATION SYSTEMWIDE

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 985,263,146	\$ 1,122,495,380	\$ 1,122,495,380	\$ 1,190,191,912	\$ 1,126,039,712
Federal Funds	532,896,693	555,545,995	555,545,995	551,489,259	551,489,259
All Other Funds	1,937,002,698	2,098,504,089	2,098,504,089	2,112,602,208	2,112,602,208
<i>Subtotal</i>	<i>\$ 3,455,162,537</i>	<i>\$ 3,776,545,464</i>	<i>\$ 3,776,545,464</i>	<i>\$ 3,854,283,379</i>	<i>\$ 3,790,131,179</i>
Capital Improvements:					
State General Fund	\$ 18,623,317	\$ 82,912,699	\$ 82,912,699	\$ 157,100,000	\$ 148,850,000
Federal Funds	1,038,858	195,423,657	195,423,657	137,090,000	137,090,000
All Other Funds	120,226,637	253,844,903	253,844,903	188,066,010	188,066,010
<i>Subtotal</i>	<i>\$ 139,888,812</i>	<i>\$ 532,181,259</i>	<i>\$ 532,181,259</i>	<i>\$ 482,256,010</i>	<i>\$ 474,006,010</i>
TOTAL	\$ 3,595,051,349	\$ 4,308,726,723	\$ 4,308,726,723	\$ 4,336,539,389	\$ 4,264,137,189
Percentage Change:					
State General Fund	12.3 %	20.1 %	20.1 %	11.8 %	5.8 %
All Funds	8.1 %	19.9 %	19.9 %	0.6 %	(1.0) %
FTE Positions	19,423.6	19,833.6	19,833.6	19,837.6	19,835.6

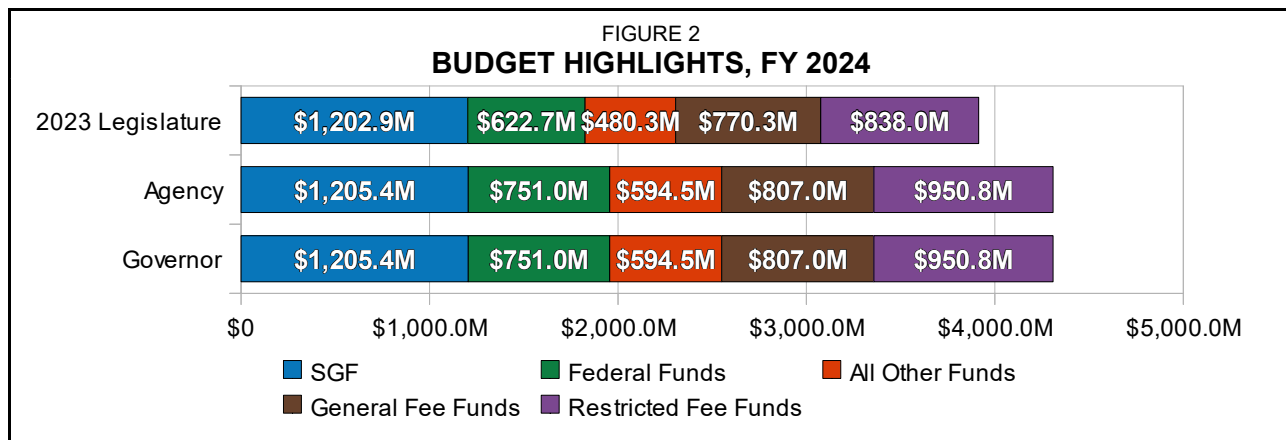
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The 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.

EXECUTIVE SUMMARY

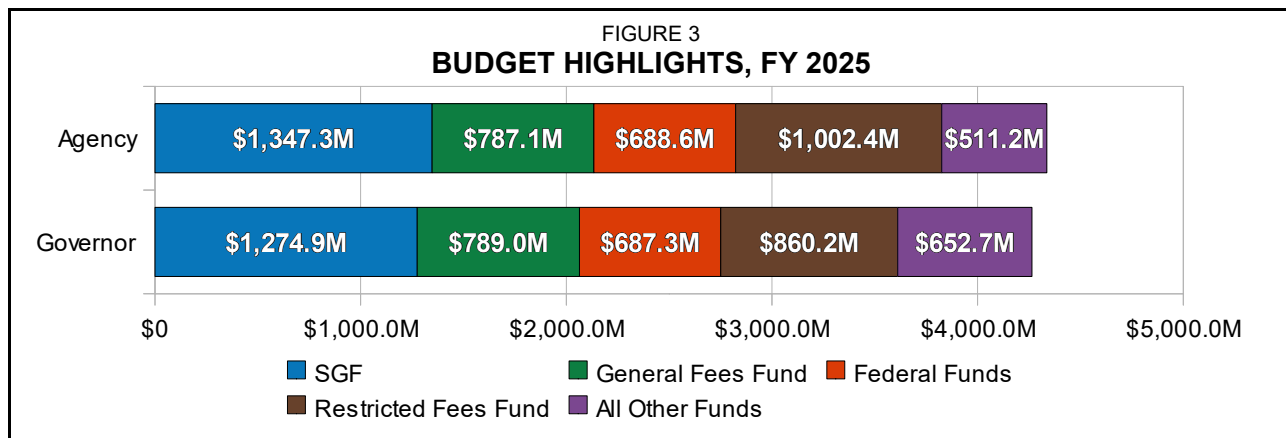
The 2023 Legislature approved a budget of \$4.3 billion, including \$1.0 billion from the State General Fund (SGF), for the Postsecondary Education Systemwide for FY 2024. Several adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required.

- **REAPPROPRIATIONS.** There is \$53.2 million SGF moneys that has reappropriated from FY 2023 into FY 2024. Of the reappropriated funds, \$21.9 million is from scholarships and \$2.7 million is in research, including \$2.7 million for Aviation Research at Wichita State. Of the remaining appropriated funds, \$28.5 million is for demolition and capital renewal projects.
- **EDUCATIONAL BUILDING FUND REAPPROPRIATIONS.** There is \$54.1 million in Educational Building Fund Money reappropriated from FY 2023 into FY 2024.



The **agency** requests a revised estimate of \$4.3 billion, including \$1.2 billion SGF, in FY 2024. This is an all funds increase of \$394.6 million, or 10.1 percent, and an SGF increase of \$2.5 million, or 0.2 percent, above the approved amount from all funding sources. The expenditure increases are in most categories, with the largest increases in contractual services (\$69.5 million), capital outlay (\$29.2 million), commodities (\$12.5 million) and other assistance (\$70.6 million), and capital improvements (\$176.9 million).

The **Governor** concurs with the agency's revised estimate in FY 2024 for total expenditures with the following adjustment: The Governor recommends funding the Health Sciences Education Center with \$41.0 million, all from American Rescue Plan Act (ARPA) moneys. This would swap \$30.0 million of the funding from WSU and KU Medical Center to State General Funds.



The **agency** requests \$4.3 billion, including \$1.3 billion SGF, in expenditures for FY 2025. This is an all funds increase of \$27.8 million, or 0.6 percent, and an SGF increase of \$141.9 million, or 11.8 percent, above the FY 2024 revised estimate. The increases are primarily in commodities (\$5.6 million), aid to locals (\$11.2 million), and other assistance (\$70.9 million). The SGF increase is primarily due to enhancement requests.

The enhancement requests include \$75.0 million for the Cancer Center at University of Kansas Medical Center (KUMC), \$15.0 million for the Fort Hays State University Nursing Workforce Development, \$14.1 million for Kansas Board of Regents needs-based aid, and \$25.0 million for Kansas State University (KSU) Ag Innovation.

The **Governor** recommends \$4.3 billion, including \$1.3 billion SGF, for FY 2025. This is a decrease of \$72.4 million, or 1.7 percent, below the agency's request. The decrease is primarily due to reduced expenditures in aid to locals (\$36.4 million), other assistance (\$27.5 million), and salaries and wages (\$191,492). This is mainly due to the Governor not recommending several of the agencies enhancement requests.

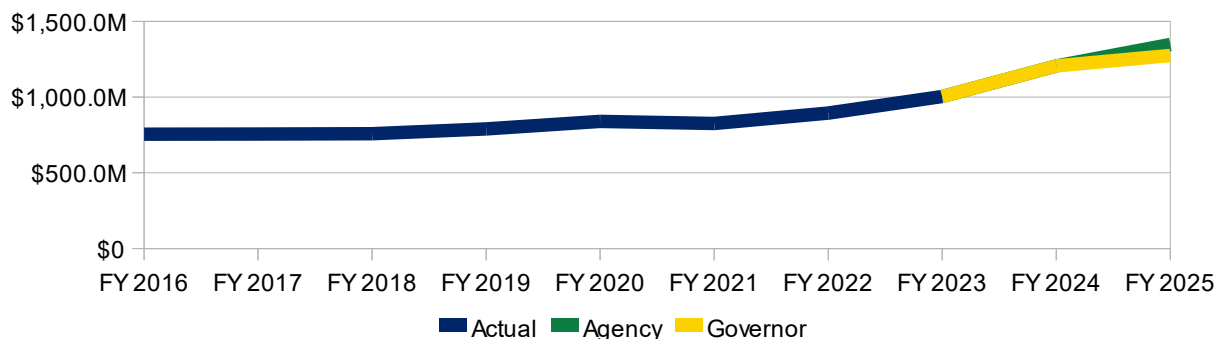
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 1,901,077,964	\$ 2,077,303,225	\$ 2,077,303,225	\$ 2,070,375,653	\$ 2,070,184,161
Contractual Services	681,389,330	700,108,478	700,108,478	701,264,858	701,254,458
Commodities	89,710,089	111,718,654	111,718,654	117,321,986	117,314,878
Capital Outlay	125,896,953	137,727,973	137,727,973	134,912,301	134,912,301
Debt Service Interest	27,615,252	28,886,706	28,886,706	27,509,906	27,509,906
<i>Subtotal</i>	<i>\$ 2,825,689,588</i>	<i>\$ 3,055,745,036</i>	<i>\$ 3,055,745,036</i>	<i>\$ 3,051,384,704</i>	<i>\$ 3,051,175,704</i>
Aid to Local Units	231,700,493	282,648,680	282,648,680	293,812,121	257,376,621
Other Assistance	397,772,456	438,151,748	438,151,748	509,086,554	481,578,854
<i>Subtotal-Operating</i>	<i>\$ 3,455,162,537</i>	<i>\$ 3,776,545,464</i>	<i>\$ 3,776,545,464</i>	<i>\$ 3,854,283,379</i>	<i>\$ 3,790,131,179</i>
Capital Improvements	92,709,787	478,057,125	478,057,125	435,342,591	427,092,591
Debt Service Principal	47,179,025	54,124,134	54,124,134	46,913,419	46,913,419
TOTAL	\$ 3,595,051,349	\$ 4,308,726,723	\$ 4,308,726,723	\$ 4,336,539,389	\$ 4,264,137,189
Financing:					
State General Fund	\$ 1,003,886,463	\$ 1,205,408,079	\$ 1,205,408,079	\$ 1,347,291,912	\$ 1,274,889,712
General Fees Fund	741,899,860	807,041,313	807,041,313	787,068,181	787,068,181
Restricted Fee Funds	903,488,547	950,768,466	950,768,466	1,002,399,335	1,002,399,335
Federal Funds	533,935,551	750,969,652	750,969,652	688,579,259	688,579,259
All Other Funds	411,840,928	594,539,213	594,539,213	511,200,702	511,200,702
TOTAL	\$ 3,595,051,349	\$ 4,308,726,723	\$ 4,308,726,723	\$ 4,336,539,389	\$ 4,264,137,189
FTE Positions	19,423.6	19,833.6	19,833.6	19,837.6	19,835.6

STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



For the Postsecondary Education Systemwide, SGF expenditures increased by \$201.5 million, or 16.8 percent, from FY 2023 to FY 2024. SGF expenditures have increased by \$141.9 million, or 11.8 percent, from FY 2024 to FY 2025. The increase can be attributed to the enhancement requests.

FY 2024 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 1,149,710,145	\$ 3,806,823,074	19,508.1
1. SGF Reappropriations	53,189,901	53,189,901	--
2. Educational Building Fund	-	54,113,950	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 1,202,900,046</i>	<i>\$ 3,914,126,925</i>	<i>19,508.1</i>
Agency Revised Estimate:			
3. Adult Education MOE	\$ 110,000	\$ 110,000	--
4. Pay Plan Shortfall	2,657,453	2,657,453	--
5. Health Sciences Education Center	-	41,000,000	--
6. All Other Adjustments	-	350,832,345	325.5
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 1,205,667,499</i>	<i>\$ 4,308,726,723</i>	<i>19,833.6</i>
Governor's Recommendation:			
7. Health Sciences Education Center Funding Swap	\$ -	\$ -	-
TOTAL	\$ 1,205,667,499	\$ 4,308,726,723	19,833.6

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, two adjustments were made to the \$4.3 billion appropriated to the Postsecondary Education Systemwide for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATIONS.** There is \$53.2 million SGF moneys that has reappropriated from FY 2023 into FY 2024. Of the reappropriated funds, \$21.9 million is from scholarships, \$2.7 million in research, including \$2.7 million for Aviation Research at Wichita State, and \$2,007 for KU Medical Center Stem Cell Therapy. Of the remaining appropriated funds, \$28.5 million is for demolition and capital renewal projects.
2. **EDUCATIONAL BUILDING FUND REAPPROPRIATIONS.** There is \$54.1 million in Educational Building Fund monies reappropriated from FY 2023 into FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$4.3 billion including \$1.2 billion SGF in FY 2024. This is an increase of \$394.6 million or 10.1 percent above the approved amount from all funding sources. The expenditure increases are in most categories with the largest increases in contractual services (\$69.5 million), capital outlay (\$29.2 million), commodities (\$12.5 million) and other assistance (\$70.6 million), and capital improvements (\$176.9 million).

The **agency's** estimate includes the following adjustments:

3. **ADULT EDUCATION MOE.** The Board of Regents submits a \$110,000 SGF supplemental request for the Maintenance of Effort (MOE) for the Adult Education program, which assists job seekers who have no high school diploma with accessing employment, education, and training.
4. **PAY PLAN SHORTFALL.** The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short

by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For Postsecondary Education Systemwide, a supplemental appropriation of \$2.7 million SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

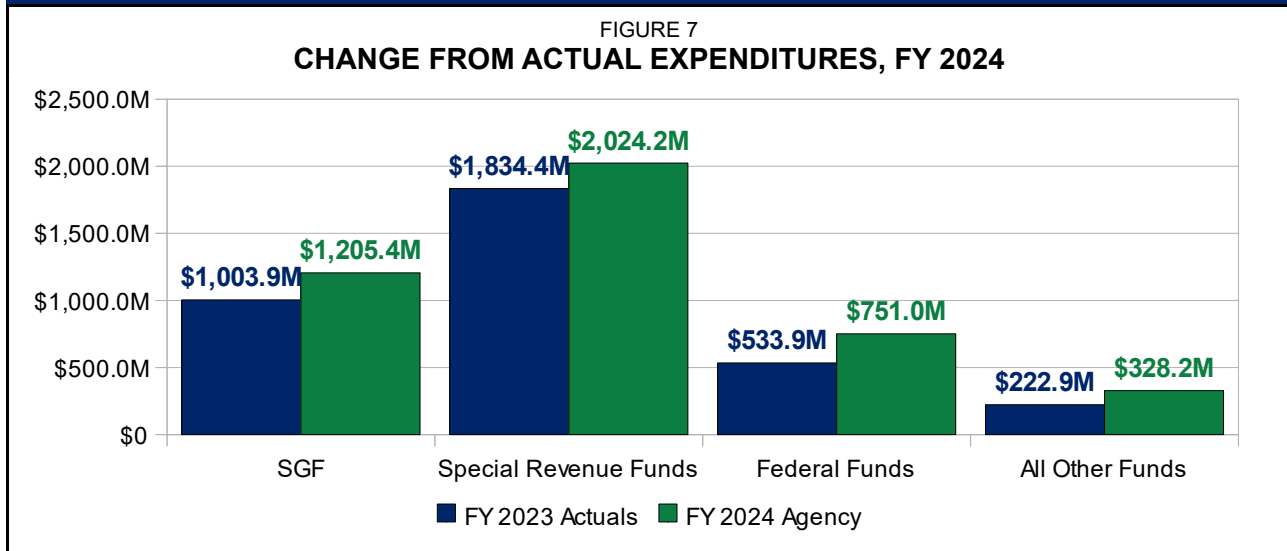
5. **HEALTH SCIENCES EDUCATION CENTER.** The Board of Regents requests \$41.0 million from ARPA moneys for the Wichita Health Sciences Education Center in FY 2024.
6. **ALL OTHER ADJUSTMENTS.** Other adjustments include an all funds increase of \$350.8 million, including an SGF decrease of \$259,420. The increase in other funds includes Restricted Fee Funds (\$112.8 million), faculty of distinction (\$5.1 million), deferred maintenance support (\$26.5 million), general fee fund (\$36.7 million), \$30.0 million for a Health Collaboration Fund, \$13.6 million in ARPA funds, and \$54.1 million for the Educational Building Fund.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2024 for total expenditures with the following adjustment:

7. **HEALTH SCIENCES EDUCATION CENTER FUNDING SWAP.** The Governor recommends funding the Health Sciences Education Center with \$41.0 million, all from ARPA moneys. This would swap \$30 million of the funding from the WSU and KU Medical Center to State General Funds.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$4.3 billion including \$1.2 billion SGF, in FY 2024. This is an all funds increase \$713.7 million, or 18.2 percent, including an SGF increase of \$201.5 million, or 16.8 percent, above the actual expenditures in FY 2023. The all funds increase includes a \$176.2 million increase in salaries and wages, a \$22.0 million increase in commodities, a \$50.9 million increase in aid to locals, a \$40.3 million increase in other assistance, and a \$385.3 million increase in capital improvements.

The SGF expenditure increase in FY 2024 includes \$10.6 million for salary increases as a part of a 5.0 percent statewide salary increase from the 2023 Legislature, \$14.3 million for Two Year College Apprenticeship Programs, \$10.5 million for technical colleges operating grant, and combined \$45.0 million for capital renewal and demolition projects.

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 1,046,033,012	\$ 4,035,280,489	19,833.6
Enhancement Requests:			
1. KBOR Request	\$ 102,935,700	\$ 102,935,700	4.0
2. Universities Request	157,770,000	157,770,000	--
3. Washburn University	3,000,000	3,000,000	--
4. Community and Technical Colleges Request	37,553,200	37,553,200	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 301,258,900</i>	<i>\$ 301,258,900</i>	<i>4.0</i>
<i>Subtotal—Agency Request</i>	<i>1,347,291,912</i>	<i>4,336,539,389</i>	<i>19,837.6</i>
Governor's Recommendation:			
5. Enhancements Not Recommended	\$ (269,758,900)	\$ (269,758,900)	(2.0)
6. KBOR Request	77,006,700	77,006,700	--
7. Universities Request	117,550,000	117,550,000	--
8. Community Colleges	9,300,000	9,300,000	--
TOTAL	\$ 1,281,389,712	\$ 4,270,637,189	19,835.6

AGENCY REQUEST

The **agency** requests \$4.3 billion, including \$1.3 billion in SGF, for FY 2025. This is an all funds increase of \$27.8 million, or 0.6 percent, including \$141.9 million SGF, or 11.8 percent, above the FY 2024 revised estimate.

The **agency's** request includes the following adjustments:

- KBOR REQUEST.** The Board of Regents requests \$102.3 million SGF, mainly for need-based aid, educational resources, and retention programs.
- UNIVERSITIES REQUEST.** The Board of Regents requests \$157.7 million SGF for multiple projects at the Regents Institutions.
- WASHBURN REQUEST.** The Board of Regents requests \$3.0 million SGF for a one-time expense to build a manufacturing center and expand the current Custom Training Program at Washburn.
- COMMUNITY AND TECHNICAL COLLEGES.** The Board of Regents request \$37.5 million SGF for operating expenditures, business partnership, and cybersecurity.
- ALL OTHER ADJUSTMENTS.** There is an SGF increase of \$141.8 million from FY 24 to FY 25 SGF. The 2023 Legislature passed an amendment to break out the Postsecondary Operating Grant. These items are reflected as individual recurring enhancements for FY 25. Below reflects the increase:
 - \$9.5 million SGF for the NISS Playbook
 - \$15.0 million SGF for Universities IT Infrastructure and Cybersecurity
 - \$14.1 million SGF for Need-Based Aid
 - \$1.0 million SGF for Adult Basic Education
 - \$1.9 million SGF for the Nursing Faculty Grant Scholarship

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$4.3 billion, including \$1.3 billion in SGF, for FY 2025. This is a decrease of \$72.4 million, or 1.7 percent, below the agency's request. The decrease is primarily due to reduced expenditures in aid to locals (\$36.4 million), other assistance (\$27.5 million), and salaries and wages (\$191,492). This is mainly due to the Governor not recommending most of the agency's enhancement requests.

The **Governor's** recommendation includes the following adjustments:

6. **KBOR REQUEST.** The Governor recommends expenditures of \$77.0 million for the Kansas Board of Regents (KBOR) enhancement request for FY 2025.
7. **UNIVERSITIES REQUEST.** The Governor recommends expenditures of \$117.6 million for the Board of Regents for multiple university projects.
8. **COMMUNITY AND TECHNICAL COLLEGES REQUEST.** The Governor partially adopts the request and deletes \$28.2 million, for total recommendation of \$9.3 million for FY 2025.

The **Governor's** recommendation also includes 2.0 FTE positions for the Board of Regents office, which is 2.0 FTE positions less than the agency's FY 2025 request.

ENHANCEMENT REQUESTS

All enhancements for FY 2025 are requested by the Board of Regents on behalf of the Board office, Universities, and Colleges. The total enhancement request for FY 2025 is \$301.3 million. All amounts shown in the table below are State General Fund.

Board of Regents					
Item	Occurrence	Agency Request	FTE	Gov. Rec.	FTE
1. KBOR Support Staff	Recurring	\$ 418,000	4.0	\$ 209,000	2.0
2. College Navigators	Recurring	1,253,200	-	-	-
3. Diploma Plus Pilot Program	Recurring	9,000,000	-	-	-
4. NISS Playbook	Recurring	9,537,700	-	9,537,700	-
5. Open Education Resource	Recurring	200,000	-	-	-
6. Cybersecurity and IT Infrastructure	Recurring	15,000,000	-	7,500,000	-
7. Cybersecurity for Two-Year Colleges	Recurring	6,500,000	-	6,500,000	--
8. Kansas Nursing Initiative	Recurring	2,000,000	-	2,000,000	-
9. Rural Kansas Initiative	Recurring	5,000,000	-	-	-
10. FASFA Events	Recurring	20,000	-	-	-
11. Micro-Internship Expansion	Recurring	500,000	-	-	-
12. Utility Contracts Increase	Recurring	7,000,000	-	7,000,000	-
13. New Regional Stabilization	Recurring	9,000,000	-	-	-
14. SB 155 & Tiered and Non-Tiered	Recurring	9,300,000	-	9,300,000	-
15. Two Year College Apprenticeships	Recurring	14,300,000	-	-	-
16. Technical College Operating Grant	Recurring	10,500,000	-	-	-
17. Adult Education Services MOE	Recurring	1,110,000	-	110,000	-
18. Need-Based Aid for Students	Recurring	14,150,000	-	14,150,000	-
19. State University Capital Renewal	Recurring	20,000,000	-	20,000,000	-
20. Facility Demolition	Recurring	10,000,000	-	10,000,000	-
21. Washburn Manufacturing Training Center	One Time	3,000,000	-	-	-
TOTAL		\$ 147,788,900	4.0	\$ 86,306,700	2.0

- Request 1:** The Board of Regents requests \$418,000 SGF and 4.0 FTE positions to enhance support staff at the Board of Regents in key areas, including Academic Affairs, Communication, Adult Education, and IT Systems development.

The Governor recommends partial adoption of this request, \$209,000 SGF and 2.0 FTE positions.

- Request 2:** The Board of Regents requests \$1.3 million SGF to invest in college navigators to assist student applying for financial aid and assist with general college advising, and support students and families exploring options for postsecondary education.

The Governor does not recommend adoption of this request.

- Request 3:** The Board of Regents requests \$9.0 million SGF to create a concurrent diploma plus program with three system-wide transfer postsecondary courses offered to all academically eligible Kansas high school junior and seniors. The funding would pay for the delivery of the courses, and student can enroll with no cost except for textbooks.

The Governor does not recommend adoption of this request.

Request 4: The Board of Regents requests \$9.5 million SGF for continued investment in the NISS playbook. The playbook recommends specific action items for each university to increase retention and graduation rates for all students. This includes effective advising strategies, math pathways, common course placement, and degree maps.

The Governor recommends adoption of this request.

Request 5: The Board of Regents requests \$200,00 SGF for Open Education Resources (OER), which are teaching, learning, and research materials to replace textbooks. Funding for OER will create a position for staff oversight, create subscription access for public institutions, and create a grant fund.

The Governor does not recommend adoption of this request.

Request 6: The Board of Regents requests \$15.0 million for continued State investment to maintain and update IT infrastructure at the Regents Institutions.

The Governor recommends partial adoption of this request, with \$7.5 million SGF.

Request 7: The Board of Regents requests \$6.5 million SGF for continued State investment to maintain and update IT infrastructure at community and technical colleges.

The Governor recommends adoption of this request.

Request 8: The Board of Regents requests \$2.0 million SGF maintain support for the Kansas Nursing Initiative after the Legislature enacted the grant in 2006.

The Governor recommends adoption of this request.

Request 9: The Board of Regents requests \$5.0 million SGF for the Rural Kansas Initiative. This initiative supports students in rural communities from high school into college for the first two years. Students are able to complete their associates degree and complete a bachelors degree at a public university.

The Governor does not recommend adoption of this request.

Request 10: The Board of Regents requests \$20,000 SGF to reimburse financial aid staff for expenditures to participate in FASFA completion events around the state.

The Governor does not recommend adoption of this request.

Request 11: The Board of Regents requests \$500,000 SGF to maintain and expand efforts using the system to connect students with Kansas employers early in their college careers to showcase the types of opportunities available within the state.

The Governor does not recommend adoption of this request.

Request 12: The Board of Regents requests \$7.0 million SGF for cost increase for utilities and other contracted services due to inflation at the public universities.

The Governor recommends adoption of this request.

Request 13: The Board of Regents requests \$9.0 million SGF to assist the three regional universities to meet the needs of the regional economy, expand the regional workforce, strengthen student access, and bolster the universities' technological and safety systems.

The Governor does not recommend adoption of this request.

Request 14: The Board of Regents requests \$9.3 million SGF for Career Technical Education (SB 155) and for tiered and non-tiered courses.

The Governor recommends adoption of this request.

Request 15: The Board of Regents requests \$14.3 million SGF to continue investment for community and technical college apprenticeships and business outreach.

The Governor does not recommend adoption of this request.

Request 16: The Board of Regents requests \$10.5 million SGF for continued investment to the Technical College Operating grant.

The Governor does not recommend adoption of this request.

Request 17: The Board of Regents requests \$1.1 million SGF to assist with the match for the Adult Education Services MOE, increase services for English Language Acquisition students, and expand education training centers assisting students to get a GED.

The Governor partially recommends adoption of this request and deletes \$1.0 million, for a total recommendation of \$110,00 for FY 2025.

Request 18: The Board of Regents requests \$14.2 million SGF for continued investment in need-based aid for students

The Governor recommends adoption of this request.

Request 19: The Board of Regents requests \$20.0 million SGF to continue The Board of Regents' capital renewal initiative as a boost to improvements the state universities' facilities. The funds will be used by each university dependent on their refined capital priorities, based on the Board's Facilities Capital Renewal Initiative, and focus on renovation, infrastructure modernization, and building systems upgrades.

The Governor recommends adoption of this request.

Request 20: The Board of Regents requests \$10.0 million SGF for demolition of obsolete facilities at the state universities and Washburn University. This funding will continue the work to resize campuses and to reduce deferred maintenance projects.

The Governor recommends adoption of this request.

Request 21: The Board of Regents requests \$3.0 million SGF for a one-time expense to build a manufacturing center and expand the current Custom Training Program at Washburn.

The Governor does not recommend adoption of this request.

Kansas State University				
	Item	Request	Request	Gov. Rec.
22.	Debt Service - Bio Security Research	Recurring	\$ 2,200,000	\$ 2,200,000
23.	Data Analytics Institute	One-Time	2,000,000	
24.	Wide Water Institute	Recurring	5,000,000	5,000,000
25.	Salina Campus Immersive Training Hub	One-Time	2,000,000	
	\$ TOTAL	-	\$ 11,200,000	\$ 7,200,000

Request 22: The Board of Regents requests \$2.2 million SGF to assist KSU in paying off the remaining debt for the Biosecurity Research Institute, which was used to secure the National Bio and Agro-Defense Facility project.

The Governor recommends adoption of this request.

Request 23: The Board of Regents requests \$2.0 million SGF to advance transdisciplinary teaching, research, and engagement activities in the Digital Ag space at KSU.

The Governor does not recommend adoption of this request.

Request 24: The Board of Regents requests \$5.0 million SGF to establish a campus-wide interdisciplinary water institute at KSU. This initiative will be the implementation of research-based solutions to address concerns related to water in Kansas.

The Governor recommends adoption of this request.

Request 25: The Board of Regents requests \$2.0 million SGF to invest in an immersive training hub at the Kansas State Salina Aerospace and Technology Campus. The center will provide operational proof of concept for enhancing security training for law enforcement and other agencies protecting critical assets using Virtual Reality, full-body tracking, and Digital Twin Models.

The Governor does not recommend adoption of this request.

KSU Extension Systems and Agriculture Research Programs				
	Item	Request	Request	Gov. Rec.
26.	Ag Innovation Initiative Match	One-Time	\$ 25,000,000	\$ 25,000,000

Request 26: The Board of Regents requests \$25.0 million SGF at KSU-ESARP for the Ag Innovation Initiative. The funding for this initiative would be focused on development of innovative solutions and strategies to strengthen the Kansas livestock and animal industry.

The Governor recommends adoption of this request.

KSU Veterinary Medical Center			
Item	Request	Request	Gov. Rec.
27. Animal Diagnostic Lab	One-Time	\$ 250,000	\$ -

Request 27: The Board of Regents requests \$250,000 SGF to fund a diagnostic laboratory at KSU that provides consultative services for the animal health community in Kansas. The funding for this initiative will enable the university to partner with the state for a critical new facility to address the current and future needs of the animal industry.

The Governor does not recommend adoption of this request.

Wichita State University			
Item	Request	Request	Gov. Rec.
28. Business Partnership	Recurring	\$ 5,000,000	\$ 5,000,000

Request 28: The Board of Regents requests \$5.0 million SGF to enhance applied learning opportunities for degrees offered at WSU. Students would have the opportunity to work with established professionals, network, gain work experience, and build their resume before graduation.

The Governor recommends adoption of this request.

Emporia State University			
Item	Request	Request	Gov. Rec.
29. Academic Program Separation	One Time	\$ 5,000,000	\$ -
30. Memorial Union Debt Service	One Time	8,100,000	8,100,000
31. Student Housing Debt	One Time	4,600,000	4,600,000
\$ TOTAL	-	\$ 17,700,000	\$ 12,700,000

Request 29: The Board of Regents requests \$5.0 million SGF to assist with the enacted Framework for Workforce Management alongside an in-depth program review to make changes to the current academic program offering at ESU. The funding will assist in restructuring existing academic programs and meet current demands.

The Governor does not recommend adoption of this request.

Request 30: The Board of Regents requests \$8.1 million SGF to assist with the outstanding debt from the 2010 Memorial Union renovation at ESU. Currently, the debt services is financed with a student fee of \$125.12 per semester for full-time on-campus students.

The Governor recommends adoption of this request.

Request 31: The Board of Regents requests \$4.6 million SGF to assist with student housing debt from a \$5.0 million interloan to renovate Singular/Trusler Hall at ESU. The funding would pay off the debt and reduce campus housing costs.

The Governor recommends adoption of this request.

Fort Hays State University				
	Item	Request	Request	Gov. Rec.
32.	Professional Workforce Development	Recurring	\$ 750,000	\$ -
33.	Telehealth Certification	Recurring	250,000	250,000
34.	Western Kansas Nursing Workforce Development	Recurring & One Time	15,400,000	15,400,000
35.	Assistantships for Regional Business Partnership	Recurring	220,000	-
	\$ TOTAL	-	\$ 16,620,000	\$ 15,650,000

Request 32: The Board of Regents requests \$750,000 SGF to build a centralized Professional & Continuing Education unit to deliver professional, continuing, workforce development education at Fort Hays State University (FHSU).

The Governor does not recommend adoption of this request.

Request 33: The Board of Regents requests \$250,000 SGF to address the mental health needs of Kansans by increasing student enrollment in the FHSU counseling program with a certification to offer mental health services via telehealth. The certification program will aid current community mental health providers gain expertise and expand the capacity to serve.

The Governor recommends adoption of this request.

Request 34: The Board of Regents requests a total of \$15.4 million, with \$400,000 SGF, to address staffing challenges in the health care workforce at FHSU. The funding for this initiative would expand recurring instructional expenditures. The continuation of this enhancement is a one-time request for \$15 million for the expansion of Stroup Hall, where the nursing program is held, due to an increasing number of students being admitted to the BSN program.

The Governor recommends adoption of this request.

Request 35: The Board of Regents requests \$220,00 SGF to create ten graduate assistantships for on-campus students to assist partners with technology-related challenges and track the economic and business impact of these partnerships at FHSU.

The Governor does not recommend adoption of this request.

Pittsburg State University				
	Item	Request	Request	Gov. Rec.
36.	American Center for Reading Facility Improvements	One Time	\$ 2,000,000	\$ 2,000,000
37.	Science Lab Upgrades Match	One Time	5,000,000	-
	\$ TOTAL	-	\$ 7,000,000	\$ 2,000,000

Request 36: The Board of Regents requests \$2.0 million for the American Reading Center facility improvements at Pittsburg State University (PSU). Currently, the facility is located in Whitesitt Hall, which was built in 1912 and renovated in 1962. The building hosts 300 or more families a year for in-person intervention and reading evaluations.

The Governor recommends adoption of this request.

Request 37: The Board of Regents requests \$5.0 million for a full renovation of campus science labs/facilities at PSU. The upgrades to the facilities will help recruit and educate students in the health care and material science professions.

The Governor does not recommend adoption of this request.

University of Kansas Medical Center				
Item	Request	Request	Gov. Rec.	
38. Cancer Research Facility	One Time	\$ 75,000,000	\$	75,000,000

Request 38: The Board of Regents requests \$75 million SGF for a new cancer research facility to give patients access to more innovative clinical trials and therapies at KUMC. The new facility would provide patients access to multiple services, such as nutrition, pathology, and imaging, in one place.

The Governor recommends adoption of this request.

STATE GENERAL FUND OPERATING BUDGET

STATE GENERAL FUND OPERATING BUDGET					
	Actual FY 2023	Agency Estimate FY 2024	Gov. Rec. FY 2024	Agency Request FY 2025	Gov. Rec. FY 2025
Emporia State University	\$ 38,638,081	\$ 50,866,296	\$ 50,866,296	\$ 41,122,780	\$ 41,122,780
Fort Hays State University	42,884,175	46,076,008	46,076,008	45,260,171	45,260,171
Kansas State University	128,015,137	138,490,078	138,490,078	138,123,792	138,123,792
KSU-ESARP	53,890,163	60,420,430	60,420,430	60,640,834	60,640,834
KSU-Veterinary Medical Center	17,205,262	17,803,003	17,803,003	17,865,619	17,865,619
Pittsburg State University	43,201,598	49,382,358	49,382,358	48,582,481	48,582,481
University of Kansas	164,558,083	172,809,215	172,809,215	170,440,018	170,440,018
KU Medical Center	122,326,921	126,633,597	126,633,597	125,770,635	125,770,635
Wichita State University	99,313,813	110,034,713	110,034,713	106,165,908	106,165,908
<i>Subtotal</i>	<i>\$ 710,033,233</i>	<i>\$ 772,515,698</i>	<i>\$ 772,515,698</i>	<i>\$ 753,972,238</i>	<i>\$ 753,972,238</i>
Technical Colleges Capital Outlay	\$ 4,871,585	\$ 4,871,585	\$ 4,871,585	\$ 4,871,585	\$ 4,871,585
Technical Colleges Operating Grant	-	10,500,000	10,500,000	10,500,000	-
Community College Capital Outlay Aid	-	5,000,000	5,000,000	5,000,000	-
Washburn University	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Non-Tiered Course Credit Hour Grant	95,407,915	95,407,915	95,407,915	95,407,915	95,407,915
Postsecondary Tiered Technical Education State Aid	66,064,478	66,064,478	66,064,478	66,064,478	66,064,478
Adult Basic Education	1,457,031	1,567,031	1,567,031	2,567,031	1,567,031
Postsecondary Operating Grant	-	-	-	192,743,200	36,850,000
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	\$ 710,033,233	\$ 772,515,698	\$ 772,515,698	\$ 753,972,238	\$ 972,733,247

The **postsecondary educational institutions**, which include the state universities, community colleges, technical colleges, and Washburn University, request \$1.1 billion SGF for operating budgets for FY 2025. This is an increase of \$175.1 million, or 18.0 percent, above the revised estimate for FY 2024. The increase is primarily due to enhancement requests of \$301.3 million and additional expenditures for salaries and wages and fringe benefits.

The **Governor** recommends expenditures of \$972.7 million SGF. This is a decrease of \$172.3 million, or 15.0 percent, below the agencies' FY 2025 request. This decrease is primarily attributable to the Governor not fully recommending all of the agencies' enhancement requests.

TECHNICAL COLLEGES CAPITAL OUTLAY. The **Board of Regents** requests \$4.8 million SGF for FY 2025 for the Technical Colleges Capital Outlay.

The **Governor** concurs with the agency's request for FY 2025.

TECHNICAL COLLEGES OPERATING GRANT. The **Board of Regents** requests \$10.5 million SGF for FY 2025 for the technical colleges operating grant.

The **Governor** recommends expenditures of \$9.3 million for FY 2025. This is a decrease of \$1.2 million, or 11.4 percent, below the agency's request for FY 2025. The decrease is due to the Governor only funding a partial enhancement.

COMMUNITY COLLEGES CAPITAL OUTLAY. The **Board of Regents** requests \$5.0 million SGF for FY 2025 for community colleges capital outlay.

The **Governor** does not recommend the agency's request for FY 2025.

MUNICIPAL UNIVERSITY OPERATING GRANT. The **Board of Regents** requests \$14.0 million SGF for FY 2025 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 **Governor** concurs with the agency's request for FY 2025.

TIERED AND NON-TIERED GRANTS. The **Board of Regents** requests \$95.4 million SGF for FY 2025 for non-tiered course credit hour grants for general education and \$66.1 million SGF 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 **Governor** concurs with the agency's request for FY 2025.

ADULT BASIC EDUCATION. The **Board of Regents** requests \$2.5 million SGF to support the 30 adult education centers in the state for FY 2025. The request is the same amount as the FY 2024 revised estimate.

The **Governor** recommends expenditures of \$1.5 million. This is a decrease of \$1.0 million, or 39.0 percent, below the agency's request for 2025.

POSTSECONDARY OPERATING GRANT. The **Board of Regents** requests \$192.7 million SGF for the postsecondary operating grant for multiple projects at the public institutions.

The **Governor** recommends expenditures of \$36.8 million SGF for FY 2025. This is a decrease of \$155.9 million, or 80.9 percent, below the agency's request for FY 2025.

OTHER STATE FUNDING

The **Board of Regents** and **universities** request \$4.5 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 2025.

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
- \$329,048 for research at Kansas State University–ESARP.

STATE WATER PLAN FUND

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

- \$40,000 for the Kansas Geological Survey at the University of Kansas.

The **Governor** concurs with the agencies' request for the EDIF and State Water Plan Fund for FY 2025.

STATE UNIVERSITIES

TUITION AND GENERAL FEES. State university tuition and fees are set with the approval of the 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 2024, the Board of Regents set tuition rates after the adjournment of the 2023 Legislative Session, and the same schedule is anticipated for FY 2025. During the the May 2023 board meeting, the Regents approved increases at the six state universities ranging from 5.0 to 7.0 percent.

The following compares estimated General Fee Fund expenditures for the current fiscal year as presented to the 2023 Legislature, the revised current fiscal year estimate, and the current estimate for FY 2025.

STATE UNIVERSITY GENERAL FEE FUND EXPENDITURES				
Institution	Original Estimate FY 2024	Revised Est./ Gov. Rec. FY 2024	Difference	Gov. Rec. for FY 2025
University of Kansas	\$ 311,856,757	\$ 329,207,257	\$ 17,350,500	\$ 321,004,176
KU—Medical Center	52,305,915	53,901,409	1,595,494	54,212,510
Kansas State University	193,654,238	202,031,710	8,377,472	201,965,561
KSU—Veterinary Medical Center	19,341,143	20,577,379	1,236,236	20,636,226
KSU—ESARP	-	-	-	-
Emporia State University	26,177,829	30,006,128	3,828,299	19,913,279
Fort Hays State University	48,636,670	41,361,401	(7,275,269)	42,508,369
Pittsburg State University	30,361,871	30,200,000	(161,871)	30,200,000
Wichita State University	87,770,407	99,546,029	11,775,622	96,418,060
TOTAL	\$ 770,104,830	\$ 806,831,313	\$ 36,726,483	\$ 786,858,181

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 \$59.3 million SGF to support State-sponsored student financial aid programs for FY 2025.

The **Governor** concurs with the agency's request for FY 2025.

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 (taking 12 credit hours or more per semester) 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 35,258,338	\$ 35,258,338	14,000	\$ 35,258,338	\$ 35,258,338	14,000

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 grade point average (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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,010,919	\$ 1,010,919	1,317	\$ 1,010,919	\$ 1,010,919	1,317

KANSAS PROMISE SCHOLARSHIP PROGRAM (KSA 74-32,271). The scholarship is a "last dollar" scholarship awarded to students attending eligible programs of study at public community and technical colleges, Washburn Institute of Technology, and certain independent, not-for-profit institutions that offer eligible programs of study. The award amount is determined based on the student's aggregate amount of tuition, required fees, books, and required materials less all other aid, (*i.e.* grants scholarships or financial assistance that they are awarded that do not require repayment.) Students must be Kansas residents and sign an agreement to live and work in Kansas for two years after completing their program of study. Failure to do so will result in the student repaying the amount of the scholarship assistance that they received plus interest. The interest rate is set at the federal PLUS interest rate at the time that the student enters into the service obligation agreement.

Agency Request FY 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 10,000,000	\$ 10,000,000	Variable	\$ 10,000,000	\$ 10,000,000	2,000

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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 296,498	\$ 296,498	416	\$ 296,498	\$ 296,498	416

KANSAS CAREER WORK-STUDY PROGRAM (KSA 74-3274). The purpose of the Kansas Career 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 546,813	\$ 546,813	250	\$ 546,813	\$ 546,813	250

HERO'S ACT SCHOLARSHIP (KSA 75-4364). HB 2021 (2021) and HB 2072 (2005) 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,200,000	\$ 1,200,000	13	\$ 1,200,000	\$ 1,200,000	13

KANSAS NURSE EDUCATOR SCHOLARSHIP PROGRAM (2006 HB 2968). The purpose of the Kansas Nurse Educator Scholarship 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 188,126	\$ 188,126	33	\$ 188,126	\$ 188,126	33

KANSAS TEACHER SERVICE SCHOLARSHIP PROGRAM (KSA 74-32,100). The Kansas Teacher Service 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 is given 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 3,094,046	\$ 3,094,046	545	\$ 3,094,046	\$ 3,094,046	545

NURSING SERVICE SCHOLARSHIP PROGRAM (KSA 74-3291). The Nursing Service 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 (licensed practical nurse) or \$3,500 (registered nurse) 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 417,255	\$ 567,255	50	\$ 417,255	\$ 567,255	50

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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 114,075	\$ 114,075	138	\$ 114,075	\$ 114,075	138

OPTOMETRY SERVICE SCHOLARSHIP PROGRAM (KSA 76-721A). The Kansas Legislature authorized contracts between the 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 for 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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 107,089	\$ 107,089	28	\$ 107,089	\$ 107,089	28

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 2025			Governor's Recommendation FY 2025		
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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 5,400,000	\$ 5,400,000	1,072	\$ 5,400,000	\$ 5,400,000	1,072

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 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 500,314	\$ 500,314	22	\$ 500,314	\$ 500,314	22

COMPUTER SCIENCE EDUCATOR PROGRAM (2022 Sub. for HB 2466). The program awards scholarships up to \$1,000 to licensed and preservice teachers who have completed at least one computer science course during enrollment at a postsecondary education institution in Kansas. The Board of Regents shall prioritize scholarship awards for applicants who are from underrepresented socioeconomic demographic groups, or agree to teach computer science in rural schools or schools with higher percentages of students from underrepresented socioeconomic demographic groups.

Agency Request FY 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,000,000	\$ 1,000,000	1,000	\$ 1,000,000	\$ 1,000,000	1,000

GOVERNORS SCHOLARSHIP PROGRAM. The Board of Regents requests continuation of the \$20,000 appropriation from the SGF for Governor's scholarships, a financial assistance program that started in FY 2020. The Board of Regents has identified four of the public two-year colleges with the highest Student Success Index in the prior year and distributed \$5,000 to each college. Each college then awards \$1,000 to five students to help with their costs of attendance.

Agency Request FY 2025			Governor's Recommendation FY 2025		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 20,000	\$ 20,000	20	\$ 20,000	\$ 20,000	N/A

ENROLLMENT TRENDS. The 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 per year (which is considered a full-time student). FTE students enrolled at the public universities, private colleges and universities, community colleges, technical colleges, and other institutions in fall 2023 totaled 136,642 which is an increase of 1,132 FTE students, or 0.8 percent, above the fall 2021 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 FTE students for fall 2021, 2022, and 2023.

Full-time Equivalent Students					
Institution	Fall 2021	Fall 2022	Fall 2023	Change Fall 2021 - Fall 2023	Percent
Emporia State University	4,066	3,943	3,431	(635)	(15.6) %
Fort Hays State University	8,488	7,973	7,884	(604)	(11.2)
Kansas State University	16,057	15,639	15,735	(322)	(2.0)
KSU - Veterinary Medical Center	778	771	765	(13)	(1.7)
Pittsburg State University	5,141	4,999	5,025	(116)	(2.3)
University of Kansas	20,552	20,642	22,187	1,635	0.1
University of Kansas Medical Center	2,801	2,802	2,804	17	0.6
Wichita State University	11,288	11,784	11,728	440	3.9
<i>Subtotal - Regents Institutions</i>	<i>69,171</i>	<i>68,553</i>	<i>69,559</i>	<i>402</i>	<i>0.6 %</i>
Washburn University	4,212	4,068	4,318	106	2.5
Community Colleges	36,176	35,720	35,971	(205)	(0.6)
Technical Colleges	5,486	5,733	6,230	744	5.6
Washburn Institute of Technology	1,036	959	987	(49)	9.8
Independent Colleges and Universities	19,429	20,245	19,577	148	0.8
<i>Subtotal - Other Institutions</i>	<i>66,339</i>	<i>66,725</i>	<i>67,083</i>	<i>744</i>	<i>1.1 %</i>
TOTAL	135,510	135,278	136,642	1,132	0.8 %

PROGRAM OVERVIEW

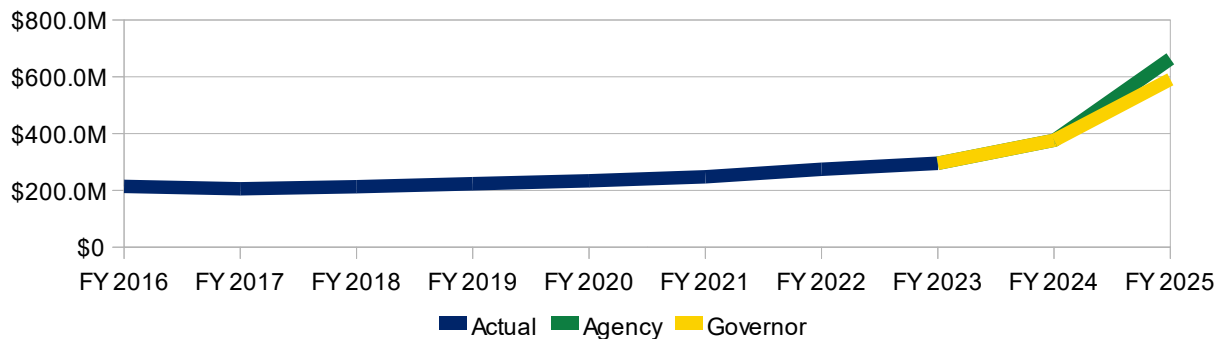
FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Board of Regents	\$ 295,278,376	\$ 375,821,038	\$ 375,821,038	\$ 663,133,494	\$ 590,731,294
Fort Hays	159,618,634	187,662,524	187,662,524	179,882,659	179,882,659
Pittsburg State	119,889,027	146,459,810	146,459,810	122,138,777	122,138,777
Emporia State	101,872,436	135,158,272	135,158,272	117,213,243	117,213,243
Kansas State	607,545,775	681,768,314	681,768,314	635,440,761	635,440,761
KSU-ESARP	162,961,356	167,601,866	167,601,866	168,003,057	168,003,057
KSU VMC	43,092,543	69,762,278	69,762,278	69,379,351	69,379,351
University of Kansas	865,470,073	1,070,504,923	1,070,504,923	941,836,495	941,836,495
KUMC	523,225,477	591,568,225	591,568,225	581,735,041	581,735,041
Wichita State	716,097,652	882,419,473	882,419,473	857,776,511	857,776,511
TOTAL	\$ 3,595,051,349	\$ 4,308,726,723	\$ 4,308,726,723	\$ 4,336,539,389	\$ 4,264,137,189
FTE Positions:					
Board of Regents	58.0	58.0	58.0	62.0	60.0
Fort Hays	1,000.5	993.0	993.0	993.0	993.0
Pittsburg State	784.3	784.1	784.1	784.1	784.1
Emporia State	751.4	736.6	736.6	736.6	736.6
Kansas State	3,580.0	3,651.5	3,651.5	3,651.5	3,651.5
KSU- ESARP	1,109.1	1,156.4	1,156.4	1,156.4	1,156.4
KSU VMC	567.7	637.0	637.0	637.0	637.0
University of Kansas	5,299.0	5,276.5	5,276.5	5,276.5	5,276.5
KUMC	3,764.4	3,821.6	3,821.6	3,821.6	3,821.6
Wichita State	2,509.0	2,718.8	2,718.8	2,718.8	2,718.8
TOTAL	19,423.6	19,833.6	19,833.6	19,837.6	19,835.6

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.

BOARD OF REGENTS

FIGURE 10
BOARD OF REGENTS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Article 6 of the *Kansas Constitution*

PROGRAM GOALS: • Help Kansas families.
• Support Kansas businesses.
• Support students.

Article 6 of the *Kansas Constitution* directs the Legislature to provide for a 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.

FIGURE 11
BOARD OF REGENTS OPERATIONS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 275,229,913	\$ 349,979,682	\$ 349,979,682	\$ 437,329,674	\$ 372,067,474
Federal Funds	12,908,647	12,103,856	12,103,856	11,632,610	11,632,610
All Other Funds	6,389,816	7,105,516	7,105,516	7,031,210	7,031,210
TOTAL	\$ 294,528,376	\$ 369,189,054	\$ 369,189,054	\$ 455,993,494	\$ 390,731,294
Percent Change:					
SGF	9.0 %	27.2 %	-- %	25.0 %	(14.9) %
All Funds	99.0 %	25.3 %	-- %	23.5 %	(14.3) %
FTE Positions	60.5	58.0	58.0	62.0	60.0

FIGURE 12					
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 5,989,945	\$ 6,329,791	\$ 6,329,791	\$ 6,736,202	\$ 6,544,710
Contractual Services	2,284,094	1,504,597	1,504,597	1,551,721	1,541,321
Commodities	36,430	26,375	26,375	40,580	33,472
Capital Outlay	193,658	62,778	62,778	45,824	45,824
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 8,504,127</i>	<i>\$ 7,923,541</i>	<i>\$ 7,923,541</i>	<i>\$ 8,374,327</i>	<i>\$ 8,165,327</i>
Aid to Local Units	230,712,507	281,914,492	284,914,492	294,187,933	256,642,433
Other Assistance	55,311,742	79,351,021	79,351,021	153,431,234	125,923,534
TOTAL	\$ 294,528,376	\$ 369,189,054	\$ 372,189,054	\$ 455,993,494	\$ 390,731,294
Financing:					
State General Fund	\$ 275,229,913	\$ 349,979,682	\$ 349,979,682	\$ 437,329,674	\$ 372,067,474
All Other Funds	19,298,463	19,209,372	19,209,372	18,663,820	18,663,820
TOTAL	\$ 294,528,376	\$ 369,189,054	\$ 369,189,054	\$ 455,993,494	\$ 390,731,294
FTE Positions	58.0	58.0	58.0	62.0	60.0

The **agency** requests an operating budget of \$456.0 million, including \$437.3 million SGF, for FY 2025. This is an all funds increase of \$86.8 million, or 23.5 percent, including an SGF increase of \$87.3 million, or 25.0 percent, above the revised FY 2024 agency's request. The increase is primarily due to the enhancement requests (\$215.0 million) to increase funding for the universities and colleges, fund the Build a Talent Pipeline initiative, provide additional scholarships, and

increase the capital outlay for the technical colleges.

The **Governor** recommends operating expenditures of \$390.7 million, including \$372.1 million SGF, for FY 2025. This is an all funds decrease of \$65.3 million, or 14.3 percent, including an SGF decrease of \$65.3 million, or 14.9 percent, below the agency's request due to decreased expenditures for aid to local units (\$37.5 million) and other assistance (\$27.5 million).

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 programs in 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 number of FTE students attending Emporia State University during the fall 2023 semester was 3,431, which is a decrease of 512 FTE students, or 12.9 percent, below the fall 2022 semester number.

FIGURE 13 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 60,185,185	\$ 73,128,548	\$ 73,128,548	\$ 61,010,118	\$ 61,010,118
Contractual Services	13,687,459	17,381,397	17,381,397	11,765,604	11,765,604
Commodities	2,345,136	3,719,462	3,719,462	2,577,561	2,577,561
Capital Outlay	3,160,854	3,977,847	3,977,847	2,802,539	2,802,539
Debt Service Interest	1,322,276	1,198,801	1,198,801	1,069,051	1,069,051
<i>Subtotal</i>	<i>\$ 80,700,910</i>	<i>\$ 99,406,055</i>	<i>\$ 99,406,055</i>	<i>\$ 79,224,873</i>	<i>\$ 79,224,873</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	11,430,373	14,449,489	14,449,489	13,208,200	13,208,200
TOTAL	\$ 92,131,283	\$ 113,855,544	\$ 113,855,544	\$ 92,433,073	\$ 92,433,073
Financing:					
State General Fund	\$ 38,638,081	\$ 50,866,296	\$ 50,866,296	\$ 41,122,780	\$ 41,122,780
All Other Funds	53,493,202	62,989,248	62,989,248	51,310,293	51,310,293
TOTAL	\$ 92,131,283	\$ 113,855,544	\$ 113,855,544	\$ 92,433,073	\$ 92,433,073
FTE Positions	751.4	736.6	736.6	736.6	736.6
Fees Funds					
General Fees Fund	\$ 25,777,988	\$ 30,006,128	\$ 30,006,128	\$ 19,913,279	\$ 19,913,279
Restricted Fees Fund	14,456,215	22,385,517	22,385,517	39,387,656	39,387,656

The **agency** requests an operating budget of \$92.4 million, including \$41.1 million SGF, for FY 2025. This is an all funds decrease of \$17.9 million, or 13.3 percent, including an SGF decrease of \$742,895, or 1.9 percent, below the revised FY 2024 request. This decrease is

primarily due to a reduction in salaries and wages (\$12.1 million) and a reduction in contractual services (\$5.6 million).

The **Governor** concurs with the agency's request for FY 2025.

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 number of FTE students attending Fort Hays State University during the fall 2023 semester was 7,884, which is a decrease of 89 FTE students, or 1.1 percent, below the fall 2022 semester number.

FIGURE 14 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 85,476,771	\$ 89,111,763	\$ 89,111,763	\$ 89,111,731	\$ 89,111,731
Contractual Services	22,141,369	23,264,780	23,264,780	22,459,877	22,459,877
Commodities	6,748,385	6,738,726	6,738,726	6,738,718	6,738,718
Capital Outlay	4,369,060	4,281,195	4,281,195	4,281,195	4,281,195
Debt Service Interest	1,208,710	897,424	897,424	832,674	832,674
<i>Subtotal</i>	<i>\$ 119,944,295</i>	<i>\$ 124,293,888</i>	<i>\$ 124,293,888</i>	<i>\$ 123,424,195</i>	<i>\$ 123,424,195</i>
Aid to Local Units	759,554	733,455	733,455	733,455	733,455
Other Assistance	31,403,718	34,899,184	34,899,184	34,899,184	34,899,184
TOTAL	\$ 152,107,567	\$ 159,926,527	\$ 159,926,527	\$ 159,056,834	\$ 159,056,834
Financing:					
State General Fund	\$ 42,884,175	\$ 46,076,008	\$ 46,076,008	\$ 45,260,171	\$ 45,260,171
All Other Funds	109,223,392	113,850,519	113,850,519	113,796,663	113,796,663
TOTAL	\$ 152,107,567	\$ 159,926,527	\$ 159,926,527	\$ 159,056,834	\$ 159,056,834
FTE Positions	1,000.5	993.0	993.0	993.0	993.0
Fees Funds					
General Fees	\$ 37,058,824	\$ 41,361,401	\$ 41,361,401	\$ 42,508,369	\$ 42,508,369
Restricted Fees	\$ 46,700,526	\$ 42,985,938	\$ 42,985,938	\$ 45,875,544	\$ 45,875,544

The **agency** requests an operating budget of \$159.0 million, including \$45.2 million SGF, for FY 2025. This is an all funds decrease of \$869,693, or 0.5 percent, including an SGF decrease of \$815,837, or 2.0 percent, below the FY 2024 revised estimate. This decrease is

primarily due to reduced expenditures in contractual services (\$804,903).

The **Governor** concurs with the agency's request for FY 2025.

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 analysis of these entities are included below. KSU is fully accredited by the North Central Accrediting Association and by various professional accrediting agencies.

The number of FTE students attending Kansas State University during the fall 2023 semester was 15,735, which is a increase of 96 FTE students, or 0.6 percent, above the fall 2022 semester number.

FIGURE 15 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 326,961,325	\$ 348,202,787	\$ 348,202,787	\$ 349,835,114	\$ 349,835,114
Contractual Services	92,464,181	100,166,528	100,166,528	100,868,959	100,868,959
Commodities	19,392,339	21,834,557	21,834,557	25,324,273	25,324,273
Capital Outlay	16,527,395	18,811,227	18,811,227	20,023,270	20,023,270
Debt Service Interest	10,971,837	10,713,724	10,713,724	9,988,233	9,988,233
<i>Subtotal</i>	<i>\$ 466,317,077</i>	<i>\$ 499,728,823</i>	<i>\$ 499,728,823</i>	<i>\$ 506,039,849</i>	<i>\$ 506,039,849</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	107,783,391	95,311,340	95,311,340	95,273,821	95,273,821
TOTAL	\$ 574,100,468	\$ 595,040,163	\$ 595,040,163	\$ 601,313,670	\$ 601,313,670
Financing:					
State General Fund	\$ 128,015,137	\$ 138,490,078	\$ 138,490,078	\$ 138,123,792	\$ 138,123,792
All Other Funds	446,085,331	456,550,085	456,550,085	463,189,878	463,189,878
TOTAL	\$ 574,100,468	\$ 595,040,163	\$ 595,040,163	\$ 601,313,670	\$ 601,313,670
FTE Positions	3,580.0	3,651.5	3,651.5	3,651.5	3,651.5
Fees Funds					
General Fees	\$ 184,641,792	\$ 202,031,710	\$ 202,031,710	\$ 201,965,561	\$ 201,965,561
Restricted Fees	\$ 134,877,146	129,854,079	\$ 129,854,079	\$ 142,153,033	\$ 142,153,033

The **agency** requests an operating budget of \$601.3 million, including \$138.1 million SGF, for FY 2025. This is an all funds increase of \$6.3 million, or 1.1 percent, including an SGF decrease of \$1.8 million, or 1.6 percent, above

the FY 2024 estimate. The increase is due to additional salaries and wages (\$1.6 million) and commodities (\$3.4 million)

The **Governor** concurs with the agency's request for FY 2025.

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), and the International Grain, Meat, and Livestock programs. All programs were previously part of the KSU budget (except for the Office of Academic programs and Office of the Dean) and are included in this separate agency administered by the Dean of Agriculture.

KAES and CES are programs mandated by both federal and state legislation. The systems included participation by the land grant universities, including 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 in Manhattan.

The research is conducted by KAES in five 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 five area offices and in four colleges on the KSU campus. Specialists are housed in the colleges of Agriculture, Health and Human Sciences, Engineering, and Veterinary Medicine.

FIGURE 16 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 105,286,081	\$ 117,741,119	\$ 117,741,119	\$ 117,888,999	\$ 117,888,999
Contractual Services	23,919,814	20,821,820	20,821,820	20,978,672	20,978,672
Commodities	14,537,844	12,365,856	12,365,856	12,365,856	12,365,856
Capital Outlay	5,902,502	4,811,623	4,811,623	4,915,417	4,915,417
Debt Service Interest	13,360	10,633	10,633	3,298	3,298
<i>Subtotal</i>	<i>\$ 149,659,601</i>	<i>\$ 155,751,051</i>	<i>\$ 155,751,051</i>	<i>\$ 156,152,242</i>	<i>\$ 156,152,242</i>
Aid to Local Units	228,432	733	733	733	733
Other Assistance	12,806,222	11,765,082	11,765,082	11,765,082	11,765,082
TOTAL	\$ 162,694,255	\$ 167,516,866	\$ 167,516,866	\$ 167,918,057	\$ 167,918,057
Financing:					
State General Fund	\$ 53,890,163	\$ 60,420,430	\$ 60,420,430	\$ 60,640,834	\$ 60,640,834
All Other Funds	108,804,092	107,096,436	107,096,436	107,277,223	107,277,223
TOTAL	\$ 162,694,255	\$ 167,516,866	\$ 167,516,866	\$ 167,918,057	\$ 167,918,057
FTE Positions	1,109.1	1,156.4	1,156.4	1,156.4	1,156.4
Fees Funds					
General Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Fees	50,162,684	54,717,632	54,717,632	54,885,328	54,885,328

The **agency** requests an operating budget of \$167.9 million, including \$60.6 million SGF, for FY 2025. This is an all funds increase of \$401,191, or 0.2 percent, including an SGF increase of \$217,341, or 0.7 percent, above the FY 2024 revised estimate. The increase is primarily due to additional salaries and wages

expenditures of \$147,880, or 0.1 percent, primarily for fringe benefits, and an increase of contractual services expenditures of \$156,852, or 0.8 percent.

The **Governor** concurs with the agency's request for FY 2025.

KSU-VETERINARY MEDICAL CENTER

The Veterinary Medical Center was established at 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 number of FTE students attending KSU–Veterinary Medical Center during the fall 2023 semester was 765, which is a decrease of 6 FTE students, or 0.7 percent, below the fall 2022 semester number.

FIGURE 17
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 47,882,807	\$ 56,765,689	\$ 56,765,689	\$ 56,968,084	\$ 56,968,084
Contractual Services	5,820,056	8,506,098	8,506,098	8,529,672	8,529,672
Commodities	(12,834,690)	1,996,995	1,996,995	1,996,995	1,996,995
Capital Outlay	595,929	352,604	352,604	352,604	352,604
Debt Service Interest	95,998	89,371	89,371	89,371	89,371
<i>Subtotal</i>	<i>\$ 41,560,100</i>	<i>\$ 67,710,757</i>	<i>\$ 67,710,757</i>	<i>\$ 67,936,726</i>	<i>\$ 67,936,726</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	1,073,062	1,074,079	1,074,079	1,074,079	1,074,079
TOTAL	\$ 42,633,162	\$ 68,784,836	\$ 68,784,836	\$ 69,010,805	\$ 69,010,805
Financing:					
State General Fund	17,205,262	17,803,003	17,803,003	17,865,619	17,865,619
All Other Funds	25,427,900	50,981,917	50,981,917	51,145,186	51,145,186
TOTAL	\$ 42,633,162	\$ 68,784,920	\$ 68,784,920	\$ 69,010,805	\$ 69,010,805
FTE Positions	567.7	637.0	637.0	637.0	637.0
Fees Fund					
General Fees	\$ 17,131,116	\$ 20,577,379	\$ 20,577,379	\$ 20,636,226	\$ 20,636,226
Restricted Fees	1,967,498	6,841,448	6,841,448	6,248,359	6,248,359

The **agency** requests an operating budget of \$69.0 million, including \$17.8 million SGF, for FY 2025. This is an all funds increase of \$225,969, or 0.3 percent, including an SGF increase of \$39,761, or 0.3 percent. This

increase is primarily due to additional salaries and wages expenditures of \$202,395, or 0.4 percent, primarily for fringe benefits.

The **Governor** concurs with the agency's request for FY 2025.

PITTSBURG STATE UNIVERSITY

Pittsburg State University (PSU) was established in 1903 by the Legislature to serve the higher education needs of southeast Kansas. In 1970, PSU became a Regents institution operating under the direction of the 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 is also 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 number of FTE students attending Pittsburg State University during the fall 2023 semester was 5,025, which is an increase of 26 FTE students, or 0.5 percent, above the fall 2022 semester number.

FIGURE 18 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 67,575,434	\$ 71,967,823	\$ 71,967,823	\$ 72,075,709	\$ 72,075,709
Contractual Services	20,415,245	22,806,440	22,806,440	21,941,355	21,941,355
Commodities	5,515,973	5,429,191	5,429,191	5,420,965	5,420,965
Capital Outlay	3,479,153	3,258,853	3,258,853	3,247,951	3,247,951
Debt Service Interest	1,045,252	1,155,131	1,155,131	1,041,156	1,041,156
<i>Subtotal</i>	<i>\$ 98,031,057</i>	<i>\$ 104,617,438</i>	<i>\$ 104,617,438</i>	<i>\$ 103,727,136</i>	<i>\$ 103,727,136</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	14,527,556	10,866,641	10,866,641	10,866,641	10,866,641
TOTAL	\$ 112,558,613	\$ 115,484,079	\$ 115,484,079	\$ 114,593,777	\$ 114,593,777
Financing:					
State General Fund	\$ 43,201,598	\$ 49,382,358	\$ 49,382,358	\$ 48,582,481	\$ 48,582,481
All Other Funds	69,357,015	66,101,721	66,101,721	66,011,296	66,011,296
TOTAL	\$ 112,558,613	\$ 115,484,079	\$ 115,484,079	\$ 114,593,777	\$ 114,593,777
FTE Positions	784.3	784.1	784.1	784.1	784.1
Fees Fund					
General Fees	\$ 28,834,290	\$ 30,200,000	\$ 30,200,000	\$ 30,200,000	\$ 30,200,000
Restricted Fees	22,642,589	13,873,611	13,873,611	13,897,333	13,897,333

The **agency** requests an operating budget of \$114.6 million, including \$48.6 million SGF, for FY 2025. This is an all funds decrease of \$890,302, or 0.8 percent, including an SGF decrease of \$794,070, or 1.9 percent, below the FY 2024 revised estimate. There are decreases in all expenditure categories.

The **Governor** concurs with the agency's request for FY 2025.

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 Liberal Arts and Sciences, Graduate School, Allied Health, Architecture and Urban Design, Business, Education, Engineering, and Social Welfare.

The number of FTE students attending the University of Kansas during the fall 2023 semester was 22,187, which is an increase of 1,545 FTE students, or 7.4 percent, above the fall 2022 semester number.

FIGURE 19 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 524,292,519	\$ 554,489,124	\$ 554,489,124	\$ 554,005,472	\$ 554,005,472
Contractual Services	185,586,277	191,119,570	191,119,570	190,138,181	190,138,181
Commodities	20,557,706	20,442,570	20,442,570	20,442,570	20,442,570
Capital Outlay	25,928,537	24,130,965	24,130,965	24,130,965	24,130,965
Debt Service Interest	5,975,325	5,521,220	5,521,220	5,039,470	5,039,470
<i>Subtotal</i>	<i>\$ 762,340,364</i>	<i>\$ 795,703,449</i>	<i>\$ 795,703,449</i>	<i>\$ 793,756,658</i>	<i>\$ 793,756,658</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	71,237,117	78,815,373	78,815,373	78,815,373	78,815,373
TOTAL	\$ 833,577,481	\$ 874,518,822	\$ 874,518,822	\$ 872,572,031	\$ 872,572,031
Financing:					
State General Fund	\$ 164,558,083	\$ 172,809,215	\$ 172,809,215	\$ 170,440,018	\$ 170,440,018
All Other Funds	669,019,398	701,709,607	701,709,607	702,132,013	702,132,013
TOTAL	\$ 833,577,481	\$ 874,518,822	\$ 874,518,822	\$ 872,572,031	\$ 872,572,031
FTE Positions	5,299.0	5,276.5	5,276.5	5,276.5	5,276.5
Fees Fund					
General Fees	\$ 312,671,807	\$ 329,207,257	\$ 329,207,257	\$ 321,004,176	\$ 321,004,176
Restricted Fee	213,754,404	221,112,411	221,112,411	211,153,657	211,153,657

The **agency** requests an operating budget of \$872.5 million, including \$170.4 million SGF, for FY 2025. This is an all funds decrease of \$1.9 million, or 0.2 percent, including an SGF decrease of \$1.4 million, or 0.9 percent, below

the FY 2024 revised estimate. There is a decrease in all expenditure categories.

The **Governor** concurs with the agency's request for FY 2025.

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 number of FTE students attending the University of Kansas Medical Center during the fall 2023 semester was 2,804, which is an increase of 2 FTE students, or 0.07 percent, above the fall 2022 semester number.

FIGURE 20 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 410,889,738	\$ 453,318,138	\$ 453,318,138	\$ 455,543,722	\$ 455,543,722
Contractual Services	65,479,857	67,152,936	67,152,936	73,733,519	73,733,519
Commodities	3,943,240	12,282,803	12,282,803	14,820,970	14,820,970
Capital Outlay	10,540,865	9,939,728	9,939,728	9,504,321	9,504,321
Debt Service Interest	2,680,933	3,099,406	3,099,406	2,806,806	2,806,806
<i>Subtotal</i>	<i>\$ 493,544,633</i>	<i>\$ 545,793,011</i>	<i>\$ 545,793,011</i>	<i>\$ 556,409,338</i>	<i>\$ 556,409,338</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	6,848,525	11,347,338	11,347,338	9,439,971	9,439,971
TOTAL	\$ 500,393,158	\$ 557,140,349	\$ 557,140,349	\$ 565,849,309	\$ 565,849,309
Financing:					
State General Fund	\$ 122,326,921	\$ 126,633,597	\$ 126,633,597	\$ 125,770,635	\$ 125,770,635
All Other Funds	378,066,237	430,506,752	430,506,752	440,078,674	440,078,674
TOTAL	\$ 500,393,158	\$ 557,140,349	\$ 557,140,349	\$ 565,849,309	\$ 565,849,309
FTE Positions	3,764.4	3,821.6	3,821.6	3,821.6	3,821.6
Fees Fund					
General Fees	\$ 46,180,251	\$ 53,901,409	\$ 53,901,409	\$ 54,212,510	\$ 54,212,510
Restricted Fees	139,139,800	158,323,717	158,323,717	161,957,647	161,957,647

The **agency** requests an operating budget of \$565.8 million, including \$125.7 million SGF, for FY 2025. This is an all funds increase of \$8.7 million, or 1.6 percent, including an SGF increase of \$722,551, or 0.6 percent, above the

FY 2024 revised estimate. The increase is primarily due to additional salary and wages (\$2.2 million) and an increase in contractual services (\$6.5 million).

The **Governor concurs** with the agency's request for FY 2025.

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 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 number of FTE students attending Wichita State University during the fall 2023 semester was 11,728, which is a decrease of 56 FTE students, or 0.4 percent, below the fall 2022 semester number.

FIGURE 21 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 266,528,159	\$ 306,248,443	\$ 306,248,443	\$ 307,200,502	\$ 307,200,502
Contractual Services	249,590,978	247,384,312	247,384,312	249,297,298	249,297,298
Commodities	29,467,726	26,882,119	26,882,119	27,593,498	27,593,498
Capital Outlay	55,199,000	68,101,153	68,101,153	65,608,215	65,608,215
Debt Service Interest	4,301,561	6,200,996	6,200,996	6,639,847	6,639,847
<i>Subtotal</i>	<i>\$ 605,087,424</i>	<i>\$ 654,817,023</i>	<i>\$ 654,817,023</i>	<i>\$ 656,339,360</i>	<i>\$ 656,339,360</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	85,350,750	100,272,201	100,272,201	100,312,969	100,312,969
TOTAL	\$ 690,438,174	\$ 755,089,224	\$ 755,089,224	\$ 756,652,329	\$ 756,652,329
Financing:					
State General Fund	\$ 99,313,813	\$ 110,034,713	\$ 110,034,713	\$ 106,165,908	\$ 106,165,908
All Other Funds	591,124,361	645,054,511	645,054,511	650,486,421	650,486,421
TOTAL	\$ 690,438,174	\$ 755,089,224	\$ 755,089,224	\$ 756,652,329	\$ 756,652,329
FTE Positions	2,509.0	2,718.8	2,718.8	2,718.8	2,718.8
Fee Funds					
General Fees	\$ 89,409,042	\$ 99,756,029	\$ 99,756,029	\$ 96,628,060	\$ 96,628,060
Restricted Fees	279,787,685	297,784,497	297,784,497	326,192,667	326,192,667

The **agency** requests an operating budget of \$756.6 million, including \$106.1 million SGF, for FY 2025. This is an all funds increase of \$1.5, or 0.2 percent, and an SGF decrease of \$1.1 million, or 1.5 percent, below the FY 2024

revised estimate. The increase is primarily due to increased expenditures in contractual services (\$1.9 million), partially offset by decreases in capital outlay (\$2.4 million).

The **Governor** concurs with the agency's request for FY 2025.

CAPITAL IMPROVEMENTS

The Postsecondary Education Systemwide includes the capital improvements and debt service principal for the Board of Regents and all state universities. Capital improvements SGF funding is only included for debt service

principal at Pittsburg State University. The Board of Regents is including an enhancement request totaling \$20.0 million SGF for deferred maintenance.

FIGURE 22
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Board of Regents	\$ 750,000	\$ 6,631,984	\$ 6,631,984	\$ 208,250,000	\$ 200,000,000
Emporia State University	7,121,153	18,552,728	18,552,728	21,900,170	21,900,170
Fort Hays State University	5,746,067	20,300,997	20,300,997	19,185,825	19,185,825
Kansas State University	16,527,899	69,730,557	69,730,557	16,800,000	16,800,000
KSU- ESARP	182,101	-	-	-	-
KSU -VMC	90,835	608,896	608,896	-	-
Pittsburg State University	4,162,343	28,375,731	28,375,731	5,270,000	5,270,000
University of Kansas	22,782,592	186,351,101	186,351,101	59,134,464	59,134,464
KU Medical College	16,652,319	27,957,876	27,957,876	9,110,732	9,110,732
Wichita State University	18,694,478	119,547,255	119,547,255	95,691,400	95,691,400
Subtotal-Projects	\$ 92,709,787	\$ 478,057,125	\$ 478,057,125	\$ 435,342,591	\$ 427,092,591
Debt Service Principal:					
KBOR	\$ -	\$ -	\$ -	\$ -	\$ -
ESU	2,620,000	2,750,000	2,750,000	2,880,000	2,880,000
FHSU	1,765,000	7,435,000	7,435,000	1,640,000	1,640,000
KSU	16,917,408	16,997,594	16,997,594	17,327,091	17,327,091
KSU-ESARP	85,000	85,000	85,000	85,000	85,000
KSU-VMC	368,546	368,546	368,546	368,546	368,546
PSU	3,168,071	2,600,000	2,600,000	2,275,000	2,275,000
KU	9,110,000	9,635,000	9,635,000	10,130,000	10,130,000
KUMC	6,180,000	6,470,000	6,470,000	6,775,000	6,775,000
WSU	6,965,000	7,782,994	7,782,994	5,432,782	5,432,782
Subtotal-Debt	\$ 47,179,025	\$ 54,124,134	\$ 54,124,134	\$ 46,913,419	\$ 46,913,419
TOTAL	\$ 139,888,812	\$ 532,181,259	\$ 532,181,259	\$ 482,256,010	\$ 474,006,010
Financing:					
SGF	\$ 18,623,317	\$ 82,912,699	\$ 82,912,699	\$ 157,100,000	\$ 148,850,000
Federal Funds	1,038,858	195,423,657	195,423,657	137,090,000	137,090,000
Education Building Funds	35,112,601	97,556,389	97,556,389	53,000,000	53,000,000
All Other Funds	85,114,036	156,288,514	156,288,514	135,066,010	135,066,010
TOTAL	\$ 139,888,812	\$ 532,181,259	\$ 532,181,259	\$ 482,256,010	\$ 474,006,010

FY 2024 CAPITAL IMPROVEMENTS

The **agencies'** revised estimates for FY 2024 total \$532.2 million, including \$82.9 million SGF, for capital improvements. The major capital projects include NIAR Tech and Innovation Building and an addition to the Marcus Welcome Center at WSU. Other projects include maintenance and repair at Weflad Residence and Dining Hall and Jardine Hall at KSU, and lab remodeling at KU School of Engineering.

NIAR Tech and Innovation Building

This new 150,000-square-foot, two-story research facility will be located on an undeveloped 4.77-acre parcel on the Innovation campus. Comprising 6 research labs (robotics and automation, emerging tech and digital manufacturing, composites, advanced machining and prototyping, and additive manufacturing) in combination with related student and faculty support spaces, this facility is organized with flexibly designed high-bay research labs surrounding a central core of support spaces. This new NIAR building will provide an opportunity for WSU students to engage in smart manufacturing, applied research, and training opportunities through a comprehensive center that promotes the safety, research, manufacturing, and design elements of today's aviation industry.

Addition to Marcus Welcome Center

In June 2020, WSU was authorized to move forward with an addition to the Marcus

The **Governor** concurs with the agencies' revised estimates for capital improvements in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agencies'** requests for FY 2025 total \$482.3 million, including \$157.1 million SGF, for capital improvements. The major capital projects include the Rhatigan Student Center project at WSU and the 11th and Mississippi new campus gateway and Kansas Geological Survey Laboratory Facility Updates at KU.

Welcome Center. The addition will bring together three offices (Office of Admissions, Career Development, and Applied and Experiential Learning) in one central location. The project will renovate 5,500 square feet and create an addition of 7,500 square feet to the building.

Weflad Residence and Dining

The Weflad Residence and Dining Hall project at KSU was approved in 2014 and consolidated two housing projects and dining hall renovations into one project that builds a new residence hall and dining center. The project includes an additional 450 beds for on-campus student rooms.

Jardine Hall

The projects at KSU's Jardine Hall include renovations for housing, roads, and parking. Renovations for housing units include 808 units, 312 family units, and 1,472 single student beds within a mix of apartments, townhouses, and scholarship housing. Additionally, there is a project to construct a new roadway by Kerr Drive and extend the roadway along the west perimeter.

KU Engineering

The University of Kansas School of Engineering unitizes 12 buildings for its programs. This includes an expansion project to remodel lab and research space.

Other projects include maintenance and repair at Self Oswald Hall and Jayhawker Tower, Lewis and Ellsworth student housing units at KU, and Seaton Hall Renovations and upgrades to Weflad Residence and Dining Hall at KSU.

Rhatigan Student Center

The Rhatigan Center at WSU had renovation in 2012-2014 and is now a hub for student activity on campus. The project includes interior renovations and additional space to support the work of student organizations, student government, and student engagement. This project will improve availability of large and small meeting rooms and study rooms to include 24-hour study spaces.

11th and Mississippi

This project is located at the corner of 11th and Mississippi and is becoming the north gateway to the University of Kansas. This gateway provides direct access to the new Jayhawk Welcome Center, the Kansas Memorial Union, Dyche Hall, Spencer Museum of Art, and David Booth Kansas Memorial Stadium. The goals for this project are to develop a multipurpose venue with entertainment functions, retail, dining, health care services, and more.

KGS

The Kansas Geological Survey is a research and service division of the University of Kansas that provides information about the state's groundwater and geologic resources. KGS current projects include the Geological Core Library Addition, which is an additional library and research space on the KU Lawrence Campus.

KU Housing

There are several renovation projects for Jayhawker Towers, Self/Oswald Hall, and Lewis

and Ellsworth student housing units. Jayhawker Towers is apartment-style student housing commonly used by upperclassman and transfer students. Ellsworth student housing was opened in 1963 and renovated in 2003, with traditional two-person rooms. Oswald Hall is the newest student housing of these three units, built in 2015. It is a three-building complex for freshman only and houses 350 residents.

Seaton Hall

The East Seaton Hall project consists of remodeling existing portions and demolishing the least-usable portions of Seaton Court at KSU. The goal of the project is to create a modern learning and research facility. The renovation and addition plan includes demolishing \$42,500 square fee to build an 110,7000-square-foot addition. Seaton Hall houses the College of Architecture Planning and Design.

The **Governor** recommends \$474.0 million including, \$148.9 million SGF, for capital improvements for FY 2025. This is an all funds decrease of \$8.3 million, or 1.7 percent, and an SGF decrease of \$8.3 million, or 5.3 percent. There is a decrease of \$108.2 million due to the Governor not recommending several projects within the Postsecondary Operating Grant. The decrease is partially offset by the addition of \$75.0 million for the KUMC Medical Center and \$25.0 million for the NISS Academic Playbook.

The recommendation does include \$30.0 million SGF to continue capital renewal and capital demolition projects at the universities.

	Agency FY 2025	Governor FY 2025
Board of Regents		
Demolition Building Funds	\$ 10,000,000	\$ 10,000,000
Capital Renewal Initiative	20,000,000	20,000,000
KUMC Cancer Research	75,000,000	75,000,000
KSU Ag Innovation	25,000,000	25,000,000
PSU Reading Improvements	2,000,000	2,000,000
FHSU Nursing Expansion	15,000,000	15,000,000
Education Building Funds	53,000,000	53,000,000
PSU Science Lab Upgrades	5,000,000	-
Washburn Manufacturing Training Center	3,000,000	-
KSU Vet Med Animal Diagnostic Lab	250,000	-
<i>Board of Regents–Subtotal</i>	\$ 208,250,000	\$ 200,000,000
Wichita State University		
Henrion HVAC Improvements	\$ 1,325,664	\$ 1,325,664
Health Science Education Building	54,320,000	54,320,000
Maintenance Projects	6150736	6150736
University Stadium Projects	2,900,000	2,900,000
Rhatigan Student Center	1,455,000	1,455,000
NIAR Tech and Innovation Building	27,840,000	27,840,000
Housing Maintenance Projects	1,200,000	1,200,000
Parking Maintenance and Improvements	500,000	500,000
<i>Wichita State University–Subtotal</i>	\$ 95,691,400	\$ 95,691,400
Emporia State University		
Building Rehab & Repair	291,634	291,634
Building Rehab & Repair	21,608,536	21,608,536
<i>Emporia State University–Subtotal</i>	\$ 21,900,170	\$ 21,900,170
Kansas State University		
	\$	\$
Unger Relocation	2,800,000	2,800,000
Anderson Hall Windows	1,000,000	1,000,000
Agronomy North Farm Global Center	12,500,000	12,500,000
Parking Lot Maintenance	500,000	500,000
<i>Kansas State University–Subtotal</i>	\$ 16,300,000	\$ 16,300,000
Pittsburg State University		
	\$	\$
Building Rehab and Repair	1,000,000	1,000,000
Deferred Maintenance	1,320,000	1,320,000
Overman Student Center Repair	250,000	250,000
Parking Maintenance	200,000	200,000
Gorilla Rising Project	2,500,000	2,500,000
<i>PSU–Subtotal</i>	\$ 5,270,000	\$ 5,270,000

	Agency FY 2025	Governor FY 2025
University of Kansas		
Student Housing Improvements	\$ 1,200,000	\$ 1,200,000
11th and Mississippi	50,000,000	50,000,000
Projects for Mission Critical Buildings	3,664,464	3,664,464
Kansas Geological Survey Renovations	1,850,000	1,850,000
Sunnyside Avenue and Naismith Drive Reconstruction	1,320,000	1,320,000
Lot 72 Reconstruction	1,100,000	1,100,000
<i>KU–Subtotal</i>	<i>\$ 57,934,464</i>	<i>\$ 59,134,464</i>
Fort Hays State University		
	\$	\$
Forsyth Library Renovation	15,000,000	15,000,000
Gross Coliseum HVAC	47,000	47,000
Parking Maintenance	3,300,000	3,300,000
Rehab & Repair	838,825	838,825
<i>Fort Hays State University–Subtotal</i>	<i>\$ 19,185,825</i>	<i>\$ 19,185,825</i>

STATE HISTORICAL SOCIETY

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

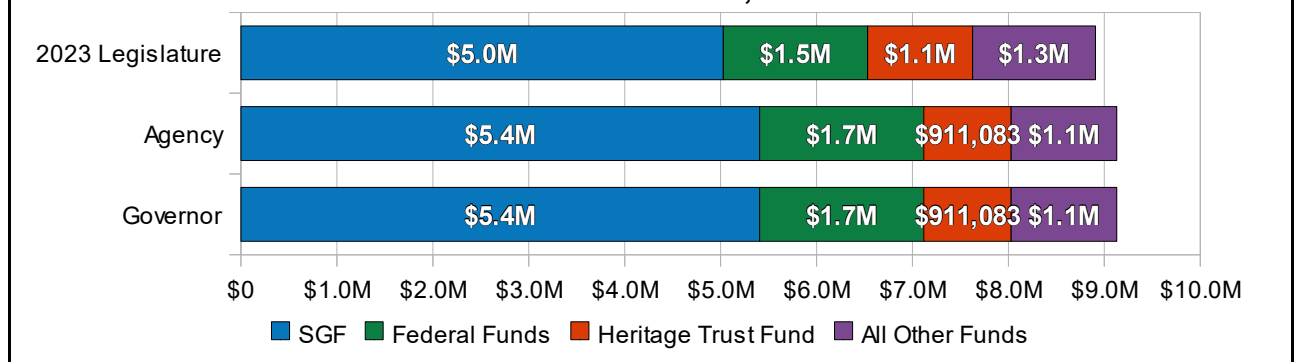
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 4,311,957	\$ 4,681,843	\$ 4,681,843	\$ 4,702,855	\$ 4,702,855
Federal Funds	786,822	1,710,955	1,710,955	822,708	822,708
All Other Funds	1,072,387	1,947,180	1,947,180	2,075,107	2,075,107
<i>Subtotal</i>	<i>\$ 6,171,166</i>	<i>\$ 8,339,978</i>	<i>\$ 8,339,978</i>	<i>\$ 7,600,670</i>	<i>\$ 7,600,670</i>
Capital Improvements:					
State General Fund	\$ 457,899	\$ 725,000	\$ 725,000	\$ 2,281,257	\$ 3,135,000
Federal Funds	189,500	-	-	51,000	51,000
All Other Funds	13,133	65,000	65,000	34,000	34,000
<i>Subtotal</i>	<i>\$ 660,532</i>	<i>\$ 790,000</i>	<i>\$ 790,000</i>	<i>\$ 2,366,257</i>	<i>\$ 3,220,000</i>
TOTAL	\$ 6,831,698	\$ 9,129,978	\$ 9,129,978	\$ 9,966,927	\$ 10,820,670
Percentage Change:					
State General Fund	11.4 %	13.4 %	13.4 %	29.2 %	45.0 %
All Funds	(13.3) %	33.6 %	33.6 %	9.2 %	18.5 %
FTE Positions	72.0	77.5	77.5	74.5	74.5

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 agency's 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.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$8.9 million, including \$5.1 million from the State General Fund (SGF), for the State Historical Society for FY 2024. No adjustments have been made subsequently to that amount.

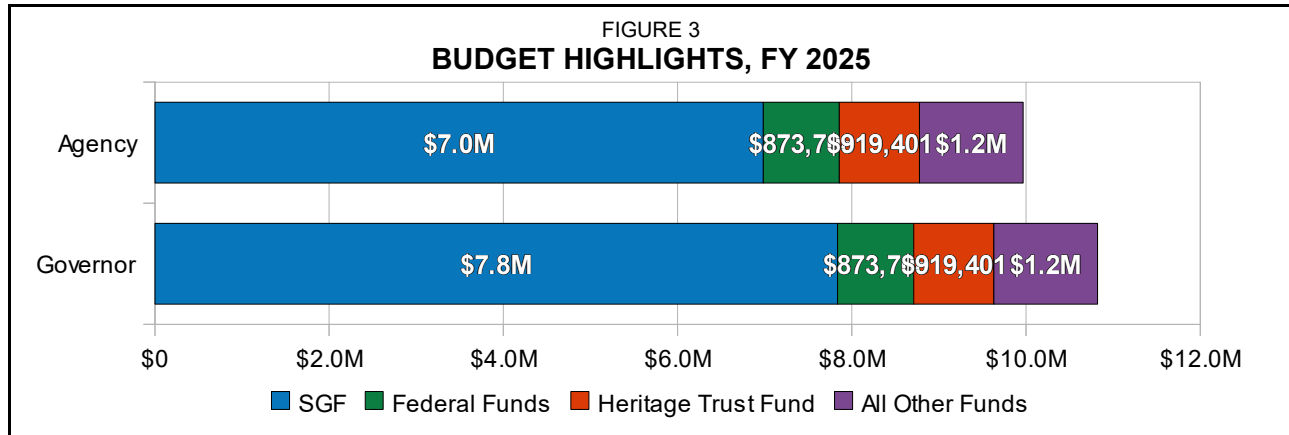
FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** submits a revised estimate of \$9.1 million, including \$5.4 million SGF, in expenditures and 77.5 FTE positions in FY 2024. The revised estimate is an all funds increase of

\$222,053, or 2.5 percent, and an SGF increase of \$378,394, or 7.5 percent, above the FY 2024 approved amount. This increase is mainly due to the capital improvement supplemental request of \$790,000, including \$725,000 SGF, which is an all funds increase of \$350,000, or 79.5 percent, and an SGF increase of \$350,000, or 93.3 percent, above the FY 2024 approved amount. This increase is due to a supplemental request for the Shawnee Indian Mission roof replacement, which was originally scheduled for FY 2025, FY 2026, and FY 2027. The agency indicates recent storm damage and public scrutiny have accelerated the need for replacement.

The **Governor** concurs with the agency's FY 2024 revised estimate and recommends \$9.1 million, including \$5.4 million SGF, in expenditures and 77.5 FTE positions in FY 2024.



The **agency** requests \$10.0 million, including \$7.0 million SGF, in expenditures and 74.5 FTE positions for FY 2025. This is an all funds increase of \$836,949, or 9.2 percent, and an SGF increase of \$1.6 million, or 29.1 percent, above the FY 2024 revised amount.

The agency's FY 2025 request includes capital improvement expenditures of \$2.4 million, including \$2.3 million SGF, which is an all funds increase of \$1.6 million, or 199.5 percent, and an SGF increase of \$1.6 million, or 214.7 percent, above the FY 2024 revised amount. The capital improvements increase is due to the agency's enhancement request to replace and refurbish air handling units and a chiller unit in the Kansas Museum of History. According to the agency, the current units have been in place since 1984 and have reached their service limit.

There are also decreases in the agency's request for contractual services (\$115,750), aid to locals (\$150,000), and other assistance (\$600,000), and an increase in salaries and wages (\$126,442), for FY 2025. The decrease for contractual services is mainly due to decreases in repair and servicing (\$59,000) and other contractual services (\$40,000). The decrease in aid to locals and other assistance are both due to anticipated reductions in federal aid in those areas. The increase in salaries and wages is due to an increase in group health benefits and anticipated hiring to fill vacant FTE positions (\$206,371).

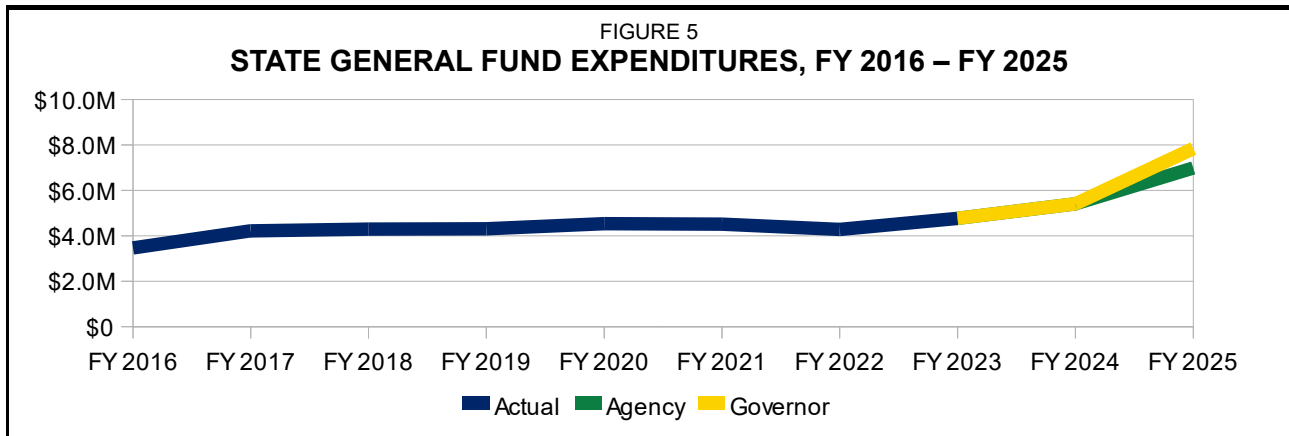
The **Governor** recommends \$10.8 million, including \$7.8 million SGF, in expenditures and 74.5 FTE positions for FY 2025. This is an increase of \$853,743 SGF, or 12.2 percent, above the agency's request for FY 2025. The increase is to include the chiller replacement in the Kansas Museum of History in the agency's enhancement request, as it was not included in the agency's initial request for FY 2025.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

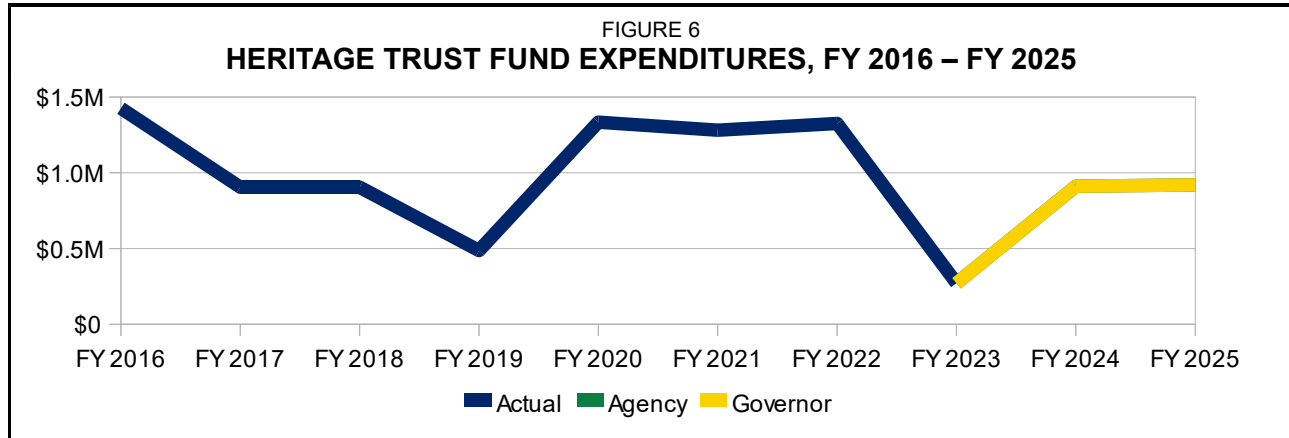
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 3,812,725	\$ 4,941,227	\$ 4,941,227	\$ 5,067,669	\$ 5,067,669
Contractual Services	1,285,976	1,446,250	1,446,250	1,330,500	1,330,500
Commodities	157,090	148,500	148,500	148,500	148,500
Capital Outlay	484,238	83,500	83,500	83,500	83,500
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 5,740,029</i>	<i>\$ 6,619,477</i>	<i>\$ 6,619,477</i>	<i>\$ 6,630,169</i>	<i>\$ 6,630,169</i>
Aid to Local Units	99,848	500,000	500,000	350,000	350,000
Other Assistance	331,289	1,220,501	1,220,501	620,501	620,501
<i>Subtotal—Operating</i>	<i>\$ 6,171,166</i>	<i>\$ 8,339,978</i>	<i>\$ 8,339,978</i>	<i>\$ 7,600,670</i>	<i>\$ 7,600,670</i>
Capital Improvements	660,532	790,000	790,000	2,366,257	3,220,000
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 6,831,698	\$ 9,129,978	\$ 9,129,978	\$ 9,966,927	\$ 10,820,670
Financing:					
State General Fund	\$ 4,769,856	\$ 5,406,843	\$ 5,406,843	\$ 6,984,112	\$ 7,837,855
Heritage Trust Fund	270,560	911,083	911,083	919,401	919,401
Federal Funds	976,322	1,710,955	1,710,955	873,708	873,708
All Other Funds	814,960	1,101,097	1,101,097	1,189,706	1,189,706
TOTAL	\$ 6,831,698	\$ 9,129,978	\$ 9,129,978	\$ 9,966,927	\$ 10,820,670
FTE Positions	72.0	77.5	77.5	74.5	74.5

STATE GENERAL FUND



For the State Historical Society, SGF actual expenditures averaged \$4.3 million from FY 2016 to FY 2023. FY 2024 budgeted expenditures increased due to capital improvements (\$350,000), contractual services (\$163,997), and commodities (\$11,500), and are offset by a decrease in salaries and wages (\$147,083). The agency's request for FY 2025 increased, mainly due to the capital improvements enhancement request (\$1,556,257). The Governor's recommendation for FY 2025 includes an additional \$853,743 SGF for the capital improvements enhancement request to include replacing the chiller as well as the AHUs at the Kansas Museum of History.

HERITAGE TRUST FUND



The Heritage Trust Fund provides matching funds to owners of historic properties listed in the National and State Registers. The exact amount varies depending on the revenue generated by mortgage filing fees. These grants are awarded on a competitive basis to qualified applicants whose applications are evaluated per the factors identified in the authorizing legislation (KSA 75-2729 and KSA 79-3107b). Many projects take more than two years to complete; therefore, some funds are obligated to grants that are in progress.

The agency estimates that up to \$900,000 could be granted annually to local governments, private nonprofit organizations, homeowners, county and local historical societies, farmers and ranchers, businessmen, and others. The exact amount varies depending on the revenue generated by mortgage filing fees.

The Heritage Trust Fund had expenditures decrease in FY 2023 by 79.6 percent, while revenue decreased by 18.3 percent. As of September 13, 2023, there is \$1,829,389 encumbered for 28 Heritage Trust Fund grants. The agency indicates money within the account beyond what is currently obligated will be used to fund grant awards in the FY 2024 grant cycle.

FIGURE 7
HERITAGE TRUST FUND GRANTS CURRENTLY ENCUMBERED

Project Name	HTF Project Number	County	Amount of Grant	Remaining to be Paid
1.Potter's Opera House	2018-14	Hamilton	\$ 43,878	\$ 36,499
2.Plaza Theater	2019-10	Coffey	90,000	40,593
3.Carry Nation House	2020-01	Barber	38,008	38,008
4.Florence Deeble Rock Garden	2020-07	Russell	69,337	46,855
5.Ottawa Depot	2020-11	Franklin	100,000	100,000
6.Donaldson and Hosmer Bldg.	2021-16	Marion	89,700	61,985
7.Jayhawk Theatre	2021-40	Shawnee	90,000	90,000
8.Lincoln State Building	2021-28	Lincoln	90,000	90,000
9.Star Block	2021-18	Osage	90,000	90,000
10.Strong City Opera House	2021-17	Chase	90,000	85,500
11.Thacher Building	2021-42	Shawnee	90,000	90,000
12.519 Marshall Street	2022-01	Leavenworth	90,000	46,487
13.Douglas County Courthouse	2022-04	Douglas	90,000	90,000
14.Eureka's Memorial Hall	2022-05	Greenwood	90,000	90,000
15.Farmer's Union Co-op	2022-06	Wabaunsee	81,912	30,442
16.German Evangelical Church	2022-08	Pottawatomie	46,320	3,058
17.Historic Frankfort School	2022-09	Marshall	81,990	81,990
18.Prospect Park Farm	2022-14	Dickinson	90,000	9,000
19.Rock Island Depot — Grier House	2022-14	Seward	90,000	18,000

FIGURE 7

HERITAGE TRUST FUND GRANTS CURRENTLY ENCUMBERED

20.Sternberg Mansion HTF	2022-16	Sedgwick	85,800	85,800
21.Sunflower Theatre HTF	2022-17	Marion	85,656	39,576
22.First Presbyterian Church	2023-01	Ellis	85,800	84,706
23.Historic Wolf Hotel	2023-02	Barton	90,000	90,000
24.Howard National Bank	2023-03	Elk	100,000	100,000
25.Old Sylvan State Bank	2023-04	Lincoln	100,000	100,000
26.Smoky Valley Roller Mill	2023-05	McPherson	87,350	8,735
27.Sol Miller Building	2023-06	Doniphan	100,000	100,000
28.Vinland Grange Hall	2023-07	Douglas	85,740	82,154
TOTAL			\$ 2,361,491	\$ 1,829,389

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 5,028,449	\$ 8,907,925	73.5
1. No Changes	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 5,028,449</i>	<i>\$ 8,907,925</i>	<i>73.5</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	\$ 28,394	\$ 28,394	--
3. Shawnee Indian Mission Roof Replacement	350,000	350,000	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 378,394</i>	<i>\$ 378,394</i>	<i>--</i>
4. Contractual Services Increase	\$ 163,977	\$ 205,399	--
5. Historic Preservation Federal Funding	-	(260,000)	--
6. Salaries and Wages Decrease	(175,477)	(104,240)	--
7. NEH FTE positions	-	-	3.0
8. All Other Adjustments	11,500	2,500	1.0
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 5,406,843</i>	<i>\$ 9,129,978</i>	<i>77.5</i>
Governor's Recommendation:			
9. No Changes	\$ -	\$ -	--
TOTAL	\$ 5,406,843	\$ 9,129,978	77.5

LEGISLATIVE APPROVED

1. **NO CHANGES.** Subsequent to the 2023 Session, no adjustments were made to the \$8.9 million, including \$5.0 million SGF, and 73.5 FTE positions appropriated to the State Historical Society for FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$9.1 million, including \$5.4 million SGF, and 77.5 FTE positions in FY 2024. This is an all funds increase of \$222,053, or 2.5 percent, an SGF increase of \$378,394, or 7.5 percent, and an increase of 4.0 FTE positions above the amount approved by the 2023 Legislature.

The revised estimate includes \$378,394 for the following supplemental requests:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$28,394 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature approved \$120.0 million, including \$40.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the State Historical Society, a supplemental appropriation of \$28,394 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.
3. **SHAWNEE INDIAN MISSION ROOF REPLACEMENT.** The revised estimate includes \$350,000 SGF to replace cedar shingle roofs at the Shawnee Indian Mission in FY 2024. These repairs were originally scheduled for FY 2025, FY 2026, and FY 2027. The

agency indicates recent storm damage and public scrutiny have accelerated the need for replacement. This request includes all three of the Shawnee Indian Mission's roofs as well as the circa 1930s utility building. The Joint Committee on State Building Construction approved a 5-Year Capital Improvements Plan, which includes this project, on September 20, 2023.

Absent the supplemental requests, the revised estimate includes a decrease of \$156,341, all from special revenue funds, in base budget expenditures, and an increase of 4.0 FTE positions. Significant adjustments are as follows:

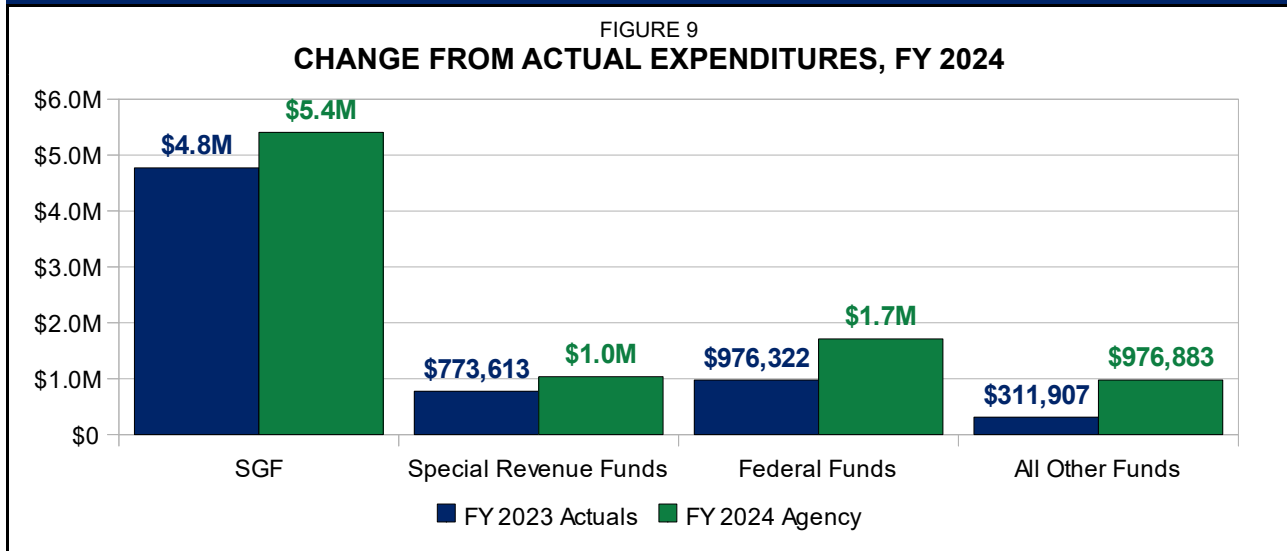
4. **CONTRACTUAL SERVICES INCREASE.** The revised estimate includes an increase of \$205,399, or 16.6 percent, including \$163,977 SGF, for contractual services. The increase is mainly due to increases of contractual services within the Cultural Resources program (\$183,900) in FY 2024, including converting archeology electronic records to a new collections management system and reengineering the archeology moveable shelving/storage unit from electronic to mechanical-assist.
5. **HISTORIC PRESERVATION FEDERAL FUNDING.** The agency's revised estimate for federal funding for aid to locals and other assistance includes a decrease of \$260,000, all in federal funds, in FY 2024. This is a decrease of \$160,000, or 24.2 percent, in aid to local units, and a decrease of \$100,000, or 7.6 percent, in other assistance.
6. **SALARIES AND WAGES DECREASE.** (*Excluding Supplemental*). The agency's revised estimate includes a decrease of \$104,240, including a decrease of \$175,477 SGF, in salary and wage expenditures, including employee pay (\$54,846) and employer benefits (\$49,394). According to the agency, this decrease is mainly due to difficulty filling vacancies and changes in cost indices.
7. **NEH FTE POSITIONS.** There is an increase of 3.0 Unclassified Non-FTE positions for a federal National Endowment for the Humanities (NEH) Grant obligation, which will be removed before the end of FY 2024. Funding of \$133,589 for those 3.0 FTE positions was included in the federal NEH Grant rather than from the SGF.
8. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes an increase of \$2,500, with an increase of \$11,500 SGF, for other adjustments. There is also an increase of 1.0 FTE position in the Cultural Resources program, which is not part of the federal NEH Grant obligation, in FY 2024.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$9.1 million, including \$5.4 million SGF, in expenditures and 77.5 FTE positions in FY 2024.

9. **NO CHANGES.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$9.1 million, including \$5.4 million SGF, in FY 2024. This is an all funds increase of \$2.3 million, or 33.6 percent, above the FY 2023 actual expenditures. It is also an increase in SGF expenditures of \$636,987, or 13.4 percent, above the FY 2023 actual amount.

The all funds increase is mainly attributable to increases in salaries and wages (\$1.1 million) and increases in aid to local units (\$400,152) and other assistance (\$889,212). The increase in salaries and wages is mainly due to the adoption of the 2023 Legislative Pay Plan and the additional 4.0 FTE positions in FY 2024 that were not part of the agency in FY 2023. The increase in aid to locals and other assistance is mainly due to an increase in Heritage Trust Fund grants expenditures (\$640,523) and an increase in federal funds (\$556,000) for qualified non-state organizations.

The SGF increase is mainly attributable to increases in capital improvements (\$267,101) and salaries and wages (\$757,393), while capital outlay decreased (\$390,759). The capital improvements increase is due to the supplemental request for Shawnee Indian Mission roof repairs, and the salaries and wages increase is mainly due to the adoption of the 2023 Legislative Pay Plan. The decrease in capital outlay is mainly due to a decrease in non-capital other furniture and fixtures (\$301,458) and a decrease in non-capital personal computer hardware and support equipment (\$73,716). In FY 2023, the agency included a \$300,000 general ledger encumbrance for expenditures which had not been determined for the Kansas Museum of History renovation. This encumbrance was not continued into FY 2024.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 4,979,568	\$ 8,820,171	74.5
Enhancement Requests:			
1. Kansas Museum of History AHUs	1,906,257	1,906,257	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 1,906,257</i>	<i>\$ 1,906,257</i>	<i>--</i>
2. Salaries and Wages Increase	\$ 111,771	\$ 154,836	--
3. Paul Bruhn Historic Revitalization Grants Program	-	(750,000)	--
4. Contractual Services Decrease	(13,484)	(115,750)	--
5. NEH Funding Decrease	-	(133,587)	--
6. Red Rock Masonry Repoint	-	85,000	--
<i>Subtotal—Agency Request</i>	<i>\$ 6,984,112</i>	<i>\$ 9,966,927</i>	<i>74.5</i>
Governor's Recommendation:			
7. Kansas Museum of History Chiller	\$ 853,743	\$ 853,743	--
TOTAL	\$ 7,837,855	\$ 10,820,670	74.5

AGENCY REQUEST

The **agency** requests \$10.0 million, including \$7.0 million SGF, in expenditures and 74.5 FTE positions for FY 2025. This is an all funds increase of \$836,949, or 9.2 percent, and an SGF increase of \$1.6 million, or 29.1 percent, above the FY 2024 revised amount.

The request includes the following enhancement:

1. **KANSAS MUSEUM OF HISTORY AHUS.** The agency requests \$1.9 million SGF to refurbish air handling units (AHUs) at the Kansas Museum of History for FY 2025. According to the agency, the current units have been in place since 1984 and have reached their service limit. The AHUs and chiller service 44,800 square feet of the museum, including the museum, lobby, classrooms, and collection storage areas.

Absent the enhancement request, the request includes a decrease of \$690,914, including an increase of \$49,406 SGF, in base budget expenditures for the following adjustments:

2. **SALARIES AND WAGES INCREASE.** (*Excluding Enhancements*). The agency's request includes a increase of \$154,836, including \$111,771 SGF, in salary and wage expenditures for FY 2025. This includes employee pay (\$86,777) and employer benefits (\$39,665). According to the agency, this increase is mainly due to changes in cost indices and longevity bonuses.
3. **PAUL BRUHN HISTORIC REVITALIZATION GRANTS PROGRAM.** The agency's request includes a decrease of \$750,000, all in federal funds, in FY 2024. This is due to a decrease of \$750,000 in federal funding from the Paul Bruhn Historic Revitalization Grants Program, which had awarded the agency one-time federal money in spring 2023 that must be used by September 30, 2025.
4. **CONTRACTUAL SERVICES DECREASE.** The agency's request also includes a decrease of \$115,750, including a decrease of \$13,484 SGF, in contractual services for FY 2025. This is partially due to the expected completion of the conversion of

archeology electronic records to a new collections management system in FY 2024 and to a decrease in repair and service that will occur because of that conversion (\$59,000).

5. **NEH FUNDING DECREASE.** The agency's request includes a decrease in funding of \$133,587, all from the NEH federal fund, for FY 2025. This is due to the ending of the one-year NEH Grant obligation for 3.0 Unclassified Non-FTE positions in FY 2024. The agency also removed the 3.0 FTE positions from their request for FY 2025.
6. **RED ROCK MASONRY REPOINT.** The agency's request also includes \$85,000, all from private gifts and federal funding, to repair and repoint the brick veneer of Mother's House at Red Rocks for FY 2025. Red Rocks was the home of journalist William Allen White and his family. The historic site includes a house for his mother, Mary White (known as Mother's House), which she lived in from the time it was built until her death in 1924. According to the agency, it has been vacant for 40 years, and due to exterior and interior damage, the foundation has shifted.

The **agency's** request also includes 74.5 FTE positions, which is a decrease of 3.0 FTE positions from FY 2024. This decrease is due to the 3.0 FTE positions that were included only for FY 2024 for a federal NEH Grant obligation.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$10.8 million, including \$7.8 million SGF, for FY 2025. This is an increase of \$853,743 SGF, or 12.2 percent, above the agency's request and is due to the following adjustment:

7. **KANSAS MUSEUM OF HISTORY CHILLER.** The Governor's recommendation includes an additional \$853,743 SGF, for a total of \$2.8 million SGF for the refurbishing of the Kansas Museum of History's AHUs and replacing the chiller for FY 2025. The agency originally left out expenditures for the replacement of the chiller.

The **Governor's** recommendation also includes 74.5 FTE positions, which is the same as the agency's request for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11

SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025

Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 28,394	\$ 28,394	-	\$ 28,394	\$ 28,394	-
2. Shawnee Indian Mission Roofs	350,000	350,000	-	350,000	350,000	-
TOTAL	\$ -	\$ -	-	\$ -	\$ -	-
FY 2025 Enhancement:						
3. Kansas Museum of History AHUs and Chiller Replacement	\$ 1,906,257	\$ 1,906,257	-	\$ 2,760,000	\$ 2,760,000	-
TOTAL	\$ 1,906,257	\$ 1,906,257	-	\$ 2,760,000	\$ 2,760,000	-

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$28,394 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature approved \$120.0 million, including \$40.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the State Historical Society, a supplemental appropriation of \$28,394 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **SHAWNEE INDIAN MISSION ROOF REPLACEMENT.** The revised estimate includes \$350,000 SGF to replace cedar shingle roofs at the Shawnee Indian Mission in FY 2024. These repairs were originally scheduled for FY 2025, FY 2026, and FY 2027. The agency indicates recent storm damage and public scrutiny have accelerated the need for replacement. This request includes all three of the Shawnee Indian Mission's roofs as well as the circa 1930s utility building.

The Governor recommends adoption of this request.

3. **KANSAS MUSEUM OF HISTORY AHUS AND CHILLER.** The agency requests \$1.9 million SGF to refurbish air handling units (AHUs) at the Kansas Museum of History for FY 2025. According to the agency, the current units have been in place since 1984 and have reached their service limit. The AHUs service 44,800 square feet of the museum, including the museum, lobby, classrooms, and collection storage areas.

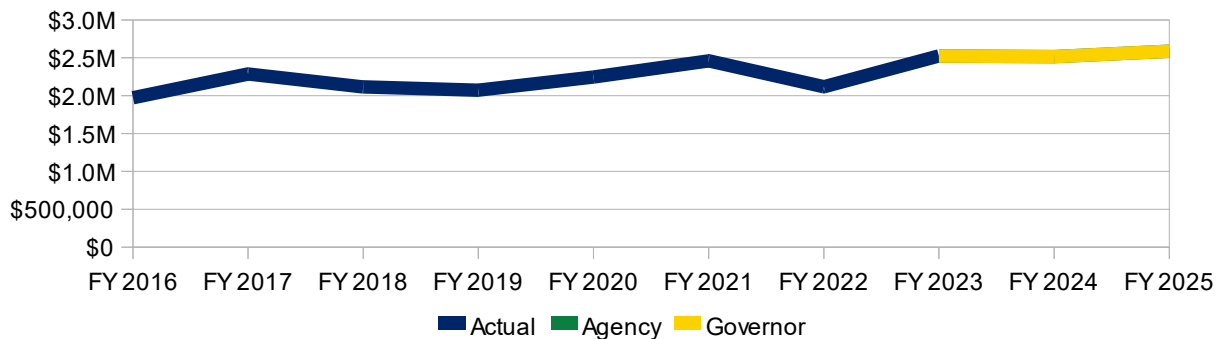
The Governor recommends adoption of this request, and includes an additional \$853,743 SGF for expenditures related to a chiller unit in the Kansas Museum of History, for a total of \$2.8 million SGF for this request.

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 2,524,554	\$ 2,515,050	\$ 2,515,050	\$ 2,585,910	\$ 2,585,910
Cultural Resources	2,053,310	3,821,394	3,821,394	3,021,710	3,021,710
State Archives	891,399	1,079,944	1,079,944	1,053,611	1,053,611
Education	691,860	873,089	873,089	888,938	888,938
Humanities Kansas	50,501	50,501	50,501	50,501	50,501
Capital Improvements	620,074	790,000	790,000	2,366,257	3,220,000
TOTAL	\$ 6,831,698	\$ 9,129,978	\$ 9,129,978	\$ 9,966,927	\$ 10,820,670
FTE Positions:					
Administration	21.0	21.0	21.0	21.0	21.0
Cultural Resources	22.0	24.5	24.5	24.5	24.5
State Archives	16.0	17.0	17.0	16.0	16.0
Education	13.0	15.0	15.0	13.0	13.0
Humanities Kansas	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	72.0	77.5	77.5	74.5	74.5

ADMINISTRATION

FIGURE 13
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-2701 through 75-2705; KSA 75-3148; KSA 76-2056; KSA 75-2268 through 75-2269; KSA 32-1410 through 32-1411; KSA 75-129 through 75-131

PROGRAM GOALS:

- Ensure the agency uses public resources wisely by taking regular public feedback, updating agency priorities annually, and practicing fiscal responsibility.
- Provide management of the agency's buildings and structures, as well as the agency's information technology infrastructure.
- Ensure all staff and visitors are safe and that all agency communications are transparent and easily accessed.

The Administration program strives to ensure a working environment that allows Historical Society staff members and volunteers to function efficiently and creatively. This is done by providing support services to all Historical Society programs and ensuring that the agency uses state resources in a responsible and

productive way. It also provides for the environmental and physical security of the staff, patrons, and collections of the Kansas Historical Society. The Administration program includes the office of the executive director, the business office, maintenance, information technology, and communications.

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,444,782	\$ 2,351,082	\$ 2,351,082	\$ 2,295,829	\$ 2,295,829
Federal Funds	40,634	38,921	38,921	43,424	43,424
All Other Funds	39,138	125,047	125,047	246,657	246,657
TOTAL	\$ 2,524,554	\$ 2,515,050	\$ 2,515,050	\$ 2,585,910	\$ 2,585,910
Percent Change:					
SGF	20.1 %	(3.8) %	-- %	(2.4) %	-- %
All Funds	(64.5) %	(0.4) %	-- %	2.8 %	-- %
FTE Positions	21.0	21.0	21.0	21.0	21.0

BUDGET ANALYSIS

The Administration program has a revised estimate of \$2.5 million, including \$2.4 million SGF, in FY 2024, and a request for \$2.6 million, including \$2.3 million SGF, for FY 2025. The program also has 21.0 FTE positions in FY

2024 and for FY 2025, which is the same as the amount in the program in FY 2023.

FY 2024 REVISED ESTIMATE

The **agency's** revised FY 2024 estimate is a decrease of \$14,763 below the FY 2024

approved budget. This includes an increase of \$185,816 SGF above the FY 2024 approved amount.

The all funds decrease is mainly due to a decrease in salaries and wages of \$51,512 in FY 2024. Meanwhile, there were increases in contractual services of \$18,249 and in commodities of \$18,500 in FY 2024. The increases in contractual services mostly come from increased fixed cost rates for utilities, security, and fees for the Statewide Management, Accounting, and Reporting Tool (SMART) and the Office of Information Technology Services (OITS). The increases in commodities mainly come from increases in professional and scientific supplies and other supplies and materials. The agency indicates the Topeka facility is open 365 days a year and is used for research, educational programing, tourism, weddings, and business meetings; therefore, it requires a wider range of supplies and the facilities are subject to unusual wear and tear. The Administration program is

responsible for the upkeep of the grounds and buildings.

The **Governor** concurs with the agency's revised FY 2024 estimate.

FY 2025 REQUEST

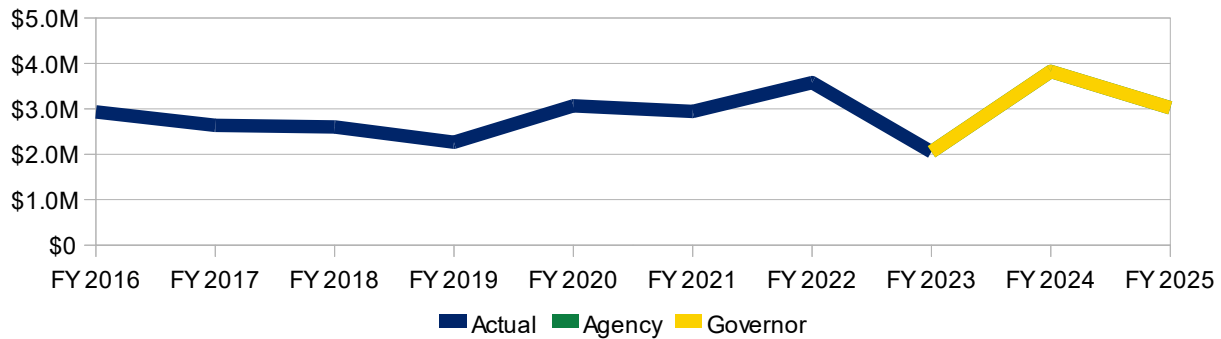
The **agency's** request for FY 2025 is an increase of \$70,860 all funds above the FY 2024 revised estimate. This includes a \$55,253 SGF decrease from the FY 2024 revised estimate.

The all funds increase is mainly attributable to an increase in salaries and wages of \$67,860 for FY 2025, which the agency indicates is mainly for longevity bonuses when appropriate. The SGF decrease is mainly due to a switch in funding in capital outlay of \$38,881, which was funded through SGF in FY 2024 but will be funded through the Historic Preservation Overhead Fee Fund for FY 2025.

The **Governor** concurs with the agency's request for FY 2025.

CULTURAL RESOURCES

FIGURE 15
CULTURAL RESOURCES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Federal National Historic Preservation Act, P.L. 89-665; KSA 75-2715 through 75-2725; KSA 75-2729; KSA 79-3107b; KSA 79-32,211; KSA 74-5401 through 74-5408; KSA 75-2741 through 75-2754; KSA 75-2726; KSA 75-2711; KSA 76-2001 *et seq.*; KAR 118-1 *et seq.*

PROGRAM GOALS: • Administer the nomination procedures of the Register of Historic Kansas Places and the National Register of Historic Places and facilitate identification of historic resources in the state, while providing incentives such as state and federal tax credits and Heritage Trust Fund grants for the rehabilitation of such properties.

- Meet all state and federal requirements in evaluating potential effects on the state's historic and cultural resources, providing mitigation opportunities when necessary, and cooperating with tribal, city, and county governments.
- Preserve and operate the state-owned historic sites, opening to the public at least six months of the year.

The Cultural Resources program recognizes and preserves the State's archeological, architectural, and historic resources that reflect local, state, or national importance. At the same time, the agency helps strengthen communities and property owners in economic development and civic pride through assistance in rehabilitating and repurposing 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 SGF appropriations, state special revenue funds, and federal funds. Enacted by the U.S. Congress in 1966 and amended in 1970 and 1980, the National Historic Preservation Act provides for a National Register of Historic

Places to include districts, sites, building, structures, and objects significant to American history, archeology, and culture. The Act provides funding for the state's Historic Preservation program, which is overseen by the Executive Director of the State Historical Society in their capacity as the State Historic Preservation Officer. These federal funds are used to cover administrative expenditures related to the program and require a 40.0 percent match, which is paid through moneys from the SGF.

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 Historic Preservation Fund (federal funds) and the Heritage Trust Fund (funded by mortgage document fees).

FIGURE 16
CULTURAL RESOURCES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 473,338	\$ 607,281	\$ 607,281	\$ 609,114	\$ 609,114
Federal Funds	685,689	1,538,445	1,538,445	779,282	779,282
All Other Funds	894,283	1,675,668	1,675,668	1,633,314	1,633,314
TOTAL	\$ 2,053,310	\$ 3,821,394	\$ 3,821,394	\$ 3,021,710	\$ 3,021,710
Percent Change:					
SGF	9.2 %	28.3 %	-- %	0.3 %	-- %
All Funds	(44.8) %	86.1 %	-- %	(20.9) %	-- %
FTE Positions	22.0	24.5	24.5	24.5	24.5

BUDGET ANALYSIS

The Cultural Resources program has a revised estimate of \$3.8 million, including \$607,281 SGF, in FY 2024 and a request for \$3.0 million, including \$609,114 SGF, for FY 2025. The program also includes 24.5 FTE positions in FY 2024 and for FY 2025, which is 1.0 more than was approved for FY 2024.

The agency requests 1.0 FTE in the Cultural Resources program to serve as a single point of contact for the public with general questions on historic preservation laws and programs.

The **Governor** concurs with the agency's revised FY 2024 estimate.

FY 2024 REVISED ESTIMATE

The **agency's** revised FY 2024 estimate is a decrease of \$64,670 all funds, including a decrease of \$14,233 SGF, below the FY 2024 approved budget. This is mostly attributable to decreases in aid to locals of \$160,000 and other assistance of \$100,000, while at the same time, contractual services increased by \$183,900. The contractual services increase in FY 2024 is mainly due to increases in repair and servicing of specialized equipment used or rented when needed (\$56,000); converting archeology electronic records to a new collections management system (\$44,000); and other contractual services, including reengineering the archeology moveable shelving/storage unit from electronic to mechanical-assist (\$41,000). The decrease in aid to locals and other assistance is due to the agency expecting decreases in Heritage Trust Fund grants in FY 2024.

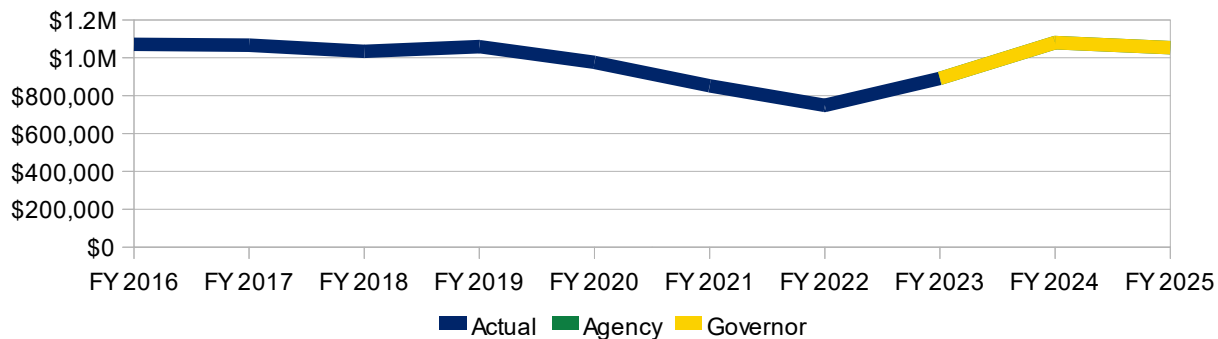
FY 2025 REQUEST

The request for FY 2025 is a decrease of \$799,684, including an increase of \$1,833 SGF, from FY 2024's revised estimate. This includes decreases in other assistance and aid to locals of \$750,000 and contractual services of \$119,000, with an increase in salaries and wages of \$69,316, for FY 2025. The decreases in aid to locals and other assistance is due to an expected decrease in federal funding from the Paul Bruhn Historic Revitalization Grants Program, which had awarded the agency money in spring 2023 that must be used by September 30, 2025. The salaries and wages increase is due to changes within cost indices for FY 2025.

The **Governor** concurs with the agency's request for FY 2025.

STATE ARCHIVE

FIGURE 17
STATE ARCHIVE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 45-401 *et seq.*; KSA 64-106 through 64-107; KSA 75-3501 *et seq.*; KSA 45-215 through 45-223; KSA 58-2005 through 58-2011; KSA 75-2250 through 75-2251; KSA 75-104; KAR 118-1 and 118-3

PROGRAM GOALS:

- Collaborate with Kansas state and local government officials to draft and submit to the State Records Board new and revised records retention and disposition schedules that accurately reflect contemporary government business practices; and provide records management training to Kansas state and local government officials.
- Collect, preserve, and make available to the public Kansas state government records with enduring, or permanent, value housed in the State Archives with access provided in-person and/or digitally.
- Process current land survey reference report filings and provide land surveyors with access to historical land survey records housed in the State Archives.

The State Archive program focuses on collecting, preserving, and providing access to the State's records of enduring value to enhance government transparency and to educate the public about the State's history and government through the preservation and sharing of manuscripts, photographs, and newspapers that tell the stories of Kansas.

FIGURE 18
STATE ARCHIVE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 777,786	\$ 924,952	\$ 924,952	\$ 960,585	\$ 960,585
Federal Funds	30,916	71,408	71,408	2	2
All Other Funds	82,697	83,584	83,584	93,024	93,024
TOTAL	\$ 891,399	\$ 1,079,944	\$ 1,079,944	\$ 1,053,611	\$ 1,053,611
Percent Change:					
SGF	12.3 %	18.9 %	-- %	3.9 %	-- %
All Funds	19.1 %	21.2 %	-- %	(2.4) %	-- %
FTE Positions	16.0	17.0	17.0	16.0	16.0

BUDGET ANALYSIS

The State Archive program has a revised estimate of \$1.1 million, including \$924,952 SGF, in FY 2024 and a request for \$1.1 million, including \$960,585 SGF, for FY 2025. The program also has 17.0 FTE positions in FY 2024 and 16.0 FTE positions for FY 2025.

FY 2024 REVISED ESTIMATE

The **agency's** revised FY 2024 estimate is an increase of \$11,938 all funds above the FY 2024 approved budget. This includes a decrease of \$37,378 SGF from the FY 2024 approved budget.

The all funds increase is mainly due to an increase in salaries and wages of \$17,688 for an increase in temporary classified employees. There is also a decrease in commodities of \$5,000, which is due to decreases in office supplies that promote long-term preservation of items, including acid-free materials.

There is an addition of 1.0 Non-FTE Unclassified temporary position to fulfill the NEH Grant, which is only for FY 2024.

The **Governor** concurs with the agency's revised FY 2024 estimate.

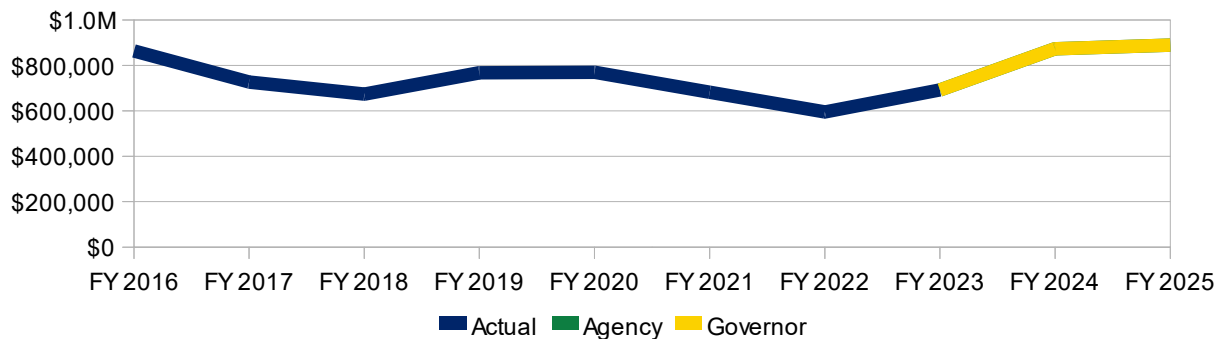
FY 2025 REQUEST

The **agency's** request for FY 2025 is a decrease of \$26,333 all funds, including an increase of \$35,633 SGF, from the revised FY 2024 estimate. This is mainly due to a decrease in salaries and wages for group health benefits, as well as the elimination of the 1.0 Non-FTE Unclassified temporary position for the NEH grant in FY 2024.

The **Governor** concurs with the agency's FY 2025 request.

EDUCATION AND MUSEUM

FIGURE 19
EDUCATION AND MUSEUM EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 72-117; KSA 58-4001 *et seq.*; KSA 75-2728; KAR 118-1

PROGRAM GOALS:

- Ensure excellence in teaching by producing curriculum materials that explore the stories of Kansas, while educating students on research skills that are practical and applicable to everyday life.
- Provide information to the public at the Capitol Visitor Center and interpret Kansas government to K-12 students and the public through tours, programs, and exhibits, emphasizing civic engagement.
- Operate the Kansas Museum of History to tell the stories of Kansas by maintaining exhibits based on the state's artifact collections and developing specialized school tours aligned to state curriculum standards.

The Education and Museum program ensures excellence in education in teaching Kansas history and government to students across the state. It also ensures that all Kansas students have the materials to successfully meet this requirement by collecting, preserving,

and interpreting significant artifacts from Kansas history and operating the state history museum, which provides educational opportunities for students, their families, and the public.

FIGURE 20
EDUCATION AND MUSEUM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 603,878	\$ 748,027	\$ 748,027	\$ 786,826	\$ 786,826
Federal Funds	29,583	62,181	62,181	-	-
All Other Funds	58,399	62,881	62,881	102,112	102,112
TOTAL	\$ 691,860	\$ 873,089	\$ 873,089	\$ 888,938	\$ 888,938
Percent Change:					
SGF	5.8 %	23.9 %	-- %	5.2 %	-- %
All Funds	16.3 %	26.2 %	-- %	1.8 %	-- %
FTE Positions	13.0	15.0	15.0	13.0	13.0

BUDGET ANALYSIS

The Education and Museum program has a revised estimate of \$873,089, including \$849,089 SGF, in FY 2024 and a request for \$888,938, including \$864,938 SGF, for FY 2025. The program also has 15.0 FTE positions in FY 2024 and 13.0 FTE positions in FY 2025.

FY 2024 REVISED ESTIMATE

The **agency's** revised FY 2024 estimate is a decrease of \$60,452 all funds, including a decrease of \$105,811 SGF, below the FY 2024 approved budget. This is mainly attributable to a decrease in salaries and wages due to fewer

regular classified employees serving as museum teachers and more temporary unclassified employees filling those roles in FY 2024.

There is an addition of 2.0 Non-FTE Unclassified temporary positions to fulfill the NEH grant, which is only for FY 2024.

The **Governor** concurs with the agency's revised FY 2024 estimate.

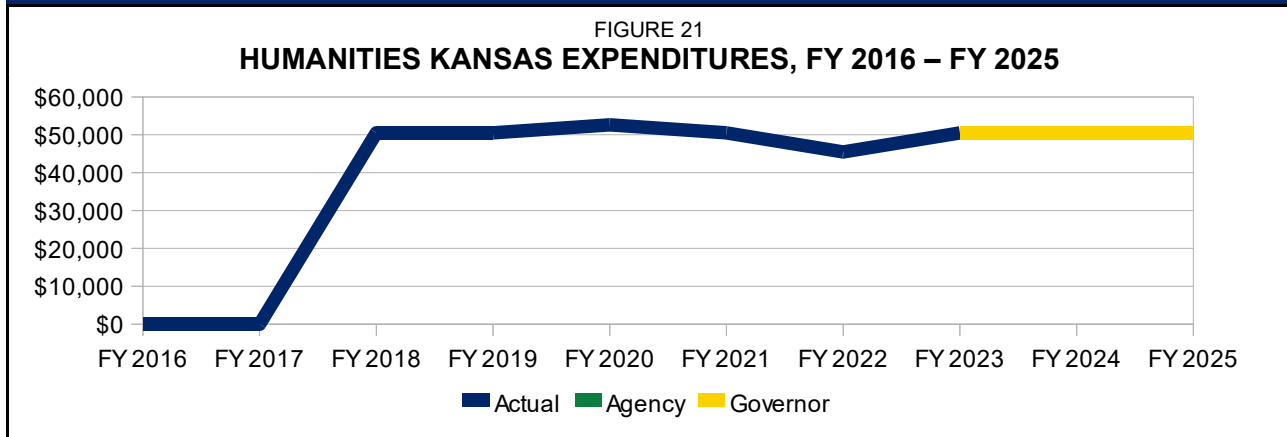
FY 2025 REQUEST

The **agency's** request for FY 2025 is an increase of \$15,849 all funds, including an increase of \$38,799 SGF, above the revised FY 2024 estimate. This is mainly attributable to an increase in salaries and wages due to the change in group health benefits for FY 2025.

There is also a decrease of 2.0 FTE positions, due to the elimination of the 2.0 Non-FTE Unclassified temporary positions for the NEH grant in FY 2024.

The **Governor** concurs with the agency's FY 2025 request.

HUMANITIES KANSAS



Staff Note: Expenditures for this purpose were included in the Administration program until FY 2018.

The Humanities Kansas program, formerly known as the Kansas Humanities Council, is an independent nonprofit organization that connects Kansas communities to the history, tradition, and ideas that strengthen civic life. Humanities Kansas uses state funds to support Kansas communities through Culture Preservation Grants and Community Resource Grants. Cultural Preservation Grants provide support for projects that preserve and interpret local community history, while Community Resource Grants support speakers presenting on 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. Prior to FY 2018, these pass-through dollars were budgeted under the Administration program.

According to the organization, state funds do not pay for any administrative or overhead expenses for Humanities Kansas. The organization indicates the State pays for 5 percent of the expenses for the program.

FIGURE 22 HUMANITIES KANSAS FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 50,501	\$ 50,501	\$ 50,501	\$ 50,501	\$ 50,501
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 50,501	\$ 50,501	\$ 50,501	\$ 50,501	\$ 50,501
Percent Change:					
SGF	11.1 %	-- %	-- %	-- %	-- %
All Funds	11.1 %	-- %	-- %	-- %	-- %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

The **agency** estimates expenditures totaling \$50,501 SGF for Humanities Kansas in FY 2024 and for FY 2025. This amount remains unchanged from FY 2023 to FY 2025, and there are no state FTE positions included, as it is an independent nonprofit organization. In FY 2025, the organization indicates it will use \$35,000 to support up to 10 Culture Preservation Grants

and \$15,501 will be used to support 50 in-person or online events focusing on Kansas history and heritage to reach Kansans of all age.

The **Governor** concurs with the agency's revised FY 2024 estimate and the FY 2025 request.

CAPITAL IMPROVEMENTS

The State Historical Society owns 58 buildings and structures throughout the state and is responsible for a combined 600 acres of land. The agency's goal is to ensure long-term preservation and upkeep of those buildings, as well as ensuring the safety of the public when visiting the sites.

SHAWNEE INDIAN MISSION

The Shawnee Indian Mission served as a manual training school for boys and girls from the Shawnee, Delaware, and other Indian tribes from 1839 to 1862. In 1854, Kansas Territory was established. The mission served as a meeting point for the first territorial legislature and also served as a supply stop on the Oregon/California and Santa Fe Trails and as a barracks for Union troops during the Civil War. It is located in Fairway, Kansas.

COTTONWOOD RANCH

The Cottonwood Ranch is a unique example of a historic Kansas sheep ranch. It was built in

the late 19th century and members of the family lived at the ranch until 1978. The ranch is located in Studley, Kansas.

KANSAS MUSEUM OF HISTORY

The Kansas Museum of History is the state's historical museum. Its exhibits include, among other things, a locomotive made in 1880 for the Atchison, Topeka, and Santa Fe railroad. The museum also has classrooms and a center for historical research. It is located in Topeka, Kansas. The museum is currently being renovated.

RED ROCKS

Red Rocks was the home of famed newspaper publisher William Allen White and his family. It includes both the house of William Allen White and the house of his mother, Mary, as well as a small visitor's center. It is located in Emporia, Kansas.

FIGURE 23
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Rehabilitation and Repair	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000
Shawnee Indian Mission Roofs	-	350,000	350,000	-	-
Cottonwood Ranch Roofs	20,000	65,000	65,000	-	-
Kansas Museum of History AHUs and Chiller Replacement	-	-	-	1,906,257	2,760,000
Red Rocks Masonry Repoint	-	-	-	85,000	85,000
Previous Projects	265,532	-	-	-	-
TOTAL	\$ 660,532	\$ 790,000	\$ 790,000	\$ 2,366,257	\$ 3,220,000
Financing:					
SGF	\$ 457,899	\$ 725,000	\$ 725,000	\$ 2,281,257	\$ 3,135,000
Federal Funds	189,500	-	-	51,000	51,000
All Other Funds	13,133	65,000	65,000	34,000	34,000
TOTAL	\$ 660,532	\$ 790,000	\$ 790,000	\$ 2,366,257	\$ 3,220,000

FY 2024 CAPITAL IMPROVEMENTS

The **agency** estimates revised expenditures of \$790,000, including \$725,000 SGF, for capital improvements in FY 2024. This is an increase of \$350,000 all SGF, or 79.5 percent. The increase is due to the supplemental request for Shawnee Indian Mission's roofs. According to the agency, that project has been adjusted primarily because of inflationary adjustments.

The agency's request in FY 2024 includes \$375,000 SGF for rehabilitation and repair, which covers routine maintenance and emergency repairs for the buildings. It also includes \$350,000 SGF to replace cedar shingles on all three of the Shawnee Indian Mission's roofs as well as the circa 1930s utility building. According to the agency, the shingles

were installed in 2002 and have reached their service limit.

Additionally, the agency is requesting \$65,000, all from private gifts, in FY 2024 to continue the multi-year project to replace the hail-damaged cedar shingles at the Cottonwood

Ranch State Historic Site. Emergency repairs on the ranch house roof were completed on June 25, 2021. Three remaining outbuildings still require roof replacements.

The **Governor** concurs with the agency's revised estimate for FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$2.4 million, including \$2.3 million SGF, for capital improvements for FY 2025. This is an all funds increase of \$1.6 million, or 199.5 percent, and an SGF increase of \$1.6 million, or 214.7 percent. The increase is primarily due to the enhancement request for repairing and replacing air handling units (AHUs) and chiller in the Kansas Museum of History.

The agency's request for FY 2025 includes \$375,000 SGF for rehabilitation and repair, which covers routine maintenance and emergency repairs for the buildings. The request also includes \$1,906,257 SGF to refurbish AHUs at the Kansas Museum of History for FY 2025.

The agency also includes a request for \$85,000, all from private gifts and federal

funding, to repair and repoint the brick veneer of Mother's House at Red Rocks for FY 2025. Red Rocks was the home of journalist William Allen White and his family. The historic site includes a house for his mother, Mary White (known as Mother's House), which she lived in from the time it was built until her death in 1924. According to the agency, it has been vacant for 40 years, and due to exterior and interior damage, the foundation has shifted.

The **Governor** recommends \$3.2 million, including \$3.1 million SGF, for capital improvements for FY 2025. This is an increase of \$853,743 SGF above the agency's request. The additional SGF funding is to include the chiller replacement in the Kansas Museum of History in the agency's enhancement request, as it was not included in the agency's initial request for FY 2025.

KANSAS STATE SCHOOL FOR THE BLIND

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 6,078,523	\$ 6,967,988	\$ 6,967,988	\$ 8,742,600	\$ 7,936,060
Federal Funds	1,430,892	573,897	673,897	539,826	539,826
All Other Funds	75,758	2,329,873	2,329,873	2,558,518	2,558,518
<i>Subtotal</i>	<u>\$ 7,585,173</u>	<u>\$ 9,871,758</u>	<u>\$ 9,971,758</u>	<u>\$ 11,840,944</u>	<u>\$ 11,034,404</u>
Capital Improvements:					
State General Fund	\$ 433	\$ -	\$ -	\$ -	\$ -
Federal Funds	499	710,671	610,671	-	-
All Other Funds	2,021,099	2,727,977	2,727,977	3,487,554	3,487,554
<i>Subtotal</i>	<u>\$ 2,022,031</u>	<u>\$ 3,438,648</u>	<u>\$ 3,338,648</u>	<u>\$ 3,487,554</u>	<u>\$ 3,487,554</u>
TOTAL	<u>\$ 9,607,204</u>	<u>\$ 13,310,406</u>	<u>\$ 13,310,406</u>	<u>\$ 15,328,498</u>	<u>\$ 14,521,958</u>
Percentage Change:					
State General Fund	4.1%	14.6 %	14.6 %	25.5 %	13.9 %
All Funds	17.5 %	38.5 %	38.5 %	15.2 %	9.1 %
FTE Positions	83.5	89.5	89.5	89.5	90.5

The Kansas State School for the Blind (KSSB) is located in Kansas City. KSSB's mission is to serve as a catalyst and leader in the development of exemplary programs and practices in vision services for students up to age 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.

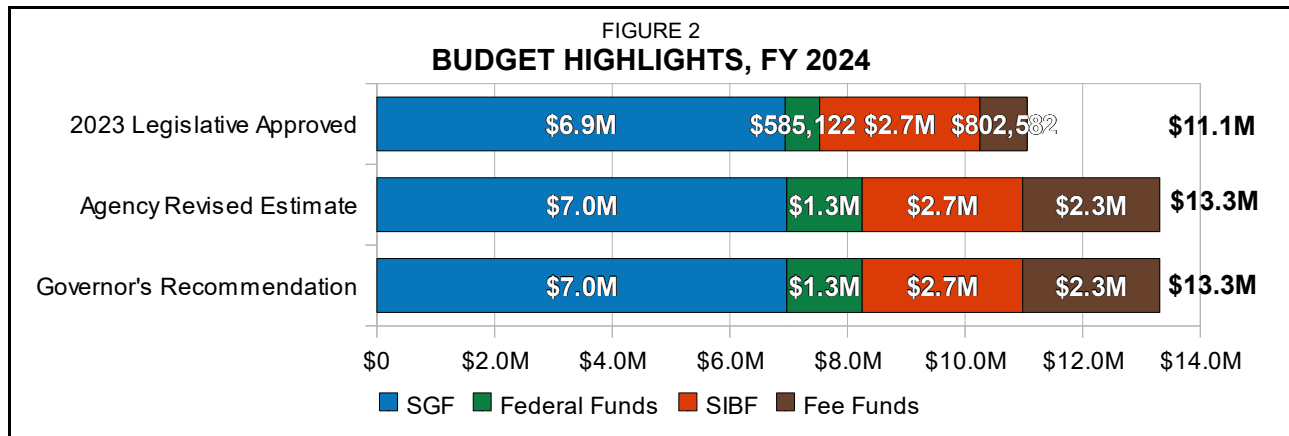
KSSB is a state agency and is an accredited elementary and high school, under the control and supervision of the State Board of Education, serving as the center of education for Kansas children who are either blind or visually impaired. However, the school's on-campus direct services are only a part of what the school offers. KSSB has an extensive outreach program that includes providing direct support in public schools. Although a student might never set foot on the KSSB campus, they may receive adapted materials and braille books from the school's Kansas Instructional Resource Center (KIRC), they may acquire low-vision aids from a partnering optometrist at a low-vision clinic, or they may be taught in their home district by a certified KSSB teacher.

To fulfill its mission, KSSB established three budgetary programs: Administrative Services, Instructional Services, and Support Services. KSSB shares their Support Services program with the Kansas State School for the Deaf (KSSD); this program includes the departments of Finance, Human Resources, and Operations (maintenance, security, housekeeping, dietary, and information technology).

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$11.1 million, including \$6.9 million from the State General Fund (SGF), for the Kansas State School for the Blind for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required:

- **SGF REAPPROPRIATIONS.** \$303 in unspent SGF moneys was shifted from FY 2023 to FY 2024.



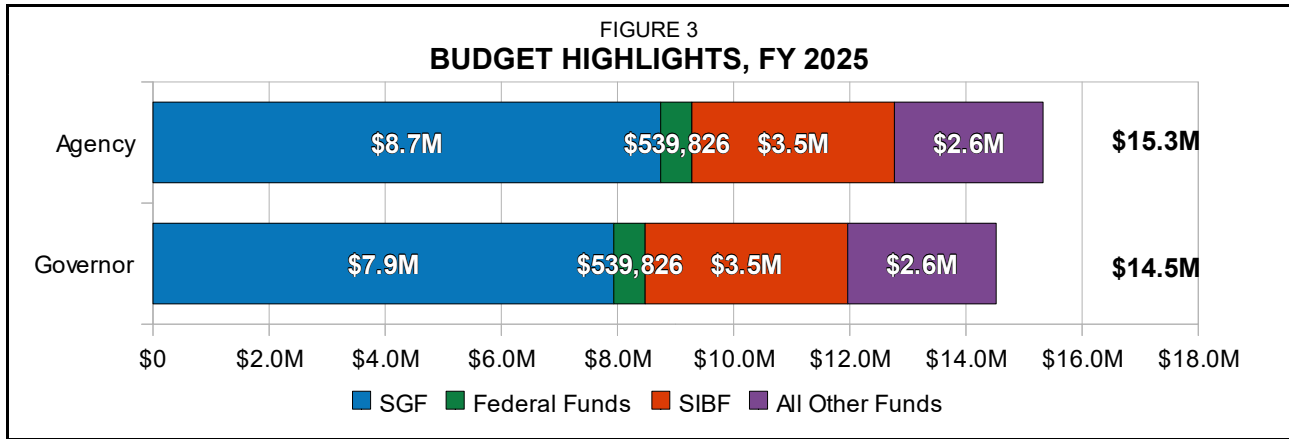
The **agency** requests a revised estimate of \$13.3 million, including \$6.9 million SGF, in expenditures and 89.5 FTE positions in FY 2024. This is \$2.3 million, or 20.4 percent, above the 2023 Legislative approved amount. This increase is attributable to two major events:

- The 2023 Legislature appropriated \$1.5 million to the Infant-Toddler Services program at the Kansas Department of Health and Environment to ensure KSSB collaboration with the Tiny-K network of early intervention services for infants and toddlers with special needs. This funding is not shown in the 2023 Legislative approved amount for KSSB because it was appropriated to KDHE. However, in the revised estimate, the agency indicates that this money has been passed to KSSB and thus appears as an expenditure in FY 2024.
- The agency's revised request includes an increase of \$710,671 for heating, ventilation, and air conditioning (HVAC) projects and IT infrastructure. The agency received \$1.1 million in federal funds through the American Rescue Plan Act (ARPA) in FY 2023 and spent \$389,329 in FY 2023. The remainder is budgeted for FY 2024.

Additionally, the revised estimate includes \$26,745 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25.

Lastly, the agency's revised request includes 89.5 FTE positions. This is an increase of 6.0 FTE positions above the approved amount. The agency hired 6.0 FTE teachers and 1.0 Program Coordinator for the Infant-Toddler Services program.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests expenditures of \$15.3 million, including \$8.7 million SGF, for FY 2025. This is an all funds increase of \$2.0 million, or 15.2 percent, and an SGF increase of \$1.8 million, or 25.5 percent, above the FY 2024 revised estimate. This increase is largely due to the agency's 14 enhancement requests totaling \$3.8 million, including \$1.67 million SGF, for FY 2025. The SGF enhancement requests are for certified teachers, therapists, and staff positions, as well as extending summer school on campus and startup costs for a new early childhood program. The other enhancement requests are for capital improvements.

The **Governor** recommends expenditures of \$14.5 million, including \$7.9 million SGF, for FY 2025. This is an SGF decrease of \$806,540 or 5.3 percent. This decrease is due to the Governor not recommending the agency's enhancement requests for additional certified teachers and start up costs for a new, early childhood program.

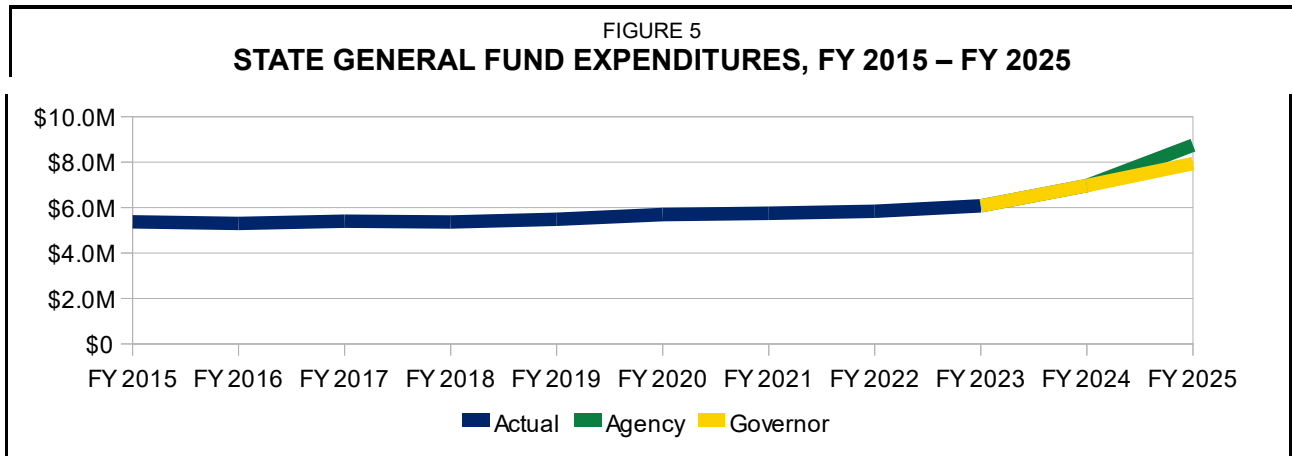
The decrease in SGF is partially offset by the Governor's recommendation to add \$93,460 SGF for teacher and licensed personnel to satisfy the requirements of KSA 76-11a16. This law requires that all teachers and licensed personnel of the School for the Blind be compensated at a rate equal to the equivalent personnel of USD 233 Olathe as of September 1 of the preceding school year. When the agency initially submitted their budget request for FY 2025, the agency budgeted \$75,000 for this purpose. After this, USD 233 Olathe released their negotiated salary increase, and the Governor's recommendation estimates that an additional \$93,460 will be required to satisfy these requirements.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

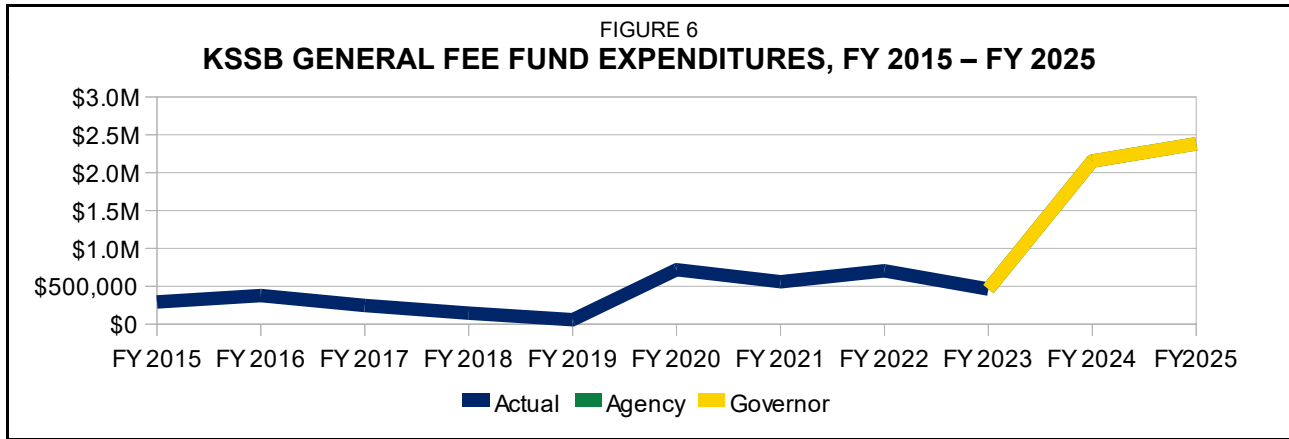
Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 6,153,938	\$ 7,445,900	\$ 7,445,900	\$ 9,215,989	\$ 7,859,449
Contractual Services	976,572	1,745,488	1,745,488	1,966,135	2,516,135
Commodities	218,641	308,504	308,504	308,005	308,005
Capital Outlay	91,919	257,273	357,273	236,222	236,222
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 7,441,070</i>	<i>\$ 9,757,165</i>	<i>\$ 9,857,165</i>	<i>\$ 11,726,351</i>	<i>\$ 10,919,811</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	144,103	114,593	114,593	114,593	114,593
<i>Subtotal—Operating</i>	<i>\$ 7,585,173</i>	<i>\$ 9,871,758</i>	<i>\$ 9,971,758</i>	<i>\$ 11,840,944</i>	<i>\$ 11,034,404</i>
Capital Improvements	2,022,031	3,438,648	3,338,648	3,487,554	3,487,554
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 9,607,204	\$ 13,310,406	\$ 13,310,406	\$ 15,328,498	\$ 14,521,958
Financing:					
State General Fund	\$ 6,078,956	\$ 6,967,988	\$ 6,967,988	\$ 8,742,600	\$ 7,936,060
Federal Funds	1,431,391	1,284,568	1,284,568	539,826	539,826
All Other Funds	2,096,857	5,057,850	5,057,850	6,046,072	6,046,072
TOTAL	\$ 9,607,204	\$ 13,310,406	\$ 13,310,406	\$ 15,328,498	\$ 14,521,958
FTE Positions	83.5	89.5	89.5	89.5	90.5

STATE GENERAL FUND



For the Kansas State School for the Blind, SGF revised expenditures are \$7.0 million in FY 2024 and \$8.7 million for FY 2025. This is an increase of \$1.8 million, or 25.5 percent, from FY 2024 to FY 2025, primarily due to the agency's 14 enhancement requests. The enhancement requests total \$3.8 million, including \$1.67 million SGF, for FY 2025 and include funding for certified teachers, therapists, and staff positions, as well as extending summer school on campus and startup costs for an early childhood program.

The **Governor** recommends expenditures of \$7.9 million SGF for FY 2025. This is a decrease of \$806,540, or 9.2 percent, from the agency's request. This decrease is due to the Governor not recommending the agency's enhancement request for additional certified teachers and startup costs for a new early childhood program. The decrease in SGF is partially offset by the Governor's recommendation to add \$93,460 SGF for teacher and licensed personnel to satisfy the requirements of KSA 76-11a16.

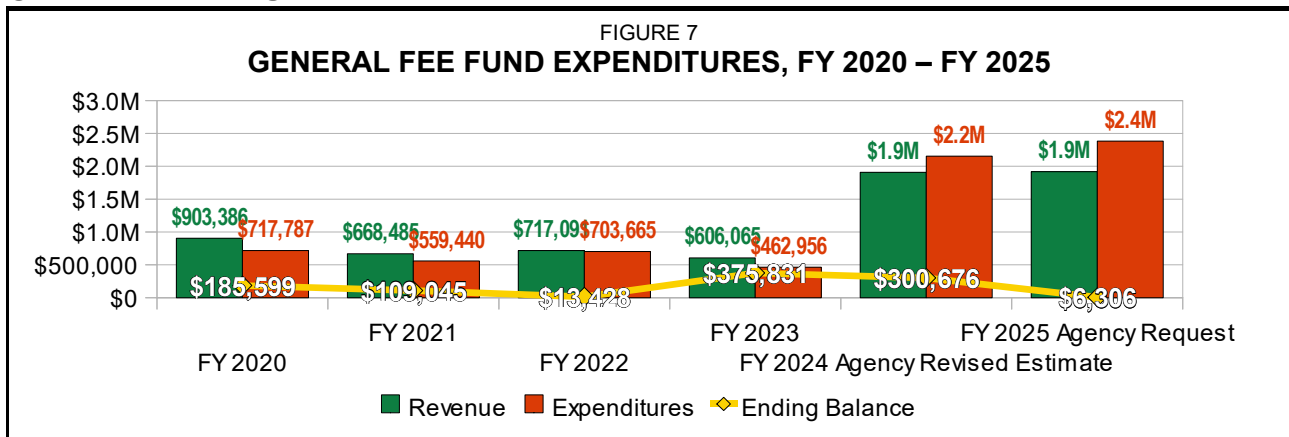


General Fee Fund expenditures in the agency's FY 2024 revised estimate total \$2,152,985, which is an increase of \$1.7 million above the FY 2023 actual amount. The agency's FY 2025 request includes General Fee Fund expenditures of \$2,382,200, which is an increase of \$229,215, or 10.6 percent, above the FY 2024 revised estimate.

The increase in FY 2024 is largely within the Outreach subprogram of the agency's Instructional Services program. Last session, the Legislature appropriated \$1.5 million to the Infant-Toddler Services program at KDHE to ensure KSSB collaboration with the Tiny-K network of early intervention services for infants and toddlers with special needs. This funding is transferred from KDHE to KSSB's General Fee Fund.

This fund receives revenue from Medicaid reimbursements for services provided to qualifying students, reimbursement for School District Administrative Claims program services, tuition for out-of-state students, and Extended School Year and Career Exploration Program fees.

GENERAL FEE FUND



* For FY 2025, the lowest month ending balance for the General Fee Fund is projected to occur in October, with a balance of \$1,216.

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 6,940,940	\$ 11,056,607	83.5
1. SGF Reappropriation	303	303	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 6,941,243</i>	<i>\$ 11,056,910</i>	<i>--</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	26,745	26,745	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 26,745</i>	<i>\$ 26,745</i>	<i>--</i>
3. One-time ARPA Funding for Capital Improvements	\$ -	\$ 710,671	--
4. Family Infant Toddler Program with KDHE	-	1,500,000	7.0
5. All Other Adjustments	-	16,080	(1.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 6,967,988</i>	<i>\$ 13,310,406</i>	<i>89.5</i>
Governor's Recommendation:			
6. No Changes.	\$ -	\$ -	--
TOTAL	\$ 6,967,988	\$ 13,310,406	89.5

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$11 million appropriated to the Kansas State School for the Blind for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** A total of \$303 SGF was added for reappropriated SGF moneys.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$13.3 million, including \$7.0 million SGF, in expenditures and 83.5 FTE positions in FY 2024. This is \$2.2 million, or 20.4 percent, above the 2023 Legislative Approved amount.

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$26,745 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KSSB, a supplemental appropriation of \$26,745 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25

Absent the supplemental requests, the revised estimate includes an increase of \$2.2 million in expenditures. Significant adjustments are as follows:

3. **ONE-TIME ARPA FUNDING FOR CAPITAL IMPROVEMENTS.** The agency adds \$710,671 federal ARPA dollars to supplement the school's upgrading of their HVAC systems. The agency was initially awarded \$1.1 million for this purpose.

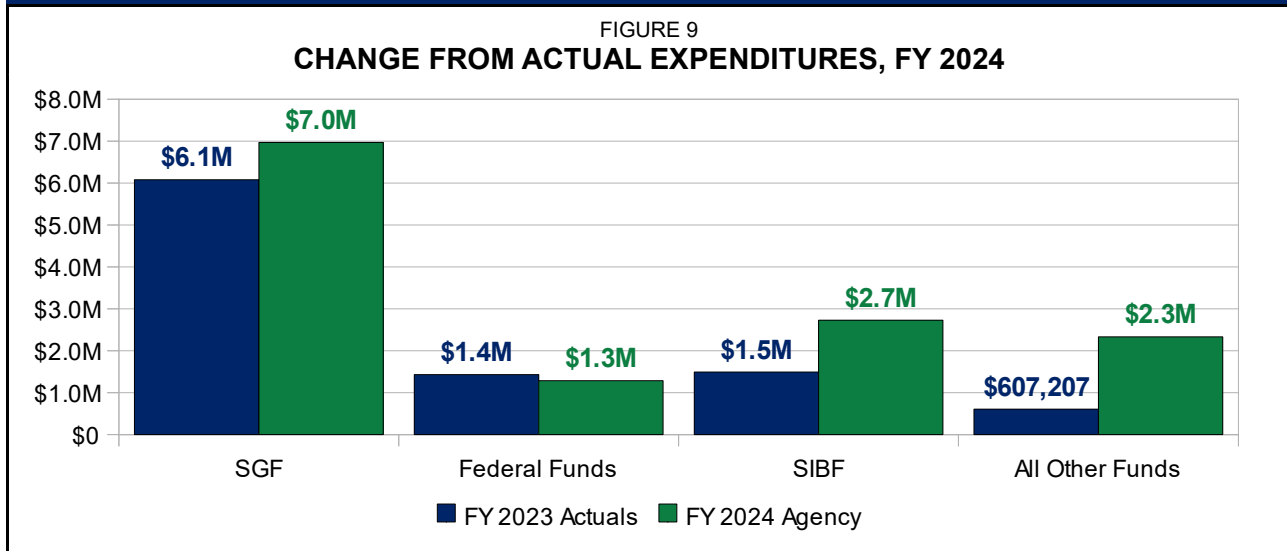
4. **FAMILY INFANT-TODDLER PROGRAM WITH KDHE.** A total of \$1.5 million was transferred from the KDHE to KSSB to launch their Family InfantToddler Program. The school's vision teachers will be offering statewide, year-round services to children who are visually impaired, ages birth to 3, as part of the existing Kansas Infant-Toddler Network. The agency indicates this funding was used to hire 7.0 FTE positions.
5. **ALL OTHER ADJUSTMENTS.** The agency adds \$16,080 in all other agency-wide adjustments funded with federal special education dollars. 1.0 FTE position was removed as a technical adjustment.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2024 revised estimate.

6. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$13.3 million, including \$7.0 million SGF, in FY 2024. This is an increase of \$3.7 million, or 38.5 percent, including an increase of \$889,032 SGF, or 14.6 percent, above actual expenditures for FY 2023. The increase in SGF is primarily attributable to appropriations approved by the 2023 Legislature, including two school resource officers (\$273,000) and contracted housekeeping within the school's Support Services Program (\$80,000), as well as the enhancement request appropriated during the 2023 Legislative Session to expand the school's summer school (\$300,000). The increase in State Institutions Building Fund (SIBF) expenditures is due to capital improvement enhancement requests appropriated by the 2023 Legislature for FY 2024, including HVAC system upgrades, elevator improvements, and security fencing.

The increase in all other funds is primarily due to the agency receiving a transfer of \$1.5 million into the General Fees Fund from the KDHE for the collaboration with the Tiny-K network of early intervention services for infants and toddlers with special needs.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 7,072,600	\$ 11,498,767	89.5
Enhancement Requests:			
1. Five Vision Teachers in Outreach	\$ 600,000	\$ 600,000	--
2. Early Childhood Program in WyCO/KCK	300,000	300,000	--
3. Speech, Physical, and Occupational Therapy	300,000	300,000	--
4. On-Campus Extended School Year	250,000	250,000	--
5. Cyber Security - IT Position and IT Consultant	220,000	220,000	1.0
6. Capital Improvements	-	2,159,731	--
<i>Subtotal - Agency Request</i>	<i>\$ 8,742,600</i>	<i>\$ 15,328,498</i>	<i>90.5</i>
Governor's Recommendation:			
Enhancements Not Recommended:			
7. Five Vision Teachers in Outreach	\$ (600,000)	\$ (600,000)	--
8. Early Childhood Program in WyCO/KCK	(300,000)	(300,000)	--
9. KSA 76-11a16 Salary Match	93,460	93,460	--
TOTAL	\$ 7,936,060	14,521,958	90.5

AGENCY REQUEST

The **agency** requests expenditures of \$15.3 million, including \$8.7 million SGF, for FY 2025. This is an all funds increase of \$2.0 million, or 15.2 percent, including an SGF increase of \$1.8 million, or 25.5 percent, above the FY 2024 revised estimate. This includes the agency's six enhancement requests totaling \$3.8 million, including \$1.67 million SGF, for FY 2025. Excluding the enhancement requests for FY 2025, the agency's FY 2025 request is \$1.7 million, or 13.4 percent, below the agency's FY 2024 approved amount.

The request includes \$3.8 million for the following enhancement requests:

- 1. FIVE VISION TEACHERS IN OUTREACH.** The agency is requesting an enhancement of \$600,000 SGF and 5.0 FTE positions to hire and equip five certified, unclassified vision teachers.
- 2. EARLY CHILDHOOD PROGRAM in WYCO/KCK.** The agency is requesting an enhancement of \$300,000 SGF to expand its current Preschool Program into an inclusive Early Childhood Program for children ages 3 to 5.
- 3. SPEECH, PHYSICAL, AND OCCUPATIONAL THERAPY.** The agency is requesting an enhancement of \$300,000 SGF to provide occupational, speech, and physical therapy services.
- 4. ON-CAMPUS EXTENDED SCHOOL YEAR.** The agency is requesting an enhancement of \$250,000 SGF to support its growing Extended School Year program offered in the summer.
- 5. CYBERSECURITY: IT POSITION AND IT CONSULTANT.** The agency is requesting an enhancement of \$220,000 SGF and 1.0 FTE position for the Support Services Program. This money would be used to hire one full-time IT professional (\$120,000, 1.0 FTE position) and to obtain temporary consultant services of IT specialists who can advise the school on necessary improvements to network security.

6. **CAPITAL IMPROVEMENTS.** The agency is requesting \$2.1 million SIBF in enhancement requests for FY 2025 for capital improvement projects. These enhancements include replacing windows in the school and dormitory buildings (\$255,256 SIBF), moneys for the final phase of the HVAC replacement project in the Vogel building (\$524,688 SIBF), safely abating and removing asbestos on the campus (\$180,000 SIBF), upgrading all interior and exterior lighting of the dormitory building (\$250,000 SIBF), replacing floors and rebuilding a safer stage in the campus gym (\$886,789 SIBF), and a 15.0 percent inflation increase to the base rehab and repair budget (\$62,998 SIBF).

GOVERNOR'S RECOMMENDATION

The **Governor** recommends total expenditures of \$14.5 million, including \$7.9 million SGF, for FY 2025. This is an SGF decrease of \$806,540, or 5.3 percent, below the agency's FY 2025 request. The decrease is attributable to the Governor not recommending adoption of the agency request to hire additional outreach teachers and to not adopt the agency's request for startup costs to develop an early childhood center. The decrease is partially offset by the Governor adding \$93,460 SGF to comply with KSA 76-11a16, which provides that the school's teachers and licensed personnel be compensated at a rate equal to the equivalent personnel of USD 233 Olathe as of September 1 of the preceding school year.

ENHANCEMENTS NOT RECOMMENDED. The Governor does not recommend adoption of the following enhancement requests:

7. **FIVE VISION TEACHERS IN OUTREACH.** The Governor does not recommend \$600,000 SGF and 5.0 FTE positions to hire and equip five certified, unclassified vision teachers.
8. **EARLY CHILDHOOD PROGRAM.** The Governor does not recommend \$300,000 SGF to expand its current Preschool Program into an inclusive Early Childhood Program for children ages 3 to 5.

The **Governor's** recommendation does include funding the agency's enhancement requests to provide expanded therapy services, fund Extended School Year services, enhance current cybersecurity, and address various capital improvement projects. In addition, the **Governor's** recommendation includes:

9. **KSA 76-11a16 Salary Match.** The Governor recommends adding \$93,460 SGF for teacher and licensed personnel to satisfy the requirements of KSA 76-11a16. This law requires that all teachers and licensed personnel of the School for the Blind be compensated at a rate equal to the equivalent personnel of USD 233 Olathe as of September 1 of the preceding school year. When the agency initially submitted its budget request for FY 2025, the agency budgeted \$75,000 for this purpose. After this, USD 233 Olathe released its negotiated salary increase, and the Governor estimates that an additional \$93,460 will be required to satisfy these requirements.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 26,745	\$ 26,745	-	\$ 26,745	\$ 26,745	-
FY 2025 Enhancements:						
2. Five Vision Teachers in Outreach	\$ 600,000	\$ 600,000	5.0	\$ -	\$ -	-
3. Early Childhood Program in WyCO/KCK	300,000	300,000	-	-	-	-
4. Speech, Physical, and Occupational Therapy	300,000	300,000	-	300,000	300,000	-
5. On-Campus Extended School Year	250,000	250,000	-	250,000	250,000	-
6. Cyber Security - IT Position and IT Consultant	220,000	220,000	1.0	220,000	220,000	1.0
7. Johnson Gym Remodel	-	886,789	-	-	886,789	-
8. Vogel HVAC Replacement	-	524,688	-	-	524,688	-
9. Window Replacement	-	255,256	-	-	255,256	-
10. Edlund Lighting & Plumbing	-	250,000	-	-	255,256	-
11. Abate Hazardous Materials	-	180,000	-	-	180,000	-
12. Inflation Adjustment	-	62,998	-	-	62,998	-
TOTAL	\$ 1,670,000	\$ 3,829,731	5.0	\$ 550,000	\$ 550,000	1.0

- PAY PLAN SHORTFALL.** The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KSSB, a supplemental appropriation of \$26,745 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25

The Governor recommends adoption of this request.

- FIVE VISION TEACHERS IN OUTREACH.** The agency requests \$600,000 SGF and 5.0 FTE positions to hire and equip five certified, unclassified vision teachers.

The Governor does not recommend adoption of this request.

- EARLY CHILDHOOD PROGRAM.** The agency requests \$300,000 SGF to expand its current Preschool Program into an inclusive Early Childhood Program for children ages 3 to 5.

The Governor does not recommend adoption of this request.

- SPEECH, PHYSICAL, AND OCCUPATIONAL THERAPY.** The agency requests \$300,000 SGF to provide occupational, speech, and physical therapy services. The agency previously funded these services with fee funds.

The Governor recommends adoption of this request.

5. **ON-CAMPUS EXTENDED SCHOOL YEAR.** The agency is requesting an enhancement of \$250,000 SGF to support its growing Extended School Year program offered in the summer.

The Governor recommends adoption of this request.

6. **CYBERSECURITY: IT POSITION AND IT CONSULTANT.** The agency requests \$220,000 SGF and 1.0 FTE position for the Support Services Program. This money would be used to hire one full-time IT professional (\$120,000) and to obtain temporary consultant services of IT specialists who can advise the school on necessary improvements to network security.

The Governor recommends adoption of this request.

7. **JOHNSON GYM REMODEL.** The agency requests \$886,789 SIBF for FY 2025 to remodel the campus gym by replacing a 5-foot tall stage with a lower, safer stage and replacing the rippling gym floor.

The Governor recommends adoption of this request.

8. **VOGEL HVAC REPLACEMENT.** The agency requests \$524,688 SIBF for FY 2025 for the final phase of the HVAC replacement project in the Vogel building.

The Governor recommends adoption of this request.

9. **WINDOW REPLACEMENT.** The agency requests \$255,256 SIBF to replace exterior windows in the school and dormitory buildings.

The Governor recommends adoption of this request.

10. **EDLUND LIGHTING & PLUMBING.** The agency requests \$250,000 SIBF to upgrade all interior and exterior lighting of the Edlund dormitory building.

The Governor recommends adoption of this request.

11. **ABATE HAZARDOUS MATERIALS.** The agency requests \$180,000 SIBF to abate and remove asbestos and other hazardous materials from steam pipe wrapping in tunnels and other electric transformers.

The Governor recommends adoption of this request.

12. **INFLATION ADJUSTMENT.** The agency requests \$62,998 SIBF as a 15.0 percent inflationary adjustment to the current base rehabilitation and repair budget category.

The Governor recommends adoption of this request.

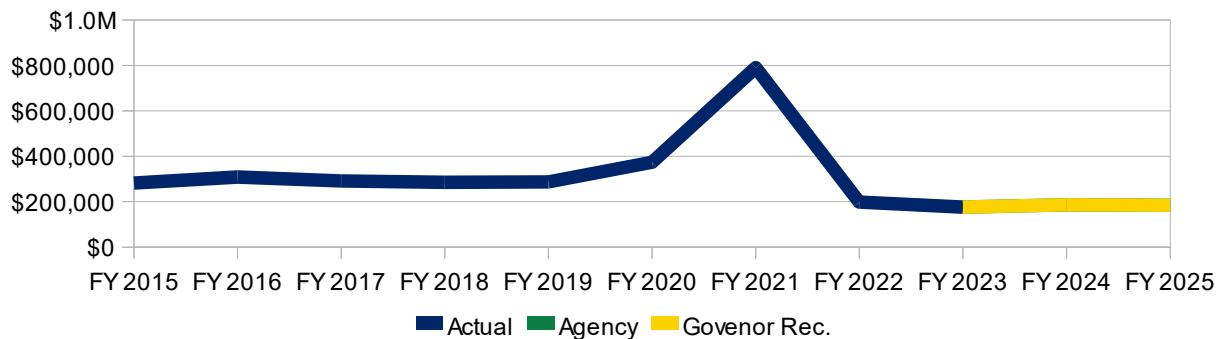
FIGURE 12

ALL FUND EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 176,115	\$ 186,374	\$ 186,374	\$ 184,436	\$ 184,436
Instructional Services	5,837,937	7,698,534	7,698,534	9,681,739	8,655,199
Support Services	1,571,121	1,986,850	1,986,850	1,974,769	2,194,769
Capital Improvements	1,632,702	2,727,977	2,727,977	3,487,554	3,487,554
ARPA*	389,329	710,671	710,671	-	-
TOTAL	\$ 9,607,204	\$ 13,310,406	\$ 13,310,406	\$ 15,328,498	\$ 14,521,958
FTE Positions:					
Administration	1.0	1.0	1.0	1.0	1.0
Instructional Services	57.5	72.5	72.5	72.5	72.5
Support Services	25.0	16.0	16.0	16.0	17.0
Capital Improvements	-	-	-	-	-
ARPA*	-	-	-	-	-
TOTAL	83.5	89.5	89.5	89.5	90.5

ADMINISTRATION PROGRAM

FIGURE 13
ADMINISTRATION PROGRAM EXPENDITURES, FY 2015 – FY 2025



STATUTORY BASIS: • KSA 76-1101b

PROGRAM GOALS:

- Increase school enrollment.
- Improve school climate.
- Improve operational efficiencies and maximize resources allocated to students.

The Administration Program coordinates overall management and operations of the KSSB. 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.

FIGURE 14
ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 171,779	\$ 175,886	\$ 175,886	\$ 173,946	\$ 173,946
Federal Funds	-	1,300	1,300	1,300	1,300
All Other Funds	4,336	9,188	9,188	9,190	9,190
TOTAL	\$ 176,115	\$ 186,374	\$ 186,374	\$ 184,436	\$ 184,436
Percent Change:					
SGF	(2.0) %	2.4 %	-- %	(1.1) %	-- %
All Funds	(2.4) %	5.8 %	-- %	(1.0) %	-- %
FTE Positions	1.0	1.0	1.0	1.0	1.0

BUDGET ANALYSIS

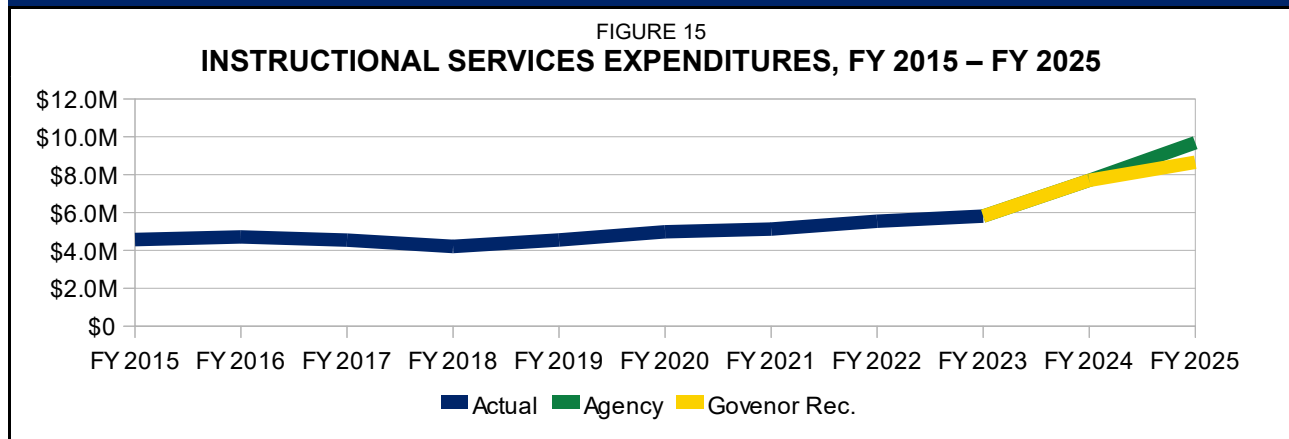
The Administration Program includes one position, the superintendent, and program expenditures primarily in salaries and wages and contractual services.

request is a decrease of \$1,938 SGF, or 1.0 percent, below the agency's FY 2024 revised estimate.

The agency requests \$184,436, including \$173,946 SGF, for FY 2025. The FY 2025

The **Governor** concurs with agency's request for the Administration Program in FY 2025.

INSTRUCTIONAL SERVICES



STATUTORY BASIS: • KSA 76-1101b

PROGRAM GOALS:

- Increase outreach services to infants and young children who are blind or visually impaired across Kansas.
- Increase the number of students ages 0 to 21 who are blind/visually impaired across Kansas receiving direct instructional contact from the KSSB.

The KSSB provides a fully accredited academic program and services for multiple disabilities. The Instructional Services includes campus teachers, related service providers, instructional assistants, braillists, outreach specialists, and project directors. These individuals provide direct services to students and technical assistance to teachers, administrators, and parents.

The Instructional Services program includes the following:

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 PROGRAM (DORMITORY). The student residence subprogram is for students who are unable to return to their homes due to the distance from the KSSB campus. 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. The on-site program in Kansas City offers a three-week program including instruction in Braille, orientation and mobility (cane skills), independent living, assistive technology, and career education. A one-week, condensed version of this program is offered at Fort Hays State University to reach rural students. The agency indicates the demand for this program continues to grow, and the school is requesting an enhancement for FY 2025 to begin offering the program for three weeks rather than one.

STEM MAKERSPACE. The agency repurposed a recreation center on the 1st floor of the Brighton Building into a "Maker and Design Space" that gives blind and visually impaired students access to robotics and technology STEM (science, technology, engineering, and math) equipment.

KSSB OUTREACH. The agency has two outreach teams: the Family Infant-Toddler Program and the Field Services Program. The Family Infant-Toddler Program is in partnership with KDHE and allows KSSB vision teachers to work statewide within the 29 Kansas Infant-Toddler Networks. The Field Services Program serves children ages 3 to 21 and includes vision teachers providing both direct and consultative services, teacher training, family support, and educational material distribution across the state.

KANSAS INSTRUCTIONAL RESOURCE CENTER. The Center provides textbooks and library materials in Braille and large print to all blind and visually impaired students in Kansas. The Center also maintains a directory of certified vision professionals across Kansas. The Center is a part of the Technical Assistance Systems Network (TASN) sponsored by the Kansas State Department of Education.

KANSAS DEAF-BLIND PROJECT. This subprogram serves approximately 170 children in the state who have a combined vision and hearing loss significant enough to impact their ability to learn. The Project Director provides technical assistance, workshops, and information to schools, teachers, and parents across Kansas. Students who meet the qualifications are eligible for financial assistance from the Deaf-Blind Fund administered by the Kansas State Department of Education.

ACCESSIBLE ARTS, INC. This subprogram provides outreach services statewide, as well as services to on-campus 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 among children who do not have disabilities.

FIGURE 16 INSTRUCTIONAL SERVICES PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,685,049	\$ 5,525,044	\$ 5,525,044	\$ 7,515,480	\$ 6,488,940
Federal Funds	755,182	504,052	504,052	502,526	502,526
All Other Funds	397,706	1,669,438	1,669,438	1,663,733	1,663,733
TOTAL	\$ 5,837,937	\$ 7,698,534	\$ 7,698,534	\$ 9,681,739	\$ 8,655,199
Percent Change:					
SGF	8.0 %	17.9 %	-- %	36.0 %	(13.7) %
All Funds	5.2 %	31.9 %	-- %	25.8 %	(10.6) %
FTE Positions	57.5	72.5	72.5	72.5	70.5

BUDGET ANALYSIS

The agency submits a revised Instructional Services budget of \$7.7 million, including \$5.5 million SGF, in FY 2024. The estimate is an all funds increase of \$1.6 million, or 26.8 percent, above the FY 2024 approved budget. The increase is primarily due to the transfer of \$1.5 million dollars from KDHE for the Family Infant-Toddler Program.

The **Governor** concurs with the agency's revised estimate in FY 2024.

The agency requests \$9.7 million, including \$7.5 million SGF, for FY 2025. This is an all

funds increase of \$1.9 million, or 25.8 percent, above the agency's FY 2024 revised estimate. The increase is primarily due to the agency's enhancement requests to hire five additional vision teachers; begin an early childhood program in Kansas City; further support the extended school year program; and fund speech, physical, and occupational therapy services.

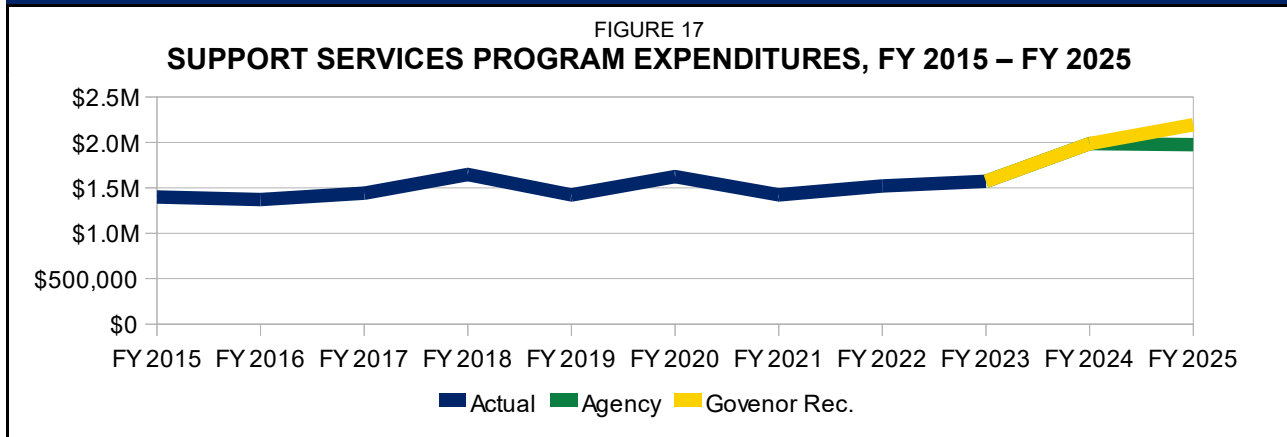
The **Governor** recommends \$8.7 million all funds, including \$6.5 million SGF, for FY 2025. This is a decrease of \$1.0 million SGF below the agency's request and is primarily

attributable to the the Governor not recommending the agency's enhancement requests for five additional certified teachers and start up costs for the early childhood center. In addition, the Governor recommends \$220,000 to fund the agency's enhancement request for an IT position and consultant, but redirected these funds from the Instructional Services Program to the Support Services Program.

The decrease is partially offset by the Governor adding funds for teachers and

licensed personnel to satisfy the requirements of KSA 76-11a17. This law requires that all teachers and licensed personnel of KSBB to be compensated at a rate equal to the equivalent personnel of USD 233 Olathe as of September 1 of the preceding school year. When the agency initially submitted its budget request for FY 2025, the agency budgeted \$75,000 for this purpose. After this, USD 233 Olathe released its negotiated salary increase, and the Governor estimates that an additional \$93,460 will be required to satisfy these requirements.

SUPPORT SERVICES PROGRAM



STATUTORY BASIS: • KSA 1101b

PROGRAM GOALS:

- Provide a safe and secure environment for students and professionals that provide specialized education.
- Provide and support technology on campus for specialized educational needs of students.
- Maintain a safe vehicle fleet to transport students to off-campus academic classes and extracurricular activities.

The Facility Operation Services of the Support Services Program maintains eight buildings on a 9.6-acre campus. Dietary and laundry services are provided to attending students. Housekeeping services maintain the dormitory, 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 KSSB. The Support Services Program also includes the Finance/Business office and the Human Resources Department.

FIGURE 18
SUPPORT SERVICES PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,221,695	1,267,058	\$ 1,267,058	\$ 1,053,174	\$ 1,273,174
Federal Funds	144,760	68,545	68,545	36,000	36,000
All Other Funds	204,666	651,247	651,247	885,595	885,595
TOTAL	\$ 1,571,121	\$ 1,986,850	\$ 1,986,850	\$ 1,974,769	\$ 2,194,769
Percent Change:					
SGF	(7.9) %	3.7 %	-- %	(16.9) %	20.9 %
All Funds	3.30%	26.5 %	-- %	(0.6) %	11.1 %
FTE Positions	25.25	16.0	16.0	16.0	17.0

BUDGET ANALYSIS

The **agency** requests \$2.2 million, including \$1.3 million SGF, for FY 2025. This is an all funds decrease of \$12,081, or 0.6 percent, below the agency's FY 2024 revised estimate, primarily attributable to decreases in employer-paid benefits.

The **Governor** recommends \$2.2 million, including \$1.3 SGF, for the Support Services Program in FY 2025. This is an increase of \$220,000 SGF and 1.0 FTE position due to the Governor recommending the agency's enhancement request for a cybersecurity IT position and consultant. This item was previously categorized within Instructional Services in the agency's request.

CAPITAL IMPROVEMENTS

The Kansas State School for the Blind has a capital improvements budget for its 10-acre campus and buildings. The funding is primarily from the State Institutions Building Fund (SIBF) and federal American Rescue Plan Act (ARPA) funding.

SAFETY AND SECURITY

The agency's capital improvements budget includes funds for building cameras, ensuring secure building access, security personnel training, and campus emergency notification systems.

HVAC SYSTEMS/UPGRADE

The agency's capital improvements budget includes heating, ventilation, and air conditioning (HVAC) upgrade projects. The agency has planned several upgrades over multiple years to allow for savings and minimal disruption to students. The agency's revised estimate for FY 2024 includes \$710,671, all federal ARPA dollars. In FY 2025, the agency is requesting two enhancements to this project, including \$255,256 SIBF toward replacing windows in the school and dormitory buildings and \$524,688 SIBF toward the final phase of the HVAC replacement project in the Vogel building.

REHABILITATION AND REPAIR

The agency's capital improvement budget includes rehabilitation and repair projects for campus facilities, including hot water tanks, masonry and metal repair, drywall repairs, maintenance and preventative services, and replacement of failing equipment. The revised request for FY 2024 includes the electrical safety upgrades to the Irwin building and perimeter fencing enhancements appropriated last session. In FY 2025, the agency's request includes a 15.0 percent inflation increase to the base (\$62,998 SIBF), an enhancement to safely abate and remove asbestos (\$180,000 SIBF), and a funding enhancement to upgrade all interior and exterior lighting of the dormitory building (\$250,000 SIBF).

RENOVATIONS

For FY 2024, the 2023 Legislature approved enhancement funding for the agency to begin phase 2 of the Brighton students' use elevator project and to resurface the school's track. In FY 2025, the school is requesting an enhancement of \$886,789 SIBF to remodel the campus gym. This includes replacing a 5-foot tall stage with a lower, safer stage and replacing the floor.

FIGURE 19 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects					
Safety and Security	\$ 144,545	\$ 241,277	\$ 241,277	\$ 277,469	\$ 277,469
HVAC Systems/Upgrade	809,383	1,753,990	1,653,990	1,410,310	1,410,310
Rehab and Repair	641,816	942,412	942,412	912,986	912,986
Renovations	283,235	500,969	500,969	886,789	886,789
TOTAL - PROJECTS	\$ 1,878,979	\$ 3,438,648	\$ 3,338,648	\$ 3,487,554	\$ 3,487,554
Financing:					
SGF	\$ 433	\$ -	\$ -	\$ -	\$ -
Federal Funds	531,449	710,671	610,671	-	-
SIBF	1,489,650	2,727,977	2,727,977	3,487,554	3,487,554
General Fee Fund	499	-	-	-	-
TOTAL	\$ 2,022,031	\$ 3,438,648	\$ 3,338,648	\$ 3,487,554	\$ 3,487,554

FY 2024 CAPITAL IMPROVEMENTS

The **agency's** revised estimate includes a capital improvements budget of \$3.4 million in FY 2024. This is an increase of \$710,685, or 26.1 percent, above the amount approved by

the 2023 Legislature and is due to one-time ARPA funding to supplement the school's upgrading of the HVAC systems. The agency received a total of \$1.0 million ARPA for this purpose in FY 2023.

The **Governor** recommends \$3.3 million in capital improvement expenditures in FY 2024. This is a decrease of \$100,000 below the agency's estimate. The decrease is due to \$100,000 in ARPA funds being shifted from the Capital Improvements program to the Support Services Program, where it will be used to fund an IT project.

FY 2025 CAPITAL IMPROVEMENTS

The **agency's** request for FY 2025 includes a capital improvements budget of \$3.5 million, all from the SIBF, for FY 2025. This is an increase of \$48,906, or 1.4 percent, above the FY 2024 revised estimate. This amount includes \$2.2 million dollars in SIBF enhancement requests. These enhancements include \$255,256 SIBF to replace windows in the school and dormitory buildings, \$524,688 SIBF for the final phase of

the HVAC replacement project in the Vogel building, \$180,000 SIBF to safely abate and remove asbestos on the campus, \$250,000 SIBF to upgrade all interior and exterior lighting of the dormitory building, \$886,789 SIBF to remodel the campus gym, and \$62,998 SIBF to offset the impact of inflation on the base rehab and repair budget.

The **Governor** concurs with the agency's FY 2025 request for capital improvement expenditures.

KANSAS STATE SCHOOL FOR THE DEAF

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 10,030,457	\$ 11,186,643	\$ 11,186,643	\$ 11,589,178	\$ 11,547,384
Federal Funds	1,009,510	650,570	707,974	647,601	543,894
All Other Funds	841,181	1,564,859	1,607,455	1,662,528	1,766,235
<i>Subtotal</i>	<u>\$ 11,881,148</u>	<u>\$ 13,402,072</u>	<u>\$ 13,502,072</u>	<u>\$ 13,899,307</u>	<u>\$ 13,857,513</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	1,000,000	-	-
All Other Funds	1,659,335	2,769,385	2,769,385	3,449,618	3,449,618
<i>Subtotal</i>	<u>\$ 1,659,335</u>	<u>\$ 2,769,385</u>	<u>\$ 3,769,385</u>	<u>\$ 3,449,618</u>	<u>\$ 3,449,618</u>
TOTAL	<u>\$ 13,540,483</u>	<u>\$ 16,171,457</u>	<u>\$ 17,271,457</u>	<u>\$ 17,348,925</u>	<u>\$ 17,307,131</u>
Percentage Change:					
State General Fund	4.5 %	11.5 %	11.5 %	3.6 %	3.2 %
All Funds	10.1 %	19.4 %	27.6 %	7.3 %	0.2 %
FTE Positions	145.4	145.4	145.4	147.4	146.4

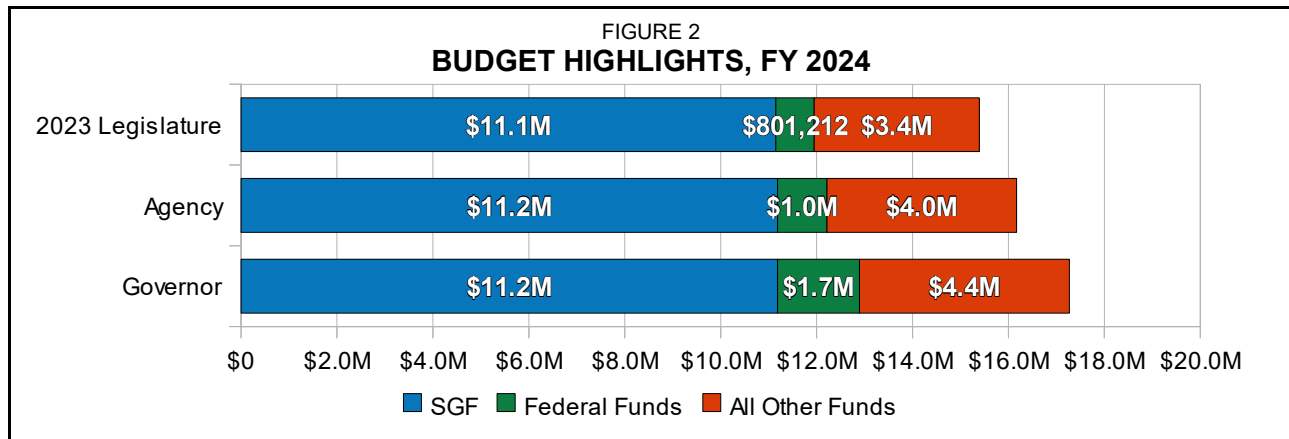
Located in Olathe, the mission of the Kansas State School for the Deaf (KSSD) is to ensure deaf and hard-of-hearing (D/HH) students achieve their full potential in a language-rich environment. The school has three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services. The 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. The School for the Deaf 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 D/HH children in public school districts.

The agency is responsible for the implementation of the statewide Language Assessment Program.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$15.4 million, including \$11.1 million from the State General Fund (SGF), for the Kansas State School for the Deaf for FY 2024.

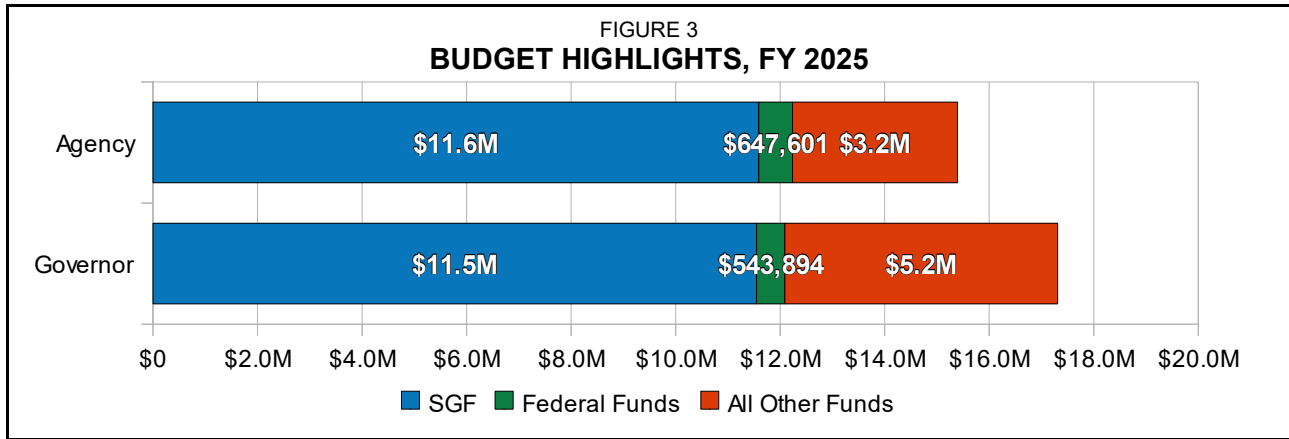


The **agency** requests a revised estimate of \$16.2 million, including \$11.2 million SGF, in expenditures and 145.4 FTE positions in FY 2024. This is an all funds increase of \$779,400, or 5.1 percent, and SGF increase of \$38,601, or 0.3 percent, above the amount approved by the 2023 Legislature. The revised estimate includes an operating budget of \$13.4 million all funds, including \$11.2 million SGF.

The all funds increase is primarily due to the the agency's capital improvements supplemental request (\$320,000) and the agency budgeting an additional \$419,608 from no-limit, special revenue funds and federal funds primarily for increased contractual expenditures for contract nursing staff and increased capital outlay expenditures for assistive technology.

The SGF increase in the revised estimate is due to the agency's supplemental request to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25.

The **Governor** recommends a revised budget of \$17.3 million all funds, including \$11.2 million SGF, in FY 2024. This is an increase of \$1.1 million, or 6.8 percent, above the agency's revised estimate for FY 2024. The increase is due to \$1.1 million federal American Rescue Plan Act (ARPA) funds for Efficiency and Modernization projects that were awarded to the agency in FY 2023 but were not included in the agency's revised request. These funds are budgeted for the school's heating, ventilation, and air conditioning (HVAC) project (\$1 million) and various IT projects (\$100,000). The **Governor's** recommendation includes adopting the agency's supplemental request for the pay plan shortfall and addressing unanticipated capital improvement costs.



The agency requests \$17.3 million, including \$11.6 million SGF, for FY 2025. This is an all funds increase of \$1.2 million, or 7.3 percent, and an SGF increase of \$402,535, or 3.6 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the agency's capital improvement enhancement requests (\$1.9 million) and their enhancement requests within their Support Services program (\$220,000).

The agency's request includes an operating budget of \$13.9 million, including \$11.6 million SGF. This is an all funds increase of \$497,235, including an SGF increase of \$402,535, above the FY 2024 revised estimate. This SGF increase is primarily due to the agency's two IT enhancement requests for FY 2025 (\$220,000) and increased expenditures for salaries within the Instructional Services program in accordance with KSA 76-11a17, which requires teachers at KSSD be paid the same as teachers at USD 233 Olathe were paid in the previous year.

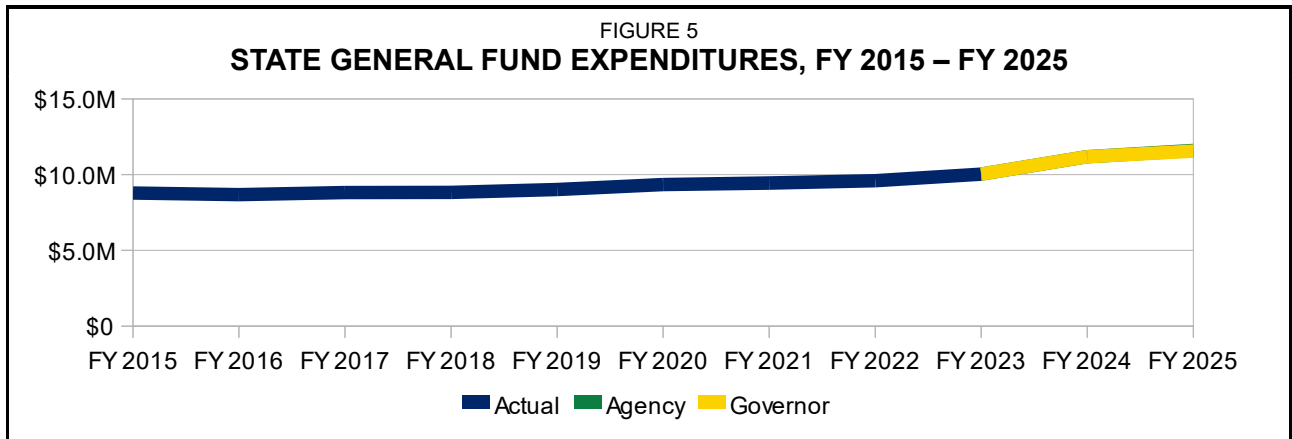
The **Governor** recommends \$17.3 million, including \$11.5 million SGF, for FY 2025. This is an SGF decrease of \$41,794, or 0.2 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request for an IT consultant position (\$100,000), offset by an increase in salaries and wages to allow compliance with KSA 76-11a17.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 9,764,873	\$ 11,230,202	\$ 11,205,594	\$ 11,629,849	\$ 11,688,055
Contractual Services	1,204,038	1,559,258	1,583,866	1,639,016	1,539,016
Commodities	547,869	382,153	382,153	378,805	378,805
Capital Outlay	284,942	230,459	330,459	225,411	225,411
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 11,801,722</i>	<i>\$ 13,402,072</i>	<i>\$ 13,502,072</i>	<i>\$ 13,873,081</i>	<i>\$ 13,831,287</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	79,426	-	-	26,226	26,226
<i>Subtotal—Operating</i>	<i>\$ 11,881,148</i>	<i>\$ 13,402,072</i>	<i>\$ 13,502,072</i>	<i>\$ 13,899,307</i>	<i>\$ 13,857,513</i>
Capital Improvements	1,659,335	2,769,385	3,769,385	3,449,618	3,449,618
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 13,540,483	\$ 16,171,457	\$ 17,271,457	\$ 17,348,925	\$ 17,307,131
Financing:					
State General Fund	\$ 10,030,457	\$ 11,186,643	\$ 11,186,643	\$ 11,589,178	\$ 11,547,384
Federal Funds	1,009,510	650,570	1,707,974	647,601	543,894
All Other Funds	2,500,516	4,334,244	4,376,840	5,112,146	5,215,853
TOTAL	\$ 13,540,483	\$ 16,171,457	\$ 17,271,457	\$ 17,348,925	\$ 17,307,131
FTE Positions	145.4	145.4	145.4	147.4	146.4

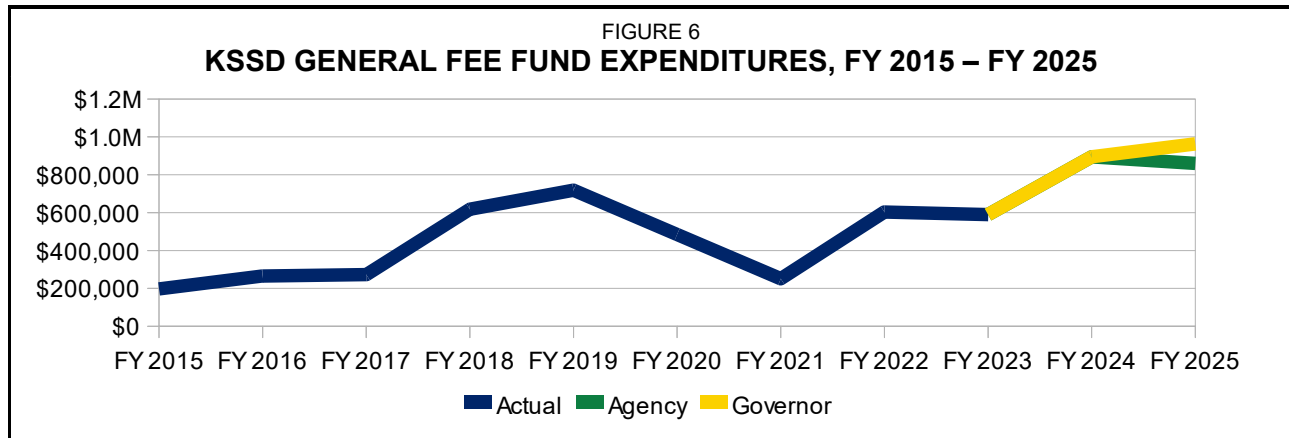
STATE GENERAL FUND



The Kansas State School for the Deaf estimates revised expenditures of \$11.2 million SGF in FY 2024 and requests expenditures of \$11.6 million SGF for FY 2025. The SGF increase in FY 2024 is due to staffing increases and the Legislative Pay Plan for non-licensed personnel. The SGF increase in FY 2025 is due to the agency's enhancement request for additional IT professionals and to maintain salaries comparable to the USD 233 Olathe school district.

The **Governor** concurs with the agency's revised estimate of SGF expenditures in FY 2024. For FY 2025, the **Governor** recommends SGF expenditures of \$11.5 million, which is a decrease of \$41,794, or 0.4 percent, below the agency's FY 2025 request.

KSSD GENERAL FEE FUND



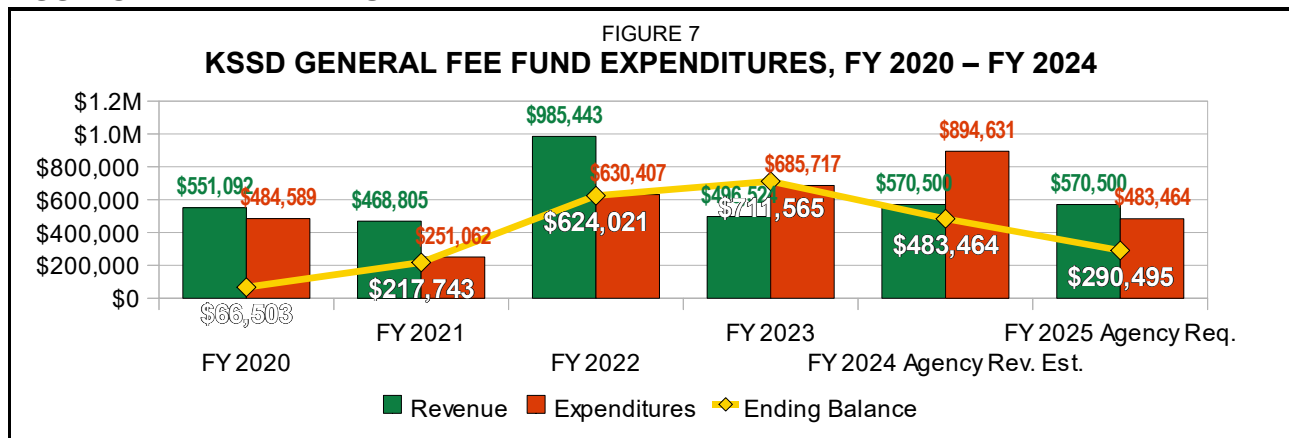
The General Fee Fund expenditures in the agency's FY 2024 revised estimate total \$894,631, which is an increase of \$208,914, or 30.5 percent, above FY 2023 actual expenditures. The agency's FY 2025 request includes General Fee Fund expenditures of \$859,499, which is a decrease of \$35,132, or 3.9 percent, below the FY 2024 revised estimate.

The increase in FY 2024 is due to an increase in contractual services as the agency budgeted their school resource officers, housekeeping services, and a temp agency nurse utilizing this fund.

The General Fee Fund is a no-limit, special revenue fund that receives reimbursements from local school districts for paraprofessionals pursuant to KSA 76-1006, tuition from out-of-state students, extended-year instruction and weekend student supervision fees, and rent from the Helen Keller National Center (a federal D/HH program housed on the KSSD campus.) The agency states revenue is subject to fluctuation based on the number of students who qualify for additional paraprofessional assistance, who attend KSSD from out of state, who attend KSSD from far western areas of the state, or who qualify to attend the Extended School Year program.

In FY 2025, the **Governor** recommends adding \$103,307 in expenditures from this fund and subtracting the same amount from the agency's budgeted ARPA funds as no additional ARPA funds are anticipated to be available in FY 2025.

KSSD GENERAL FEE FUND



* For FY 2025, the projected, lowest month ending balance for the KSSD General Fee Fund will occur in July, with a balance of approximately \$17,009.

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 11,148,042	\$ 15,392,057	146.5
1. No Changes.	-	-	--
<i>Subtotal—Legislative Approved</i>	<u>\$ 11,148,042</u>	<u>\$ 15,392,057</u>	<u>146.5</u>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Short Fall	\$ 38,601	\$ 38,601	--
3. Capital Improvements Supplemental Request		320,000	--
<i>Subtotal—Supplemental Requests Only</i>	<u>\$ 38,601</u>	<u>\$ 358,601</u>	<u>--</u>
4. All Other Adjustments	\$	\$ 420,799	(1.1)
<i>Subtotal—Agency Revised Estimate</i>	<u>\$ 11,186,643</u>	<u>\$ 16,171,457</u>	<u>145.4</u>
Governor's Recommendation:			
5. ARPA for HVAC	\$ -	\$ 1,000,000	--
6. ARPA for IT Infrastructure	-	100,000	--
TOTAL	<u>\$ 11,186,643</u>	<u>\$ 17,271,457</u>	<u>145.4</u>

LEGISLATIVE APPROVED

1. **NO CHANGES.** Subsequent to the 2023 Session, no adjustments requiring Legislative approval were made to the \$15.4 million all funds appropriated to the Kansas State School for the Deaf for FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$16.2 million, including \$11.2 million SGF, in expenditures and 145 FTE positions in FY 2024. This is an all funds increase of \$779,400, and an SGF increase of \$38,601, or 0.3 percent, from the amount approved by the 2023 Legislature. The revised estimate includes an operating budget of \$13.4 million all funds, including \$11.2 million SGF. This is an all funds increase of \$458,209, and an SGF increase of \$38,601, from the amount approved by the 2023 Legislature.

The agency's revised estimate includes the following adjustments:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$38,601 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas State School for the Deaf, a supplemental appropriation of \$38,601 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.
3. **CAPITAL IMPROVEMENTS.** The agency's revised estimate includes a supplemental request of \$320,000 State Institutions Building Fund (SIBF) in FY 2024 to address two unexpected capital improvement expenditures. First, the agency requests \$100,000 SIBF to offset the cost of repairing a utility service tunnel that collapsed. Second, the

agency requests \$220,000 SIBF to offset the cost to repair the elevator in the Emery elementary building.

4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes a net increase of expenditures funded from special revenue funds primarily including the General Fees Fund and federal pandemic relief funds. The net FTE position change is due to the agency contracting out 2 positions (-2.0 FTE positions), adding 0.5 FTE position for a position that was funded by the previous legislature (+0.5 FTE position), and a technical correction (+0.4 FTE position) to more accurately depict the agency's FTE position count.

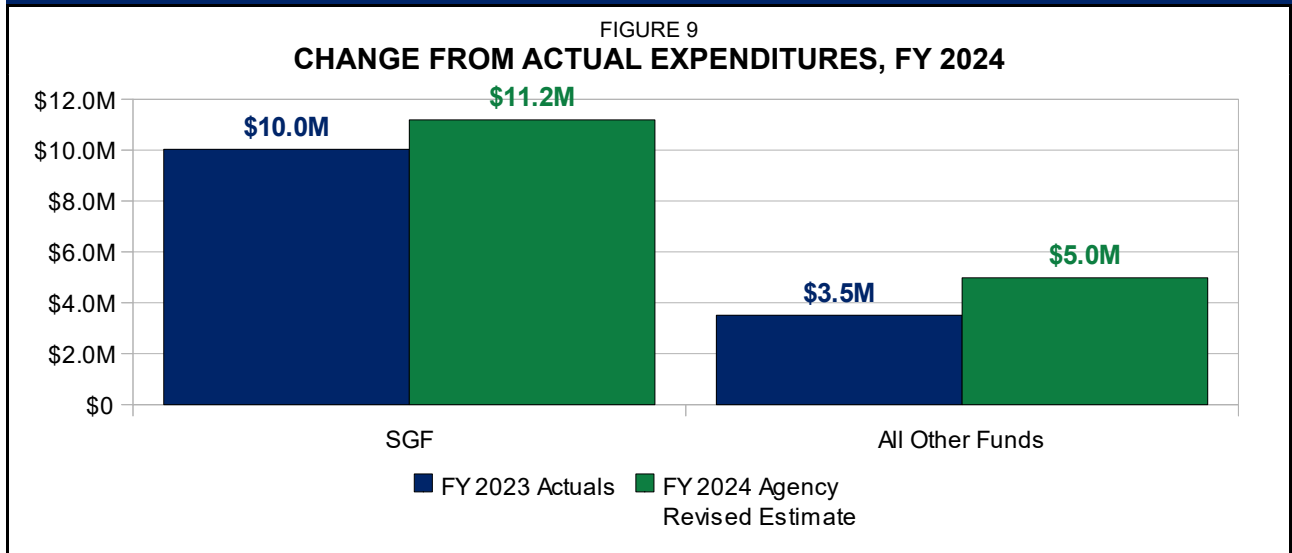
GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$17.3 million all funds, including \$11.2 million SGF, for FY 2024. This is an increase of \$1.1 million, including no change in SGF, above the agency's FY 2024 revised estimate of expenditures.

The **Governor's** recommendation includes the following adjustments:

5. **ARPA FOR HVAC.** The Governor adds \$1.0 million in federal funds from the ARPA Efficiency and Modernization grants to be used for the agency's HVAC projects. This money was awarded in FY 2023 and inadvertently left out of the agency's revised estimate for FY 2024.
6. **ARPA FOR IT PROJECTS.** The Governor adds \$100,000 in federal funds from the ARPA Efficiency and Modernization grants to be used for the agency's IT projects. This money was awarded in FY 2023 and inadvertently left out of the agency's revised estimate for FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency's** revised estimate in FY 2024 includes an all funds increase of \$2.6 million and an SGF increase of \$1.2 million, or 11.5 percent, above the FY 2023 actual expenditures. The SGF increase is primarily due to staffing additions approved last session, and incorporating the Language Assessment program into the agency's base budget. The increase in all other funds is primarily due to the agency's SIBF expenditures for capital improvements.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 11,234,178	\$ 15,037,480	145.4
Enhancement Requests:			
1. Capital Improvement Projects		1,956,445	--
2. Cybersecurity: IT Position	120,000	120,000	1.0
3. Cybersecurity: IT Consultant	100,000	100,000	1.0
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 220,000</i>	<i>\$ 2,176,445</i>	<i>--</i>
4. KSA 76-11a17 Salary Match	135,000	135,000	--
<i>Subtotal—Agency Request</i>	<i>\$ 11,589,178</i>	<i>\$ 17,348,925</i>	<i>147.4</i>
Governor's Recommendation:			
Enhancements Not Recommended			
5. Cybersecurity: IT Consultant	\$ (100,000)	\$ (100,000)	(1.0)
6. KSA 76-11a17 Salary Match	58,206	58,206	--
TOTAL	\$ 11,547,384	\$ 17,307,131	146.4

AGENCY REQUEST

The **agency** requests \$17.3 million, including \$11.6 million SGF, for FY 2025. This is an all funds increase of \$1.2 million, or 7.3 percent, and an SGF increase of \$402,535, or 3.6 percent, above the FY 2024 revised estimate. The agency's request includes the addition of 2.0 FTE positions as part of the agency's cybersecurity enhancement requests. The agency's request includes an operating budget of \$13.9 million, including \$11.6 million SGF.

The agency's request includes the following adjustments:

- CAPITAL IMPROVEMENT PROJECTS.** The agency requests capital improvement enhancements totaling \$1.96 million SIBF for FY 2025. These projects include updating the school's playground, repairing utility service tunnels, upgrading elevators to meet recent code changes, replacing windows, and renovating student use areas.
- IT POSITION.** The agency requests an enhancement of \$120,00 SGF and 1.0 FTE position to hire one full-time IT professional.
- IT CONSULTANT.** The agency requests a one-time enhancement of \$100,000 and 1.0 FTE position to obtain temporary consultant services from IT specialists who can advise the school on necessary improvements to network security.
- KSA 76-11a17 SALARY MATCH.** The agency's request includes \$135,000 SGF for FY 2025 for teacher salaries in the 2024-2025 school year, in accordance with KSA 76-11a17.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$17.3 million all funds, including \$11.5 million SGF, for FY 2025. This is an all funds decrease of \$41,794, or 0.2 percent, all SGF.

The **Governor's** recommendation includes the following adjustments:

5. **CYBERSECURITY: IT CONSULTANT.** The Governor recommends deleting \$100,000 SGF for the agency's request to enhance their cybersecurity efforts. The Kansas State School for the Blind (KSSB) and the Kansas State School for the Deaf (KSSD) share Support Services - Information Technology, and so the Governor has funded the IT consultant enhancement in the KSSB budget and recommended that KSSD be included in the scope of the IT consultant's work.
6. **KSA 76-11a17 SALARY MATCH.** The Governor recommends adding \$58,206 SGF to align the salaries of teachers and licensed personnel with the equivalent personnel of the USD 233 Olathe school district.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Short Fall	\$ 38,601	\$ 38,601	-	\$ 38,601	\$ 38,601	-
2. Tunnel Repair	-	100,000	-	-	100,000	-
3. Elevator in Emery	-	220,000	-	-	220,000	-
TOTAL	\$ 38,601	\$ 358,601	-	\$ 38,601	\$ 358,601	-
FY 2025 Enhancements:						
4. Inflation Adjustment	\$ -	\$ 71,104	-	\$ -	\$ 71,104	-
5. Electrical in Taylor	-	187,500	-	-	187,500	-
6. East Wing of Roth	-	250,000	-	-	250,000	-
7. Abate Hazardous Material	-	180,000	-	-	180,000	-
8. Utility Tunnels	-	300,000	-	-	300,000	-
9. Required Elevator Upgrades	-	307,030	-	-	307,030	-
10. Windows in Emery and Roberts	-	260,811	-	-	260,811	-
11. Playground at Emery	-	400,000	-	-	400,000	-
12. IT Position	120,000	120,000	1.0	120,000	120,000	1.0
13. IT Consultant	100,000	100,000	1.0	-	-	-
TOTAL	\$ 220,000	\$ 2,176,445	2.0	\$ 120,000	\$ 2,076,445	1.0

- PAY PLAN SHORTFALL.** The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas State School for the Deaf, a supplemental appropriation of \$38,601 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25

The Governor recommends adoption of this request.

- TUNNEL REPAIR.** The agency requests \$100,000 SIBF to offset emergency expenditures to repair the ceiling of a collapsed utility service tunnel. The Joint Commission on State Building Construction included this in its recommendations following the Commission's meeting in September 2023.

The Governor recommends adoption of this request.

- ELEVATOR IN EMERY.** The agency requests \$220,000 SIBF to restore the operation of the elevator in the Emery building, which houses the school's early childhood and elementary programs.

The Governor recommends adoption of this request.

- ENHANCEMENT - INFLATION ADJUSTMENT.** The agency requests \$71,104 SIBF to reflect a 15.0 percent inflationary adjustment to their current base budget.

The Governor recommends adoption of this request.

5. **ENHANCEMENT - ELECTRICAL IN TAYLOR.** The agency requests \$187,500 to replace and relocate electrical equipment away from the basement beneath the Taylor Gym.

The Governor recommends adoption of this request.

6. **EAST WING OF ROTH.** The agency requests \$250,000 SIBF for the final phase of remodeling the east wing of the Roth dormitory. The 2023 Legislature appropriated \$250,000 for FY 2024 for the first phase of this project.

The Governor recommends adoption of this request.

7. **ABATE HAZARDOUS MATERIAL.** The agency requests \$180,000 SIBF to safely abate and remove asbestos as the agency continues to repair utility service tunnels on campus.

The Governor recommends adoption of this request.

8. **UTILITY TUNNELS.** The agency requests \$300,000 SIBF to continue repairing the utility service tunnels.

The Governor recommends adoption of this request.

9. **REQUIRED ELEVATOR UPGRADES.** The agency requests \$307,030 for elevator upgrades. The agency states that the Office of the State Fire Marshal recently adopted standards that require safety upgrades and code-compliant enhancements to the campus' six elevators. The agency states that the Emery elevator and the relocation of electrical equipment will be addressed in FY 2024. In FY 2025, this money will be used to address the Roberts elevator and the older Roth east elevator. The school will address the Parks-Bilger and newer Roth west elevator in subsequent years.

The Governor recommends adoption of this request.

10. **WINDOWS IN EMERY AND ROBERTS.** The agency requests \$260,811 SIBF to replace exterior windows in the Emery and Roberts buildings.

The Governor recommends adoption of this request.

11. **PLAYGROUND AT EMERY.** The agency requests \$400,000 SIBF for the replacement of the Early Childhood Center playground outside of the Emery building with a more modern, ADA-accessible surface and age-appropriate play equipment.

The Governor recommends adoption of this request.

12. **IT POSITION.** The agency requests \$120,00 SGF and 1.0 FTE position to hire one full-time IT professional.

The Governor recommends adoption of this request.

13. **IT CONSULTANT.** The agency requests \$100,000 and 1.0 FTE position to obtain temporary consultant services of IT specialists who can advise the school on necessary improvements to network security.

The Governor does not recommend adoption of this request.

PROGRAM OVERVIEW

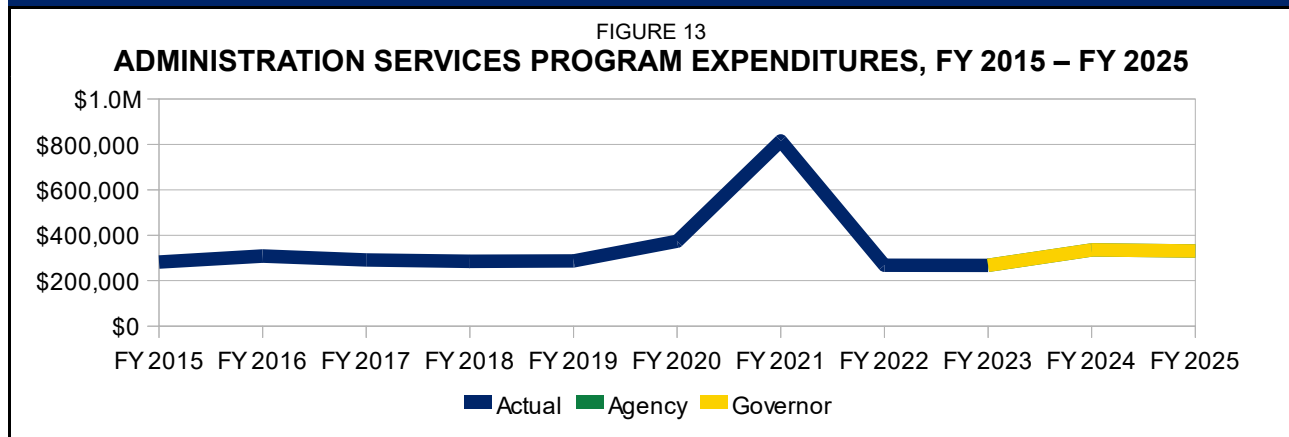
FIGURE 12

EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2024

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 267,738	\$ 335,368	335,368	\$ 330,732	\$ 330,732
Instructional Services	9,017,415	10,078,754	10,078,754	10,611,768	10,449,974
Support Services	2,623,243	2,987,950	3,087,950	2,956,807	3,076,807
Capital Improvements	1,632,087	2,769,385	3,769,385	3,449,618	3,449,618
TOTAL	\$ 13,540,483	\$ 16,171,457	\$ 17,271,457	\$ 17,348,925	\$ 17,307,131
FTE Positions:					
Administration	2.0	3.3	3.3	3.0	3.0
Instructional Services	103.5	108.3	108.3	111.1	109.1
Support Services	39.9	33.8	33.8	33.3	34.3
Capital Improvements	-	-	-	-	-
TOTAL	145.4	145.4	145.4	147.4	146.4

Staff note: The Instructional Services Program includes the one-time ARPA funding for the Language Assessment Program as it is under the Instructional Services Program.

ADMINISTRATION SERVICES PROGRAM



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Advance the agency's mission, vision, and core values by assuring quality services are provided to internal and external community members.
- Promote a safe and healthy environment for employees to gain satisfaction from their contributions to the agency's mission.

The Administration Services Program coordinates overall management and operations of KSSD, including instructional, residential, and support services. The program is also responsible for coordinating programs

and activities that impact KSDE, AdvancED requirements, budget preparation, and implementation of the School Improvement Plan.

FIGURE 14
ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025

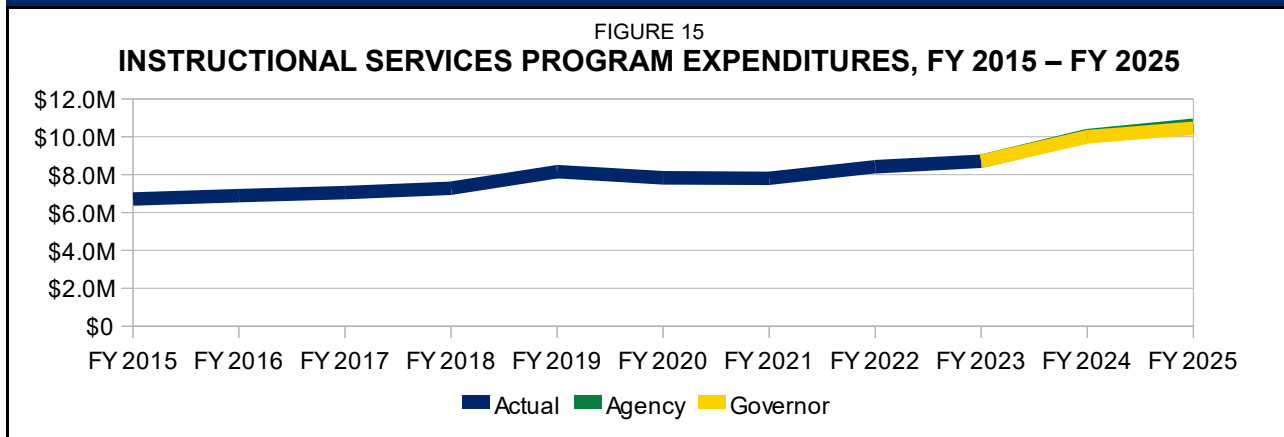
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 249,655	\$ 299,979	\$ 299,979	\$ 299,193	\$ 299,193
Federal Funds	-	1,000	1,000	-	-
All Other Funds	18,083	34,389	34,389	31,539	31,539
TOTAL	\$ 267,738	\$ 335,368	\$ 335,368	\$ 330,732	\$ 330,732
Percent Change:					
SGF	(2.2) %	20.2 %	-- %	(0.3) %	-- %
All Funds	(0.1) %	25.3 %	-- %	(1.4) %	-- %
FTE Positions	2.0	3.3	3.3	3.0	3.3

The **agency** requests \$330,732, including \$299,193 SGF, for FY 2025. This is an all funds decrease of \$4,636, or 1.4 percent, below their FY 2024 revised estimate. The decrease is primarily attributable to a decrease of \$3,850 in capital outlay expenditures due to the agency

budgeting \$0 dollars for capital outlay expenditures.

The **Governor** concurs with the agency's request for the Administration Program in FY 2025.

INSTRUCTIONAL SERVICES PROGRAM



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Increase student enrollment at the campus-based program.
- Increase direct and indirect support for students and families.
- Administer language assessments through the Language Assessment Program.

The Instructional Services Program is designed to focus on the unique needs of D/HH students. The school provides both on-campus and outreach services for children from birth through 21 years old. The Instructional Services Program includes the following:

CAMPUS-BASED PROGRAMMING AND STATEWIDE OUTREACH. The Instructional Services Program 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 ages 18 to 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 school offers a variety of opportunities to participate in extracurricular activities and athletic teams.

EXTENDED SCHOOL YEAR. This is a three-week program offered on-site that is designed to help D/HH students maintain social

and behavioral skills, communication skills, academic skills, and other skills.

OUTREACH SERVICES. This subprogram 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.

SOUND START. This subprogram provides evidence-based early intervention services for families with children ages birth to 3. This subprogram works collaboratively with KDHE and the school's Language Assessment Program to provide specialized support and resources necessary to newly identified infants and toddlers who are D/HH.

KANSAS LANGUAGE ASSESSMENT PROGRAM. As required by KSA 75-5397e, the Language Assessment Program administers annual language assessments for all D/HH children ages birth through 8, as well as the monitoring and tracking of the language developmental milestones of those children.

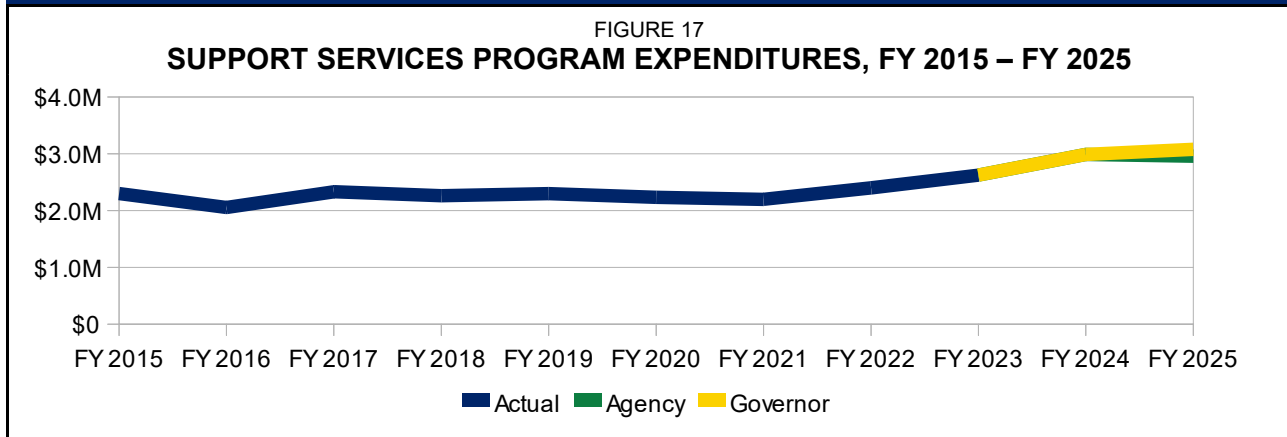
FIGURE 16 INSTRUCTIONAL SERVICES PROGRAM FINANCING, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 7,680,278	\$ 8,710,179	\$ 8,710,179	\$ 9,358,639	\$ 9,196,845
Federal Funds	863,353	519,695	477,099	477,726	374,019
All Other Funds	473,784	848,880	891,476	775,403	879,110
TOTAL	\$ 9,017,415	\$ 10,078,754	\$ 10,078,754	\$ 10,611,768	\$ 10,449,974
Percent Change:					
SGF	6.3 %	21.9 %	-- %	7.4 %	(2.0) %
All Funds	3.5 %	17.7 %	-- %	5.3 %	(1.5) %
FTE Positions	103.5	108.4	108.4	111.1	109.11

The **agency** requests \$10.6 million all funds, including \$9.4 million SGF, for FY 2025. This is an all funds increase of \$533,014, or 5.3 percent, above their FY 2024 revised estimate. The increase is primarily due to an increase in salaries and employer benefits as the school pays teachers at a compensation rate not less than the compensation rate paid to those employed by the Olathe school district.

The **Governor** recommends \$10.5 million all funds for FY 2025. This is \$161,794 all funds, or

1.5 percent, below the agency's request for FY 2025. The decrease is due to the Governor partially recommending the agency's cybersecurity enhancements and shifting those expenditures from this program to the Support Services program. The decrease is offset by the Governor adding moneys to meet the requirements to align the salaries of teachers and licensed personnel with the equivalent personnel of the USD 233 Olathe school district.

SUPPORT SERVICES PROGRAM



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Ensure a safe and secure environment for students and professionals who provide specialized education.
- Provide and support technology on campus for specialized educational needs of students.
- Maintain a safe vehicle fleet to transport students to off-campus academic classes and extracurricular activities.

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. KSSD shares these services with the Kansas State School for the Blind.

FIGURE 18
SUPPORT SERVICES PROGRAM FINANCING, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,100,524	\$ 2,176,485	\$ 2,176,485	\$ 1,931,346	\$ 2,051,346
Federal Funds	146,157	129,875	229,875	169,875	169,875
All Other Funds	376,562	681,590	681,590	855,586	855,586
TOTAL	\$ 2,623,243	\$ 2,987,950	\$ 3,087,950	\$ 2,956,807	\$ 3,076,807
Percent Change:					
SGF	(0.6) %	3.6 %	-- %	(11.3) %	6.2 %
All Funds	9.4 %	13.9 %	3.3 %	(1.0) %	4.1 %
FTE Positions	39.9	33.8	-	33.3	-

The **agency** requests \$2.963.0 million all funds, including \$1.9 million SGF, for FY 2025. This is an all funds decrease of \$31,143, or 1.0 percent, below the FY 2024 revised estimate, mainly due to decreased employer contributions for retirement.

The **Governor** recommends \$3.1 million all funds for FY 2025. This is an increase of \$120,000 all funds, or 4.1 percent, above the agency's request. This increase is due the Governor partially recommending the agency's cybersecurity enhancement. The agency initially budgeted these expenses in the Instructional Services program and they are not reflected in the agency's request for FY 2025 for the Support Services Program.

CAPITAL IMPROVEMENTS

The Kansas State School for the Deaf has a capital improvements budget for its 11-acre campus and buildings.

BUILDING RENOVATIONS

The agency's capital improvements budget includes renovation projects of the Roberts High School classroom, the renovation of the Emery Elementary classroom, and the Roth dormitory remodel in FY 2024. The request for FY 2025 includes enhancement requests for projects to replace exterior windows (\$260,811), renovate the Early Childhood Center Playground (\$400,000), and upgrade elevators to meet recent code changes (\$307,030).

BOILERS AND HVAC

The agency's capital improvements budget includes campus boilers and HVAC upgrade projects.

REHABILITATION AND REPAIR

The agency's capital improvement budget includes rehabilitation and repair projects for

campus facilities, including hot water tanks, masonry and metal repair, drywall repairs, maintenance and preventative services, and replacement of failing equipment. The FY 2024 revised estimate includes a supplemental request totaling \$320,000 to offset unexpected expenditures due to a ceiling collapse during the utility service tunnel repairs and due to water damage to the motor room of the Emery elevator. The FY 2025 estimate includes enhancement requests reflecting a 15.0 percent inflationary adjustment to the agency's current capital improvements base budget; replacing and relocating electrical equipment (\$187,500); finalizing the remodeling of the east wing of the Roth dormitory project (\$250,000); and continued repair on the utility service tunnels, including abating and removing asbestos (\$380,000).

SAFETY AND SECURITY

The agency's capital improvements budget includes campus safety and security systems projects. This includes upgrades and maintenance of the systems, procedures, and protocols.

FIGURE 19 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
1. Boilers and HVAC	\$ 571,230	\$ 683,269	\$ 1,683,629	\$ 655,000	\$ 655,000
2. Building Renovations	438,945	482,000	482,000	967,841	967,841
3. Rehab and Repair	427,418	1,286,961	1,286,961	1,462,628	1,462,628
4. Safety and Security	194,494	317,155	317,155	364,149	364,149
<i>Subtotal—Projects</i>	<i>\$ 1,632,087</i>	<i>\$ 2,769,385</i>	<i>\$ 3,769,745</i>	<i>\$ 3,449,618</i>	<i>\$ 3,449,618</i>
TOTAL	\$ 1,632,087	\$ 2,769,385	\$ 3,769,745	\$ 3,449,618	\$ 3,449,618
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	1,000,000	-	-
SIBF	1,632,087	2,769,385	2,769,385	3,449,618	3,449,618
All Other Funds	27,248	-	-	-	-
TOTAL	\$ 1,659,335	\$ 2,769,385	\$ 3,769,385	\$ 3,449,618	\$ 3,449,618

FY 2024 CAPITAL IMPROVEMENTS

The agency submits a revised estimate of expenditures of \$2.4 million SIBF for FY 2024. The FY 2024 revised estimate includes a supplemental request totaling \$320,000 to offset unexpected expenditures to repair a

ceiling collapse that occurred during the utility service tunnel repairs (\$100,000) and repair water damage to the motor room of the Emery elevator (\$220,000).

The **Governor's** recommendation adds \$1 million in federal funds in FY 2024 from the ARPA Efficiency and Modernization grants to be used for the agency's HVAC projects. This

money was awarded in FY 2023 and inadvertently left out of the agency's revised estimate for FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$3.4 million SIBF for FY 2025. This estimate includes enhancement requests totaling \$1.96 million that include a 15.0 percent inflationary adjustment (\$71,104 SIBF), finalizing the final phase of the Roth dormitory remodel (\$250,000 SIBF), safely removing asbestos found during the utility

service tunnel repairs (\$180,000 SIBF), repairing campus utility service tunnels (\$300,000 SIBF), upgrading elevators to meet recent code changes (\$307,030 SIBF), replacing exterior windows (\$260,811 SIBF), and renovating the Early Childhood Center playground (\$400,000 SIBF).

The **Governor** concurs with the agency's request for capital improvement expenditures for FY 2025.

STATE LIBRARY

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 4,016,536	\$ 4,144,498	\$ 4,144,498	\$ 7,564,631	\$ 7,473,405
Federal Funds	1,834,888	2,055,822	2,055,822	2,126,119	2,126,119
All Other Funds	14,690	6,049	6,049	9,150	9,150
<i>Subtotal</i>	<i>\$ 5,866,114</i>	<i>\$ 6,206,369</i>	<i>\$ 6,206,369</i>	<i>\$ 9,699,900</i>	<i>\$ 9,608,674</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 5,866,114	\$ 6,206,369	\$ 6,206,369	\$ 9,699,900	\$ 9,608,674
Percentage Change:					
State General Fund	0.9 %	3.2 %	3.2 %	82.5 %	80.3 %
All Funds	(26.3) %	5.8 %	5.8 %	56.3 %	54.8 %
FTE Positions	29.5	29.5	29.5	29.5	29.5

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.* Under the State Library Act, the agency was 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. 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 provide library and information services to the executive and legislative branches of state government and to deliver 21st-century library services and resources to all Kansas residents. The State Library also strives to increase reading readiness and on-grade reading acuity, improve chances for academic success, and provide lifelong services to all Kansas residents. Finally, the State Library helps start and grow businesses and assists 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 three-program structure:

- The **Reference Division** provides research support to Kansas agencies and the Legislature, assists Kansans in identifying legislation or explaining legislative procedures, and catalogs state government records;
- The **Statewide Services and Resources Division** oversees library projects and services available to all Kansas residents, including the Kansas Library eCard, inter-library 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** provides a range of services for Kansas residents who cannot read conventional printed materials because of visual or physical impairments.

STATUTORY BASIS: • KSA 46-1212, KSA 75-2534, KSA 75-2541, KSA 75-2566, and KSA 75-2575 through 75-2586

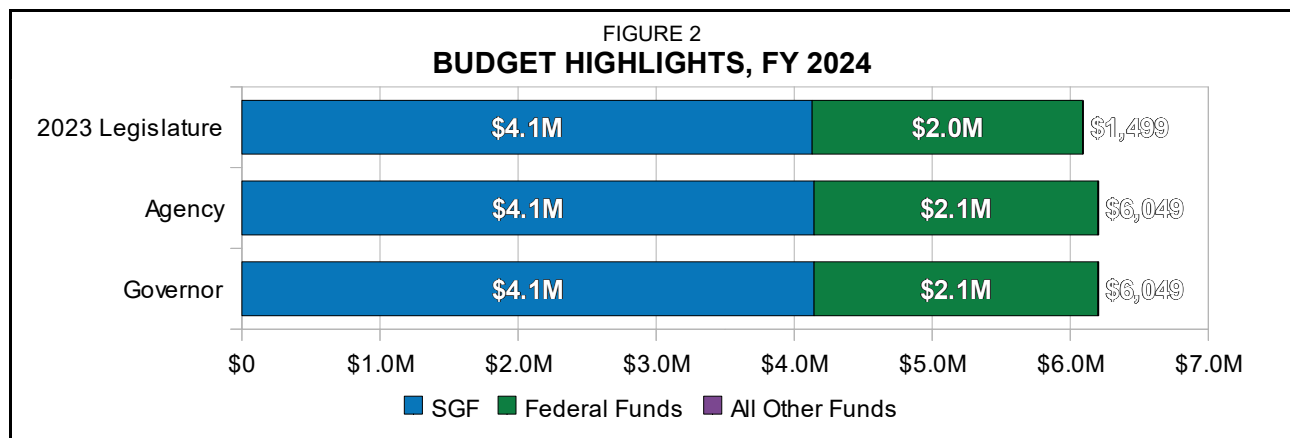
PROGRAM GOALS: • Provide library resources and research support to members of the Kansas Legislature and state agencies.
 • Preserve and provide access to the publications of state government.
 • Make reading materials available and accessible to all Kansans.
 • Provide educational opportunities and personalized support that will assist residents with career and business opportunities.
 • Provide reliable and relevant e-content.

In FY 2023, the State Library provided assistance to 324 central libraries and 44 branch libraries across the state, with a service area population of 2,541,659, based on the 2022 Certified Kansas Population by County. The agency states there were 8,501,363 visits to the public libraries in FY 2023, with a print circulation of 16,470,099 items checked out by adults and children. Kansans downloaded or viewed electronic collections hosted by the public libraries 12,361,844 times in FY 2023. Additionally, Kansas public libraries provided 3,681 public computers with internet access in FY 2023, which were used 1,048,737 times. Plus, 321 public libraries provided wireless internet to local Kansans in FY 2023.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$6.1 million, including \$4.1 million from the State General Fund (SGF), for the State Library for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency is:

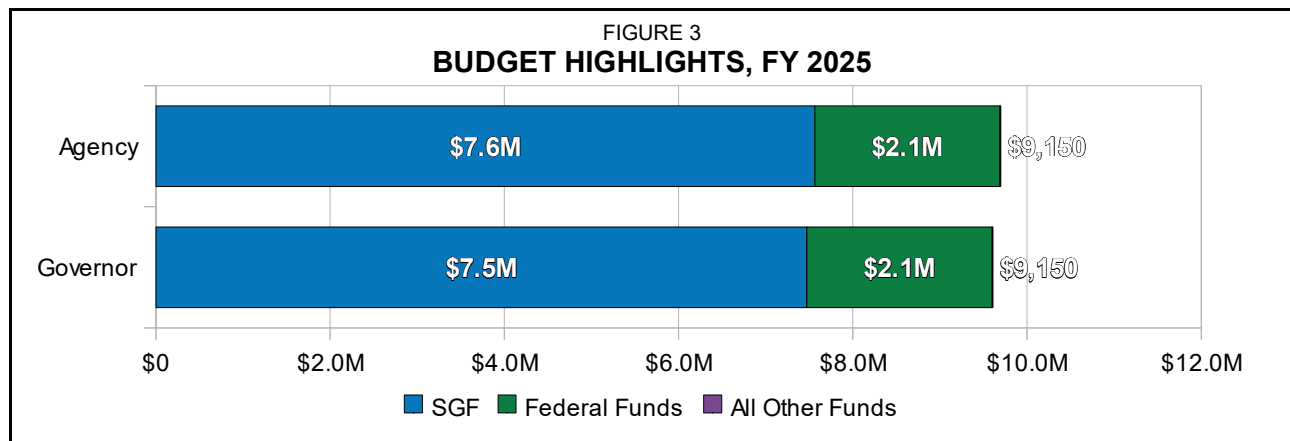
- **SGF REAPPROPRIATIONS.** \$7,587 in unspent SGF moneys was shifted from FY 2023 to FY 2024 due to unexpected vacancies within the agency.



The **agency** requests a revised estimate of \$6.2 million, including \$4.1 million SGF, in expenditures and 29.5 FTE positions in FY 2024. This is an all funds increase of \$113,881, or 1.9 percent, including an SGF increase of \$13,810, or 3.1 percent, above the FY 2024 approved amount.

The SGF increase is due to the agency's supplemental request to account for a **shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25**. The all funds increase is mainly due to increases in contractual services of \$127,049, or 4.5 percent, and an increase in capital outlay of \$25,785, or 41.8 percent, partially offset by a decrease in commodities of \$53,000, or 67.2 percent. The contractual services increase is primarily due to the agency's decision to continue a TumbleBookLibrary subscription (\$100,969). TumbleBookLibrary is an online database of children's e-books for grades K–6; it includes animated, talking picture books; read-along chapter books; graphic novels; nonfiction books and videos; and books in Spanish and French. The decrease in commodities is mostly due to decreases in other professional, scientific supplies and materials. The increase in capital outlay is mostly due to increases in book and library material and noncapital office equipment.

The **Governor** concurs with the agency's FY 2024 revised estimate and recommends \$6.2 million, including \$4.1 million SGF, in expenditures and 29.5 FTE positions in FY 2024.



The **agency** requests \$9.7 million, including \$7.6 million SGF, in expenditures and 29.5 FTE positions for FY 2025. This is an all funds increase of \$3.5 million, or 56.3 percent, including an SGF increase of \$3.4 million, or 82.5 percent, above the FY 2024 revised estimate.

The increase is mainly due to the agency's enhancement requests for **State Grants-in-Aid to libraries**. According to the agency, the current appropriation for State Grants-in-Aid to libraries has remained stagnant at \$1.1 million SGF for several years. The two enhancements combined are an increase of \$3.3 million SGF, or 311.6 percent, for a total of \$4.4 million SGF for the State Grants-in-Aid to libraries in FY 2025.

The agency's request also includes enhancement requests to **increase the state courier subsidy** (\$62,180), **continue the Blind Information Access program contract** (\$31,000), and **hire a part-time temporary unclassified Audio Production Assistant position** (\$29,046).

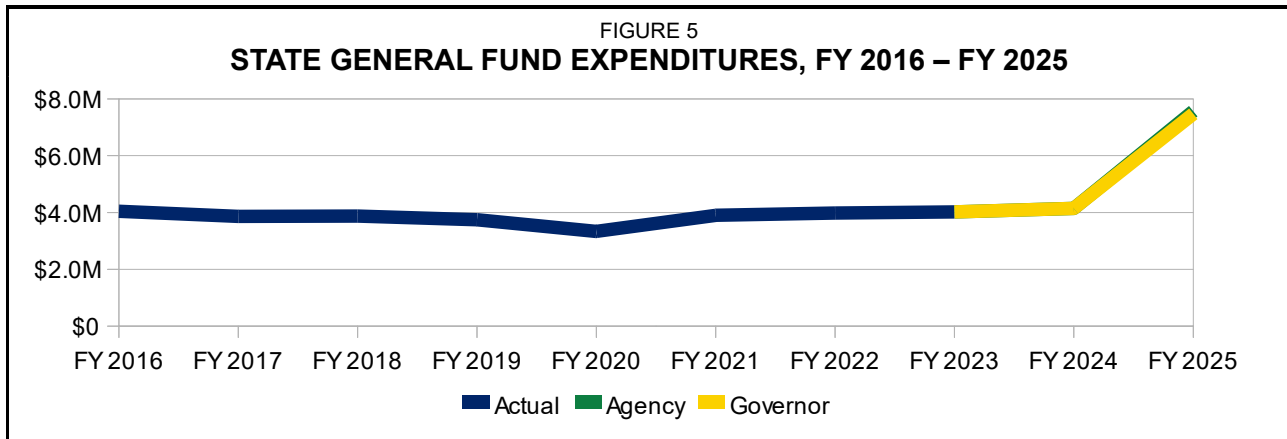
The **Governor** recommends \$9.6 million, including \$7.5 million SGF, for FY 2025. This is a decrease of \$91,226, all SGF, or 0.9 percent, below the agency's request for FY 2025. The Governor's recommendation does not include the agency's enhancement requests for a part-time unclassified Audio Production Assistant position and to subsidize the cost of the Kansas Library Express (KLE) courier service for inter-library loans.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 1,531,258	\$ 1,773,344	\$ 1,773,344	\$ 1,858,328	\$ 1,829,282
Contractual Services	2,785,284	2,957,550	2,957,550	2,987,120	2,987,120
Commodities	30,329	25,900	25,900	25,900	25,900
Capital Outlay	131,325	87,489	87,489	71,050	71,050
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 4,478,196</i>	<i>\$ 4,844,283</i>	<i>\$ 4,844,283</i>	<i>\$ 4,942,398</i>	<i>\$ 4,913,352</i>
Aid to Local Units	1,385,993	1,362,086	1,362,086	4,757,502	4,695,322
Other Assistance	1,925	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 5,866,114</i>	<i>\$ 6,206,369</i>	<i>\$ 6,206,369</i>	<i>\$ 9,699,900</i>	<i>\$ 9,608,674</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 5,866,114	\$ 6,206,369	\$ 6,206,369	\$ 9,699,900	\$ 9,608,674
Financing:					
State General Fund	\$ 4,016,536	\$ 4,144,498	\$ 4,144,498	\$ 7,564,631	\$ 7,473,405
Federal Funds	1,834,888	2,055,822	2,055,822	2,126,119	2,126,119
All Other Funds	14,690	6,049	6,049	9,150	9,150
TOTAL	\$ 5,866,114	\$ 6,206,369	\$ 6,206,369	\$ 9,699,900	\$ 9,608,674
FTE Positions	29.5	29.5	29.5	29.5	29.5

STATE GENERAL FUND



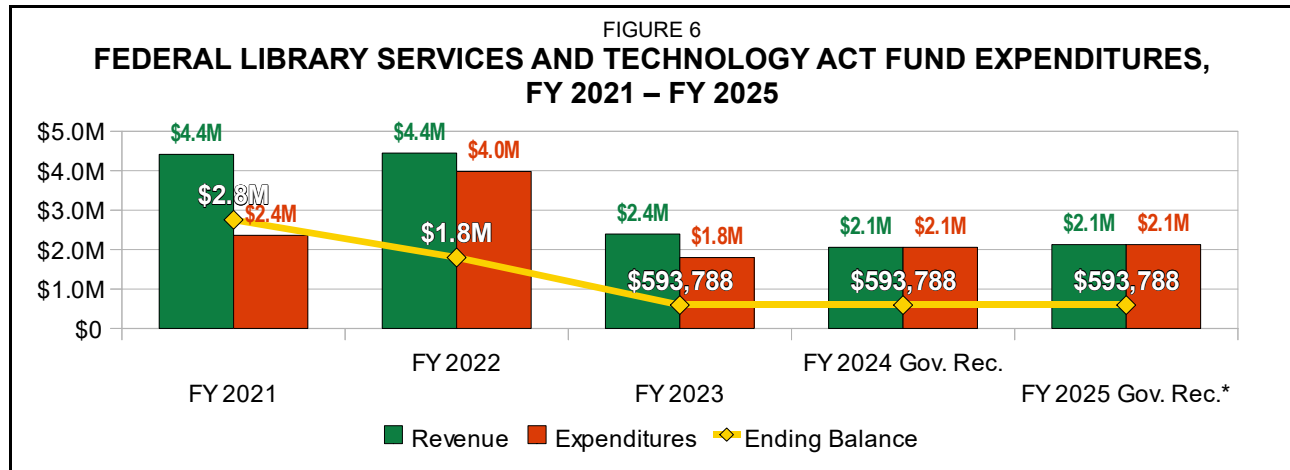
For the State Library, SGF actual expenditures averaged \$3.8 million from FY 2016 to FY 2023. The FY 2024 revised agency SGF request is \$4.1 million. The agency's SGF request for FY 2025 is \$7.6 million, an increase of \$3.4 million, or 82.5 percent, from FY 2024. This increase is mainly due to two enhancement requests for the State Grants-in-Aid to libraries. The Governor recommends \$7.5 million for FY 2025, which is a decrease of \$91,226, or 0.9 percent, below the agency's request.

FEDERAL LIBRARY SERVICES AND TECHNOLOGY ACT FUND

The Federal Library Services and Technology Act Fund (LSTA Fund) includes annual awards authorized by the Institute of Museum and Library Services. These funds are designed to improve library services, facilitate access to library resources, and encourage sharing of resources between libraries. The State Library of Kansas is the only LSTA designate in the state and is responsible for administering these federal funds, which are mainly used for statewide initiatives. The initiatives

include resource sharing, database subscriptions, ebook licenses, continuing education resources, and administration of the public library survey.

A federal matching requirement requires states to maintain approximately 34.0 percent nonfederal funds to match the 66.0 percent of LSTA funds. USC 9133(c) outlines that states must maintain their financial support at no less than the average amount reported for the previous three fiscal years. If a state does not meet the matching requirements, the amount of funding will be reduced by the same percentage as the percentage decrease by the State. The LSTA was reauthorized by the Museum and Library Services Act of 2018.



* For FY 2025, the lowest month ending balance for the Federal Library Services and Technology Act Fund will occur in July, with a balance of \$593,788.

The LSTA Fund's ending balance has decreased for the past three fiscal years, with the ending balance in FY 2023 totaling \$593,788. Expenditures have decreased by 54.8 percent from FY 2022 to FY 2023, while revenue per year has also decreased from FY 2022 to FY 2023 by 46.2 percent. These decreases are mainly due to one-time federal COVID-19 money having been spent. Absent expenditures from one-time federal COVID-19 funding, revenue to and expenditures from the fund return to close to pre-COVID levels, and fund balances are lower than pre-COVID numbers. As a comparison, in FY 2019, revenue was \$2.0 million, expenditures were \$1.9 million, and the ending balance was \$741,095.

The State Library received federal COVID-19 relief funds under both the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA). The CARES Act funding (\$263,243) was received and expended in FY 2020. Federal ARPA funding (\$2.6 million) was received in spring 2021, with a required expenditure date of September 30, 2022. This funding was allocated for sub-grants to public libraries (\$2.1 million), agency technology improvements (\$62,001), in-state professional development (\$5,087), and state services in the form of TumbleBookLibrary database access (\$435,000) for three years for all Kansas residents.

FY 2024 ANALYSIS

FIGURE 7

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 4,123,101	\$ 6,084,971	29.5
1. SGF Reappropriation	7,587	7,587	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 4,130,688</i>	<i>\$ 6,092,558</i>	<i>29.5</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	\$ 13,810	\$ 13,810	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 13,810</i>	<i>\$ 13,810</i>	<i>--</i>
3. TumbleBookLibrary Subscription	\$ -	\$ 100,969	--
4. All Other Adjustments	-	(968)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 4,144,498</i>	<i>\$ 6,206,369</i>	<i>29.5</i>
Governor's Recommendation:			
5. No Changes	\$ -	\$ -	--
TOTAL	\$ 4,144,498	\$ 6,206,369	29.5

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$6.1 million, including \$4.1 million SGF, appropriated to the State Library for FY 2024. This adjustment changes the current-year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** \$7,587 in unspent SGF moneys was shifted from FY 2023 to FY 2024 due to unexpected vacancies within the agency.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$6.2 million, including \$4.1 million SGF, in FY 2024. This is an all funds increase of \$113,811, or 1.9 percent, and an SGF increase of \$13,810, or 0.3 percent, above the amount approved by the 2023 Legislature.

The revised estimate includes the following supplemental request:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$13,810 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature approved \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the State Library, a supplemental appropriation of \$13,810 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental request, the revised estimate includes an increase of \$100,001 in base budget expenditures. Significant adjustments are as follows:

3. **TUMBLEBOOKLIBRARY SUBSCRIPTION.** The agency is requesting \$100,969, all from special revenue funds, to continue a TumbleBookLibrary subscription. TumbleBookLibrary is an online database of children's e-books for grades K–6; it includes animated, talking picture books; read-along chapter books; graphic novels; nonfiction books and videos; and books in Spanish and French. The agency added a subscription to TumbleBookLibrary in June 2021 using \$435,000 one-time ARPA funds. The ARPA funding covered a three-year subscription, which expires June 30, 2024.
4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate also includes an all funds decrease of \$968. This change includes a decrease in commodities (\$53,000) and is offset by increases in contractual services (\$26,353) and capital outlay (\$25,785). The decrease in commodities is mostly due to decreases in other professional, scientific supplies and materials. The increase in contractual services is mostly due to inflation associated with the agency's subscriptions and databases, and the increase in capital outlay is mostly due to increases in book and library material and non-capital office equipment.

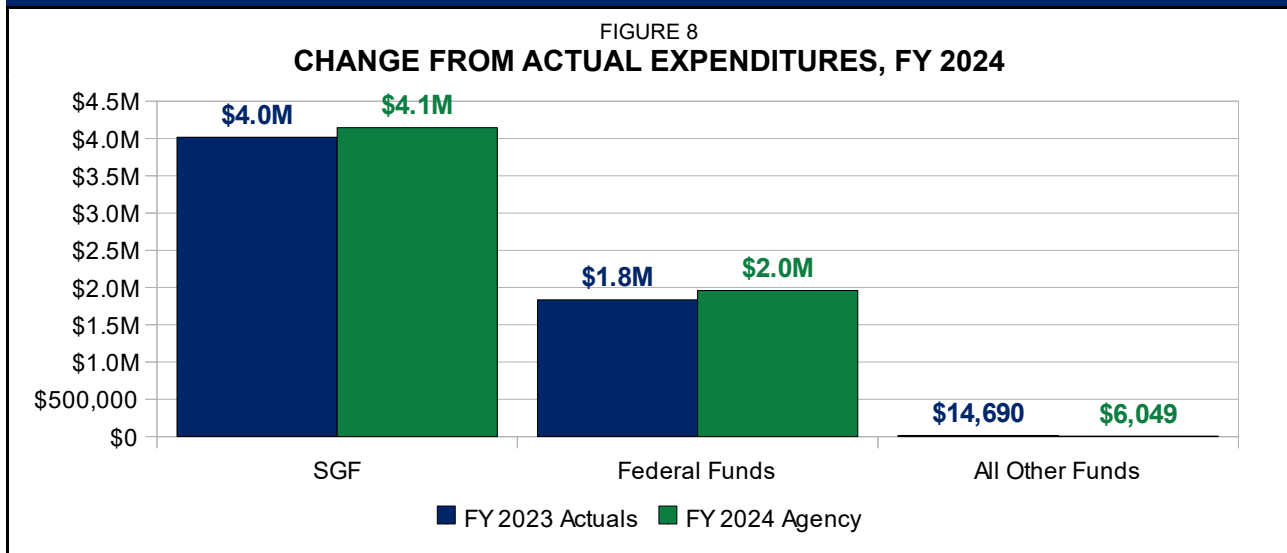
The **agency's** estimate also includes 29.5 FTE positions, which is the same as the number approved by the 2023 Legislature.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$6.2 million, including \$4.1 million SGF, in expenditures and 29.5 FTE positions in FY 2024.

5. **NO CHANGES.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$6.2 million, including \$4.1 million SGF, in FY 2024. This is an all funds increase of \$340,255, or 5.8 percent, and an SGF increase of \$127,962, or 3.2 percent, above FY 2023 actual expenditures. The SGF increase is mainly attributable to the 2023 Legislative Pay Plan and \$30,000 SGF for the Blind Information Access Program included in 2023 SB 25.

The agency's revised estimate includes an additional \$242,086 in all funds for salaries and wages. This includes the 2023 Legislative Pay Plan's increase of \$96,897, including \$70,696 SGF. The change between FY 2023 and FY 2024 is also due to reduced salaries and wage spending in FY 2023. The agency had six vacant positions, five of which have since been filled at a lower salary. Additionally, two Deputy State Librarians retired in FY 2023. The agency plans to hire one Deputy State Librarian and one Public Library Development Consultant in FY 2024.

The FY 2024 revised estimate also includes an additional \$100,969 to continue the TumbleBookLibrary subscription, as well as adjustments due to inflation associated with the agency's subscriptions and databases.

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 4,115,169	\$ 6,250,438	29.5
Enhancement Requests:			
1. State Grants-in-Aid Libraries Base Amount*	\$ 1,458,000	\$ 1,458,000	--
2. State Grants-in-Aid Libraries Formula Allocation*	1,869,236	1,869,236	--
3. State Courier Subsidy Increase	62,180	62,180	--
4. Blind Information Access Program Contract	31,000	31,000	--
Continuity			
5. Blind Information Access Program Part-Time Staff	29,046	29,046	--
Subtotal—Agency Request	\$ 7,564,631	\$ 9,699,900	29.5
Governor's Recommendation:			
6. Enhancements Not Recommended	\$ (91,226)	\$ (91,226)	--
TOTAL	\$ 7,473,405	\$ 9,608,674	29.5

* Staff note: Additional information about these requests can be found in the Special Topics section for this agency.

AGENCY REQUEST

The **agency** requests \$9.7 million, including \$7.6 million SGF, for FY 2025. This is an all funds increase of \$3.5 million, or 56.3 percent, and an SGF increase of \$3.4 million, or 82.5 percent above the FY 2024 revised estimate. The increase is primarily due to \$3.4 million SGF for the following enhancement requests:

1. **STATE GRANTS-IN-AID LIBRARIES BASE AMOUNT.** Per the agency, in FY 2023, more than 75 percent of the 324 central libraries and 44 branch libraries in Kansas received less than \$1,000 under the State Grants-in-Aid Act. The agency requests that a base amount of \$3,000 be distributed to each public library in the state for FY 2025. The agency estimates that an additional \$1.5 million SGF for aid to locals would be needed to implement this change for FY 2025. Additionally, a technical change to statute would be required to allow for a base amount in addition to the existing population-based formula.
2. **STATE GRANTS-IN-AID LIBRARIES FORMULA ALLOCATION.** The agency also requests that aid distributed by the current formula be allocated in the amount of \$1 per capita. Per the agency, the amount distributed by the agency was \$0.28 per capita. The agency is requesting an additional \$1.9 million SGF to implement this request for FY 2025.
3. **STATE COURIER SUBSIDY INCREASE.** Pursuant to KSA 75-2575 *et seq.*, the agency is responsible for providing resource sharing and programs of inter-library cooperation. The agency requests \$62,180 SGF to subsidize the cost of the Kansas Library Express (KLE) courier service to allow Kansas libraries to share materials to meet their local needs for FY 2025. KLE delivered 851,094 items between Kansas libraries in FY 2022 and 880,038 items in FY 2023. Per the agency, library mail through the U.S. Postal Service cost \$3.72 for the first pound, and \$0.71 for each additional pound in FY 2023, while using KLE averaged a total cost to ship of \$1.00 in FY 2023. The agency estimates that this enhancement would increase the subsidization rate of the KLE's annual cost from 20 percent in FY 2024 to 25 percent for FY 2025.

4. **BLIND INFORMATION ACCESS PROGRAM CONTRACT CONTINUITY.** The agency requests an additional \$31,000 SGF to continue contractual services for the Blind Information Access Program for FY 2025. The Program delivers on-demand information access services and content from publications, news sources, and emergency weather alerts via audio, electronic text, or Braille reading technologies to persons who are blind or otherwise disabled. The Program was funded last year through proviso in 2023 SB 25, but only for FY 2024. Per the agency, this enhancement would ensure the service would not be terminated at the end of FY 2024.

[*Staff note:* SB 284 was referred to the Senate Committee on Utilities on March 3, 2023. If passed, it would provide a statutory basis and funding source for the Program, including funding service from the Kansas Universal Service Fund.]

5. **BLIND INFORMATION ACCESS PROGRAM PART-TIME STAFF.** The agency requests \$29,046 SGF for a part-time temporary unclassified Audio Production Assistant position for FY 2025. This position would record and upload periodical material of local interest to the Blind Information Access Program's contractual service providers' collection and work to promote the program. The agency states this would not increase the overall FTE count, as it would convert a vacant position within the 29.5 current FTE positions authorized for the agency.

The **agency's** request also includes 29.5 FTE positions for FY 2025, which is the same as the revised FY 2024 request.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$9.6 million, including \$7.5 million SGF, for FY 2025. This is a decrease of \$91,226, all SGF, or 0.9 percent, below the agency's request, and is due to the following adjustment:

6. **ENHANCEMENTS NOT RECOMMENDED.** The Governor concurs with the enhancement requests to increase State Grants-in-Aid (Items 1 and 2) and to continue contractual services for the Blind Information Access Program (Item 4), but does not recommend \$62,180 SGF to **subsidize the cost of the KLE courier service** (Item 3) or \$29,046 SGF for a **part-time temporary unclassified Audio Production Assistant position** for FY 2025 (Item 5).

The **Governor's** recommendation also includes 29.5 FTE positions for FY 2025, which is the same as the revised FY 2024 request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 10
SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025

Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
FY 2024 Supplemental:						
1. Pay Plan Shortfall	13,810	13,810	-	13,810	13,810	-
TOTAL	\$ 13,810	\$ 13,810	-	\$ 13,810	\$ 13,810	-
FY 2025 Enhancements:						
2. State Grants-in-Aid to Libraries Base Amount*	\$ 1,458,000	\$ 1,458,000	-	\$ 1,458,000	\$ 1,458,000	-
3. State Grants-in-Aid to Libraries Formula Allocation*	1,869,236	1,869,236	-	1,869,236	1,869,236	-
4. State Courier Subsidy Increase	62,180	62,180	-	-	-	-
5. Blind Information Access Program Contract Continuity	31,000	31,000	-	31,000	31,000	-
6. Blind Information Access Program Staff	29,046	29,046	-	-	-	-
TOTAL	\$ 3,449,462	\$ 3,449,462	-	\$ 3,358,236	\$ 3,358,236	-

* Staff note: Additional information about these requests can be found in the Special Topics section for this agency.

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$13,810 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature approved \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the State Library, a supplemental appropriation of \$13,810 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **STATE GRANTS-IN-AID TO LIBRARIES BASE AMOUNT.** Per the agency, in FY 2023, more than 75 percent of Kansas public libraries received less than \$1,000 under the State Grants-in-Aid Act. The agency requests that a base amount of \$3,000 be distributed to each public library in the state for FY 2025. The agency estimates that an additional \$1.5 million SGF for aid to locals would be needed to implement this change for FY 2025. Additionally, a technical change to statute would be required to allow for a base amount in addition to the existing population-based formula.

The Governor recommends adoption of this request.

3. **STATE GRANTS-IN-AID TO LIBRARIES FORMULA ALLOCATION.** The agency also requests that aid distributed by the current formula be allocated in the amount of \$1 per capita. Per the agency, the amount distributed by the agency was \$0.28 per capita. The agency is requesting an additional \$1.9 million SGF to implement this request for FY 2025.

The Governor recommends adoption of this request.

4. **STATE COURIER SUBSIDY INCREASE.** Pursuant to KSA 75-2575 *et seq.*, the agency is responsible for providing resource sharing and programs of inter-library cooperation. The agency requests \$61,180 SGF to subsidize the cost of the KLE courier service to allow Kansas libraries to share materials to meet their local needs for FY 2025. KLE delivered 851,094 items between Kansas libraries in FY 2022 and 880,038 items in FY 2023. Per the agency, library mail through the U.S. Postal Service costs \$3.72 for the first pound, and \$0.71 for each additional pound in FY 2023, while using the courier service averaged a total cost to ship of \$1.00 in FY 2023. The agency estimates that this would increase the subsidization rate of KLE service's annual cost from 20 percent in FY 2024 to 25 percent for FY 2025.

The Governor does not recommend adoption of this request.

5. **BLIND INFORMATION ACCESS PROGRAM CONTRACT CONTINUITY.** The agency requests an additional \$31,000 SGF to continue contractual services for the Blind Information Access Program for FY 2025. The Program delivers on-demand information access services and content from publications, news sources, and emergency weather alerts via audio, electronic text, or Braille reading technologies to persons who are blind or otherwise disabled. The Program was funded last year through proviso in 2023 SB 25, but only for FY 2024. Per the agency, this enhancement would ensure the service would not be terminated at the end of FY 2024.

Staff note: SB 284 was referred to the Senate Committee on Utilities on March 3, 2023. If passed, it would provide a statutory basis and funding source for the Program, including funding service from the Kansas Universal Service Fund.

The Governor recommends adoption of this request.

6. **BLIND INFORMATION ACCESS PROGRAM PART-TIME STAFF.** The agency requests \$29,046 SGF for a part-time temporary unclassified audio production assistant position for FY 2025. This position would record and upload periodical material of local interest to the Blind Information Access Program's contractual service providers' collection and work to promote the program. The agency states this would not increase the overall FTE count, as it would convert a vacant position within the 29.5 current FTE positions authorized for the agency.

The Governor does not recommend adoption of this request.

SPECIAL TOPICS

STATE GRANTS-IN-AID TO LIBRARIES

Pursuant to KSA 75-2553 *et seq.*, the State Grants-in-Aid to Libraries Act (Act) provides supplemental funding to local libraries' budgets based on requests by libraries and amounts reasonably available for such purposes. Currently, the appropriation is split between public libraries (two-thirds on a per capita basis) and the seven regional library systems (one-third divided between the seven systems by a formula).

From FY 2019 to FY 2023, the total appropriation for the Act was \$1,067,914 per year. Per the agency, the current appropriation is well below the largest appropriation for the program in FY 2000 (\$2,821,531) and remains the lowest amount appropriated since FY 1987 (\$1,048,761), neither of which adjusts for inflation. The agency also reports that in FY 2023, more than 75 percent of Kansas public libraries received less than \$1,000 under the Act.

The agency is requesting two enhancements for FY 2025 and a technical change to KSA 75-2555, the apportionment and distribution formula to libraries. The enhancement requests are to **establish a base amount** and an **increase in formula allocation**. Currently, there is no base amount being distributed to public libraries in the state. The agency would like to **establish a base amount** set for \$3,000 for each public library in addition to the existing per capita basis. Per the agency, this would help address needs among smaller communities that are not being met by the current per capita basis. The table below shows the average request per capita for libraries across the state in calendar year (CY) 2023, based on data collected by the agency. The agency distributed \$0.28 per capita to public libraries under the Act in FY 2023.

PER CAPITA AVERAGE REQUEST AMOUNTS FOR KANSAS LIBRARIES, CY 2023	
Size of Kansas Public Library	Per Capita
Serving a population under 500	\$ 7.95
Serving a population between 500 and 999	3.05
Serving a population between 1,000 and 2,499	1.73
Serving a population between 2,500 and 9,999	0.67
Serving a population between 10,000 to 24,999	0.67
Serving a population between 25,000 to 99,999	0.67

If the \$3,000 base amount per library was implemented, the agency estimates an additional \$1.5 million SGF would be needed for this enhancement request for FY 2025. Per the agency, this would be allocated as \$972,000 SGF for public libraries and \$486,000 SGF for regional systems of cooperating libraries for FY 2025.

The agency's second enhancement request is for an **increase in formula allocation funding**. As shown above, the agency reports that the average trend in per capita requests for medium-sized libraries is \$0.67 per capita. The agency requests total aid distributed from the Act be allocated in the amount of \$1.00 per capita, based on the Kansas Certified Population. This would mean that the formula allocation would prorate to \$0.67 per capita to public libraries and \$0.33 to the regional library systems. The agency estimates that an additional \$1.9 million SGF would be needed for this enhancement request for FY 2025. Per the agency, this would be allocated as \$1,246,157 SGF for public libraries and \$623,079 SGF for regional systems of cooperating libraries for FY 2025.

HUMAN SERVICES



**Nurses' residence, Security Benefit Association home and
hospital farm, Topeka, Kansas, 1920**

Kansas State Historical Society,

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via <https://www.kansasmemory.org/item/224537/page/5>

The Human Services function of Government provides services such as cash and medical assistance, care of mentally ill and developmentally disabled individuals in state hospitals and community placements, and unemployment benefit 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 the Kansas Guardianship Program.

Agencies in this Function:	
<i>Kansas Department of Health and Environment.....</i>	<i>971</i>
<i>Department for Children and Families.....</i>	<i>1020</i>
<i>Kansas Department for Aging and Disability Services.....</i>	<i>1059</i>
<i>Kansas Neurological Institute.....</i>	<i>1184</i>
<i>Parsons State Hospital and Training Center.....</i>	<i>1186</i>
<i>Larned State Hospital.....</i>	<i>1206</i>
<i>Osawatomie State Hospital.....</i>	<i>1209</i>
<i>Kansas Commission on Veterans Affairs Office.....</i>	<i>1106</i>
<i>Kansas Department of Labor.....</i>	<i>1137</i>
<i>Kansas Guardianship Program.....</i>	<i>1163</i>
<i>State Institutions for Intellectual Disabilities.....</i>	<i>1171</i>
<i>State Institutions for Mental Health</i>	<i>1189</i>

The Governor's FY 2025 recommendation for the Human Services function totals \$9.1 billion from all funding sources, including \$2.7 billion from the State General Fund.

The FY 2025 recommendation represents a State General Fund decrease of 7.7 percent, or \$221.3 million, from FY 2024. Expenditures from all funds increase by 4.4 percent, or \$378.0 million, from FY 2024.

A total of 7525.4 FTE positions are recommended by the Governor for the Human Services function in FY 2025, which is a decrease of 59.0 FTE positions from FY 2024. Of all state FTE positions, 17.7 percent are in this function.

Agencies in this function comprise 23.8 percent of the total State General Fund budget in FY 2025, which is a decrease of 2.3 percent below FY 2024. They comprise 34.1 percent of expenditures from all funding sources in FY 2025, which is a decrease of 1.1 percent below FY 2024.

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 671,450,876	890,926,610	852,678,242	\$ 850,403,092	\$ 790,191,986
Federal Funds	2,567,691,665	2,441,589,162	2,435,117,453	2,406,192,937	3,166,233,731
All Other Funds	652,457,060	670,883,085	694,225,520	706,334,439	764,685,143
Subtotal	\$ 3,891,599,601	4,003,398,857	3,982,021,215	\$ 3,962,930,468	\$ 4,721,110,860
Capital Improvements:					
State General Fund	\$ 32,276,107	\$ 223,893	\$ 223,893	\$ -	\$ -
Federal Funds	29,059,356	112,573	112,573	-	-
All Other Funds	-	-	-	-	-
Subtotal	\$ 61,335,463	\$ 336,466	\$ 336,466	\$ -	\$ -
TOTAL	\$ 3,952,935,064	\$ 4,003,735,323	\$ 3,982,357,681	\$ 3,962,930,468	\$ 4,721,110,860
Percentage Change:					
State General Fund	5.2 %	26.6 %	21.2 %	(4.6) %	(7.4) %
All Funds	4.0 %	1.3 %	0.7 %	(1.0) %	18.6 %
FTE Positions	1,788.8	1,783.4	1,782.4	1,800.4	1,791.4

The Kansas Department of Health and Environment (KDHE) is a cabinet-level agency with the mission to protect and improve the health and environment of all Kansans. This is accomplished through public health programs 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 the following eight bureaus: Disease Control and Prevention, Health Promotion, Facilities Licensure, Family Health, Community Health Systems, Oral Health, Epidemiology and Public Health Informatics, and the Health and Environmental Laboratories. The Administration program is also included in the Division of Public Health function.

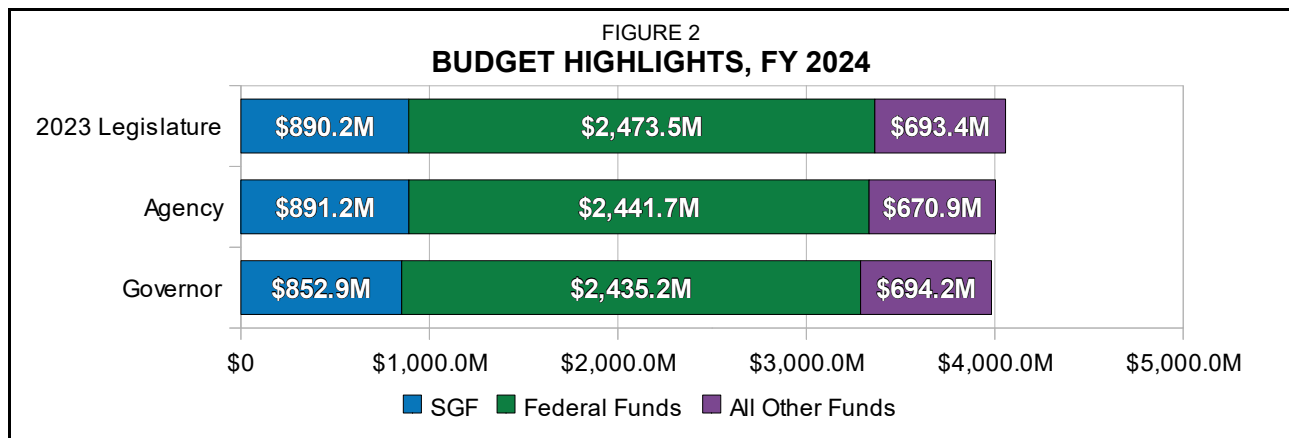
The **Division of Health Care Finance** develops and maintains a coordinated health policy agenda, which combines the effective purchasing and administration of health care with health promotion-oriented public health strategies. The powers, duties, and functions of the Division are intended to be exercised 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 **Division of Environment** protects the environment and public health through compliance, enforcement, and proactive activities. The Division includes five bureaus: Waste Management, Air, Water, Environmental Remediation, and Environmental Field Services (including the Office of the Director of the Division of Environment).

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$3,985,158,341 including \$820,089,259 from the State General Fund (SGF), for the Kansas Department of Health and Environment for FY 2024. Two adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The following adjustments change the current year approved amount to \$4,057,029,272 from all funds, including \$890,180,945 SGF:

- **SGF REAPPROPRIATION.** KDHE carried over \$70,091,686 in unspent SGF moneys into FY 2024. The primary sources of the reappropriated funds were \$19.8 million for human services caseloads, \$25.9 million for operating expenditures in the division of Health Care Finance, and \$14.3 million for the Children's Health Insurance Program (CHIP). Caseload reappropriations were largely due to member estimates and program use being lower than anticipated, and reappropriations for operating expenditures were due to the agency funding certain contractual expenditures using fee funds rather than SGF.
- **STATE WATER PLAN REAPPROPRIATIONS.** The agency received \$1.5 million in reappropriations from the State Water Plan Fund (SWPF) from FY 2023 into FY 2024.
- **CHILDREN'S INITIATIVES FUND RAPPROPRIATIONS.** The agency received \$284,625 in reappropriations from the Children's Initiatives Fund (CIF) from FY 2023 into FY 2024.



The **agency** requests a revised estimate of \$4.0 billion, including \$891.2 million SGF, in expenditures and 1,783.44 FTE positions in FY 2024. This is an all funds decrease of \$53.3 million, or 1.3 percent, including an SGF increase of \$969,558, or 0.1 percent, from the amount approved by the 2023 Legislature.

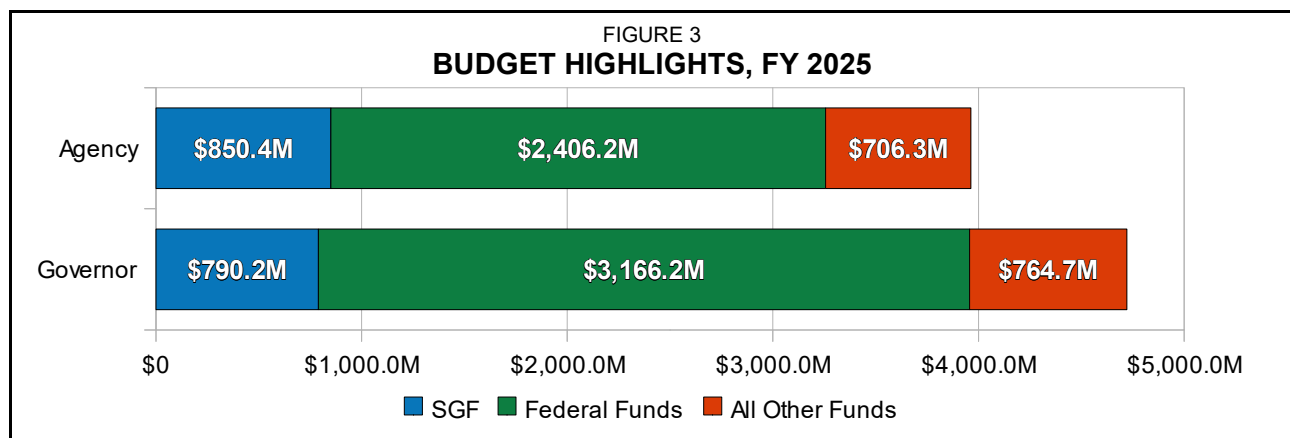
The estimate includes \$45.3 million for the Administration function, \$268.9 million for the Division of Public Health, \$3.6 billion for the Division of Health Care Finance, and \$78.0 million for the Division of Environment. The all funds decrease is largely due to a decrease in the anticipated amount of federal funds available for COVID-19 relief and a decrease in the amount of federal funds for the Medicaid Program. The SGF increase is due to the agency's four supplemental requests, totaling \$969,557.

The revised estimate includes 1,783.44 FTE positions, which reflects a decrease of 18.32 FTE positions below the number approved by the 2023 Legislature. These include a decrease of 2.25 FTE positions in the Administration function, a decrease of 15.25 FTE positions in the Division of Public Health, and a decrease of 18.0 FTE positions in the Division of Health Care Finance, as well as an increase of 17.18 FTE positions in the Division of Environment. The decreased positions are largely due to the agency deleting positions that are unfilled and not anticipated to be filled. The

increase in the FTE positions in the Environment is due to the agency adding positions across several program areas, including the Bureau of Waste Management (4.4 FTE positions), Bureau of Air (2.0 FTE positions), Bureau of Water (5.68 FTE positions), Bureau of Environmental Remediation (4.5 FTE positions) and the Bureau of Environmental Field Services (0.60 FTE position). Positions being added include engineers, scientists, data managers, geologists, and administrative staff.

The **Governor** recommends expenditures of \$4.0 billion, including \$852.9 million SGF, in FY 2024. This is an all funds decrease of \$21.4 million, or 0.5 percent, including an SGF decrease of \$38.2 million, or 4.3 percent, below the agency's FY 2024 revised estimate. The decrease is largely due to adjustments to accept the fall human services consensus caseload estimates (39.7 million SGF) and a lapse of SGF funding for the Kansas Modular Medicaid System (KMMS) (\$7.1 million SGF), offset by the Governor's recommendation to partially fund the agency's enhancement request for laboratory move and furnishing expenditures in FY 2024 rather than fully funding it in FY 2025.

The Governor's recommendation also includes 1,782.4 FTE positions, which is a decrease of 1.0 FTE position below the agency's FY 2024 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request for an additional FTE position in the Medicaid Eligibility program.



The **agency** requests \$4.0 billion, including \$850.4 million SGF, in expenditures and 1,800.44 FTE positions for FY 2025. This is an all funds decrease of \$40.8 million, or 1.0 percent, including an SGF decrease of \$40.7 million, or 4.6 percent, below the FY 2024 revised estimate. The request includes \$34.0 million for the Administration function, \$234.4 million for the Division of Public Health, \$3.6 billion for the Division of Health Care Finance, and \$89.4 million for the Division of Environment.

The all funds decrease is primarily attributable to a decrease in transactions directly related to the COVID-19 pandemic, such as expenditures for temporary nursing staff and laboratory services. Also contributing were decreased federal funds for a variety of grant programs in the divisions of Public Health and Administration, including the COVID-19 Health Disparities grant and the childcare development block grant. The SGF decrease is due to \$70.1 million in reappropriated funds in the agency's FY 2024 budget that are not budgeted for FY 2025. The SGF decreases are partially offset by the agency's enhancement requests totaling \$42.7 million from all funds, including \$33.0 million SGF.

The agency's request includes 1,800.44 FTE positions, which is an increase of 17.0 FTE positions above the FY 2024 revised estimate due to the agency's enhancement requests for 17.0 new FTE positions in the Division of Health Care Finance.

The **Governor** recommends expenditures of \$4.7 billion, including \$790.2 million SGF, for FY 2025. This is an all funds increase of \$758.2 million, or 19.1 percent, including an SGF decrease of \$60.2 million, or 7.1 percent, from the agency's FY 2024 revised estimate. The all funds increase is largely due to the Governor's recommendation to fund Medicaid Expansion beginning in January 2025 and to fully accept the fall 2023 human services consensus caseload estimates, offset by the Governor's recommendation to not fund several of the agency's enhancement requests. The SGF decrease is largely due to the Governor budgeting for the SGF savings anticipated to occur in conjunction with the expansion of Medicaid in January 2025, as well as the Governor not recommending several of the agency's enhancement requests.

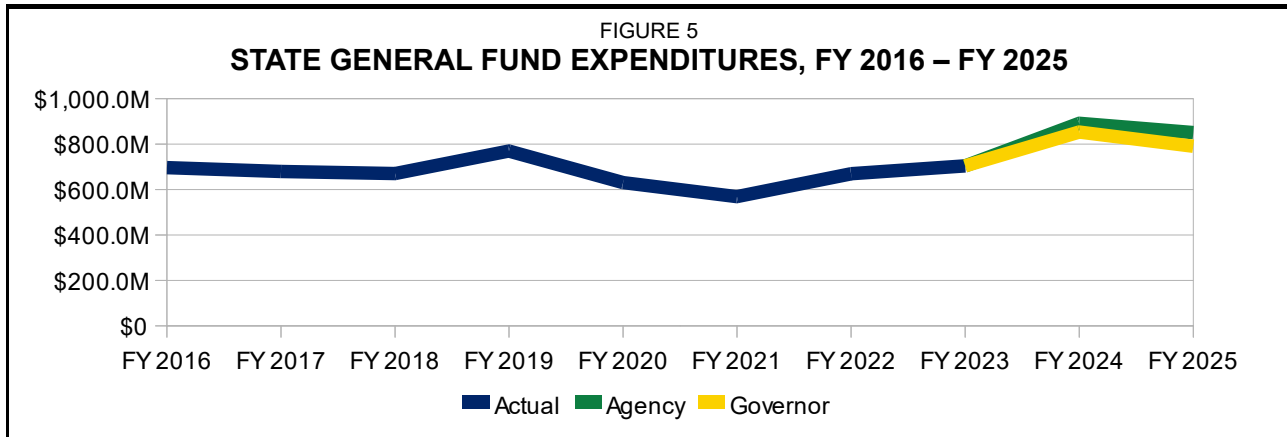
The Governor's recommendation also includes 1,791.4 FTE positions, which is a decrease of 9.0 FTE positions below the agency's FY 2024 revised number. The decrease is due to the Governor partially recommending the agency's supplemental request for an additional 17.0 FTE positions in the Medicaid Eligibility program.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 104,639,008	\$ 136,504,081	\$ 136,465,049	\$ 139,080,978	\$ 136,843,842
Contractual Services	372,052,632	335,200,691	342,093,668	315,257,924	350,286,372
Commodities	12,390,813	6,760,258	6,760,258	6,665,014	6,436,294
Capital Outlay	4,812,530	2,868,646	6,076,846	8,775,873	5,567,673
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 493,894,983</i>	<i>\$ 481,333,676</i>	<i>\$ 491,395,821</i>	<i>\$ 469,779,789</i>	<i>\$ 499,134,181</i>
Aid to Local Units	77,406,122	73,551,707	73,551,707	76,160,566	73,686,566
Other Assistance	3,320,298,496	3,448,513,474	3,417,073,687	3,416,990,113	4,148,290,113
<i>Subtotal—Operating</i>	<i>\$ 3,891,599,601</i>	<i>\$ 4,003,398,857</i>	<i>\$ 3,982,021,215</i>	<i>\$ 3,962,930,468</i>	<i>\$ 4,721,110,860</i>
Capital Improvements	61,335,463	336,466	336,466	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 3,952,935,064	\$ 4,003,735,323	\$ 3,982,357,681	\$ 3,962,930,468	\$ 4,721,110,860
Financing:					
State General Fund	\$ 703,726,983	\$ 891,150,503	\$ 852,902,135	\$ 850,403,092	\$ 790,191,986
State Water Plan Fund	3,406,783	5,673,100	11,473,100	7,838,480	7,838,480
Children's Initiatives Fund	8,266,585	8,861,567	8,861,567	8,576,942	9,876,942
Federal Funds	2,596,751,021	2,441,701,735	2,435,230,026	2,406,192,937	3,166,233,731
All Other Funds	640,783,692	656,348,418	673,890,853	689,919,017	746,969,721
TOTAL	\$ 3,952,935,064	\$ 4,003,735,323	\$ 3,982,357,681	\$ 3,962,930,468	\$ 4,721,110,860
FTE Positions	1,788.8	1,783.4	1,782.4	1,800.4	1,791.4

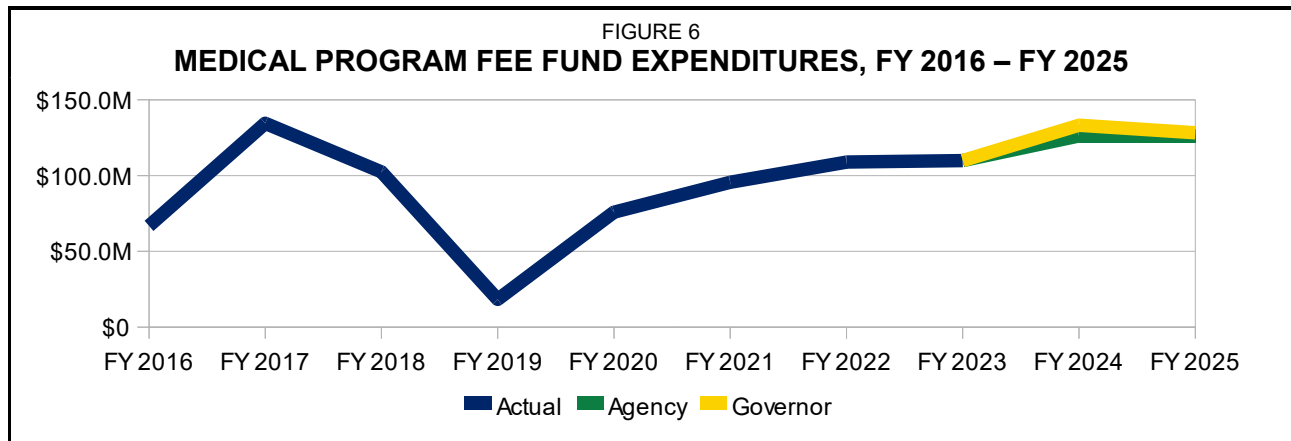
STATE GENERAL FUND



For the Kansas Department of Health and Environment, SGF expenditures have ranged between a low point of \$568.6 million in FY 2021 to \$891.2 million in the agency's FY 2024 revised request. The increase in FY 2019 was primarily attributable to increases in human services consensus caseload estimates due to several factors, including rate changes and population increases. Other SGF increases that year included reinstatement of the federal Health Homes program, funding for three youth crisis centers, funding increases for the Wichita Center for Graduate Medical Education (WCGME) program, changes in the Medicaid tobacco cessation policy, and increased funding for the Tiny-K program.

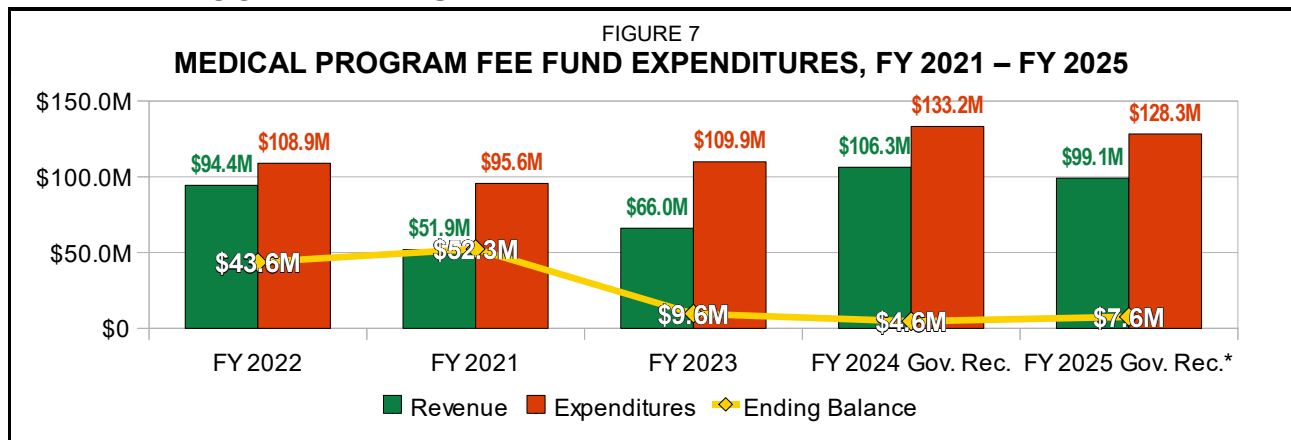
The increase in FY 2024 is largely due to an increase in the amount of SGF needed to fund human services caseloads as the 6.2 percent enhancement to the Federal Medical Assistance Percentage (FMAP) began to phase out in the last quarter of FY 2023.

MEDICAL PROGRAM FEE FUND



The Medical Program Fee Fund was established by KSA 39-710. The largest revenue sources for the fund are national and state drug rebate agreements and estate recoveries. The Division of Health Care Finance collects two types of drug rebates: those required by federal law, and supplemental rebates related to the Preferred Drug List (PDL). This special revenue fee fund has an appropriation limit set by the Legislature. The appropriation limit set by the 2023 Legislature was \$135,923,554 in FY 2023 and \$126,123,554 for FY 2024. The fee fund is used primarily to fund Medicaid caseloads.

MEDICAL PROGRAM FEE FUND



* For FY 2025, the lowest month ending balance for the Medical Program Fee Fund will occur in May, with a balance of \$(472,740).

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 820,089,259	\$ 3,985,158,341	1,801.8
1. SGF Reappropriation	70,091,686	70,091,686	--
2. State Water Plan Fund Change	-	1,494,620	--
3. Children's Initiatives Fund Change	-	284,625	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 890,180,945</i>	<i>\$ 4,057,029,272</i>	<i>1,801.8</i>
Agency Revised Estimate:			
Supplemental Requests:			
4. Laboratory Equipment	\$ 410,000	\$ 410,000	--
5. Medicaid Eligibility Employment Data Contract	383,750	1,535,000	1.0
6. Pay Plan Shortfall	166,049	166,049	--
7. Medicaid Operations and Eligibility FTE	9,758	39,032	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 969,557</i>	<i>\$ 2,150,081</i>	<i>1.0</i>
8. Laboratory Construction Funds	-	(30,875,000)	--
9. Contractual Services in Medicaid Administration	-	(37,106,443)	--
10. COVID-19 Transactions	-	(12,937,714)	--
11. Strengthening Public Health Grant Funds	-	6,095,775	--
12. Rural Hospital Innovation Grants	-	5,000,000	--
13. Small-Town Infrastructure Federal Funds	-	5,000,000	--
14. Early Childhood Data Integration and System Enhancements	-	2,500,600	--
15. Abandoned Mined Land Reclamation Funds	-	2,355,072	--
16. Public Health Informatics	-	1,713,057	--
17. All Other Adjustments	1	2,810,623	(19.3)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 891,150,503</i>	<i>\$ 4,003,735,323</i>	<i>1,783.5</i>
Governor's Recommendation:			
18. Supplementals Not Recommended	\$ (9,758)	\$ (39,032)	(1.0)
19. Part C Data Management System	2,316,377	2,316,377	--
20. Laboratory Move and Furnishing	6,234,800	6,234,800	--
21. KMMS SGF Lapse	(7,100,000)	-	--
22. Fall Caseload Adjustments	(39,689,787)	(35,689,787)	--
23. HB 2302 Water Approved Transfers	-	5,800,000	--
TOTAL	\$ 852,902,135	\$ 3,982,357,681	1,782.5

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, several adjustments were made to the \$4.0 billion appropriated to the Kansas Department of Health and Environment for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION.** The SGF reappropriation of \$70.1 million was largely due to \$19.8 million in funds appropriated for human services caseloads, \$25.9 million in funds appropriated for operating expenditures in the division of Health Care Finance, and \$14.3 million in funding for the Children's Health Insurance Program (CHIP) that were not spent in FY 2023. Caseload reappropriations were largely due to member estimates and program use being lower than anticipated, and reappropriations for operating expenditures were due to the agency funding certain contractual expenditures using fee funds rather than SGF.

2. **STATE WATER PLAN CHANGE.** The agency received \$ 1.5 million in reappropriations from the State Water Plan Fund (SWPF) from FY 2023 into FY 2024.
3. **CHILDREN'S INITIATIVES FUND CHANGE.** The agency received \$284,625 in reappropriations from the CIF from FY 2023 into FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$4.0 billion, including \$891.2 million SGF, in expenditures and 1,783.44 FTE positions in FY 2024. This is an all funds decrease of \$53.3 million, or 1.3 percent, including an SGF increase of \$969,558, or 0.1 percent, from the amount approved by the 2023 Legislature.

The estimate includes \$45.3 million for the Administration function, \$268.9 million for the Division of Public Health, \$3.6 billion for the Division of Health Care Finance, and \$78.0 million for the Division of Environment.

The revised estimate includes \$2.2 million, including \$969,557 SGF, for the following supplemental requests:

4. **LABORATORY EQUIPMENT.** The agency is requesting \$410,000 SGF to increase its capacity to test for per- and polyfluorinated alkyl substances (PFAS) in drinking water.
5. **MEDICAID EMPLOYMENT DATA CONTRACT.** The agency is requesting \$1.5 million, including \$383,750 SGF, for a new employment data contract beginning in February 2024. These expenditures are eligible for a 75.0 percent federal match.
6. **PAY PLAN SHORTFALL.** The revised estimate includes \$166,049 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25.
7. **MEDICAID OPERATIONS AND ELIGIBILITY FTE POSITIONS.** The agency is requesting \$39,032, including \$9,758 SGF, and 1.0 FTE position to hire an additional eligibility supervisor for six months of FY 2024. The annual salary for the position will be \$57,400, with total compensation estimated at \$78,064. This position is eligible for a federal match.

Absent the supplemental requests, the revised estimate includes a decrease of \$53.7 million in base budget expenditures. Significant adjustments are as follows:

8. **LABORATORY CONSTRUCTION FUNDS.** The agency's FY 2024 revised estimate includes a decrease of \$30.9 million, all federal funds, for the construction of the new KDHE laboratory. These funds were originally appropriated for FY 2024 but were spent in FY 2023 and are included in the agency's FY 2023 actuals data.
9. **CONTRACTUAL SERVICES IN MEDICAID ADMINISTRATION.** The agency's FY 2024 revised estimate includes a decrease of \$37.1 million, all special revenue funds, due to decreased spending on contractual services in the Medicaid program. These decreases were largely associated with the agency's contract with Gainwell Technologies, which provides services related to the Medicaid Management Information System, and Optumas, which provides actuarial services.

10. **COVID-19 TRANSACTIONS.** The agency's FY 2024 revised estimate includes a decrease of \$12.9 million due to a decrease in the amount of federal funds available for COVID-19 relief activities.
11. **STRENGTHENING PUBLIC HEALTH GRANT FUNDS.** The agency's FY 2024 revised estimate includes an increase of \$6.1 million, all federal funds, for the Strengthening Public Health Grant. This federal grant through the Centers for Disease Control and Prevention (CDC) supports critical public health infrastructure with a focus on workforce, foundational capabilities, and data modernization.
12. **RURAL HOSPITAL INNOVATION GRANTS.** The agency's FY 2024 revised estimate includes an increase of \$5.0 million, all federal funds, for the rural hospital innovation program. These funds are part of \$10.0 million that were originally appropriated in FY 2023. However, the funds were not spent and were moved forward to FY 2024 and FY 2025. Funds through this program are awarded to hospitals in eligible counties to transition a hospital's current healthcare delivery model to a model more appropriate for the community that the hospital serves.
13. **SMALL-TOWN INFRASTRUCTURE.** The agency's FY 2024 revised estimate includes an increase of \$5.0 million, all federal funds, for the small town infrastructure program that provides grants to support technical assistance and drinking water and sewer system upgrades for towns with populations less than 500. These funds, which were included in the \$374.0 million in discretionary American Rescue Plan Act (ARPA) funds, were approved by the State Finance Council on December 21, 2022. A total of \$10.0 million was awarded to the agency, with \$5.0 anticipated to be spent in FY 2024.
14. **EARLY CHILDHOOD DATA INTEGRATION AND SYSTEM ENHANCEMENTS.** The agency's FY 2024 revised estimate includes an increase of \$2.5 million, all federal funds from the ARPA, to modernize the Childcare Licensing and Regulation Information System (CLARIS), which is used for both child care and foster care licensing programs. These funds, which were included in the \$374.0 million in discretionary American ARPA funds, were approved by the State Finance Council on December 21, 2022. A total of \$5.0 million was awarded to the agency, with \$2.5 million anticipated to be spent in FY 2024.
15. **ABANDONED MINED LAND RECLAMATION FUNDS.** The agency's FY 2024 revised estimate includes an increase of \$2.4 million, all federal funds, for contractual services in the Remediation program to aid in the restoration of land and water resources that have been degraded by the adverse effects of coal mining practices.
16. **PUBLIC HEALTH INFORMATICS BUREAU.** The agency's FY 2024 revised estimate includes an increase of \$1.7 million, all federal funds, due to increases across a variety of grants in the Bureau of Public Health Informatics.
17. **ALL OTHER ADJUSTMENTS.** The agency's FY 2024 revised estimate includes an increase of \$2.8 million, all special revenue funds, largely due to fluctuations in federal grants across all bureaus and programs, and a decrease of 19.3 FTE positions in the Divisions of Administration, Public Health, and Health Care Finance.

The revised estimate includes 1,783.4 FTE positions, which reflects a decrease of 18.3 FTE positions below the number approved by the 2023 Legislature. These include a decrease of 2.25 FTE positions in the Administration function, a decrease of 15.25 FTE positions in the Division of Public Health, and a decrease of 18.0 FTE positions in the Division of Health Care Finance, as well

as an increase of 17.18 FTE positions in the Division of Environment. The decreases in KDHE Health are largely due to the agency deleting positions that are unfilled and not anticipated to be filled. The increase in the Division of Environment is due to the agency adding positions across several program areas, including the Bureau of Waste Management (4.4 FTE positions), Bureau of Air (2.0 FTE positions), Bureau of Water (5.68 FTE positions), Bureau of Environmental Remediation (4.5 FTE positions) and the Bureau of Environmental Field Services (0.60 FTE position). Positions being added include engineers, scientists, data managers, geologists, and administrative staff.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$4.0 billion, including \$852.9 million SGF, in FY 2024. This is an all funds decrease of \$21.4 million, or 0.5 percent, including an SGF decrease of \$38.2 million, or 4.3 percent, from the agency's FY 2024 revised estimate.

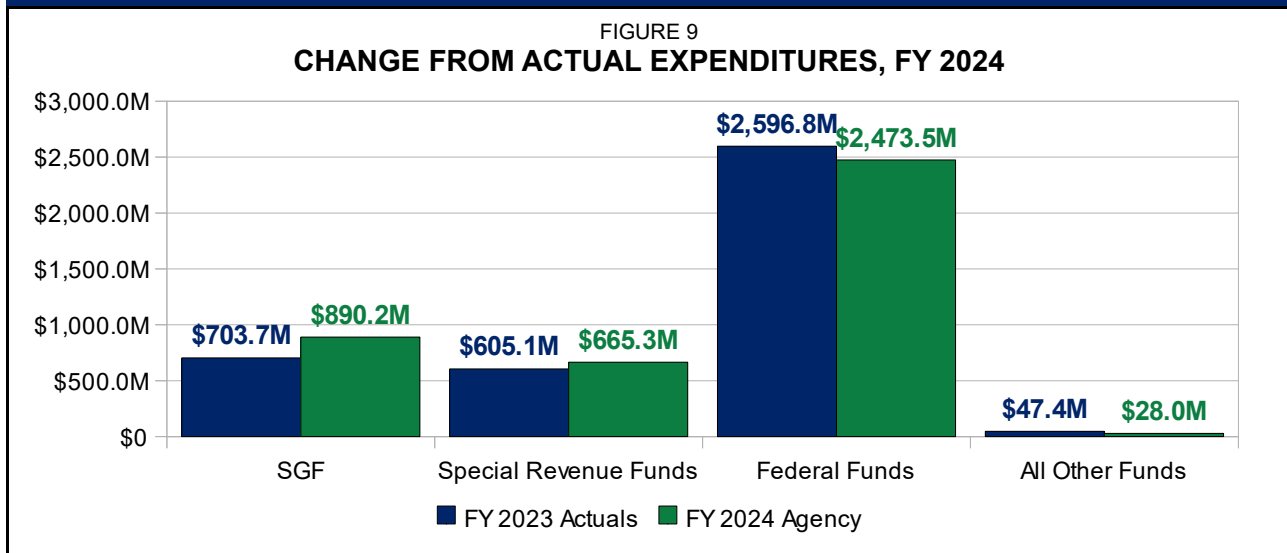
The Governor's recommendation also includes 1,782.4 FTE positions, which is a decrease of 1.0 FTE position below the agency's FY 2024 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request for an additional FTE position in the Medicaid Eligibility program.

The **Governor's** recommendation includes the following adjustments:

18. **SUPPLEMENTALS NOT RECOMMENDED.** The Governor does not recommend adoption of the agency's supplemental request for \$39,032, including \$9,758 SGF, and 1.0 FTE position for an Eligibility Supervisor in the Medicaid Eligibility program.
19. **PART C DATA MANAGEMENT SYSTEM.** The Governor recommends the addition of \$2.3 million SGF for the development and implementation of a data management system for Part C early intervention services (Tiny-K) to track referrals, service timelines, evaluations, and billing information.
20. **LABORATORY MOVE AND FURNISHING.** The Governor recommends one-time funding of \$6.2 million SGF for expenditures associated with furnishing and moving into the new KDHE laboratory building.
21. **KMMS SGF LAPSE.** The Governor recommends the lapse of \$7.1 million SGF that was used to temporarily support the Kansas Modular Medicaid System (KMMS) project. The agency was not able to claim a federal match while waiting to be certified by the Centers for Medicaid and Medicare Services (CMS) and received an SGF enhancement for this purpose. Following certification, the agency has retroactively claimed funding and reported a savings of \$7.1 million into their fee fund. The Governor recommends an SGF lapse of this amount, and further recommends funding related budget expenditures using fee fund savings.
22. **FALL CASELOAD ADJUSTMENTS.** The Governor recommends the deletion of \$35.7 million, including the deletion of \$39.7 million SGF, to fully fund the fall 2023 human services consensus caseload estimates. The decrease in the all funds is largely due to funds that were reappropriated from FY 2023 into FY 2024.
23. **HB 2302 WATER APPROVED TRANSFERS.** The Governor recommends additional SWPF transfers from the Kansas Water Office to the Kansas Department of Health and Environment totaling \$5.8 million in FY 2024. This adjustment aligns with action taken by the State Finance Council on November 13, 2023.

The recommendation transfers \$5.8 million SWPF for water quality initiatives, including contamination remediation, total maximum daily load initiatives, surface water trash removal, and small town infrastructure support, and results in decreased expenditures for the Kansas Water Office totaling \$5.8 million, while increasing expenditures for the Kansas Department of Health and Environment by \$5.8 million in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$4.0 billion, including \$891.2 million SGF, in FY 2024. This is an increase in SGF expenditures of \$187.4 million above the agency's FY 2023 actual amount. The increase in SGF expenditures is largely due to differences in expenditures for human services caseloads between FY 2023 and FY 2024. The shift in SGF expenditures between the two fiscal years is due to the phasing out of the 6.2 percent enhancement to the FMAP associated with the COVID-19 pandemic. The agency's actual caseload expenditures for FY 2023 included three quarters with the 6.2 percent increase to the FMAP and one quarter of a 5.0 percent increase to the FMAP. This decreased the amount of SGF needed to fund caseloads in FY 2023. In FY 2024, however, the FMAP enhancement was being phased out, leaving quarter one with a 2.5 percent increase, quarter two with a 1.5 percent increase, and quarters three and four with no COVID-19-related FMAP increase. This increased the SGF expenditures for human services caseloads in FY 2024.

The SGF increase can also be attributed to contractual expenditures in the Division of Healthcare Finance that were funded using fee funds in FY 2023 and shifted to SGF in FY 2024.

The agency's FY 2024 revised estimate includes a federal funds decrease of \$155.0 million below the agency's FY 2023 actual amount. This decrease is due to several factors: a decrease in federal funds needed for human services caseloads between FY 2023 and FY 2024, a decrease in federal funds related to the COVID-19 pandemic between FY 2023 and FY 2024, and a one-time expenditure of \$56.0 million in federal funds for bonuses for child care workers in FY 2023.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 891,150,503	\$ 4,003,735,323	1,783.4
Enhancement Requests:			
<i>Administration Program</i>			
1. Migration to OITS ServiceNow	\$ 150,000	\$ 150,000	-
<i>Public Health</i>			
2. Laboratory Furnishing and Moving Expenses	9,273,800	9,273,800	-
3. Laboratory Sustainability	951,700	951,700	-
4. Laboratory Courier Services	1,072,309	1,072,309	-
5. Oral Health Programs	370,000	370,000	-
6. Family Planning Access	2,000,000	2,000,000	-
7. County and Regional Public Health Data	1,129,014	1,129,014	-
8. Local Public Health Program	1,579,204	1,579,204	-
9. Lead Poisoning Prevention	1,149,449	1,149,449	-
10. Live Scan Fingerprint Devices	336,000	336,000	-
11. Family Infant-Toddler Program	444,000	444,000	-
12. SoundSTART Program	2,030,000	2,030,000	-
<i>Health Care Finance</i>			
13. Medicaid Operations and Eligibility FTE Positions	710,809	1,804,584	17.0
14. Medicaid Employment Data Contract	1,624,750	6,499,000	-
<i>Environment</i>			
15. Small-Town Infrastructure Assistance	10,000,000	10,000,000	--
16. Livestock Waste Management	210,000	210,000	--
<i>Subtotal-Enhancement Requests Only</i>	\$ 33,031,035	\$ 38,999,060	17.0
17. Reappropriations not budgeted for in FY 2025	\$ (68,744,266)	\$ (68,744,266)	--
18. Bureau of Family Health	\$ (2,500,000)	\$ (3,800,544)	--
19. Public Health Operating Expenditures	(2,740,196)	(2,740,196)	--
20. COVID-19 Transactions	-	(37,088,553)	--
21. COVID 19 Health Disparities Grant	-	(14,856,152)	--
22. Increase in Federal Funds for CHIP	-	15,151,393	--
23. Medicaid Administration	-	31,615,270	--
24. Contamination Remediation	-	500,000	--
25. Local Environmental Protection Program	-	400,000	--
26. Surface Water Trash Removal	-	50,000	--
27. Ark River Ditch Lining	-	1,000,000	--
28. Aquifer Recharge Basins	-	500,000	--
29. Ground Water Quality Monitoring	-	1,060,000	--
30. WRAPS Effectiveness Monitoring	-	200,000	--
31. All Other Adjustments	206,016	(3,050,867)	--
<i>Subtotal-Agency Request</i>	\$ 850,403,092	\$ 3,962,930,468	1,800.4
Governor's Recommendation:			
32. Enhancements Not Recommended	\$ (13,994,180)	\$ (14,541,068)	(9.0)
33. Part C Data Management System	1,430,813	1,430,813	--
34. Child Care Health and Safety Grants	-	1,300,000	--
35. Disease Control and Prevention Programs	1,511,750	-	--
36. Environmentally At-Risk Community Testing	1,000,000	1,000,000	--
37. Critical Access Hospital Cost Adjustment	1,600,000	4,000,000	--

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

38. Fall Caseload Adjustments	10,000,000	50,000,000	--
39. Medicaid Expansion Expenditures	30,879,745	714,990,647	--
40. Medicaid Expansion SGF Savings	(92,639,234)	-	--
TOTAL	\$ 790,191,986	\$ 4,721,110,860	1,791.4

AGENCY REQUEST

The **agency** requests \$4.0 billion, including \$850.4 million SGF, for FY 2025. This is an all funds decrease of \$40.8 million, or 1.0 percent, including an SGF decrease of \$40.7 million, or 4.6 percent, below the FY 2024 revised estimate. The request includes \$34.0 million for the Administration function, \$234.4 million for the Division of Public Health, \$3.6 billion for the Division of Health Care Finance, and \$79.2 million for the Division of Environment.

The request includes \$42.7 million, including \$33.0 million SGF, for the following enhancement requests:

1. **MIGRATION TO OITS.** The agency requests \$150,000 SGF to migrate KDHE asset and hardware management into the centralized Office of Information Technology Services (OITS) ServiceNow environment.
2. **LABORATORY FURNISHING AND MOVING EXPENSES.** The agency is requesting a one-time enhancement of \$9.3 million SGF for costs associated with furnishing and moving into the new laboratory facility.
3. **LABORATORY SUSTAINABILITY.** The agency is requesting \$951,700 SGF to sustain the equipment, staffing, and infrastructure of the new lab.
4. **LABORATORY COURIER SERVICES.** The agency is requesting \$1.1 million SGF to provide statewide courier services to all laboratory clients.
5. **ORAL HEALTH PROGRAMS.** The agency is requesting \$370,000 SGF to fund the continuation of oral health programs within the state.
6. **FAMILY PLANNING ACCESS.** The agency requests \$2.0 million SGF to expand and maintain Title X/Family Planning services, such as contraception, chronic disease screening, and preconception health care throughout Kansas.
7. **COUNTY AND REGIONAL PUBLIC HEALTH DATA.** The agency is requesting \$1.1 million SGF to maintain the current level of data collection through the Kansas Behavioral Risk Factor Surveillance System (BRFSS).
8. **LOCAL PUBLIC HEALTH PROGRAM.** The agency is requesting \$1.6 million to support the local public health program (LPHP) in its efforts to increase the capacity and capabilities of local health departments.
9. **LEAD POISONING PREVENTION.** The agency requests \$1.1 million SGF to initiate a Childhood Lead Poisoning Prevention pilot program in Kansas.
10. **LIVE SCAN FINGERPRINT DEVICES.** The agency is requesting \$336,000 SGF to purchase 12 Live Scan Fingerprint Devices. The enhancement will fund the purchase of three devices (\$28,000 each) and ongoing annual maintenance fees of \$120,000 (\$10,000 per device) in order to comply with KBI requirements of maintenance.

11. **FAMILY INFANT-TODDLER PROGRAM.** The agency is requesting \$444,000 to hire three additional teachers at Kansas School for the Blind (KSSB) to increase program reach.
12. **SOUNDSTART PROGRAM.** The agency is requesting \$2.0 million to fund the Kansas Early Childhood Developmental Services to provide direct services to children who are birth to three years old and are deaf or hard of hearing.
13. **MEDICAID OPERATIONS AND ELIGIBILITY FTE POSITIONS.** The agency is requesting \$1.8 million, including \$710,809 SGF, and 17.0 FTE positions to support the Medicaid program. The positions will fall into three categories: Centralized Credentialing (2.0 FTE positions), Data (6.0 FTE positions), and Quality Compliance and Integrated Health Oversight (8.0 FTE positions).
14. **MEDICAID EMPLOYMENT DATA CONTRACT.** The agency is requesting \$6.5 million, including \$1.6 million SGF, for a new employment data contract to monitor eligibility for the Medicaid program.
15. **SMALL-TOWN INFRASTRUCTURE ASSISTANCE.** The agency is requesting \$10.0 million SGF to support technical assistance and drinking water and sewer system upgrades for towns with a population less than 500 for FY 2025. The agency notes towns in Kansas with a population under 1,000 are the most likely to fall out of compliance with state and federal requirements or fail to correct public health issues. The agency notes the funding would grant relief to towns having issues arising from deteriorated drinking water and wastewater infrastructure.
16. **LIVESTOCK WASTE MANAGEMENT.** The agency is requesting \$210,000 SGF for livestock waste management for FY 2025. The agency indicates the funding would allow the agency to hire additional contract engineers and add additional contract clerical services. Contract engineers would be used to review proposed plans for confined animal feeding operations. Contracted clerical services would be used to assist the agency in converting paper documentation to electronic formats.

Absent the enhancement requests, the request includes a decrease of \$83.5 million, including a decrease of \$73.8 million in base budget expenditures. Significant adjustments are as follows:

17. **REAPPROPRIATIONS NOT BUDGETED FOR IN FY 2025.** The agency's FY 2025 request includes a decrease of \$68.7 million SGF due to funds that were reappropriated to FY 2024 and not budgeted for in FY 2025.
18. **BUREAU OF FAMILY HEALTH.** The agency's request includes a decrease of \$3.8 million, including a decrease of \$2.5 million SGF, due to expenditures for a child care pilot program in FY 2024 that are not budgeted for in FY 2025, as well as a decrease in additional federal grant funding in the Bureau of Family Health.
19. **PUBLIC HEALTH OPERATING EXPENDITURES.** The agency's request includes a decrease of \$2.7 million SGF due to decreased operating expenditures in the Division of Public Health.
20. **COVID-19 TRANSACTIONS.** The agency's FY 2025 request includes a decrease of \$37.1 million, all special revenue funds, for COVID-19 transactions. These transactions included funding for activities directly related to the prevention of COVID-19, such as

temporary nursing staff to carry out contact tracing and other roles, laboratory equipment, and expenditures for testing.

21. **COVID-19 HEALTH DISPARITIES GRANT.** The agency's FY 2025 request includes a decrease of \$5.2 million, all federal funds, due to the end of the COVID-19 health disparities grant in May 2024.
22. **INCREASE IN FEDERAL FUNDS FOR CHIP.** The agency's FY 2025 request includes an increase of \$15.1 million in federal funds for the Children's Health Insurance Program (CHIP). This increase is due to a slight increase in the federal share for CHIP in FY 2025 as well as an anticipated increase in membership.
23. **MEDICAID ADMINISTRATION.** The agency's FY 2025 request includes an increase of \$31.6 million, all special revenue funds, for contractual services within the Medicaid Administration program. The changes were primarily associated with Gainwell, the agency's fiscal agent, due to updates to the Transformed Medicaid Statistical Information System (T-MSIS), a federal database for Medicaid and CHIP information.
24. **CONTAMINATION REMEDIATION.** The agency is requesting \$500,000 in SWPF transfers from the Kansas Water Office for contamination remediation for FY 2025. This transfer would be in addition to the requested appropriation totaling \$1.1 million and result in estimated expenditures totaling \$1.6 million for contamination remediation for FY 2025. The agency indicates funds would be used for emergency response activities where there is an immediate danger to human health, the environment, or both, and to provide alternative water supplies to citizens with impacted drinking water.
25. **LOCAL ENVIRONMENTAL PROTECTION PROGRAM.** The agency is requesting \$400,000 in SWPF transfers from the Kansas Water Office for local environmental protection program costs for FY 2025. This transfer would be in addition to the requested appropriation totaling \$250,000 and result in estimated expenditures totaling \$650,000 for local environmental protection program costs for FY 2025. The agency indicates the funding would allow the State to provide financial resources to counties for on-site wastewater system upgrades and replacements, as well as resources for private water well testing. The agency further indicates that funding for this program has not been appropriated since FY 2012. The 2023 Legislature appropriated funding for the program in FY 2024 and the agency's request includes continuing appropriations for the program for FY 2025.
26. **SURFACE WATER TRASH REMOVAL.** The agency is requesting \$50,000 in SWPF transfers from the Kansas Water Office for stream trash removal for FY 2025. This transfer would be the only funding for the program in FY 2025 because the agency's request does not include a direct appropriation for this purpose. The agency indicates funding would go toward a pilot effort to remove and keep trash out of Kansas rivers.
27. **ARKANSAS RIVER DITCH LINING.** The agency is requesting \$1.0 million in SWPF transfers from the Kansas Water Office for drinking water protection for FY 2025. This transfer would be in addition to the requested appropriation totaling \$800,000 and result in estimated expenditures totaling \$1.8 million for drinking water protection for FY 2025. The agency indicates the funding would allow the agency to line 20 miles of Amazon Ditch in Kearny and Finney counties. The agency indicates that the source of pollutants found in the Arkansas River emanate from Colorado and those pollutants are interacting with groundwater in Kansas that has traditionally been of good quality. This contamination is the result of leakage from irrigation ditches that distribute river water to

upland areas. The funding would allow the agency to line or seal a portion of those ditches to limit the amount of contaminated river water that could leak into the existing groundwater in the area.

28. **AQUIFER RECHARGE BASINS.** The agency is requesting \$500,000 in SWPF transfers from the Kansas Water Office for aquifer recharge basins for FY 2025. This transfer would be the only funding for the program in FY 2025 because the agency's request does not include a direct appropriation for this purpose. The agency indicates funding would go toward initiatives that encourage the infiltration and percolation of high-quality rain water into poor-quality groundwater through the development of artificial playas, upland detention terraces, and depressions with Hickenbottom injection wells. The agency indicates this initiative is a long-range initiative that will require multiple years of study.
29. **GROUND WATER QUALITY MONITORING.** The agency is requesting \$1.1 million in SWPF transfers from the Kansas Water Office for total maxim daily load initiatives and use attainability analysis for FY 2025. This transfer would be in addition to the requested appropriation totaling \$391,378 and result in estimated expenditures totaling \$1.5 million for total maxim daily load initiatives and use attainability analysis for FY 2025. The agency indicates the funding would re-establish an ambient groundwater quality monitoring program in the state. The agency indicates the groundwater quality monitoring program will: 1) collect baseline data to identify areas of the state where groundwater quality is already at risk or exceeding health standards and allow detection of future deterioration and 2) create a public data platform that integrates groundwater quality data across agencies and links with existing Kansas Geological Survey (KGS) water databases.
30. **WRAPS EFFECTIVENESS MONITORING.** The agency is requesting \$200,000 in SWPF transfers from the Kansas Water Office for watershed restoration and protection strategy (WRAPS) for FY 2025. This transfer would be in addition to the requested appropriation totaling \$1.0 million and result in estimated expenditures totaling \$1.2 million for WRAPS for FY 2025. The agency indicates the funding would focus outsourced monitoring efforts to collect water quality data in an intensive manner to better evaluate the true impact of the watershed practice investments that are currently implemented.
31. **ALL OTHER ADJUSTMENTS.** The agency's FY 2025 request includes a decrease of \$3.1 million, including an increase of \$206,016 SGF, for all other adjustments. These adjustments are largely due to fluctuations in federal grants across the agency.

The **agency's** request also includes 1,800.4 FTE positions. This is an increase of 17.0 FTE positions above the number in the agency's FY 2024 revised estimate due to 17.0 additional FTE positions included in the agency's enhancement request in the Division of Health Care Finance.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$4.7 billion, including \$790.2 million SGF, for FY 2025. This is an all funds increase of \$758.2 million, or 19.1 percent, including an SGF decrease of \$60.2 million, or 7.1 percent, from the agency's FY 2024 revised estimate.

The **Governor's** recommendation also includes 1,791.4 FTE positions, which is a decrease of 9.0 FTE position below the agency's FY 2024 revised number. The decrease is due to the Governor partially recommending the agency's supplemental request for an additional 17.0 FTE positions in the Medicaid Eligibility program.

The **Governor's** recommendation includes the following adjustments:

32. **ENHANCEMENTS NOT RECOMMENDED.** The Governor recommends a decrease of \$14.5 million, including \$14.0 million SGF, to not recommend or partially recommend the following enhancement requests: (*Staff Note:* Descriptions of agency enhancement requests can be found in the Supplemental and Enhancements section for this agency.)

The Governor did not recommend adoption of the following requests:

- Laboratory Courier Services (\$1.1 million SGF);
- County and Regional Public Health Data (\$1.1 million SGF);
- Local Public Health Program (\$1.6 million SGF);
- Lead Poisoning Prevention (\$1.1 million SGF);
- Family Infant-Toddler Program (\$444,000 SGF); and
- SoundSTART Program (\$2.0 million SGF);

The Governor recommends partial adoption of the following requests:

- Medicaid Operations and Eligibility FTE Positions (\$902,292, including \$355,405 SGF; 9.0 FTE positions); and
- Laboratory Furnishing and Moving Expenses (\$3.0 million). This enhancement request was fully funded but the remaining funds are included in the FY 2024 Governor's Recommendation.

The Governor recommends funding the following enhancement requests for a total of \$24.5 million all funds, including \$19.0 million SGF:

- Migration to OITS ServiceNow (\$150,000 SGF);
- Laboratory Sustainability (\$951,700 SGF);
- Oral Health Programs (\$370,000 SGF);
- Family Planning Access (\$2.0 million SGF);
- Live Scan Fingerprint Devices (\$336,000 SGF);
- Medicaid Employment Data Contract (\$6.5 million all funds, \$1.6 million SGF);
- Small Town Infrastructure Assistance (\$10.0 million SGF); and
- Livestock Waste Management (\$210,000 SGF).

33. **PART C DATA MANAGEMENT SYSTEM.** The Governor recommends adding \$1.4 million SGF for continuing maintenance of the data management system for Part C early intervention services to track referrals, service timelines, evaluations, and billing information.

34. **CHILD CARE HEALTH AND SAFETY GRANTS.** The Governor recommends adding \$1.3 million, all from the Children's Initiatives Fund, for Child Care Health and Safety Grants to assist providers with updating facilities to be in compliance with required health and safety standards. Grants will be available statewide and awarded through collaboration with the Child Care Health Consultant Network.

35. **DISEASE CONTROL AND PREVENTION PROGRAMS.** The Governor recommends the addition of \$1.5 million SGF as a one-time replacement of federal funds that were rescinded as part of the Federal debt ceiling agreements in June 2023. The federal funds were intended to expand, train, and sustain workforce to combat infectious diseases, such as HIV, tuberculosis, and syphilis.

36. **ENVIRONMENTALLY AT-RISK COMMUNITY TESTING.** The Governor recommends the addition of \$1.0 million for testing in at-risk communities. Testing would include comprehensive metabolic panel, complete blood count with differential test, routine comprehensive urinalysis with microscopic examination, and alpha-fetoprotein tests. Communities will be identified based on environmental factors and will be required to provide matching funds.
37. **CRITICAL ACCESS HOSPITAL COST ADJUSTMENT.** The Governor recommends the addition of \$4.0 million, including \$1.6 million SGF, to increase the cost adjustment factor for Critical Access Hospitals. The cost adjustment factor has not been increased for ten years and will require a state plan amendment if approved.
38. **FALL HUMAN SERVICES CASELOAD ADJUSTMENTS.** The Governor recommends the addition of \$50.0 million, including \$10.0 million SGF, to accept the fall human services caseload estimates. The increase is largely due to expenditures to meet newly clarified federal requirements that certain medical services, including personal care and private duty nursing services, be provided to any child on Medicaid who meets medical need requirements.
39. **MEDICAID EXPANSION EXPENDITURES.** The Governor recommends adding \$715.0 million from all funds, including \$30.9 million SGF, to fund Medicaid expansion beginning January 1, 2025.
40. **MEDICAID EXPANSION SGF SAVINGS.** The Governor's recommendation includes \$92.6 million in savings associated with Medicaid expansion. These savings are attributable to provisions in the federal ARPA granting states that have not yet enacted Medicaid expansion a 5.0 percent increase to their regular FMAP rate. This enhanced FMAP rate would be in effect for eight quarters after expansion takes effect.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11
FY 2024 SUPPLEMENTAL REQUESTS

Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
<i>Administration Program</i>						
1. Pay Plan Shortfall	\$ 166,049	\$ 166,049	-	\$ 166,049	\$ 166,049	-
<i>Public Health</i>						
2. Laboratory Equipment	410,000	410,000	-	410,000	410,000	-
<i>Health Care Finance</i>						
3. Medicaid Operations and Eligibility FTE Positions	9,758	39,032	1.0	-	-	-
4. Medicaid Employment Data Contract	383,750	1,535,000	-	383,750	1,535,000	-
TOTAL	\$ 969,557	\$ 2,150,081	1.0	\$ 959,799	\$ 2,111,049	-

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$166,049 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KDHE a supplemental appropriation of \$166,049 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **LABORATORY EQUIPMENT.** The agency is requesting \$410,000 SGF to increase its capacity to test for per- and polyfluorinated alkyl substances (PFAS) in FY 2024. The Environmental Protection Agency (EPA) has issued a preliminary regulation for PFAS that includes a health-based maximum contaminant level goal. To ensure the delivery of safe drinking water, all Kansas public water systems will need to be monitored starting January 2024, and KDHE will need to increase its capacity to test these drinking water samples. A solid phase extraction system specifically designed to test for PFAS and a Liquid Chromatography with Mass Spectrometry instrument are needed to perform the testing. This is the only technology and extraction technique approved by EPA to analyze for these compounds.

The Governor recommends adoption of this request.

3. **MEDICAID OPERATIONS AND ELIGIBILITY FTE POSITION.** The agency is requesting \$39,032, including \$9,758 SGF, and 1.0 FTE position to hire an additional eligibility supervisor for six months of FY 2024. The annual salary for the position will be \$57,400, with total compensation estimated at \$78,064.

The Governor does not recommend adoption of this request.

4. **MEDICAID EMPLOYMENT DATA CONTRACT.** The agency is requesting \$1.5 million, including \$383,750 SGF, for a new employment data contract in FY 2024. Verification of employment data is required to determine Medicaid eligibility, and the agency is currently in the process of rebidding its contract for electronic employment verification. Only one bid was received, and the contract, if awarded, is expected to begin February 2024 and come with increased costs.

The Governor recommends adoption of this request.

FIGURE 12
FY 2025 ENHANCEMENT REQUESTS

Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2025 Enhancements:						
<i>Administration Program</i>						
1. Migration to OITS ServiceNow	\$ 150,000	\$ 150,000	-	\$ 150,000	150,000	-
<i>Public Health</i>						
2. Laboratory Furnishing and Moving Expenses	9,273,800	9,273,800	-	3,039,000	3,039,000	-
3. Laboratory Sustainability	951,700	951,700	-	951,700	951,700	-
4. Laboratory Courier Services	1,072,309	1,072,309	-	-	-	-
5. Oral Health Programs	370,000	370,000	-	370,000	370,000	-
6. Family Planning Access	2,000,000	2,000,000	-	2,000,000	2,000,000	-
7. County and Regional Public Health Data	1,129,014	1,129,014	-	-	-	-
8. Local Public Health Program	1,579,204	1,579,204	-	-	-	-
9. Lead Poisoning Prevention	1,149,449	1,149,449	-	-	-	-
10. Live Scan Fingerprint Devices	336,000	336,000	-	336,000	336,000	-
11. Family Infant-Toddler Program	444,000	444,000	-	-	-	-
12. SoundSTART Program	2,030,000	2,030,000	-	-	-	-
<i>Health Care Finance</i>						
13. Medicaid Operations and Eligibility FTE Positions	710,809	1,804,584	17.0	355,405	902,292	9.0
14. Medicaid Employment Data Contract	1,624,750	6,499,000	-	1,624,750	6,499,000	-
<i>Subtotal - KDHE Health</i>	\$ 22,821,035	\$ 28,789,060	17.0	8,826,855	14,247,992	9.0
<i>Environment</i>						
15. Small-Town Infrastructure Assistance	10,000,000	10,000,000	-	10,000,000	10,000,000	-
16. Livestock Waste Management	210,000	210,000	-	210,000	210,000	-
<i>Subtotal - KDHE Environment</i>	\$ 10,210,000	\$ 10,210,000	-	10,210,000	10,210,000	-
TOTAL	\$ 33,031,035	\$ 38,999,060	17.0	\$ 19,036,855	\$ 24,457,992	18.0

1. **MIGRATION TO OITS.** The agency requests \$150,000 SGF to migrate KDHE asset and hardware management into the centralized OITS ServiceNow environment for FY 2025. The agency's current hardware and asset management is in several different systems, including spreadsheets, SharePoint, and Microsoft Access. By moving the assets into this new system, the agency will be able to track agency assets more efficiently, create automated reports that assist the agency with reconciliations, and track maintenance renewals.

The Governor recommends adoption of this request.

2. **LABORATORY FURNISHING AND MOVING EXPENSES.** The agency is requesting a one-time enhancement of \$9.3 million SGF for costs associated with furnishing and moving into the new laboratory facility. The funds will be used to replace equipment that is outdated or would likely not survive the transport to the new facility (\$5.5 million), pay for the transport of sensitive equipment by trained professionals (\$1.5 million), hire professionals to install the new IT infrastructure in the facility and purchase on-site servers (\$705,800), fund the use of a third-party facility for laboratory needs during the move (\$500,000), and temporarily fund the simultaneous operation of both labs during the moving phase (\$1.0 million).

The Governor recommends adoption of this request; however, the recommendation is split across years, recommending \$6.2 million SGF in FY 2024 and \$3.0 million SGF for FY 2025.

3. **LABORATORY SUSTAINABILITY.** The agency is requesting \$951,700 SGF to sustain the equipment, staffing, and infrastructure of the new KDHE lab for FY 2025. Funds will cover the monthly cost of leasing new computers (\$11,700), accessing data ports from the Office of Information and Technology (\$14,400), a rotating schedule of audio/visual equipment replacement (\$38,700), two bulk gas tanks to hold argon and nitrogen (\$28,400), the deployment of two mobile laboratories for educational events (\$50,000), mobile laboratory maintenance and replacement (\$45,000), the State portion of tests billed to Medicaid (\$66,000), 12 additional phones (\$4,800), the lease of new printers and copiers (\$29,200), an automatic data logging system to monitor equipment (\$42,400), the cost of the additional rent paid to the Department of Administration (\$394,000), staff training and retention (\$38,500), off-site document storage (\$6,000), purchasing and maintaining support equipment such as refrigerators and freezers (\$105,600), the data charge for Wireless access points (\$31,800), wireless access point replacement (\$13,200), and Zoom room licensing (\$32,000).

The Governor recommends adoption of this request.

4. **LABORATORY COURIER SERVICES.** The agency is requesting \$1.1 million SGF to provide statewide courier services to all laboratory clients for FY 2025. The statewide courier service was brought on board using federal COVID-19 relief funds in 2021 and, as of the end of FY 2024, KDHE will no longer have funds to continue this service. The agency reports that the courier service has reduced the average transit time from collection to delivery from 3.0 days to 1.8 days and that the service has been used by 95 health departments, with 87 health departments using it regularly.

The Governor does not recommend adoption of this request.

5. **ORAL HEALTH PROGRAMS.** The agency is requesting \$370,000 SGF to fund the continuation of oral health programs within the state for FY 2025. The primary funding source for the Bureau of Oral Health has been a grant through the CDC. The current grant is due to expire in FY 2024 and the new CDC grant is anticipated to be more competitive and narrow in scope. This enhancement will be used to fund the continuation of the Bureau of Oral Health's initiatives to support oral health awareness and education in schools and communities.

The Governor recommends adoption of this request.

6. **FAMILY PLANNING ACCESS.** The agency requests \$2.0 million SGF to expand and maintain services, such as contraception, chronic disease screening, and preconception health care, throughout Kansas for FY 2025. The Family Planning program currently receives \$350,000 SGF and awards over \$2.1 million annually to approximately 45 programs that provide services in 50 Kansas counties. Core family planning services include contraception, pregnancy testing, achieving pregnancy, basic infertility services, preconception health, screening and treatment of sexually transmitted infections, and chronic disease screening, such as pap tests and breast exams. No family planning grantees in Kansas are permitted to provide abortion services.

The Governor recommends adoption of this request.

7. **COUNTY AND REGIONAL PUBLIC HEALTH DATA.** The agency is requesting \$1.1 million SGF to maintain the current level of data collection through the Kansas Behavioral Risk Factor Surveillance System (BRFSS). The Kansas BRFSS is an anonymous survey of Kansas adults on disease, health risk behaviors, and health disparities. Data from the BRFSS is used to justify requested funds on federal grant proposals and community health assessments, and monitoring progress on state health objectives. Funding for the BRFSS has been a compilation of efforts from foundations and public health partners; however, the agency reports that this funding is anticipated to decrease in FY 2024 due to federal funding restrictions.

The Governor does not recommend adoption of this request.

8. **LOCAL PUBLIC HEALTH PROGRAM.** The agency is requesting \$1.6 million to support the Local Public Health Program (LPHP) for FY 2025. The goals of the LPHP are to increase the capacity and capabilities of local health departments (LHDs) by providing funding, workforce development, and connections to resources, and to increase coordination between KDHE, LHDs, and other public health system partners. The LPHP includes a team of eight nurses based in the regions they serve, the Kansas Grant Management System, and KansasTRAIN, a learning management system that provides workforce development for the Kansas Public Health system. A high turnover rate during the pandemic creating a workforce with less experienced staff. These funds will be used to support the current workforce in their professional development.

The Governor does not recommend adoption of this request.

9. **LEAD POISONING PREVENTION.** The agency requests \$1.1 million SGF to initiate a Childhood Lead Poisoning Prevention pilot program in Kansas for FY 2025. The program will address environmental exposure assessments for lead, lead source

remediation, and resident relocation costs for 25 homes/families. If the program is successful, future budget enhancement requests will be made.

The Governor does not recommend adoption of this request.

10. **LIVE SCAN FINGERPRINT DEVICES.** The agency is requesting \$336,000 SGF to purchase 12 Live Scan Fingerprint Devices for FY 2025. The enhancement will fund the purchase of three devices (\$28,000 each) and ongoing annual maintenance fees of \$120,000 (\$10,000 per device) in order to comply with KBI requirements of maintenance. Live Scan is a digital fingerprinting process that captures an individual's unique fingerprints electronically and transmits them to a law enforcement agency. KDHE Child Care Licensing is required by federal and state rule to collect fingerprints on all child care staff before they can begin employment or obtain a license. KDHE plans to place these machines at "hubs" around the state to increase accessibility to child care facilities.

The Governor recommends adoption of this request.

11. **FAMILY INFANT-TODDLER PROGRAM.** The agency is requesting \$444,000 to hire three additional teachers at Kansas School for the Blind (KSSB) to increase program reach for FY 2025. These teachers will be hired to work in undeserved geographic regions to provide more equitable services to kids across the state. These teachers will join the seven that were hired using funds appropriated by the 2023 legislature. The enhancement will fund the salaries, benefits, and costs to ensure proper qualifications, travel, supplies, equipment, and continuing education.

The Governor does not recommend adoption of this request.

12. **SOUNDSTART PROGRAM.** The agency is requesting \$2.0 million to fund the Kansas Early Childhood Developmental Services to provide direct services to children who are birth to three years old and are deaf or hard of hearing for FY 2025. This would fund 11 providers to provide direct services, a program coordinator to manage workflow and referrals, and the implementation of a deaf mentor program.

The Governor does not recommend adoption of this request.

13. **MEDICAID OPERATIONS AND ELIGIBILITY FTE POSITIONS.** The agency is requesting \$1.8 million, including \$710,809 SGF, and 17.0 FTE positions to support the Medicaid program. The positions will fall into three categories: Centralized Credentialing (2.0 FTE positions), Data (6.0 FTE positions), and Quality Compliance and Integrated Health Oversight (8.0 FTE positions). The Centralized Credentialing positions will support the program's transition to a centralized provider credentialing system in January 2025, and the others will support the program in implementing new federal requirements, monitoring and developing recommendations to respond to changes in health care, and provide oversight as the new Managed Care Organization (MCO) contracts take effect. The titles of each position and the associated salaries are as follows:

- Manager of Provider Enrollment and Credentialing, \$75,000 (1.0 FTE position)
- Credentialing Coordinator, \$46,160 (1.0 FTE position)
- Data Director, \$115,000 (1.0 FTE position)
- Data Implementation and Usage Manager, \$95,700 (1.0 FTE position)

- Data Analyst - Integrated Care and MCO contracts, \$78,160 (4.0 FTE positions)
- Director of Integrated Care \$99,300 (1.0 FTE position)
- Manager for Adults Programs, \$71,240 (1.0 FTE position)
- Adult Program Managers, \$56,500 (3.0 FTE positions)
- Manager for Children, 71,240 (1.0 FTE position)
- Manager for Children Programs, \$71,240 (3.0 FTE positions)

The Governor recommends partial adoption of this request by adding \$902,202 , including \$355,405 SGF, and 9.0 FTE positions.

14. **MEDICAID EMPLOYMENT DATA CONTRACT.** The agency is requesting \$6.5 million, including \$1.6 million SGF, for a new employment data contract for Medicaid eligibility for FY 2025. Verification of employment data is required to determine Medicaid eligibility, and the agency is currently in the process of rebidding its contract for electronic employment verification. Only one bid was received, and the contract, if awarded, is expected to begin February 2024 and come with increased costs.

The Governor recommends adoption of this request.

15. **SMALL-TOWN INFRASTRUCTURE ASSISTANCE.** The agency is requesting \$10.0 million SGF to support technical assistance and drinking water and sewer system upgrades for towns with a population less than 500 for FY 2025. The agency notes towns in Kansas with a population under 1,000 are the most likely to have drinking water and sewer systems that fall out of compliance with state and federal requirements or fail to correct public health issues. The agency notes the funding would grant relief to towns having issues arising from deteriorated drinking water and wastewater infrastructure.

The Governor recommends adoption of this request.

16. **LIVESTOCK WASTE MANAGEMENT.** The agency is requesting \$210,000 SGF for livestock waste management for FY 2025. The agency indicates the funding would allow the agency to hire additional contract engineers and add additional contract clerical services. Contract engineers would be used to review proposed plans for confined animal feeding operations. Contracted clerical services would be used to assist the agency in converting paper documentation to electronic formats.

The Governor recommends adoption of this request.

SPECIAL TOPICS

FEDERAL MEDICAL ASSISTANCE PERCENTAGE SAVINGS

The Federal Medical Assistance Percentage (FMAP) determines the state and federal shares of funding for Medicaid, Adoption Assistance, and Foster Care. It is determined annually by the Secretary of Health and Human Services and is based on each state's per capita personal income compared with the average per capita personal income in other states.

The Families First Coronavirus Response Act (FFCRA) provided a temporary 6.2 percentage point increase to the FMAP beginning on January 1, 2020. The 6.2 percent increase was originally intended to last the duration of the federal public health emergency (PHE) associated with the COVID-19 pandemic; however, the federal Omnibus bill, signed into law in December 2022, uncoupled the 6.2 percent increase from the PHE. The same legislation created a phase-down approach to phase out the 6.2 percent increase by the end of calendar year 2023. With this approach, quarter 1 of calendar year 2023 included a 6.2 percent increase; quarter 2 included a 5.0 percent increase; quarter 3 included a 2.5 percent increase; and quarter 4 included a 1.5 percent increase. It is expected that there will not be any enhanced FMAP associated with the COVID-19 pandemic beginning in January 2024.

KDHE provided the information displayed in the table below. The table details the savings accumulated thus far due to the 6.2 percent increase to the federal share, and it also includes the savings due to the increased enhanced FMAP (eFMAP). The eFMAP applies to Medicaid Services, such as the Children's Health Insurance Program (CHIP), and is calculated using a different formula than the regular FMAP. The eFMAP is increased by 4.34 percentage points during the PHE. KDHE reports the total SGF savings through the end of State FY 2023 is \$959.6 million.

Quarter Ending	FMAP Savings (6.2%)	Enhanced FMAP Savings (4.34%)	Total SGF Savings
March 2020	\$ 58,435,092	\$ 1,882,863	\$ 60,317,955
June 2020	63,476,684	1,947,016	65,423,700
<i>Subtotal FY 2020:</i>	<i>\$ 121,911,776</i>	<i>\$ 3,829,879</i>	<i>\$ 125,741,655</i>
September 2020	\$ 60,205,603	\$ 1,895,712	\$ 62,101,315
December 2020	59,806,369	1,958,688	61,765,057
March 2021	61,581,962	1,955,930	63,537,892
June 2021	66,029,133	2,032,091	68,061,224
<i>Subtotal FY 2021:</i>	<i>\$ 247,623,067</i>	<i>\$ 7,842,421</i>	<i>\$ 255,465,488</i>
September 2021	\$ 66,399,011	\$ 1,951,806	\$ 68,350,817
December 2021	67,485,073	2,195,241	69,680,314
March 2022	67,586,668	2,177,830	69,764,498
June 2022	65,283,708	2,125,248	67,408,956
<i>Subtotal FY 2022:</i>	<i>\$ 266,754,460</i>	<i>\$ 8,450,125</i>	<i>\$ 275,204,585</i>
September 2022	\$ 64,230,674	\$ 1,901,444	\$ 66,132,118
December 2022	85,493,466	2,276,639	87,770,105
March 2023	82,346,512	2,027,614	84,374,126
June 2023*	63,186,409	1,682,020	64,868,429
<i>Subtotal FY 2023:</i>	<i>295,257,061</i>	<i>7,887,717</i>	<i>303,144,778</i>
GRAND TOTAL:	\$ 931,546,364	\$ 28,010,142	\$ 959,556,506

SPECIAL TOPICS

2023 SEN. SUB. FOR HB 2302

The 2023 Legislature passed and the Governor signed Senate Sub. for HB 2302, which authorizes a transfer of \$35.0 million SGF to the State Water Plan Fund (SWPF) in FY 2024 and intends the same transfer be made every successive year through FY 2027. This amount is in addition to the \$6.0 million SGF transfer already authorized in statute, resulting in authorized transfers from the SGF to the SWPF totaling \$41.0 million in FY 2024.

The bill also transfers \$5.0 million SWPF to a newly created Water Technical Assistance Fund and \$12.0 million SWPF to a newly created Water Projects Grant Fund in FY 2024. If the Legislature approves the appropriation of \$35.0 million SGF to the SWPF in future years, the \$5.0 million SWPF transfer to the Water Technical Assistance Fund and \$12.0 million SWPF transfer to the Water Projects Grant Fund would occur. Both funds are administered by the Kansas Water Office.

The 2022 Legislature appropriated an additional \$18.0 million SWPF to the Kansas Water Office in 2024. That increased funding is estimated to be expended by the Kansas Water Office in FY 2024. For FY 2025, the Kansas Water Office requests to maintain those appropriations and to transfer most of those moneys to other state agencies rather than expend them. This will show decreased expenditures for the Kansas Water Office and increased expenditures for other state agencies in FY 2025.

For the KDHE, the agency's FY 2025 request includes transfers from the Kansas Water Office totaling \$3.7 million from the SWPF. The table below shows requested appropriations, transfers, and net requested spending by program area for FY 2025.

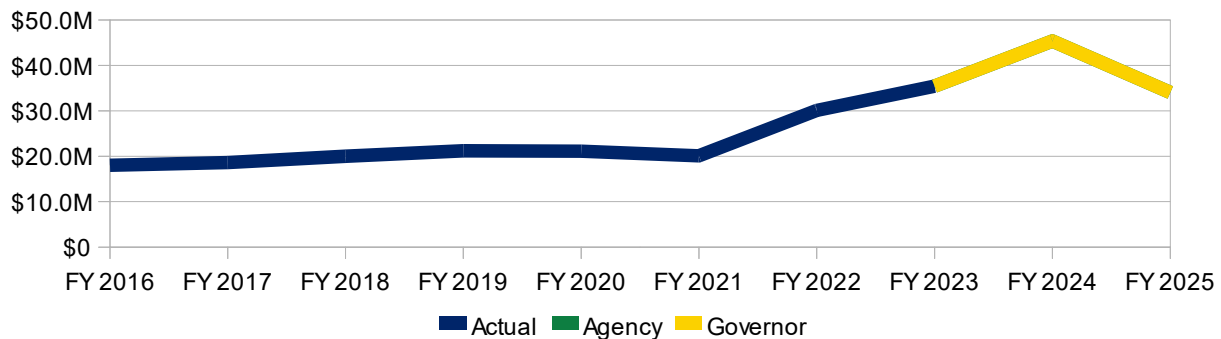
STATE WATER PLAN FUND APPROPRIATIONS AND TRANSFERS, FY 2025			
Program	Gov. Rec. Appropriation	Gov. Rec. Transfers In	Gov. Rec. Spending
Contamination Remediation	\$ 1,105,578	\$ 500,000	\$ 1,605,578
Local Environmental Protection Program	250,000	400,000	650,000
Nonpoint Source Program	430,587	-	430,587
Total Maximum Daily Load Initiatives	391,378	1,060,000	1,451,378
Drinking Water Protection	800,000	1,000,000	1,800,000
Watershed Restoration and Protection	1,000,000	200,000	1,200,000
Aquifer Recharge Basin	-	500,000	500,000
Harmful Algae Bloom Pilot	150,937	-	150,937
Stream Trash Removal	-	50,000	50,000
TOTAL	\$ 4,128,480	\$ 3,710,000	\$ 7,838,480

PROGRAM OVERVIEW

FIGURE 13 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 35,420,972	\$ 45,347,416	\$ 45,347,416	\$ 34,045,737	\$ 34,045,737
Public Health	380,874,250	268,859,814	277,410,991	234,392,145	224,484,182
Health Care Finance	3,450,799,466	3,611,540,916	3,575,812,097	3,605,051,493	4,373,139,848
Environment	85,840,376	77,987,177	83,787,177	89,441,093	89,441,093
TOTAL	\$ 3,952,935,064	\$ 4,003,735,323	\$ 3,982,357,681	\$ 3,962,930,468	\$ 4,721,110,860
FTE Positions:					
Administration	155.0	152.8	152.8	152.8	152.8
Public Health	619.7	606.5	606.5	606.5	606.5
Health Care Finance	633.0	626.0	625.0	643.0	634.0
Environment	381.0	398.2	398.2	398.2	398.2
TOTAL	1,788.8	1,783.4	1,782.5	1,800.4	1,791.4

ADMINISTRATION

FIGURE 14
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • This program did not provide any statutory information or goals.

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.

FIGURE 15 ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 6,383,143	\$ 9,223,722	\$ 9,223,722	\$ 8,244,041	\$ 8,244,041
Federal Funds	13,613,032	20,691,697	20,691,697	8,835,937	8,835,937
All Other Funds	15,424,797	15,431,997	15,431,997	16,965,759	16,965,759
TOTAL	\$ 35,420,972	\$ 45,347,416	\$ 45,347,416	\$ 34,045,737	\$ 34,045,737
Percent Change:					
SGF	33.3 %	44.5 %	-- %	(10.6) %	-- %
All Funds	17.8 %	28.0 %	-- %	(24.9) %	-- %
FTE Positions	155.0	152.8	152.8	152.8	152.8

BUDGET ANALYSIS

The Administration Program provides the central management and administrative support functions of KDHE.

FY 2024 REVISED ESTIMATE

The **agency** submits a revised estimate for FY 2024 expenditures of \$45.3 million, including \$9.2 million SGF, for the Administration Program. This is an all funds increase of \$8.1 million, or 21.7 percent, including an SGF increase of \$1.3 million, or 16.7 percent, above the FY 2024 approved amount.

The all funds increase is largely due to new federal grants focused on public health infrastructure and workforce. The SGF increase is largely due to increased operating expenses for the divisions of administration and health care finance.

The FY 2024 revised estimate for the Administration Program includes 157.0 FTE positions, which is a decrease of 2.25 FTE positions below the FY 2023 approved number.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate of expenditures for the Administration Program in FY 2024,

FY 2025 REQUEST

The **agency** requests FY 2025 expenditures totaling \$34.0 million, including \$8.2 million SGF, for the Administration Program. This is an all funds decrease of \$11.3 million, or 24.9 percent, including an SGF decrease of \$979,681, or 10.6 percent, from the FY 2024 revised estimate. The decrease is primarily attributable to decreased funds associated with a COVID-19 health disparities grant and the SGF decrease is due to lower operating expenditures in the divisions of administration and health care finance.

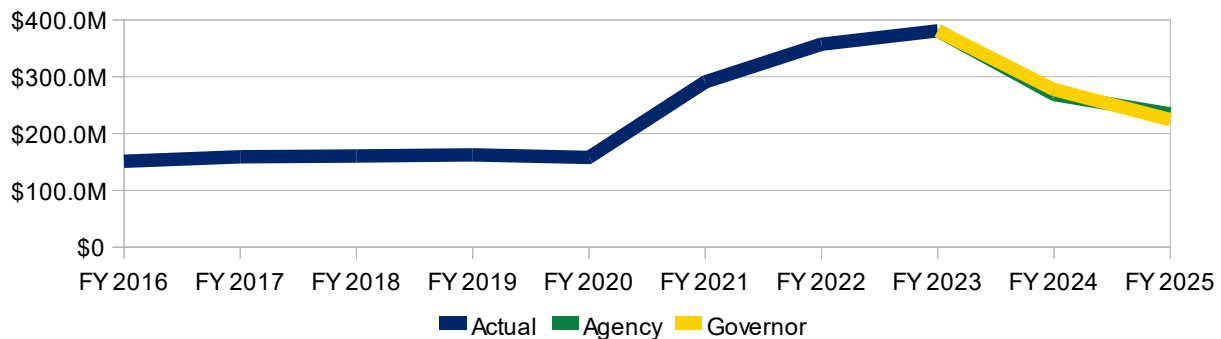
The FY 2025 request includes 152.75 FTE positions, which is the same as the FY 2024 revised estimate number.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request of expenditures for the Administration Program for FY 2025.

PUBLIC HEALTH

FIGURE 16
PUBLIC HEALTH EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 65-1668 to 1675; KSA 75-5666; KSA 65-241 to 246; KSA 65-116; KSA 75-6102(f)(1)(2)(3); KSA 65-101 to 102; KSA 65-118 to 119; KSA 65-128; KSA 65-177; KSA 65-1,202; KSA 65-1,241 *et seq.*; KSA 75-5661; KSA 65-2401 to 2438; KSA 65-180; KSA 65-1,157a; KSA 65-5a01 through 65-5a16; KSA 65-1,159a; KSA 65-5a13; KSA 65-5a14; KSA 65-1132 and 65-1133; KSA 65-501 *et seq.*; KSA 74-7801 and 74-7803; KSA 75-5648 and 75-5649; KSA 65-101; KSA 68-6803; KSA 65-103a

- PROGRAM GOALS:**
- Enhance the health and safety of Kansas communities.
 - Strengthen the public health system through collaboration, support, and monitoring.
 - Intervene in the spread of sexually transmitted infections (STIs), including HIV, and reduce the complications occurring from these infections.
 - Reduce the incidence of vaccine preventable disease (VPD).
 - Protect Kansans from public health hazards.
 - Collect, analyze, and disseminate public health data.
 - Facilitate access to comprehensive and coordinated clinical and public health services; improve access to comprehensive screening, including health, social, developmental, and behavioral; promote policies, systems, and resources to meet the needs of Kansas women, men, children, and families.
 - Protect and promote public health and the optimal development of children in out-of-home care through the inspection and licensing of child care facilities; and provide a basic level of consumer protection for parents and guardians selecting child care.
 - Improve access to comprehensive and quality nutritional services for women, mothers, and children.
 - Increase access to preventive health services and reduce the health impact of chronic disease and injury among Kansans.
 - Decrease the prevalence of health risk behaviors that contribute to the leading preventable chronic diseases and injury in the Kansas population.

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, the KDHE Laboratory, and seven bureaus that 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 Promotions** 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 of Facilities and Licensing** ensures compliance with State licensing laws and federal certification regulations for the Centers for Medicare and Medicaid Services (CMS) for all acute and continuing health care provider and supplier types. Health facility surveyors document compliance with regulations and survey in instances of allegations of abuse, neglect, or exploitation occurring in a facility. This bureau also manages all new construction, renovation, and remodeling projects and surveys to ensure compliance with safety code requirements.

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. Other programs include:

- Special Health Services;
- Nutrition and WIC Services; and
- Healthy Homes and the Lead Hazard Prevention Program.

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. The Right-to-Know Program works closely with local emergency management and local emergency planning commissions to assist them in emergency preparedness. Other main programs include the Radiation Program and the Kansas Radon Program.

The Bureau of Community Health Systems also houses the Primary Care, Rural Health, and Special Populations Health programs, which serve Kansans who face financial, geographic, or other barriers to accessing health care services. The Kansas Trauma Program advises the Secretary on trauma-related matters, supports the Kansas Trauma Registry, and provides oversight of trauma center designation processes. The bureau also coordinates statewide minority health and health equity initiatives and acts as a liaison for local health departments and critical access hospitals across the state.

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, and provides professional staffing to a 24-hour disease response hotline. The Bureau is the administrative home of the State's Health Information Technology Coordinator Program.

The **Kansas Health and Environmental Laboratory** provides support to disease prevention programs to reduce the incidence of disease and adverse health conditions through

analysis and active surveillance systems. The laboratory program identifies factors affecting the health and quality of life of infants born with metabolic and genetic diseases; provides microbiological services aimed at the prevention and diagnosis of infectious diseases and to assure the quality of drinking water supplies in Kansas; and helps to maintain and improve the accuracy and precision of technical and analytical data produced by all health (clinical), environmental, law enforcement laboratories, and physician office laboratories in Kansas.

FIGURE 17
PUBLIC HEALTH FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 68,669,722	\$ 50,150,402	\$ 58,701,579	\$ 63,898,952	\$ 54,202,739
Federal Funds	285,972,960	190,668,747	190,668,747	142,790,018	141,278,268
All Other Funds	26,231,568	28,040,665	28,040,665	27,703,175	29,003,175
TOTAL	\$ 380,874,250	\$ 268,859,814	\$ 277,410,991	\$ 234,392,145	\$ 224,484,182
Percent Change:					
SGF	138.5 %	(27.0) %	17.1 %	27.4 %	(15.2) %
All Funds	6.6 %	(29.4) %	3.2 %	(12.8) %	(4.2) %
FTE Positions	619.7	606.5	606.5	606.5	606.5

FIGURE 18
SUMMARY OF PUBLIC HEALTH, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 44,288,815	\$ 216,113,762	514.7
1. GF Reappropriation	3,195,063	3,195,063	--
2. CIF adjustment	-	284,625	
<i>Subtotal—Legislative Approved</i>	<i>\$ 47,483,878</i>	<i>\$ 219,593,450</i>	<i>514.7</i>
Agency Revised Estimate:			
Supplemental Requests:			
3. Laboratory Equipment	\$ 410,000	\$ 410,000	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 410,000</i>	<i>\$ 410,000</i>	<i>--</i>
4. Transfer of Laboratory Expenditures	\$ 1,971,240	\$ 12,963,417	91.8
5. COVID-19 Transactions	-	25,367,331	--
6. Rural Hospital Innovation Grants	-	5,000,000	--
7. Early Childhood Data Integration and System	-	2,500,600	--
8. Immunization Grants	-	2,755,221	--
9. All Other Adjustments	285,284	269,795	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 50,150,402</i>	<i>\$ 268,859,814</i>	<i>606.5</i>
Governor's Recommendation:			
10. Supplementals Not Recommended	\$ -	\$ -	--
11. Part C Data Management	2,316,377	2,316,377	--
12. Laboratory Move and Furnishing	6,234,800	6,234,800	--
TOTAL	\$ 58,701,579	\$ 277,410,991	606.5

BUDGET ANALYSIS

The **agency** submits a Division of Public Health revised estimate of \$268.9 million, including \$50.2 million SGF, in FY 2024. This is an all funds increase of \$52.7 million, or 24.4 percent, including an SGF increase of \$5.9

million, or 13.2 percent, above the amount approved by the 2023 Legislature. The agency's FY 2023 revised request includes the following for each bureau:

- \$363,578 for Health Administration;
- \$20.1 million for the Bureau of Disease Control and Prevention;
- \$21.7 million for the Bureau of Health Promotions;
- \$4.5 million for the Bureau of Facilities and Licensing;
- \$97.6 for the Bureau of Family Health;
- \$40.0 million for the Bureau of Community Health Systems;
- \$1.1 million for the Bureau of Oral Health;
- \$12.7 million for the KDHE Laboratory; and
- \$21.9 million for the Bureau of Epidemiology and Public Health Informatics.

Notable budget items include:

The all funds increase is largely due to an increase in transactions associated with the transfer of the budget for the KDHE laboratory from the Division of Environment to the Division of Public Health. In addition to operating expenses, the transfer of the laboratory increased the amount of COVID-19 transaction funding in the division of public health. While the funding for COVID-19 transactions was an

increase over the agency's approved amount, it is a decrease of \$17.3 million below the FY 2023 actual amount.

Also contributing to the all funds increase are federal funds for the Rural Hospital Innovation grants and Early Childhood Data Integration. These are federal funds provided through the ARPA that were approved by the State Finance Council in December 2022 and were not included in the agency's approved amount.

The agency's revised FY 2024 request includes 606.5 FTE positions, which is a decrease of 15.3 positions below the number approved by the 2023 legislature.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2024 Division of Public Health expenditures totaling \$277.4 million, including \$58.7 million SGF. This is an increase of \$8.6 million SGF, or 3.2 percent, above the agency's FY 2024 revised estimate. The increase is due to the Governor funding \$6.2 million of the agency's enhancement request for laboratory moving and furnishing expenditures in FY 2024, and the Governor's recommendation to fund Part C data management program.

FIGURE 19

SUMMARY OF PUBLIC HEALTH FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 50,300,402	\$ 263,842,847	606.5
Enhancement Requests:			
1. Laboratory Furnishing and Moving Expenses	9,273,800	9,273,800	--
2. Laboratory Sustainability	951,700	951,700	--
3. Laboratory Courier Services	1,072,309	1,072,309	--
4. Oral Health Programs	370,000	370,000	--
5. Family Planning Access	2,000,000	2,000,000	--
6. County and Regional Public Health Data	1,129,014	1,129,014	--
7. Local Public Health Program	1,579,204	1,579,204	--
8. Lead Poisoning Prevention	1,149,449	1,149,449	--
9. Live Scan Fingerprint Devices	336,000	336,000	--
10. Family Infant-Toddler Program	444,000	444,000	--
11. SoundSTART Program	2,030,000	2,030,000	--
Subtotal—Enhancement Requests Only	\$ 20,335,476	\$ 20,335,476	--
12. Reappropriations from FY 2023	\$ (2,659,541)	\$ (2,659,541)	--
13. Operating expenditures	(2,740,196)	(2,740,196)	--
14. Bureau of Family Health	(2,500,000)	(3,800,544)	--
15. COVID-19 Transactions	-	(37,088,553)	--
16. All Other Adjustments	1,162,811	(3,497,344)	--
Subtotal—Agency Request	\$ 63,898,952	\$ 234,392,145	606.5
Governor's Recommendation:			
17. Enhancements Not Recommended	\$ (13,638,776)	\$ (13,638,776)	--
18. Part C Data Management System	1,430,813	1,430,813	--
19. Child Care Health and Safety Grants	-	1,300,000	--
20. Disease Control and Prevention Programs	1,511,750	-	--
21. Environmentally At-Risk Community Testing	1,000,000	1,000,000	--
TOTAL	\$ 54,202,739	\$ 224,484,182	606.5

BUDGET ANALYSIS

The **agency** submits a Division of Public Health revised estimate of \$234.4 million, including \$63.9 million SGF, in FY 2025. This is an all funds decrease of \$34.5 million, or 12.8 percent, including an SGF increase of \$13.7 million, or 27.4 percent, from the amount approved by the 2023 Legislature. The agency's FY 2025 revised request includes the following for each bureau:

- \$24,273 for Health Administration;
- \$18.2 million for the Bureau of Disease Control and Prevention;
- \$17.7 million for the Bureau of Health Promotions;
- \$4.5 million for the Bureau of Facilities and Licensing;
- \$98.6 for the Bureau of Family Health;
- \$39.3 million for the Bureau of Community Health Systems;
- \$1.5 million for the Bureau of Oral Health;
- \$23.8 million for the KDHE Laboratory; and
- \$19.9 million for the Bureau of Epidemiology and Public Health Informatics.

Notable budget items include:

The all funds increase is largely due to a decrease in transactions associated with the COVID-19 pandemic, a decrease in federal funds for grants, and an anticipated decrease in operating expenditures. The SGF increase is due to the agency's 11 enhancement requests in the Division of Public Health, which total \$20.3 million. The SGF increase was offset by the end of SGF funding for the Childcare Pilot Program, and funds that were reappropriated to FY 2024 and not budgeted for in FY 2025.

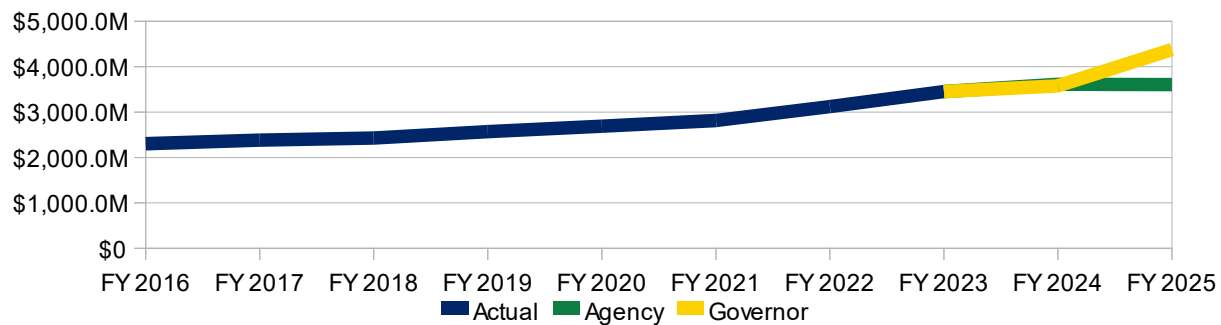
The revised estimate for the Division of Public Health includes 606.49 FTE positions, which is the same as the number approved by the 2023 Legislature.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2025 Division of Public Health expenditures totaling \$224.5 million, including \$54.2 million SGF. This is a decrease of \$9.9 million, including \$9.7 SGF, below the agency's FY 2024 revised estimate. The decrease is due to the Governor not recommending several of the agency's enhancement requests.

HEALTH CARE FINANCE

FIGURE 20
HEALTH CARE FINANCE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Social Security Act Title XIX and Title XXI

PROGRAM GOALS: • Improve the health of the people of Kansas by increasing the quality, efficiency, and effectiveness of health services.
• Increase coordination with public health programs.
• Improve the quality of care for all Kansans.
• Control program costs.
• Implement long-lasting reforms that improve the quality of health and wellness of Kansans.

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), and the Children's Health Insurance Program (CHIP) (Title XXI), and is responsible for interagency coordination and promoting integrated oversight. The Division includes two major program areas: Medicaid/KanCare administration and Medicaid/KanCare assistance.

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 (KDADS) 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 Division of Health Care Finance 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, and ensures compliance with relevant federal rules and regulations.

Medicaid is a joint federal and 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.”

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 60.0 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 40.0 percent of the cost of Medicaid services. Under Title XXI, the federal government provides approximately 70.0 percent of the cost, up to a maximum allotment, and the State provides the remaining 30.0 percent and any excess spent above the federal allotment. 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) on 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, a former MCO, 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.” Through CHIP, 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 State Employee Health Plan (SEHP) or other private health insurance.

In FY 2021, the agency spent more than \$2.5 billion purchasing health care for approximately 461,000 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.

The Division of Health Care Finance is composed of the following programs: Medicaid Director, Medicaid Operations, Program Finance and Estimations, Policy, Research and Initiatives, Kansas Eligibility Enforcement System (KEES), and Medicaid/KanCare assistance.

THE MEDICAID DIRECTOR

The Medicaid 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, as well as 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 requirements, and readability; and coordination with Division of Public Health programs.

MEDICAID OPERATIONS

Medicaid Operations is composed of three groups: the Medicaid Program Compliance and Contracting group, the Kansas Enterprise Systems group, and the Medicaid Eligibility group.

The **Compliance and Contracting group** is responsible for the procurement, management, and oversight of all contracts that include Medicaid and CHIP funding, and is responsible for program integrity and the management of third-party liability collections from primary insurance carriers and Medicare. This group also provides collaborative oversight to the seven Home and Community Based Services (1915) waivers with KDADS, and oversight of the fair hearings process.

The **Kansas Enterprise Systems group** manages the oversight of the Medicaid system operations, including management of the vendors responsible for system services, and project management. This group includes the KEES Operations Unit, the Kansas Modular Medicaid System (KMMS) Operations, and the Project Management Unit.

The **Medicaid Eligibility Unit** has five units that oversee all aspects of Medicaid eligibility: Eligibility Policy, Eligibility Systems, Eligibility Operations, Eligibility Training and Quality, and Eligibility Outreach and Presumptive Medical Disability Determination (PMDT) Unit. Responsibilities include 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 Unit monitors the functionality of KEES, monitors the timely processing of eligibility requests, and monitors eligibility contractor compliance.

PROGRAM FINANCE AND ESTIMATIONS

The Program Finance and Estimations group provides fiscal management, financial analysis, and estimates related to Medicaid and CHIP utilization to all division program areas. It is composed of three units: The Federal Reporting Unit, the Budget/Fiscal Unit, and the Medicaid Eligibility Quality Control Unit (MEQC).

The **Federal 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 the Medicaid Management Information System, and fiscal management of division contracts.

The **Budget/Fiscal 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 **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.

POLICY, RESEARCH, AND INITIATIVES

The **Medicaid Initiatives, Research, and Training Unit** is responsible for researching and developing new Medicaid policies and initiatives and serves as a liaison for KanCare with the Division of Public Health, KDADS, and the Legislature when Medicaid initiatives overlap with these entities.

The **Data Analytics 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 **Private Insurance Unit** administers the Kansas Health Insurance Information System (KHIIS), Health Professional Licensure, Medicare Historical Part A and B Dual eligibility,

capitation, and the Hospital Inpatient Discharge data sets, which produce standard as well as *ad hoc* reports.

KEES

KEES is the information system 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 services 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.

FIGURE 21 HEALTH CARE FINANCE PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 626,669,721	\$ 829,330,072	\$ 782,530,527	\$ 765,756,728	\$ 715,241,835
Federal Funds	2,277,458,835	2,203,774,573	2,197,302,864	2,228,563,265	2,990,115,809
All Other Funds	546,670,910	578,436,271	595,978,706	610,731,500	667,782,204
TOTAL	\$ 3,450,799,466	\$ 3,611,540,916	\$ 3,575,812,097	\$ 3,605,051,493	\$ 4,373,139,848
Percent Change:					
SGF	(0.7) %	32.3 %	(5.6) %	(7.7) %	(6.6) %
All Funds	10.6 %	4.7 %	(1.0) %	(0.2) %	21.3 %
FTE Positions	633.0	626.0	625.0	643.0	634.0

FIGURE 22 SUMMARY OF HEALTH CARE FINANCE BUDGET REQUEST, FY 2024			
	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 763,403,191	\$ 3,582,720,881	644.0
1. SGF Reappropriation	65,909,421	65,909,421	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 829,312,612</i>	<i>\$ 3,648,630,302</i>	<i>644.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Medicaid Operations and Eligibility FTE Positions	383,750	1,535,000	1.0
3. Medicaid Operations and Eligibility FTE	9,758	39,032	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 393,508</i>	<i>\$ 1,574,032</i>	<i>1.0</i>
4. Contractual Services in Medicaid Administration	-	(37,543,226)	--
5. All Other Adjustments	(376,048)	(1,120,192)	(19.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 829,330,072</i>	<i>\$ 3,611,540,916</i>	<i>626.0</i>
Governor's Recommendation:			
6. Supplementals Not Recommended	\$ (9,758)	\$ (39,032)	(1.0)
7. KMMS SGF Lapse	(7,100,000)	-	--
8. Fall Caseload Adjustments	(39,689,787)	(35,689,787)	--
TOTAL	\$ 782,530,527	\$ 3,575,812,097	625.0

BUDGET ANALYSIS

The **agency** submits a Health Care Finance revised estimate of \$3.6 billion, including \$829.3 million SGF, in FY 2024. This is an all funds decrease of \$37.1 million, or 1.0 percent, including an SGF increase of \$17,460 , or less than 0.1 percent, from the amount approved by the 2023 Legislature.

The SGF increase is due to the agency's supplemental requests totaling \$393,508, offset by other adjustments that are primarily made up of decreased expenditures for contractual services for the Medicaid program. The all funds decrease is largely due to decreased spending on contractual services in the

Medicaid program. These decreases were largely associated with the agency's contract with Gainwell Technologies, which provides services related to the Medicaid Management Information System, and Optumas, which provides actuarial services.

The Health Care Finance revised request for FY 2024 includes 626.0 FTE positions. This is a decrease of 18.0 FTE positions below the approved number. These positions were unfilled positions deleted by the agency to more accurately reflect its FTE count.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2024 Division of Health Care Finance expenditures totaling \$3.6 billion, including \$782.5 million SGF. This is a decrease of \$35.7 million from all

funds, including a decrease of \$46.8 million SGF, below the agency's FY 2024 revised estimate, largely due to a lapse of SGF for the Kansas Modular Medicaid System (KMMS) and adjustments to the human services caseloads.

FIGURE 23

SUMMARY OF HEALTH CARE FINANCE BUDGET REQUEST, FY 2025			
	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 829,330,072	\$ 3,611,540,916	626.0
Enhancement Requests:			
1. Medicaid Operations and Eligibility FTE Positions	710,809	1,804,584	17.0
2. Medicaid Employment Data Contract	1,624,750	6,499,000	-
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 2,335,559</i>	<i>\$ 8,303,584</i>	<i>17.0</i>
3. Reappropriations from FY 2023	\$ (65,909,421)	\$ (65,909,421)	--
4. CHIP Federal Funds	-	15,151,393	--
5. Medicaid Administration Contractual Services	-	31,615,270	--
6. All Other Adjustments	518	4,349,751	--
<i>Subtotal—Agency Request</i>	<i>\$ 765,756,728</i>	<i>\$ 3,605,051,493</i>	<i>643.0</i>
Governor's Recommendation:			
7. Enhancements Not Recommended	\$ (355,404)	\$ (902,292)	(9.0)
8. Critical Access Hospital Cost Adjustment	1,600,000	4,000,000	--
9. Fall Caseload Adjustments	10,000,000	50,000,000	--
10. Medicaid Expansion Expenditures	30,879,745	714,990,647	--
11. Medicaid Expansion SGF Savings	(92,639,234)	-	--
TOTAL	\$ 715,241,835	\$ 4,373,139,848	634.0

BUDGET ANALYSIS

The **agency** requests Health Care Finance expenditures of \$3.6 billion, including \$765.8 million SGF, for FY 2025. This is an all funds decrease of \$6.5 million, or 0.2 percent, including an SGF decrease of \$63.6 million, or 7.7 percent, below the FY 2024 revised estimate.

The decrease in SGF expenditures for FY 2024 is largely due to funds that were reappropriated from FY 2023 into FY 2024 that are not budgeted to reoccur in FY 2025. This was offset by the agency's two enhancement requests for FY 2025, totaling \$2.3 million SGF.

The all funds decrease is largely due to funds that were reappropriated from FY 2023 to FY 2024 that are not budgeted to reoccur in FY 2025. This was partially offset by increased contractual fees for Gainwell, the agency's fiscal agent, due to changes connected to the Transformed Medicaid Statistical Information System (T-MSIS), a federal database for Medicaid and CHIP information, and increased

federal funds drawn down for the CHIP as the program is expected to grow in membership in FY 2025.

The agency's request for the Division of Health Care Finance for FY 2025 includes 643.0 FTE positions, which is an increase of 17.0 FTE positions above the FY 2024 revised estimate. The positions are due to the agency's enhancement request for 17.0 additional FTE positions in the Medicaid Operations and Eligibility programs.

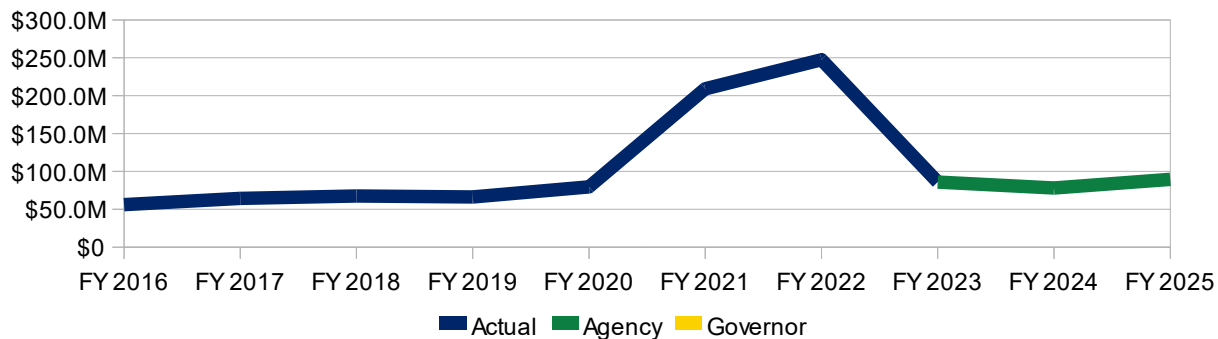
GOVERNOR'S RECOMMENDATION

The Governor recommends FY 2025 Division of Health Care Finance expenditures totaling \$4.4 billion, including \$715.2 million SGF. This is an increase of \$768.1 million from all funds, including a decrease of \$50.5 million SGF, from the agency's FY 2024 revised request. The all fund increase and SGF decrease is largely due to the addition of funding to expand Medicaid Eligibility, offset by adjustments to fully fund the fall 2023 human services caseload estimates.

DIVISION OF ENVIRONMENT

FIGURE 24

DIVISION OF ENVIRONMENT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 65-3005; 65-3024; 65-163, *et seq.*; 65-171d, *et seq.*; 65-171; 55-1117; 82a-1201, *et seq.*; 65-161; 65-3453 through 65-3457; 82a-901, *et seq.*; 65-3401, *et seq.*; 65-3430, *et seq.*; 65-166a; 65-674; 65-677; 65-157; 65-101, 109a

- PROGRAM GOALS:**
- Meet all National Ambient Air Quality Standards.
 - Conduct air quality compliance inspections.
 - Monitor water quality of Kansas waters to assist in development of water quality standards and total maximum daily loads, and track environment changes for water quality improvement.
 - Oversee public water supply systems, wastewater and stormwater facilities, underground injection control wells, and underground hydrocarbon storage wells with regards to standards, regulations, and technical assistance.
 - Promote redevelopment of contaminated properties to allow beneficial use of dilapidated or impacted properties.
 - Improve environmental health conditions for Kansans through contaminated site assessment, response, and cleanup.
 - Oversee the regulation of all hazardous and solid waste facilities in Kansas in accordance with the authorizing statutes.
 - Issue permits for confined animal feeding operations.
 - Conduct compliance inspections, complaint investigations, and spill responses.
 - Conduct clinical and environmental testing with a high degree of accuracy.

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 of Waste Management 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. 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 nonpoint 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 uncooperative. 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.

FIGURE 25

DIVISION OF ENVIRONMENT FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,004,397	\$ 2,446,307	\$ 2,446,307	\$ 12,503,371	\$ 12,503,371
Federal Funds	19,706,194	26,566,718	26,566,718	26,003,717	26,003,717
All Other Funds	64,129,785	48,974,152	54,774,152	50,934,005	50,934,005
TOTAL	\$ 85,840,376	\$ 77,987,177	\$ 83,787,177	\$ 89,441,093	\$ 89,441,093
Percent Change:					
SGF	114.0 %	22.0 %	-- %	411.1 %	-- %
All Funds	188.3 %	(9.1) %	7.4 %	14.7 %	-- %
FTE Positions	381.0	398.2	398.2	398.2	398.2

BUDGET ANALYSIS

FY 2024 ANALYSIS

The **agency** estimates Division of Environment revised FY 2024 expenditures of \$78.0 million, including \$2.4 million SGF. This is an all funds decrease of \$71.1 million, or 47.7 percent, below the FY 2024 approved amount. The agency's revised estimate includes the following adjustments:

- **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency's estimate includes State Water Plan Fund reappropriations totaling \$1.5 million.
- **PAY PLAN SHORTFALL.** The revised estimate includes \$20,361 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all

state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Division of Environment, a supplemental appropriation of \$20,361 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

- **ABANDONED MINED LAND RECLAMATION FUNDS.** The agency's FY 2024 revised estimate includes an increase of \$2.4 million, all federal funds, for contractual services in the Remediation program to aid in the

restoration of land and water resources that have been degraded by the adverse effects of coal mining practices.

- **LABS TO PUBLIC HEALTH.** The Division of Environment's FY 2024 revised estimate includes a reduction of \$83.0 million all funds, including \$2.2 million SGF, and a reduction of 107.0 FTE positions for the Health and Environment Laboratories. As a part of an agency-wide reorganization effort, the agency lab program will be reflected in the Division of Public Health. This reorganization effort includes all lab expenditures, including \$30.9 million federal ARPA moneys for the building of a new lab facility.
- **WASTE MANAGEMENT.** The agency's FY 2024 revised estimate includes an increase of \$725,135, all from special revenue funds, and an increase of 4.4 FTE positions for the Bureau of Waste Management in FY 2024. The increase is mostly attributable to base salary and wages expenditures, along with fringe benefit rates, because the agency's request includes hiring an additional environmental specialist and temporary unclassified positions.
- **AIR QUALITY.** The agency's FY 2024 revised estimate includes an increase of \$328,500, all from special revenue funds, and an increase of 2.0 FTE positions for the Bureau of Air Quality in FY 2024. The increase is attributable to base salary and wages expenditures, along with fringe benefit rates, because the agency's request includes hiring two additional engineering associates. The increase is also attributable to increased estimates for contractual services. Specifically, the agency is estimating higher expenditures for temporary staffing and attorney and lawyer fees in FY 2024.
- **WATER.** The agency's FY 2024 revised estimate includes an increase of \$1.1 million, including \$27,103 SGF, and an increase of 5.68 FTE positions for the

Bureau of Water in FY 2024. The increase is mostly attributable to base salary and wages expenditures, along with fringe benefit rates, because the agency's request includes hiring additional staff, including an environmental scientist, professional engineer, geology associate, database manager, and engineering technician.

- **REMEDIATION.** The agency's FY 2024 revised estimate includes an increase of \$692,343, including \$93,732 SGF, and an increase of 4.5 FTE positions for the Bureau of Environmental Remediation in FY 2024. The increase is mostly attributable to base salary and wages expenditures, along with fringe benefit rates, because the agency's request includes hiring additional staff, including environmental compliance and regulatory specialists, an environmental data management specialist, and administrative positions.
- **FIELD SERVICES.** The agency's FY 2024 revised estimate includes an increase of \$155,827, including \$45,044 SGF, and an increase of 0.5 FTE position for the Bureau of Environmental Field Services in FY 2024. The increase is mostly attributable to contractual services. Specifically, the agency is estimating increased expenditures for other professional fees.
- **SMALL-TOWN INFRASTRUCTURE.** The agency's FY 2024 revised estimate includes an increase of \$5.0 million, all federal funds, for the small-town infrastructure program that provides grants to support technical assistance and drinking water and sewer system upgrades for towns with populations less than 1,000. These funds, which were included in the \$374.0 million in discretionary ARPA, were approved by the State Finance Council on December 21, 2022. A total of \$10.0 million was awarded to the agency, with \$5.0 million anticipated to be spent in FY 2024.

The agency's revised estimate includes 398.2 FTE positions for the Division of Environment, which is a decrease of 89.8 FTE positions below the approved number. This decrease is attributable to the agency reorganizing the Health and Environment Laboratories to the Division of Public Health, and is partially offset by the Division of Environment requesting to add 17.18 FTE positions across all other Division of Environment programs.

The **Governor** concurs with the agency's FY 2024 revised estimate for the Division of Environment and recommends transfers from the Kansas Water Office totaling \$5.8 million SWPF for water quality initiatives. The Governor recommends transfers totaling \$1.5 million for contamination remediation, \$1.0 million for total maximum daily load initiatives, \$50,000 for surface water trash removal, and \$3.2 million for small-town infrastructure support.

FY 2025 ANALYSIS

The **agency** requests Division of Environment FY 2025 expenditures of \$89.4 million, including \$12.5 million SGF. This is an all funds increase of \$11.5 million, or 14.7 percent, above the FY 2024 revised estimate. The agency's request includes the following major adjustments:

- **LIVESTOCK WASTE MANAGEMENT.** The agency is requesting \$210,000 SGF for livestock waste management for FY 2025. The agency indicates the funding would allow the agency to hire additional contract engineers and add additional contract clerical services. Contract engineers would be used to review proposed plans for confined animal feeding operations. Contracted clerical services would be used to assist the agency in converting paper documentation to electronic formats.
- **SMALL-TOWN INFRASTRUCTURE ASSISTANCE.** The agency is requesting \$10.0 million SGF to support technical assistance and drinking water and sewer system upgrades for towns with a population less than 1,000 for FY 2025. The agency notes towns in Kansas with a population under 1,000

are the most likely to have drinking water and sewer systems fall out of compliance with state and Federal requirements or fail to correct public health issues. The agency notes the funding would grant relief to towns having issues arising from deteriorated drinking water and wastewater infrastructure.

- **CONTAMINATION REMEDIATION.** The agency is requesting \$500,000 in SWPF transfers from the Kansas Water Office for contamination remediation for FY 2025. This transfer would be in addition to the requested appropriation totaling \$1.1 million and result in estimated expenditures totaling \$1.6 million for contamination remediation for FY 2025. The agency indicates funds would be used for emergency response activities where there is an immediate danger to human health, the environment, or both, and to provide alternative water supplies to citizens with impacted drinking water.
- **LOCAL ENVIRONMENTAL PROTECTION PROGRAM.** The agency is requesting \$400,000 in SWPF transfers from the Kansas Water Office for local environmental protection program costs for FY 2025. This transfer would be in addition to the requested appropriation totaling \$250,000 and result in estimated expenditures totaling \$650,000 for local environmental protection program costs for FY 2025. The agency indicates the funding would allow the state to provide financial resources to counties for on-site wastewater system upgrades and replacements as well as resources for private water well testing. The agency further indicates that funding for this program has not been appropriated since FY 2012. The 2023 Legislature appropriated funding for the program in FY 2024, and the agency's request includes continuing appropriations for the program for FY 2025.
- **SURFACE WATER TRASH REMOVAL.** The agency is requesting \$50,000 in SWPF transfers from the Kansas Water

Office for stream trash removal for FY 2025. This transfer would be the only funding for the program in FY 2025 because the agency's request does not include a direct appropriation for this purpose. The agency indicates funding would go toward a pilot effort to remove and keep trash out of Kansas rivers.

- **ARKANSAS RIVER DITCH LINING.**

The agency is requesting \$1.0 million in SWPF transfers from the Kansas Water Office for drinking water protection for FY 2025. This transfer would be in addition to the requested appropriation totaling \$800,000 and result in estimated expenditures totaling \$1.8 million for drinking water protection for FY 2025. The agency indicates the funding would allow the agency to line 20 miles of Amazon Ditch in Kearny and Finney counties. The agency indicates that the source of pollutants found in the Arkansas River emanate from Colorado and those pollutants are interacting with groundwater in Kansas that's traditionally been of good quality. This contamination is the result of leakage from irrigation ditches that distribute river water to upland areas. The funding would allow the agency to line or seal a portion of those ditches to limit the amount of contaminated river water that could leak into the existing groundwater in the area.

- **AQUIFER RECHARGE BASINS.** The agency is requesting \$500,000 in SWPF transfers from the Kansas Water Office for aquifer recharge basins for FY 2025. This transfer would be the only funding for the program in FY 2025 because the agency's request does not include a direct appropriation for this purpose. The agency indicates funding would go toward initiatives that encourage the infiltration and percolation of high-quality rain water into poor-quality groundwater through the development of artificial playas, upland detention terraces, and depressions with Hickenbottom injection wells. The agency indicates this initiative is a long-range initiative that will require multiple years of study.

- **GROUND WATER QUALITY MONITORING.**

The agency is requesting \$1.1 million in SWPF transfers from the Kansas Water Office for total maxim daily load initiatives and use attainability analysis for FY 2025. This transfer would be in addition to the requested appropriation totaling \$391,378 and result in estimated expenditures totaling \$1.5 million for total maxim daily load initiatives and use attainability analysis for FY 2025. The agency indicates the funding would re-establish an ambient groundwater quality monitoring program in the state. The agency indicates the groundwater quality monitoring program will: 1) collect baseline data to identify areas of the state where groundwater quality is already at risk or exceeding health standards and allow detection of future deterioration and 2) create a public data platform that integrates groundwater quality data across agencies and links with existing KGS water databases.

- **WRAPS EFFECTIVENESS MONITORING.**

The agency is requesting \$200,000 in SWPF transfers from the Kansas Water Office for watershed restoration and protection strategy (WRAPS) for FY 2025. This transfer would be in addition to the requested appropriation totaling \$1.0 million and result in estimated expenditures totaling \$1.2 million for WRAPS for FY 2025. The agency indicates the funding would focus outsourced monitoring efforts to collect water quality data in an intensive manner to better evaluate the true impact of the watershed practice investments that are currently implemented.

The agency's FY 2025 request includes 398.2 FTE positions for the Division of Environment, which is equal to the agency's revised estimate in FY 2024.

The **Governor** concurs with the agency's FY 2025 request for the Division of Environment.

CAPITAL IMPROVEMENTS

FIGURE 26 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Laboratory	\$ 61,335,463	\$ 336,466	\$ 336,466	\$ -	\$ -
Financing:					
SGF	\$ 32,276,107	\$ 223,893	\$ 223,893	\$ -	\$ -
Federal Funds	29,059,356	112,573	112,573	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 61,335,463	\$ 336,466	\$ 336,466	\$ -	\$ -

FY 2024 CAPITAL IMPROVEMENTS

The Kansas Department of Health and Environment submits a revised estimate for FY 2024 capital improvements expenditures totaling \$336,466, including \$223,893 SGF.

were largely spent in FY 2023, and the agency's 2024 revised estimate includes funds carried over that are planned to be spent in FY 2024.

Section 143 of enacted 2022 House Sub. for Sub. for SB 267 appropriated \$32.5 million SGF for the construction of the KDHE laboratory. Further, the 2023 legislature approved an additional \$30.9 million in federal funds for the construction of the laboratory. These funds

The lab is being constructed at Lot 4 in Downtown Topeka, near the Docking Building, and the building design includes three above-ground floors and a parking lot. The estimated cost of this project is \$65.0 million.

The **Governor** concurs with the agency's request for capital improvement funding in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** is not requesting any funds for capital improvements in FY 2025.

The **Governor** concurs with the agency's request for capital improvement funding for FY 2025.

DEPARTMENT FOR CHILDREN AND FAMILIES

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

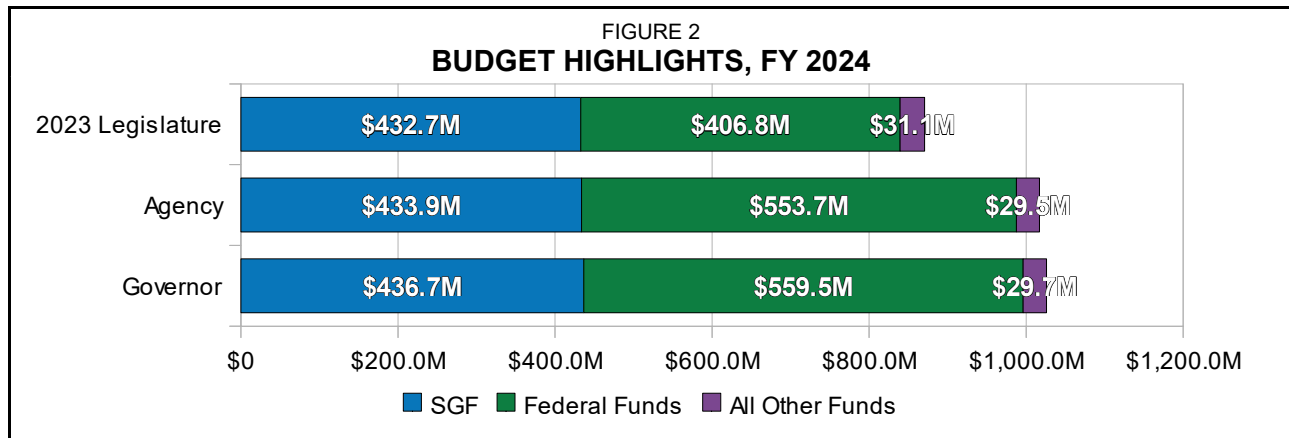
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 372,898,067	\$ 433,875,391	\$ 436,721,081	\$ 430,125,092	\$ 436,256,364
Federal Funds	565,553,268	553,689,178	559,489,860	446,222,536	460,667,973
All Other Funds	30,997,051	29,479,132	29,732,760	30,204,285	26,316,851
<i>Subtotal</i>	<u>\$ 969,448,386</u>	<u>\$ 1,017,043,701</u>	<u>\$ 1,025,943,701</u>	<u>\$ 906,551,913</u>	<u>\$ 923,241,188</u>
Capital Improvements:					
State General Fund	\$ 8,555	\$ -	\$ -	\$ -	\$ -
Federal Funds	4,019	-	-	-	-
All Other Funds	881,875	-	-	200,000	200,000
<i>Subtotal</i>	<u>\$ 894,449</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>
TOTAL	<u>\$ 970,342,835</u>	<u>\$ 1,017,043,701</u>	<u>\$ 1,025,943,701</u>	<u>\$ 906,751,913</u>	<u>\$ 923,441,188</u>
Percentage Change:					
State General Fund	14.1 %	16.3 %	17.1 %	(0.9) %	(0.1) %
All Funds	(8.4) %	4.8 %	5.7 %	(10.8) %	(10.0) %
FTE Positions	2,682.9	2,655.8	2,655.8	2,592.8	2,590.8

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. DCF operates through seven programs: Administration, Child Support Services, Economic and Employment Services, Rehabilitation Services, Prevention and Protection Services, the Developmental Disabilities Council, and Client Service Delivery.

EXECUTIVE SUMMARY

Subsequent to the 2022 Session, one adjustment was made to the \$433.7 million from the State General Fund (SGF) appropriated to the Department for Children and Families for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

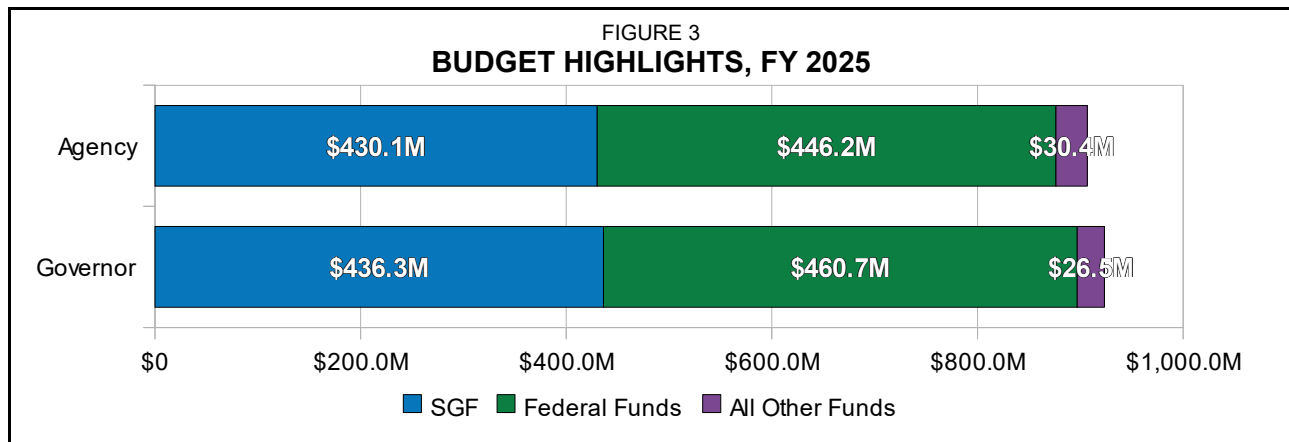
SGF REAPPROPRIATION. The agency added \$27.0 million SGF for funds not expended in FY 2023 that reappropriated into FY 2024.The agency requests a revised estimate of \$1.02 billion, including \$433.9 million SGF, in expenditures in FY 2024.



The agency submits a FY 2024 revised estimate of \$1.02 billion, including \$433.9 million SGF and \$8.3 million from the Children's Initiative Fund. The agency's revised estimate is an all funds increase of \$146.4 million, or 16.8 percent, and an SGF increase of \$1.1 million, or 0.3 percent, above the FY 2024 approved budget. The increase is primarily in expenditures funded with federal dollars and includes child care quality funded through the federal Child Care and Development fund (\$49.2), additional utility assistance provided to families funded through federal programs (\$46.4 million), community resource grants as funded by the SPARK Task Force (\$18 million), and expenses within prevention and protection services (\$6.9 million). The agency's revised estimate also includes \$1.7 million to fund the agency's pay plan.

The agency submits a revised estimate of 2,655.8 FTE positions in FY 2024. The number of positions decreased by 27.1 from the FY 2023 actuals to the revised estimate for FY 2024. Most of these were pandemic, grant-funded positions that will not be used moving forward.

The **Governor** recommends expenditures of \$1.03 billion, including \$436.7 million SGF, in FY 2024. The recommendation is an all funds increase of \$8.9 million, or 0.9 percent, including an SGF increase of \$2.8 million, or 0.7 percent, above the FY 2024 revised estimate. The increase is attributable to revised estimates for human services caseloads. Expenditures for Temporary Assistance for Needy Families (TANF) caseloads are anticipated to increase by \$200,000. While the yearly decline in TANF caseloads continues, the rate of decline was slower than previously projected. Expenditures for foster care are projected to increase by \$8.7 million, including \$2.8 million SGF, in FY 2024. The increase is primarily attributable to the agency's policy decision to amend the case management contracts to allow the case management organizations to cover actual costs in FY 2024 with savings recognized from prior years. The increase is partially offset by implementation of the national rule that allows DCF to use kin-specific licensing or approval standards for a child's foster home placement. With that, DCF can claim additional Title IV-E federal dollars and recognize partial SGF savings.



The **agency** requests \$906.8 million, including \$430.1 million SGF, for FY 2025, which is an all funds decrease of \$110.3 million, or 10.8 percent, including an SGF decrease of \$3.8 million, or 0.9 percent, from the FY 2024 revised estimate.

The request includes 13 enhancement requests totaling \$41.3 million, including \$22.7 million SGF. Major enhancement requests include a replacement of the Child Care Welfare Information System (CCWIS) (\$10.7 million SGF), fully maximizing the match for the Child Care and Development Fund for FY 2025 (\$2.7 million SGF), startup costs for five additional Family Resource Centers (\$2.5 million), ongoing maintenance and support for the Child Care Workforce Registry (\$1.1 million), increase to the base funding for the 10 Centers for Independent Living (\$1.0 million SGF), and fund grants for families with adopted children who are at risk of removal (\$1.0 million).

The agency requests 2,592.8 FTE positions for FY 2024. The number of positions decreased by 63 from the FY 2024 revised estimate. Most of these were pandemic, grant-funded positions that will not be used moving forward.

The **Governor** recommends expenditures of \$923.4 million, including \$436.3 million SGF, for FY 2025. The recommendation is an all funds increase of \$16.7 million, or 1.8 percent, including an SGF increase of \$6.1 million, or 1.4 percent, above the agency's FY 2025 request.

The increase is primarily attributable to the Governor recommending additional one-time funding for child care sustainability grants and workforce support (\$15.0 million SGF). The agency received \$16.3 million federal funds for this purpose in FY 2023 with the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and discretionary, pandemic funding from the Child Care and Development Fund (CCDF).

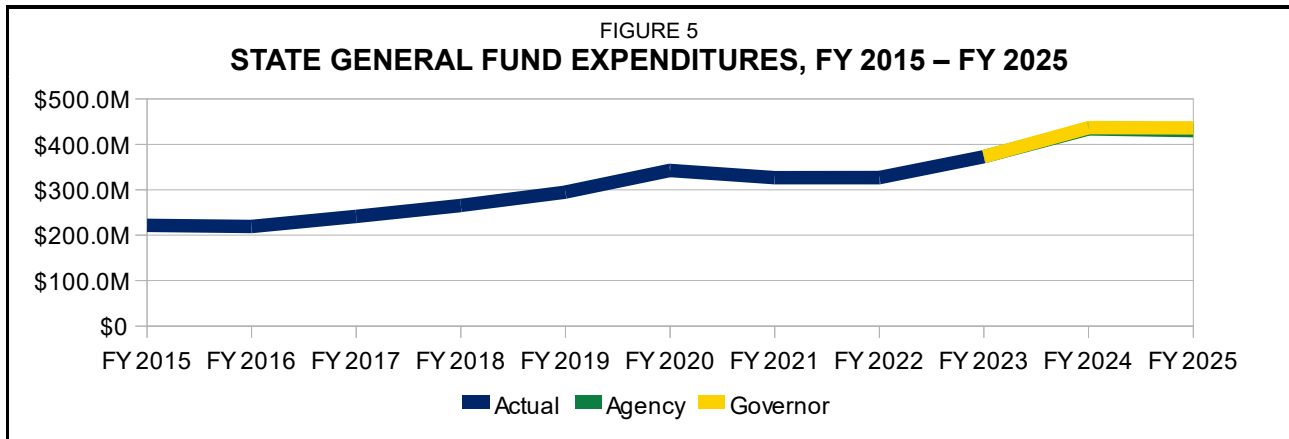
The Governor does not recommend the agency's enhancement requests for CASA, KanCoach, the summer EBT program, or for the Kansas Commission for the Deaf and Hard of Hearing. The Governor partially recommends the agency's enhancement requests to replace the Comprehensive Child Welfare Information System (CCWIS) (\$8.5 million SGF), support Family resource Centers (\$1.1 million SGF), and to provide the state match for the Child Care and Development Fund (\$2.6 million SGF). The Governor recommends the agency's enhancement request to fund the child care workforce registry; however, it is recommended to use the Children's Initiatives Fund to fund this rather than SGF. The Governor fully recommends the remaining enhancement requests totaling \$3.8 million SGF.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 139,135,086	\$ 158,506,101	\$ 158,506,101	\$ 153,054,928	\$ 152,924,546
Contractual Services	262,055,750	211,342,440	211,342,440	146,133,466	139,809,964
Commodities	1,227,078	1,347,502	1,347,502	1,348,828	1,348,232
Capital Outlay	1,798,459	3,699,487	3,699,487	1,390,004	1,388,589
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 404,216,373</i>	<i>\$ 374,895,530</i>	<i>\$ 374,895,530</i>	<i>\$ 301,927,226</i>	<i>\$ 295,471,331</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	565,232,013	642,148,171	651,048,171	604,624,687	627,769,857
<i>Subtotal—Operating</i>	<i>\$ 969,448,386</i>	<i>\$ 1,017,043,701</i>	<i>\$ 1,025,943,701</i>	<i>\$ 906,551,913</i>	<i>\$ 923,241,188</i>
Capital Improvements	894,449	-	-	200,000	200,000
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 970,342,835	\$1,017,043,701	\$ 1,025,943,701	\$ 906,751,913	\$ 923,441,188
Financing:					
State General Fund	\$ 372,906,622	\$ 433,875,391	\$ 436,721,081	\$ 430,125,092	\$ 436,256,364
Federal Funds	565,557,287	553,689,188	559,489,860	446,222,536	460,667,973
All Other Funds	31,878,926	29,479,132	29,732,760	30,404,285	26,516,851
TOTAL	\$ 970,342,835	\$1,017,043,701	\$ 1,025,943,701	\$ 906,751,913	\$ 923,441,188
FTE Positions	2,682.9	2,655.8	2,655.8	2,592.8	2,590.8

STATE GENERAL FUND



For the Department for Children and Families, SGF expenditures continue to gradually increase. SGF moneys are primarily used to provide matching or maintenance of effort requirements for federal funding. The increase in FY 2020 was primarily based on funding for the Family First Prevention Services Act. Grants for these services began October 1, 2019, and the State uses SGF moneys to access federal Title IV-E funding for this subprogram.

The SGF increase in FY 2024 is due to a combination of factors, including unspent funds in FY 2023 being reappropriated to FY 2024 (\$27 million SGF) and to new appropriations made during the 2023 Legislative session for FY 2024 (\$31.5 million SGF).

The agency attributes their \$27 million reappropriations to delayed IT projects, misalignment between state and fiscal year grants and contracts, flexibility in federal pandemic funds, and the agency's efforts to save money in various expenditure categories to fund known deficits in the

following year. A list of how the agency plans to spend these reappropriations can be found in the Special Topics section for this agency.

The SGF increase in FY 2024 is also partially due to appropriations made during the 2023 Legislative session, including:

- Adopting spring case loads for foster care (\$8.3 million);
- Increasing the monthly foster care rates paid to relatives and non-related kin placements (\$5.1 million);
- Foster Care Therapeutic Program for Child Placing Agencies (\$5.0 million);
- Legislative Pay Plan (\$4.7 million);
- Evidence-based juvenile services for delinquent youth (\$1.9 million);
- Maximize the match for the federal Child Care and Development fund (\$1.5 million);
- WeKanDrive (\$1 million);
- Preventions services for youth with I/DD (\$1.0 million);
- Reimbursement rate increase for the Centers for Independent Living (\$633,892);
- Provisions of HB 2094 regarding SNAP benefits and child care assistance (\$511,288);
- Expanding Healthy Families America (\$486,000);
- Increasing the independent living subsidy for youth (\$417,109);
- Safe Families for Kansas (\$350,000);
- HOPE Ranch (\$300,000); and
- KanCoach program (\$291,655).

Lastly, the agency anticipates small SGF savings beginning late FY 2024 and in subsequent years as the state begins implementing the national rule that allows the agency to use kin-specific licensing standards for a child's foster home placement, thus allowing the agency to claim additional federal Title IV-E funding.

FY 2024 ANALYSIS

FIGURE 6

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 405,740,527	\$ 843,629,814	2,642.7
1. SGF Reappropriation	26,995,376	26,995,376	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 432,735,903</i>	<i>\$ 870,625,190</i>	<i>2,642.7</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	1,139,488	1,742,058	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 1,139,488</i>	<i>\$ 1,742,058</i>	<i>--</i>
3. Child Care and Development Fund	-	52,842,355	--
4. Utility Assistance	-	46,898,586	--
5. Community Resource Grants	-	18,000,000	--
6. Title IV-E Foster Care Assistance	-	10,114,842	--
7. Prevention and Protection Services	-	6,940,216	--
8. All Other Adjustments	-	9,880,454	13.0
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 433,875,391</i>	<i>\$ 1,017,043,701</i>	<i>2,655.7</i>
Governor's Recommendation:			
9. Foster Care Caseloads	\$ 2,845,690	\$ 8,700,000	--
10. TANF Caseloads	-	200,000	--
TOTAL	\$ 436,721,081	\$ 1,025,943,701	2,655.7

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$405.7 million SGF appropriated to the Department for Children and Families for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** The agency added \$27.0 million SGF for funds not expended in FY 2023 that reappropriated into FY 2024. The agency attributes this to delayed IT projects, misalignment between state and fiscal year grants and contracts, and the agency's efforts to save money in various expenditure categories to fund known deficits in the following year.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$1.02 billion, including \$433.9 million SGF, in expenditures and 2672.7 FTE positions in FY 2024. This is an all funds increase of \$146.4 million and an SGF increase of \$1.1 million, or 0.3 percent, from the 2023 Legislature approved amount in FY 2024.

The agency's revised estimate includes the following adjustments:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$1.1 million SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8

million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For DCF, a supplemental appropriation of \$1.1 million SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

3. **CHILD CARE AND DEVELOPMENT FUND.** Adds \$52.8 million in federal funds from the Child Care and Development Fund to be used toward child care quality (\$47.3) and child care assistance (\$3.9 million).
4. **UTILITY ASSISTANCE.** Adds \$46.9 million from federal special revenue funds for program administration and assistance provided through the Utility Assistance program. This increase is due the 2023 Low-Income Energy Assistance Program (LIEAP) season extending into FY 2024 and additional benefits to be issued through the supplemental LIEAP assistance payments. Additionally, supplemental assistance payments for the Low-Income Water Assistance Program will be issued in FY 2024 to correspond with the end of the program and available funding.
5. **COMMUNITY RESOURCE GRANTS.** Adds \$18.0 million in expenditures, all from special revenue funds, for the agency's Community Resource Capacity grants, funded by the SPARK Task Force.
6. **TITLE IV-E FOSTER CARE ASSISTANCE.** Adds \$10.1 million, all from additional Title IV-E funds, to support IT projects.
7. **PREVENTION AND PROTECTION SERVICES (PPS).** Adds \$6.9 million in expenditures, all from special revenue funds, for various PPS initiatives. This is primarily tied to higher estimates for the Families First program, Safe Families, Care Portal, and the Kansas Post Adoption Resource Center (KPARC); as well as an increase in the number of estimated youth served by their Independent Living program.
8. **ALL OTHER ADJUSTMENTS.** Adds \$9.9 million as the sum of all other adjustments. This is primarily attributable to Social Security Disability Insurance (\$3.2 million), Rehabilitation Services (\$4.5 million), and additional Supplemental Nutrition Assistance funding (\$2.4 million).

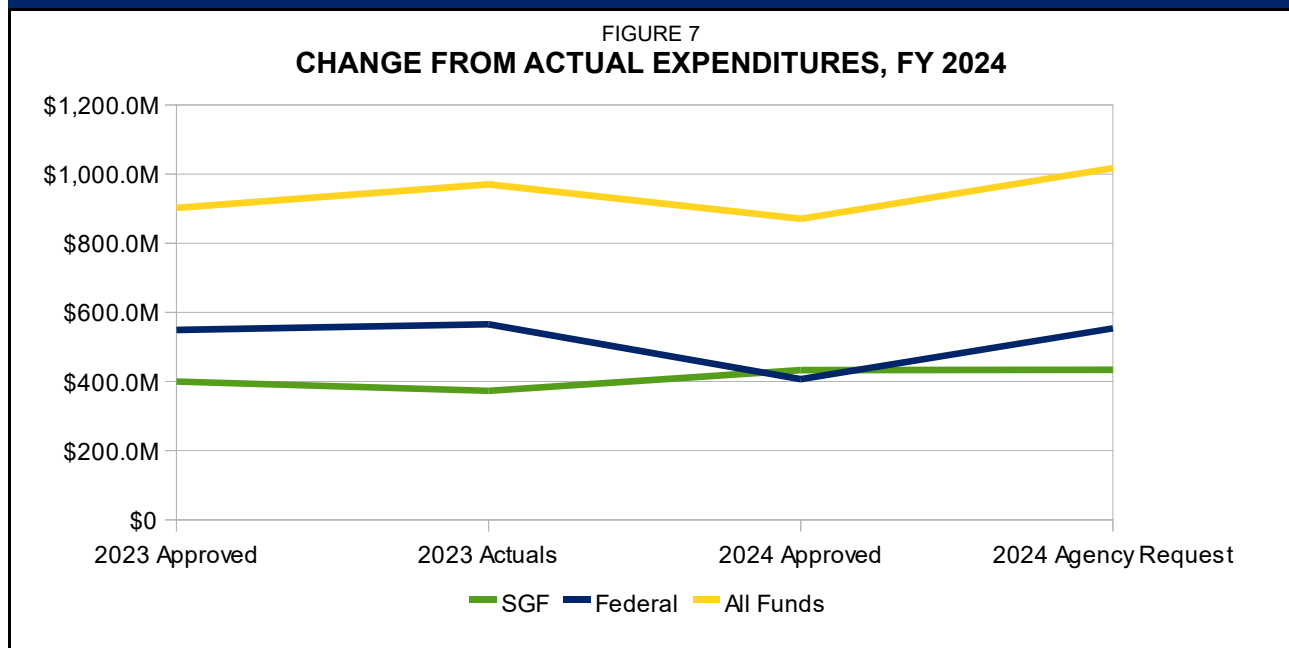
The agency reports that they continue to phase out the number of pandemic-funded positions, although at a slower rate than anticipated. The agency states that the increase in unclassified FTE positions includes four grant specialists, four project analysts for CCWIS, three new investigators within Disability Determination Services, three Family Support Coordinators, and one Human Service counselor. This was offset by other agency-wide decreases.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$1.03 billion, including \$436.7 million SGF, in FY 2024. The recommendation is an all funds increase of \$8.9 million, or 0.9 percent, including an SGF increase of \$2.8 million, or 1.1 percent, above the FY 2024 revised estimate. The increase is attributable to revised estimates for human services caseloads. Expenditures for Temporary Assistance for Needy Families (TANF) caseloads are anticipated to increase by \$200,000. While the yearly decline in TANF caseloads continues, the rate of decline is slower than previously projected. Expenditures for foster care are projected to increase by \$8.7 million, including \$2.8 million SGF, in FY 2024. The increase is primarily attributable to the agency's policy decision to amend the case management contracts to allow the case management organizations to cover actual costs in FY 2024 with savings recognized from prior years. The increase is partially offset by implementation of the national rule that allows DCF to use kin-specific licensing or approval standards for a child's foster home placement. With that, DCF can claim additional Title IV-E federal dollars and recognize partial SGF savings.

9. **FOSTER CARE CASELOADS.** Expenditures for foster care are projected to increase by \$8.7 million, including \$2.8 million SGF, in FY 2024.
10. **TANF.** Expenditures for Temporary Assistance for Needy Families (TANF) caseloads are anticipated to increase by \$200,000.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$1.02 billion, including \$433.9 million SGF, in FY 2024. This is an all funds increase of \$46.7 million, including an SGF increase of \$61.0 million, or 16.3 percent, from FY 2023 actual expenditures.

The SGF increase is partially due appropriations made during the 2023 Legislative session (listed below).

- Adopting spring case loads for foster care (\$8.3 million);
- Increasing the monthly foster care rates paid to relatives and non-related kin placements (\$5.1 million);
- Foster Care Therapeutic Program for Child Placing Agencies (\$5.0 million);
- Legislative Pay Plan (\$4.7 million);
- Evidence-based juvenile services for delinquent youth (\$1.9 million);
- Maximize the match for the federal Child Care and Development fund (\$1.5 million);
- WeKanDrive (\$1 million);
- Preventions services for youth with I/DD (\$1.0 million);
- Reimbursement rate increase for the Centers for Independent Living (\$633,892);
- Provisions of HB 2094 regarding SNAP benefits and child care assistance (\$511,288);
- Expanding Healthy Families America (\$486,000);
- Increasing the independent living subsidy for youth (\$417,109);
- Safe Families for Kansas (\$350,000);
- HOPE Ranch (\$300,000); and
- KanCoach program (\$291,655).

The agency also had reappropriations of \$27.0 million unspent SGF from FY 2023 into FY 2024. The agency attributes their reappropriations to delayed IT projects, misalignment between state and fiscal year grants and contracts, and the agency's efforts to save money in various expenditure categories to fund known deficits in the following year. A list of how the agency plans

to spend these reappropriations can be found in the Special Topics section for this agency.

FY 2025 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 434,429,445	\$ 1,005,448,060	2,590.8
Enhancement Requests:			
1. CCWIS	10,700,000	21,400,000	--
2. VR Assistance	569,934	2,675,747	--
3. KanCoach	309,575	350,000	--
4. Fully Match CCDF	2,741,772	7,104,557	--
5. Summer EBT Program	502,948	1,005,895	--
6. Foster Adopt Connect	500,000	500,000	--
7. Operating Expenses	766,794	1,626,796	--
8. Family Resource Centers	2,500,000	2,500,000	--
9. CASA	300,000	300,000	--
10. Child Care Workforce Registry	1,100,000	1,100,000	--
11. Communication Access	700,000	700,000	2.0
12. VR Centers for Ind. Living	1,000,000	1,000,000	--
13. Post-Adoption Services	1,000,000	1,000,000	--
<i>Subtotal-Enhancement Requests Only</i>	<i>\$ 22,691,023</i>	<i>\$ 41,262,995</i>	<i>2.0</i>
14. Community Resource Grants	-	(18,000,000)	--
15. ARPA Child Care Quality Grant	-	(44,672,738)	--
16. Additional Utility Assistance Ending	-	(39,591,028)	--
17. Additional Federal Grants Ending	-	(10,700,000)	--
18. Reappropriations Ending	(26,995,376)	(26,995,376)	--
<i>Subtotal-Agency Request</i>	<i>\$ 430,125,092</i>	<i>\$ 906,751,913</i>	<i>2,592.8</i>
Governor's Recommendation:			
19. Enhancements Not Recommended	\$ (2,912,523)	\$ (2,355,985)	(2.0)
20. Enhancements Partially Recommended	(3,697,267)	(6,054,830)	--
21. Family Preservation	3,241,062	-	--
22. Sustainability Workforce Grants	15,000,000	15,000,000	--
23. Fall Caseloads	(2,000,000)	10,100,000	--
24. Anticipated Savings	(3,500,000)	-	--
TOTAL	\$ 436,256,364	\$ 923,441,098	2,590.8

AGENCY REQUEST

The **agency** requests \$906.8 million, including \$430.1 million SGF, for FY 2025, which is an all funds decrease of \$110.3 million, or 10.8 percent, including an SGF decrease of \$11.1 million, or 11.7 percent, from the FY 2024 revised estimate.

The request includes 13 enhancement requests totaling \$41.3 million, including \$22.7 million SGF. Enhancement requests are listed in the table in order of agency priority. Further details are below:

- 1. ENHANCEMENT - CCWIS.** The agency requests \$21.4 million all funds, including \$10.7 million SGF, to develop a data system compliant with federal Comprehensive Child Welfare Information System (CCWIS) requirements. This system would replace the existing legacy systems: Family and Child Tracking System (FACTS), Kansas Initiative Decision Support (KIDS), Kansas Intake/Investigation Protection System (KIPS), National Youth in Transition Database (NYTD), and Statewide Contractor Reimbursement Information and Payment Tracking System (SCRIPTS). Current projections for the CCWIS are less than previously reported. The agency continues to

request 50.0 percent SGF funding; however, this has been reduced from \$12.5 million SGF to \$10.7 million SGF for FY 2025 through FY 2028

2. **ENHANCEMENT - VR ASSISTANCE.** The agency requests \$2.7 million all funds, including \$569,934 SGF, to cover case load increases for their Vocational Rehabilitation (VR) and Pre-employment transition program.
3. **ENHANCEMENT - KANCOACH.** The agency requests an additional \$350,000 all funds, including \$309,575 SGF, to transition and continue fully funding the KanCoach program with the Children's Alliance of Kansas. The 2023 Legislature appropriated \$350,000 for this purpose.
4. **ENHANCEMENT - FULLY MATCH CCDF.** The agency requests \$7.1 million all funds, including \$2.7 million SGF, to fully maximize the match for the Child Care and Development Fund (CCDF) for FY 2025. This program reduces the cost of child care for low-income families. The 2023 Legislative Session appropriated \$1.4 million SGF for this purpose in FY 2024.
5. **ENHANCEMENT - SUMMER EBT PROGRAM.** The agency requests \$1 million all funds, including \$502,948 SGF, for the state's portion of administrative expenses tied to providing Supplemental Nutrition Assistance Program (SNAP) benefits to eligible families during the summer months. This would replace the Pandemic-EBT Program, which provided SNAP benefits to eligible families when schools and child care facilities were closed. SNAP benefits to families will be made available to states through a federal grant.
6. **ENHANCEMENT - FOSTER ADOPT CONNECT.** The agency requests \$500,000 SGF to fund the expansion of Foster Adopt Connect into the Wichita region. This enhancement would be used to assist with lease agreements and startup costs to offer core services.
7. **ENHANCEMENT - OPERATING EXPENSES.** The agency requests \$1.3 million all funds, including \$766,794 SGF, to increase the administrative operating expenses budget for DCF. The agency indicates that certain fees for services have increased, which the agency has no control over. These include: income and employment verification contracts, Office of Administrative Hearing charges, and software fees.
8. **ENHANCEMENT - FAMILY RESOURCE CENTERS.** The agency requests \$2.5 million SGF to establish and support additional family resource centers. The agency states this funding would allow DCF to continue to support the nine current sites that were established and federally funded through September 2024 and establish five additional sites.
9. **ENHANCEMENT - CASA.** The agency requests \$300,000 SGF for the Kansas Court Appointed Special Advocate (CASA) Association. This money would be to hire an outreach coordinator who would help recruit and retain program volunteers at the 20 local CASA programs.
10. **ENHANCEMENT - CHILD CARE WORKFORCE REGISTRY.** The agency requests \$1.1 million SGF for the Kansas Children's Cabinet and Trust Fund (KCCTF) to provide ongoing maintenance and support for the Child Care Workforce Registry.

11. **ENHANCEMENT - COMMUNICATION ACCESS.** The agency requests \$700,000 SGF and 2.0 FTE positions for the Kansas Commission for the Deaf and Hard of Hearing to help expand the capacity of state agencies to provide communication access for the deaf and hard of hearing (D/HH).
12. **ENHANCEMENT - VR CENTERS FOR INDEPENDENT LIVING.** The agency requests \$1,000,000 SGF to increase the base funding for the 10 Centers for Independent Living in Kansas by \$100,000 each.
13. **ENHANCEMENT - POST-ADOPTION SERVICES.** The agency requests \$1.0 million SGF to fund grants for families with adopted children who are at risk of removal.

The enhancements are offset by the lack of SGF reappropriations and reductions in federal funding, including:

14. **COMMUNITY RESOURCE GRANTS.** The agency deletes \$18.0 million for FY 2025 as the agency plans to fully expend the \$18.0 million in SPARK Community Resource Capacity grants in FY 2024.
15. **ARPA CHILD CARE QUALITY GRANT ENDING.** The agency has budgeted the remaining federal ARPA Child Care Quality funding in FY 2024 and indicates the funding must be liquidated by September of 2024.
16. **ADDITIONAL UTILITY ASSISTANCE ENDING.** The agency deletes \$39.6 million in federal utility assistance, including funding associated with the pandemic-era Low-Income Water Assistance Program and the federal supplemental benefit that authorized funds not expended during the 2023 LIEAP heating season.
17. **ADDITIONAL FEDERAL GRANTS ENDING.** The agency deletes \$10.7 million in federal funding as pandemic-era grants continue to end. This includes the CRRSA Child Care Quality grant (\$6.7 million), ARPA SNAP benefits (\$1.4 million), administrative costs funded with federal dollars for the EBT program (\$1.3 million), and the agency indicating discontinuance of The Emergency Food Assistance Program (TEFAP) Reach and Resiliency grant, which expanded food assistance to areas otherwise undeserved by TEFAP.
18. **REAPPROPRIATIONS ENDING.** The agency deletes \$27.0 million SGF for reappropriations in FY 2024 that do not reoccur in FY 2025.

Additionally, the agency requests 2,592.86 FTE positions for FY 2025, which is a decrease of 63 FTE positions below the FY 2024 revised estimate. The enhancement requests add 2.0 FTE positions within the Kansas Commission for the Deaf and Hard of Hearing to assist in maintaining and expanding the capacity of state agencies and the Judicial Branch in providing communication access services.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$923.4 million, including \$436.3 million SGF, for FY 2025. The recommendation is an all funds increase of \$16.7 million, or 1.8 percent, including an SGF increase of \$6.1 million, or 1.4 percent, above the agency's FY 2025 request.

The **Governor's** recommendation includes the following adjustments:

19. **ENHANCEMENTS NOT RECOMMENDED.** The Governor does not recommend the agency's enhancement requests for CASA, KanCoach, the summer EBT program, or additional funding for the Kansas Commission for the Deaf and Hard of Hearing.
20. **ENHANCEMENTS PARTIALLY RECOMMENDED.** The Governor's recommendation deletes \$6.1 million all funds, including \$3.7 million SGF, to partially adopt the agency's enhancement requests for CCWIS (\$8.5 million SGF), Family Resource Centers (\$1.1 million SGF), and the state match for the Child Care and Development Fund (\$2.6 million SGF). Additionally, the Governor recommends using the Children's Initiatives Fund to fund the agency's enhancement request for the child care work force registry. This was initially developed using CCDF pandemic funding, and the agency requested SGF for FY 2025.
21. **FAMILY PRESERVATION.** The Governor's recommendation adds \$3.2 million SGF for the agency's Family Preservation services. This will allow the entire Family Preservation program to be budgeted with SGF. Initially, a portion of this program (\$3.2 million) was budgeted using CIF.
22. **SUSTAINABILITY WORKFORCE GRANTS.** The Governor's recommendation adds \$15.0 million SGF as a one-time enhancement for child care sustainability grants and workforce support.
23. **FALL CASELOADS.** The Governor's recommendation adds \$10.1 million all funds, including a decrease of \$2.0 million SGF, to account for the fall caseload process. This includes an additional \$100,000 all funds for TANF and an additional \$10.0 million for foster care. The decrease in SGF and the increase in all funds is due to anticipated savings by receiving additional Title IV-E federal funding for foster care maintenance payments. This is based on the September 2023 final rule that allows the Administration for Children and Families to amend regulations to now allow relative or kinship placements be eligible for federal Title IV-E matching funds. Previously, these placements were state funded.

[*Staff note:* The Fall 2023 Consensus Group indicated that the overall cost for the Foster Care program is anticipated to increase with the new case management contracts set to begin in FY 2025. The publication of the Budget Analysis does not consider these increases, as the contracts were being negotiated during this analysis. The Fall 2023 Consensus Group anticipates a more precise estimate will be available for the Spring 2024 consensus estimate.]

24. **ANTICIPATED SAVINGS.** The Governor's recommendation deletes \$3.5 million SGF for FY 2025 in anticipated, administrative savings due to the national rule allowing states to receive additional Title IV-E federal funding for foster care maintenance payments.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 9 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Short Fall	\$ 1,139,488	\$ 1,742,058	-	\$ 1,139,488	\$ 1,742,058	-
TOTAL	\$ 1,139,488	\$ 1,742,058	-	\$ 1,139,488	\$ 1,742,058	-
FY 2025 Enhancements:						
2. CCWIS	\$ 10,700,000	\$ 21,400,000	-	\$ 8,500,000	\$ 17,000,000	-
3. VR Assistance	569,934	2,675,747	-	569,934	2,675,747	-
4. KanCoach	309,575	350,000	-	-	-	-
5. Fully Match CCDF	2,741,772	7,104,557	-	2,619,505	6,824,727	-
6. Summer EBT Program	502,948	1,005,895	-	-	-	-
7. Foster Adopt Connect	500,000	500,000	-	500,000	500,000	-
8. Operating Expenses	766,794	1,626,796	-	766,794	1,626,796	-
9. Family Resource Centers	2,500,000	2,500,000	-	1,125,000	1,125,000	-
10. CASA	300,000	300,000	-	-	-	-
11. Child Care Workforce Registry	1,100,000	1,100,000	-	-	1,100,000	-
12. Communication Access	700,000	700,000	2.0	-	-	(2.0)
13. VR Centers for Ind. Living	1,000,000	1,000,000	-	1,000,000	1,000,000	-
14. Post-Adoption Services	1,000,000	1,000,000	-	1,000,000	1,000,000	-
TOTAL	\$ 22,691,023	\$ 41,262,995	2.0	\$ 16,081,233	\$ 32,852,270	-

- 1. SUPPLEMENTAL - PAY PLAN SHORT FALL.** The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For **Department for Children and Families**, a supplemental appropriation of \$1.7 million all funds, including \$1.1 million SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- 2. ENHANCEMENT - CCWIS.** The agency requests \$21.4 million all funds, including \$10.7 million SGF, to develop a new system compliant with federal Comprehensive Child Welfare Information System (CCWIS) requirements. This system would replace the existing legacy systems: Family and Child Tracking System (FACTS), Kansas Initiative Decision Support (KIDS), Kansas Intake/Investigation Protection System (KIPS), National Youth in Transition Database (NYTD), and Statewide Contractor Reimbursement Information and Payment Tracking System (SCRIPTS). Current projections for the CCWIS are less than previously reported. The agency continues to request 50.0 percent SGF funding; however, this has been reduced from \$12.5 million SGF to \$10.7 million SGF for FY 2025 through FY 2028.

The Governor recommends partial adoption of this request at \$17.0 million all funds, 8.5 million SGF, for FY 2025.

- 3. ENHANCEMENT - VR ASSISTANCE.** The agency requests \$2.7 million all funds, including \$569,934 SGF, to cover case load increases for their Vocational Rehabilitation (VR) and Pre-employment transition program.

The Governor recommends adoption of this request.

4. **ENHANCEMENT - KANCOACH.** The agency requests an additional \$350,000 all funds, including \$309,575 SGF, to transition and continue fully funding the KanCoach program with the Children's Alliance of Kansas. The 2023 Legislature appropriated \$350,000 for this purpose.

The Governor does not recommend adoption of this request.

5. **ENHANCEMENT - FULLY MATCH CCDF.** The agency requests \$7.1 million all funds, including \$2.7 million SGF, to fully maximize the match for the Child Care and Development Fund (CCDF) for FY 2025. This program reduces the cost of child care for low-income families. The 2023 Legislative Session appropriated \$1.4 million SGF for this purpose in FY 2024.

The Governor recommends partial adoption of this request at \$6.8 million all funds, \$2.6 million SGF, for FY 2025.

6. **ENHANCEMENT - SUMMER EBT PROGRAM.** The agency requests \$1.0 million all funds, including \$502,948 SGF, for the state's portion of administrative expenses tied to providing Supplemental Nutrition Assistance Program (SNAP) benefits to eligible families during the summer months. This would replace the Pandemic-EBT Program, which provided SNAP benefits to eligible families when schools and child care facilities were closed. SNAP benefits to families will be made available to states through a federal grant.

The Governor does not recommend adoption of this request.

7. **ENHANCEMENT - FOSTER ADOPT CONNECT.** The agency requests \$500,000 SGF to fund the expansion of Foster Adopt Connect into the Wichita region. This enhancement would be used to assist with lease agreements and startup costs to offer core services.

The Governor recommends adoption of this request.

8. **ENHANCEMENT - OPERATING EXPENSES.** The agency requests \$1.6 million all funds, including \$766,794 SGF, to increase the administrative operating expenses budget for DCF. The agency indicates that certain fees for services have increased, which the agency has no control over. These include: income and employment verification contracts, Office of Administrative Hearing charges, and software fees.

The Governor recommends adoption of this request.

9. **ENHANCEMENT - FAMILY RESOURCE CENTERS.** The agency requests \$2.5 million SGF to establish and support additional family resource centers. The agency states this funding would allow DCF to continue to support the nine current sites that were established and federally funded through September of 2024 and establish five additional sites.

The Governor recommends partial adoption of this request at \$1.25 million SGF for FY 2025.

10. **ENHANCEMENT – CASA.** The agency requests \$300,000 SGF for the Kansas Court Appointed Special Advocate (CASA) Association. This money would be to hire an outreach coordinator who would help recruit and retain program volunteers at the 20 local CASA programs.

The Governor does not recommend adoption of this request.

11. **ENHANCEMENT - CHILD CARE WORKFORCE REGISTRY.** The agency requests \$1.1 million SGF for the Kansas Children's Cabinet and Trust Fund (KCCTF) to provide ongoing maintenance and support for the Child Care Workforce Registry.

The Governor recommends partial adoption of this request by shifting funds from SGF to CIF for FY 2025.

12. **ENHANCEMENT - COMMUNICATION ACCESS.** The agency requests \$700,000 SGF and 2.0 FTE positions for the Kansas Commission for the Deaf and Hard of Hearing to help expand the capacity of state agencies to provide communication access for the D/HH.

The Governor does not recommend adoption of this request.

13. **ENHANCEMENT - VR CENTERS FOR INDEPENDENT LIVING.** The agency requests \$1,000,000 SGF to increase the base funding for the 10 Centers for Independent Living in Kansas by \$100,000 each.

The Governor recommends adoption of this request.

14. **ENHANCEMENT - POST-ADOPTION SERVICES.** The agency requests \$1.0 million SGF to fund grants for families with adopted children who are at risk of removal.

The Governor recommends adoption of this request.

SPECIAL TOPICS

REAPPROPRIATIONS

The Department for Children and Families reappropriated \$27 million SGF for funds not expended in FY 2023 to FY 2024. The agency attributes this to delayed IT projects, misalignment between state and fiscal year grants and contracts, and the agency's efforts to save money in various expenditure categories to fund known deficits in the following year.

Listed below is the agency's plan of expenditures for the reappropriations:

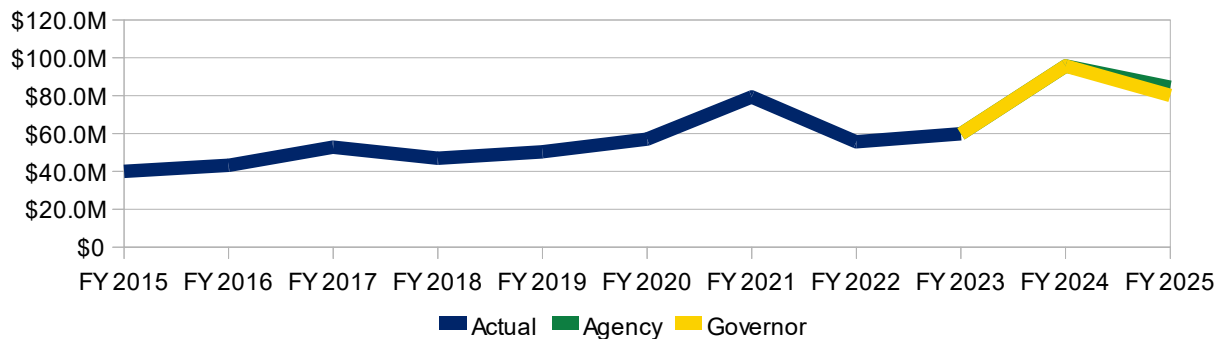
- \$10.0 million toward the development costs of the new CCWIS;
- \$2.6 million toward CCDF Matching Funds to be able to spend full award amount;
- \$1.5 million for Kansas Eligibility Enforcement System (KEES) usability Change Request Upgrade;
- \$1.5 million to reduce salary shrinkage from 12.0 percent to 9.0 percent;
- \$1.2 million for digitizing clients' records with Business Technology Career Opportunities (BTCO);
- \$1.2 million for contracts not on an SFY schedule;
- \$1.0 million for KEES SNAP Change Requests at 50/50 funding;
- \$933,000 for McIntyre Settlement Neutral Party Contract and Settlement Board Meeting Facilitation;
- \$931,269 for re-platforming the Child Support Services (CSS) System;
- \$895,683 for costs for firewall security for ITS;
- \$800,000 for Families First Grant Transition costs;
- \$800,000 for automotive purchases;
- \$795,717 for (Kansas Management Information System) KMIS System, which was delayed in FY 2023;
- \$600,000 for the Summer EBT Program;
- \$364,407 for increased charges for Equifax contract, printing, postage, OITS fees, and Office of Administrative Hearings charges;
- \$352,089 for caseload increases within Vocational Rehabilitation Services;
- \$291,000 for the Pathways contract to provide additional supports for older youth;
- \$254,310 for CALM to develop Super Parents and Bonus Social Workers;
- \$180,000 to use as the state match for Chafee reallocation and ETV for the Independent Living Program;
- \$180,000 to expand Care Portal into additional counties;
- \$161,622 for KEES SNAP updates;
- \$111,843 for development of a communications website within the Kansas Commission for the Deaf and Hard of Hearing;
- \$106,475 for Adopt KS Kids web infrastructure and database updates;
- \$105,000 for O'Connell Youth Ranch Family Functional Therapy Training;
- \$88,447 for defibrillators and security cameras for service locations; and
- \$38,000 for Kansas Deaf and Hard of Hearing Communication Access Fund.

PROGRAM OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 59,876,056	\$ 95,686,858	\$ 95,686,858	\$ 84,506,981	\$ 80,106,981
Child Support	30,822,712	36,174,278	36,174,278	33,643,693	33,643,693
Economic & Employment	332,072,848	275,225,007	275,425,007	199,686,900	213,501,175
Rehabilitation	29,526,332	37,669,896	37,669,896	39,808,494	39,108,494
Prevention & Protection	401,735,907	427,056,845	435,756,845	425,989,333	433,964,333
Client Service Delivery	114,329,740	126,361,694	126,361,694	122,139,298	122,139,298
Development	597,365	869,123	869,123	777,214	777,214
Disabilities Council					
Capital Improvements	881,875	-	-	200,000	200,000
SPARK Expend.	-	18,000,000	18,000,000	-	-
Eligibility Backlog	500,000	-	-	-	-
TOTAL	\$ 970,342,835	\$ 1,017,043,701	\$ 1,025,943,701	\$ 906,751,913	\$ 923,441,188
FTE Positions:					
Administration	228.0	239.8	239.8	239.8	239.8
Child Support	35.0	34.0	34.0	34.0	34.0
Economic & Employment	140.3	122.0	122.0	115.0	115.0
Rehabilitation	133.3	133.3	133.3	135.3	133.3
Prevention & Protection	200.0	204.0	204.0	204.0	204.0
Client Service Delivery	1,901.1	1,917.7	1,917.7	1,859.7	1,859.7
Development	5.0	5.0	5.0	5.0	5.0
Disabilities Council					
Capital Improvements	-	-	-	-	-
SPARK Expenditures	-	-	-	-	-
Eligibility Backlog	-	-	-	-	-
TOTAL	2,642.7	2,655.8	2,655.8	2,592.8	2,590.8

ADMINISTRATION

FIGURE 11
ADMINISTRATION EXPENDITURES, FY 2015 – FY 2025



STATUTORY BASIS: • KSA 75-5301, 39-708c(f), 75-5316a

The mission of the Administration Division is to provide quality and cost-effective services to staff, supervisors, and managers within DCF. The 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. The Administration Division consists of seven subprograms: Executive and Administration, Legal Services, Audit, Organizational Health and Development, Information Technology, Personnel Services, and Reserve Pool and Insurance.

Below are the descriptions of subprograms included in the Administration Division:

- **EXECUTIVE AND ADMINISTRATION.** The Executive and Administration subprogram consists of expenditures for the Office of the Secretary and Administrative Services. This subprogram also includes expenditures for KPERS employer contributions for retirees returning to work.
- **LEGAL SERVICES.** The Legal Services subprogram provides legal 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) and the Fraud Investigations Unit. Beginning in

FY 2024, a memorandum of understanding (MOU) was developed between DCF and the Social Security Administration to investigate statements and activities related to suspected disability fraud.

- **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.
- **ORGANIZATIONAL HEALTH AND DEVELOPMENT.** The Organizational Health and Development (OHD) subprogram supports and strengthens the capacity of each DCF employee. OHD is responsible for the training of staff and oversees the office of Personnel Services, whose activities include recruitment and retention.
- **INFORMATION TECHNOLOGY SERVICES.** This subprogram is responsible for managing agency-wide information technology systems.
- **PERSONNEL SERVICES.** This 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 subprogram was established to track unfunded positions.

FIGURE 12 ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 32,388,662	50,168,505	50,168,505	45,310,364	42,573,590
Federal Funds	27,039,645	44,547,330	44,547,330	38,475,594	36,812,368
All Other Funds	447,749	971,023	971,023	721,023	721,023
TOTAL	\$ 59,876,056	\$ 95,686,858	\$ 95,686,858	\$ 84,506,981	\$ 80,106,981
Percent Change:					
SGF	8.4 %	54.9 %	-- %	(9.7) %	(6.0) %
All Funds	7.7 %	59.8 %	-- %	(11.7) %	(5.2) %
FTE Positions	228.0	239.8	239.8	239.8	239.8

BUDGET ANALYSIS

The agency submits a request of \$84.5 million, including \$45.3 million SGF, in expenditures for the Administration Program for FY 2025. This is an all funds decrease of \$11.1 million, or 11.7 percent, including an SGF decrease of \$4.9 million, or 9.7 percent, below the agency's FY 2024 revised estimate of expenditures.

Within the Administration Program, the agency's revised estimate for FY 2024 is driven by the Information Technology subprogram and includes additional reappropriated funds being used toward the Child Welfare Information System (CCWIS) project, the KMIS Modernization project, and enhancements to the Kansas Eligibility Enforcement System (KEES) eligibility system. For FY 2025, the agency's request includes the CCWIS enhancement and

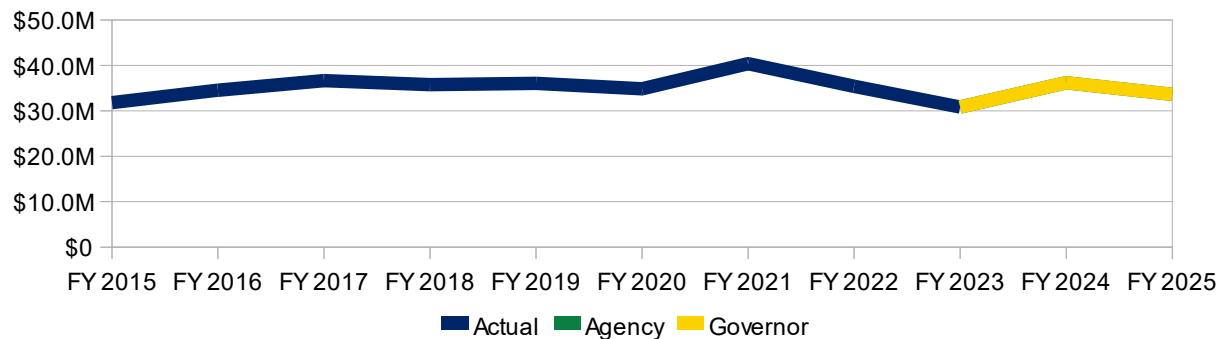
the request for an enhancement to fund additional administrative operating expenses.

Absent the enhancement requests in FY 2025 and the one-time reappropriations in FY 2024, the FY 2025 Administration Program request is less than 1.0 percent above the FY 2024 approved amount.

The **Governor** recommends expenditures of \$80.1 million, including \$42.6 million SGF, for FY 2025. The recommendation is a decrease of \$4.4 million, or 30.3 percent, below the agency's FY 2024 request. The decrease is attributable to the Governor partially adopting the agency's CCWIS enhancement request.

CHILD SUPPORT SERVICES

FIGURE 13
CHILD SUPPORT SERVICES EXPENDITURES, FY 2015 – FY 2025



STATUTORY BASIS: • KSA 39-708, 39-753

PROGRAM GOALS:

- Improve the financial stability of children by establishing parentage and appropriately sized child and medical support orders for each family unit.
- Recognize that each family unit is different but that children need financial stability that is a reliable, regular, and consistent source of financial support from a parent who has a court order to provide it.
- Ensure timely, reliable, and consistent collection and distribution of payments to families.
- Remove barriers identified by entities that Child Support Services (CSS) comes into contact with that have a direct impact on the collection or distribution of child or medical support.

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. DCF is the designated Title IV-D child support enforcement agency for Kansas. Cooperation with Child Support Services (CSS) is mandatory for persons receiving TANF, SNAP, and child care assistance. The core responsibilities of CSS are oversight of the Kansas Payment Center;

establishment of parentage, child and medical support by court order; enforcement and modification of child support orders; and engagement with employers regarding income withholding. CSS uses three contractors regarding daily operations of the program. The Kansas Payment Center collects and distributes payments and two full-service vendors provide case management and operations services.

CHILD SUPPORT SERVICES

FIGURE 14

CHILD SUPPORT SERVICES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,099,783	2,462,903	2,462,903	1,620,316	1,620,316
Federal Funds	21,387,552	25,236,588	25,236,588	23,561,231	23,561,231
All Other Funds	8,335,377	8,474,787	8,474,787	8,462,146	8,462,146
TOTAL	\$ 30,822,712	\$ 36,174,278	\$ 36,174,278	\$ 33,643,693	\$ 33,643,693
Percent Change:					
SGF	(12.3) %	123.9 %	-- %	(34.2) %	-- %
All Funds	(12.9) %	17.4 %	-- %	(7.0) %	-- %
FTE Positions	35.0	34.0	34.0	34.0	34.0

BUDGET ANALYSIS

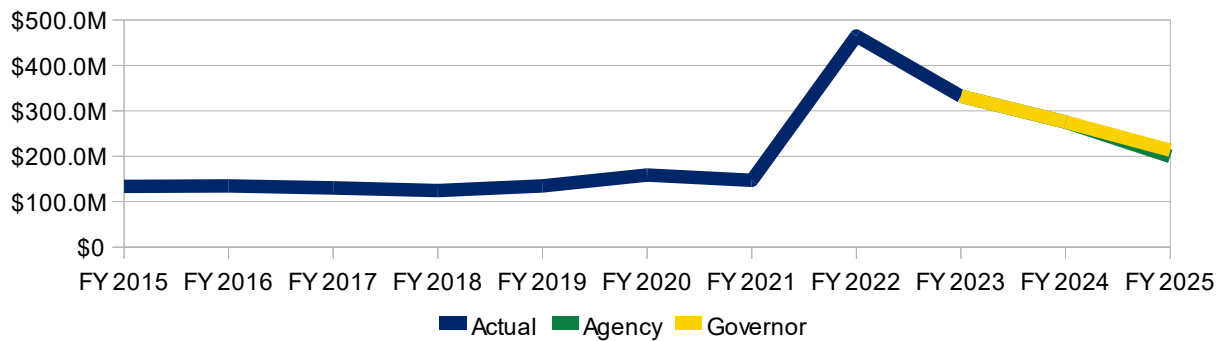
The agency submits a request of \$33.6 million, including \$1.6 million SGF, in expenditures for the Child Support Services Program for FY 2025. This is an all funds decrease of \$2.5 million, or 34.2 percent, including an SGF decrease of \$842,587, or 9.7 percent, below the agency's FY 2024 revised estimate of expenditures. The

decrease is primarily attributable to the reduction in replatforming costs of the Child Support case management system.

The **Governor** concurs with the agency's request for FY 2025.

ECONOMIC AND EMPLOYMENT SERVICES

FIGURE 15
ECONOMIC AND EMPLOYMENT SERVICES EXPENDITURES, FY 2015 – FY 2025



STATUTORY BASIS: • KSA 39-708, 39-709

PROGRAM GOALS: • Assist low-income families and individuals in obtaining training and education to encourage personal responsibility.
• Provide appropriate support services to assist clients in gaining or retaining employment and becoming self-sufficient.

The Economic and Employment Services Program administers programs that provide assistance and grants to needy families, children, and youth. These include Temporary Assistance for Needy Families (TANF) cash assistance and employment services, utility assistance, food assistance, and child care assistance.

Below are descriptions of the subprograms of the Economic and Employment Services program:

- **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CASH ASSISTANCE PROGRAM.** This subprogram provides cash assistance to very-low-income families. Families with incomes less than 21.0 percent of the federal poverty level may qualify for TANF cash assistance. Almost all families with an adult must participate in work activities and seek employment through the TANF Employment Services program. Cash assistance is an entitlement and is limited to 24 months, with provisions for extended assistance of an additional 12 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. This program is subject to the consensus caseloads 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 \$65.8 million and represents 80.0 percent of state funds spent in the base fiscal year of FY 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.
- The **Governor** concurs with the Fall 2023 Human Services Consensus and recommends an

increase of \$200,000 federal funds above the amount approved by the 2023 Legislature. Yearly decline in caseloads is projected to continue. However, the rate of decline in the early months of FY 2024 is slower than previously projected. For FY 2025, the estimate for TANF is \$9.1 million, all from federal funds, which is a decrease of \$100,000 from the revised estimate for FY 2024.

- **UTILITY ASSISTANCE.** The Low-Income Energy Assistance Program (LIEAP) 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 150.0 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. Additionally, the subprogram also provides funding for weatherization, which is transferred to the Kansas Housing Resources Corporation. In response to the COVID-19 pandemic, the Low Income Water Assistance Program was established to assist low-income households requiring a high proportion of household income for drinking water and wastewater services by reducing payments and preventing shut-offs or restoring water services.

- The agency estimates providing assistance to 40,000 households in FY 2024, at an average benefit per household of \$1,114 in FY 2024. The agency estimates the same number of households in FY

2025; however, it reduces the average benefit per household to \$819 because no additional federal pandemic supplemental benefit is budgeted for FY 2025. The **Governor** concurs with the agency's request for LIEAP for FY 2024 and FY 2025.

- **FOOD ASSISTANCE.** This subprogram provides benefits to individuals and families to assist with food costs. This program is 100.0 percent federally funded and assists individuals and families with incomes less than 130.0 percent of the federal poverty level when using the gross income test and 100.0 percent of the federal poverty level using the net income test. 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 shown 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. Total food assistance in FY 2022 totals \$651.1 million. This is more than twice the amount in FY 2020 of \$290.4 million.
- **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) EMPLOYMENT AND TRAINING.** This subprogram provides job search, education, and training 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. During the 2023 Legislative Session, legislation was passed requiring able-bodied adults between the ages of 18 and 59 without dependents who are working less than 30 hours per week to be assigned to an employment and training program. To assist in this process, service contracts

are being developed with local entities funded with federal dollars. The agency's SNAP E&T program also includes GOALS (Generating Opportunities to Attain Lifelong Success), which provides similar services to SNAP recipients with children.

- The agency estimates assisting a monthly average of 802 persons in FY 2024 at an average monthly cost of \$56.96 per person in the SNAP Employment and Training program, and 601 average monthly persons at an average monthly cost of \$61.76 per person through GOALS. For FY 2025, the agency estimates assisting an average of 802 persons at an average monthly cost of \$56.96 per person in the SNAP Employment and Training program and 648 persons at an average monthly cost of \$67.93 through GOALS.

- **CHILD CARE ASSISTANCE PROGRAM.** This subprogram provides assistance to low-income families to help offset the cost of child care and to remain in the workforce. Child care benefits vary depending on the family's income, the number of children in care, hours of care, the age of the child, and the type and location of child care setting. To qualify, families must have incomes below 250.0 percent of the federal poverty level and must comply with Child Support Enforcement requirements. Families with incomes above 100.0 percent of the federal poverty level are required to pay a share of the child care cost.

Child care is provided by centers, licensed providers, and unregulated providers, which includes care by relatives and care provided by persons in the child's home.

In response to the COVID-19 pandemic in the spring of 2020, additional federal child care funding was made available to provide services to impacted families.

These funds were used to provide child care assistance to families of health care workers and other medical personnel with incomes up to 250.0 percent of the federal poverty level. During FY 2021, the program was expanded to additional job classifications, including teachers. Federal pandemic funds have been authorized through September 2023.

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 (FMAP) rate.

The submitted budget also included funds for the Hero Relief Program for the first part of FY 2024. This program provides child care subsidy payments to first responders, emergency workers, educators, and other employees considered essential during the COVID-19 pandemic. Child care subsidy is provided for up to 12 months for workers at or below 250.0 percent of the federal poverty level. The agency estimates an average of 69 families, including 118 children, at an average monthly cost of \$687 per child in FY 2024. This is approximately 870 families less than FY 2023. The agency states the program is ending September 30, 2023.

In total, the agency estimates assisting an average of 7,016 families, including 11,957 children, at an average monthly cost of \$486 per child in the Child Care Assistance Program in FY 2024. For

FY 2025, the agency estimates assisting an average of 7,016 families, including 12,264 children, at an average monthly cost of \$500.

- The **Governor** concurs with the agency's revised estimate in FY 2024. For FY 2025, the Governor recommends \$113.7 million all fund expenditures, including \$29.5 million SGF. This is \$22.9 million all funds above the agency's request. The Governor's recommendation includes the agency's enhancement request to fund the Child Care Workforce Registry, although the Governor recommends funding the registry from the Children's Initiative Fund rather than SGF. The Governor's recommendation also includes the \$15.0 million SGF for sustainability grants for the child care workforce and the \$2.6 million SGF for the state match for the Child Care and Development Fund.
- **CHILD CARE QUALITY.** This core role of this program is to improve the quality of child care available in communities

and to increase referrals to other programs in response to family needs. 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.

- **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. Services include 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 services, and other family support services.

ECONOMIC AND EMPLOYMENT SERVICES

FIGURE 16

ECONOMIC AND EMPLOYMENT SERVICES FINANCING, FY 2023 – FY 2025

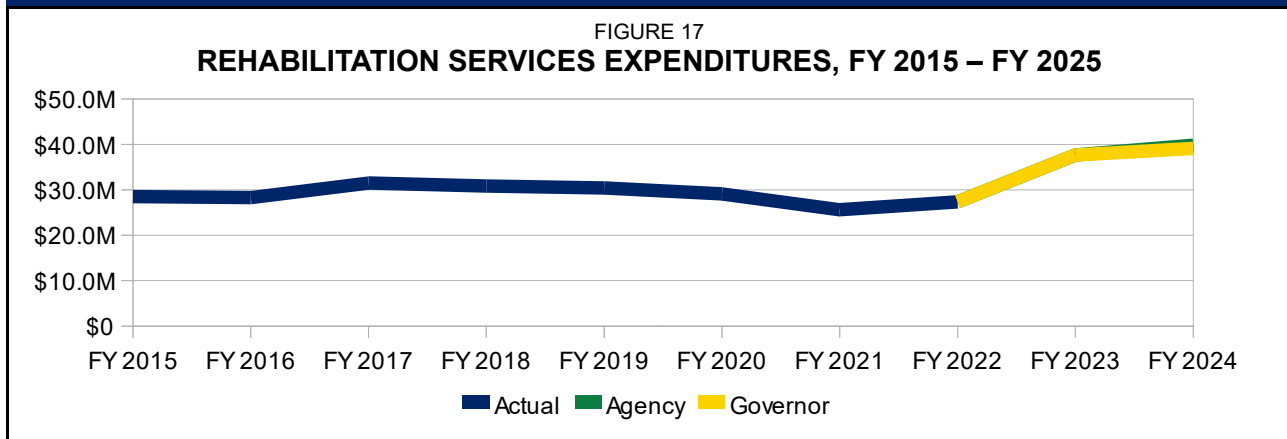
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 13,038,509	18,635,328	18,635,328	19,791,672	33,066,457
Federal Funds	313,885,278	251,435,558	251,635,558	174,856,883	174,296,373
All Other Funds	5,149,061	5,154,121	5,154,121	5,038,345	6,138,345
TOTAL	\$ 332,072,848	\$ 275,225,007	\$ 275,425,007	\$ 199,686,900	\$ 213,501,175
Percent Change:					
SGF	29.4 %	42.9 %	-- %	6.2 %	67.1 %
All Funds	(28.5) %	(17.1) %	0.1 %	(27.4) %	6.9 %
FTE Positions	141.0	122.0	122.0	115.0	115.0

BUDGET ANALYSIS

The agency submits a request of \$199.7 million, including \$19.8 million SGF, in expenditures for the Economic and Employment Services Program for FY 2025. This is an all funds decrease of \$75.5 million, or 27.4 percent, which is partially offset by an SGF increase of \$1.2 million, or 6.2 percent, from the agency's FY 2024 revised estimate of expenditures. The decrease is primarily attributable to the agency budgeting less in pandemic era federal funds. Increased expenditures from SGF for FY 2025 include the agency's enhancement requests for the Summer EBT program, administrative operating expenditures, the state match for the Child Care and Development Fund, and the Child Care Workforce Registry.

The **Governor** recommends \$213.5 million all funds, including \$33.1 million SGF, for FY 2025. This is an all funds increase of \$13.8 million, or 9.9 percent, and an SGF increase of \$13.3 million, or 67.0 percent, above the agency's request for FY 2025. This increase is due to the Governor recommending \$15.0 million SGF for sustainability grants for the child care workforce. The SGF increase is offset by the Governor recommending partial adoption of the state match for the Child Care and Development Fund and shifting the funding for the Child Care Workforce Registry from SGF to CIF, as well as the Governor not recommending expenditures for the Summer EBT program.

REHABILITATION SERVICES



STATUTORY BASIS: • KSA 39-708, 75-3339, 75-3343, 75-5391

PROGRAM GOALS:

- Assist individuals with disabilities to gain or regain their independence through employment.
- Provide independent living services to facilitate community inclusion and integration for Kansans with disabilities.
- Perform timely and accurate disability decisions.
- Assure access to qualified sign language interpreters.
- Prepare youth with disabilities to achieve employment and self-sufficiency as adults.

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 agency'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.

Rehabilitation Services subprograms include:

- **SERVICES FOR THE BLIND.** This subprogram provides programs for people who are blind or visually impaired, including core VR 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 operated 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 CASE SERVICES.** The Rehabilitation Case Services Program assists persons with physical or mental disabilities to obtain competitive, integrated employment and live more independently through the provision of VR services. The 2014 Workforce Innovation and Opportunity Act affirmed the emphasis on

competitive, integrated employment outcomes and made several significant changes, including: the addition of Pre-Employment Transition Services for youth with disabilities, the addition of career counseling and information/referral services for individuals with disabilities employed in subminimum wage jobs, and a new emphasis on creating closer connections with employers.

- **REHABILITATION SERVICES INDEPENDENT LIVING.** This subprogram develops and provides skills for inclusion in all aspects of community life, including engagement on employment goals, teaching independent living skills, and advocating for inclusion of individuals

with disabilities. It also provides specialized independent living services to older individuals (those at least 55 years old) who are blind or visually impaired to help 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 VR 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.

REHABILITATION SERVICES

FIGURE 18

REHABILITATION SERVICES FINANCING, FY 2023 – FY 2025

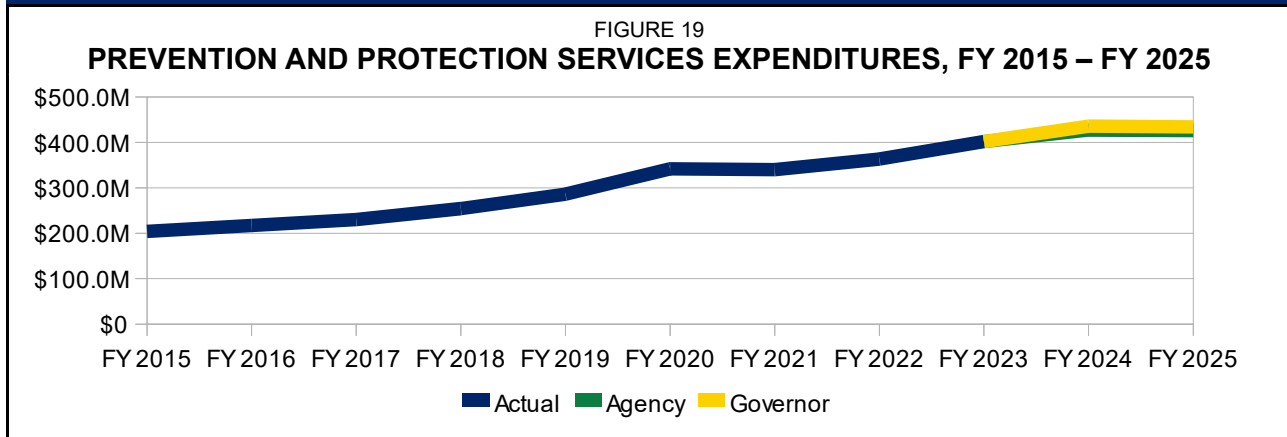
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,508,226	6,344,569	6,344,569	8,154,640	7,454,640
Federal Funds	24,930,809	31,175,694	31,175,694	31,513,651	31,513,651
All Other Funds	87,297	149,633	149,633	140,203	140,203
TOTAL	\$ 29,526,332	\$ 37,669,896	\$ 37,669,896	\$ 39,808,494	\$ 39,108,494
Percent Change:					
SGF	31.1 %	40.7 %	-- %	28.5 %	(8.6) %
All Funds	8.0 %	27.6 %	-- %	5.7 %	(1.8) %
FTE Positions	133.3	133.3	133.3	135.3	133.3

BUDGET ANALYSIS

The agency submits a request of \$39.8 million, including \$8.2 million SGF, in expenditures for Rehabilitation Services for FY 2025. This is an all funds increase of \$2.1 million, or 5.7 percent, including an SGF increase of \$1.8 million, above the agency's FY 2024 revised estimate of expenditures. The increase is primarily attributable to the agency's enhancement requests to increase the base amount for the Kansas Centers for Independent Living, fund 2.0 FTE positions at the Kansas Commission for Deaf and Hard of Hearing, and additional SGF to cover case load increases.

The **Governor** recommends \$39.1 million, including \$7.4 million SGF, in expenditures for Rehabilitation Services for FY 2025. This is an SGF decrease of \$700,000, or 1.8 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request of \$700,000 SGF for the Kansas Commission for the Deaf and Hard of Hearing. The Governor's recommendation includes adopting the agency's request to increase the base amount for the Kansas Centers for Independent Living and funding to cover case load increases within the Vocational Rehabilitation and Pre-employment transition program.

PREVENTION AND PROTECTION SERVICES



STATUTORY BASIS: • KSA 38-321, 38-2201, 38-2202, 38-2242, 38-2243, 38-2226, 39-708, 39-709, 39-1433, 65-501, 65-516, 75-53, 75-105

PROGRAM GOALS:

- Provide temporary placements for children who cannot remain safely in their homes.
- Secure permanency for children in care by reuniting them with their families, or finding permanent families for children who cannot safely return home.
- Assist youth leaving foster care without permanent families to live independently and become self-sufficient.
- Provide assessments and interventions directed toward safeguarding the well-being and general welfare of children and vulnerable adults who are in need of protection.
- Provide prevention services to families based on each family's individual needs, eligibility, and available resources.

The Prevention and Protection Services Program has a mission to protect and strengthen children, families, and adults to ensure they are safe and have quality living. Below are the details for selected Prevention and Protection Services subprograms:

- **PROTECTION REPORT CENTER.** The Kansas Protection Report Center (KPRC) receives statewide reports of child abuse and neglect and adult abuse and neglect or exploitative situations via a toll-free number, online submission, or fax. There are three centers, located in Wichita, Kansas City, and Topeka.
- **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 whether 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 (APS).** This subprogram provides activities directed toward safeguarding the well-being and welfare of adults in need of protection. APS Protection Specialists investigate reports of abuse or neglect in the community and to adults residing in facilities licensed or certified by the Kansas Department for Aging and Disabilities Services (KDADS).
- **FAMILY SERVICES.** The purpose of Family Services is to maintain children safely in their own homes by mitigating the risk factors that signal the likelihood of out-of-home placement. Family Services are provided to families in crisis resulting from a sudden onset of urgent

circumstances that may endanger a child or children resulting in the risk of removal from their home.

- **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 program is designed with a two-tiered system in which providers are responsible for services for an intensive six weeks or up to six months, depending on the tier to which the family is referred.

- **FAMILIES FIRST PROGRAM.** 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 (FFPSA) requirements, which permit states to use Title IV-E funds for these prevention services. DCF has awarded Families First Prevention Service grants to 12 community partners and stakeholders who provide approved evidence-based or emerging programs in counties and communities statewide. The program also includes administrative expenses and an FFPSA Evaluation grant, which assures there is statewide coordination of all FFPSA programs and that all grantees are adhering to the fidelity of their chosen models.

- **FAMILY CRISIS SUPPORT SERVICES.** This subprogram serves families and caregivers whose children are experiencing an increase in behavioral health symptoms. The agency contracts for the management of a centralized behavioral health crisis hotline, screening, and mobile response stabilization services.

- **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 was awarded in each of the eight DCF catchment areas. The foster grantees are Saint Francis Ministries, KVC Kansas, TFI, and Cornerstones of Care.

- The agency estimates serving approximately 5,870 children per month at an estimated monthly cost of \$4,080 per child in FY 2024 and for FY 2025. This does not include any adjustments made to account for the consensus caseloads estimating process to which this program is subject.

- **ADOPTION SERVICES.** Adoption Services is composed of two sections: the Adoption Facilitation contract, and expenditures required to fulfill Adoption Support MOE requirements related to the Fostering Connections Act. This Act allowed qualified state-funded adoption support clients to be converted to Title IV-E eligible status, resulting in state fund savings. The Act also established a state MOE requirement that states spend these savings on new Title IV-E or Title IV-B activities. In addition, a minimum of 20.0 percent of the MOE expenditures must be spent on post-adoption services.

- **ADOPTION SUPPORT.** Adoption Support is a program designed to remove barriers to the adoption of children with special needs.

- **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.
- **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 14th birthday. Available services include assistance with completing secondary and post-secondary education, monthly independent living subsidies, life-skills training, and leadership opportunities. These services are provided by local DCF offices. The federal government provides an 80.0 percent match for the funds expended subject to the amount of the federal grant. Free medical services are available through the Medical Card Extension Program for youth 18 to 26 years of age who were in custody and out-of-home placement on their 18th birthday. Additionally, youth may attend Kansas higher education institutions under the Kansas Foster Child Educational Assistance Act if they meet criteria established by the Act. Tuition and fees are waived by the schools. No payment from DCF is required. Youth are eligible through the semester they turn 26 years of age. This program also aids older youth

through a TANF funded grant. This grant is a mentoring and financial literacy program that serves youth in Johnson, Wyandotte, Douglas, and Shawnee Counties. The target population served by this grant includes youth ages 17-24 who are or have been in DCF custody on or at any time after their 14th birthday.

- **LICENSING.** Foster Care Licensing is responsible for licensure and regulatory compliance for all 24-hour-per-day, 7-day-per-week childcare facilities, and for agencies that provide placement services in the State of Kansas. They conduct initial and ongoing compliance inspection. Costs in this budget include licensing administration, licensing of foster care homes, and a portion of the Childcare Licensing and Regulation Information System costs.
- **OTHER SERVICES.** This subprogram is comprised of other Prevention and Protection Services that are unique due to funding structure or program requirements. There are currently five services in this subprogram—Behavioral Intervention Services, Therapeutic Family Foster Home Capacity Building and Supports, Family Functional Therapy for Children in Care, Evidence Based services for Intellectual and Developmental Disabilities Youth, and Family Resource Center Establishment.

PREVENTION AND PROTECTION SERVICES

FIGURE 20

PREVENTION AND PROTECTION SERVICES FINANCING, FY 2023 – FY 2025

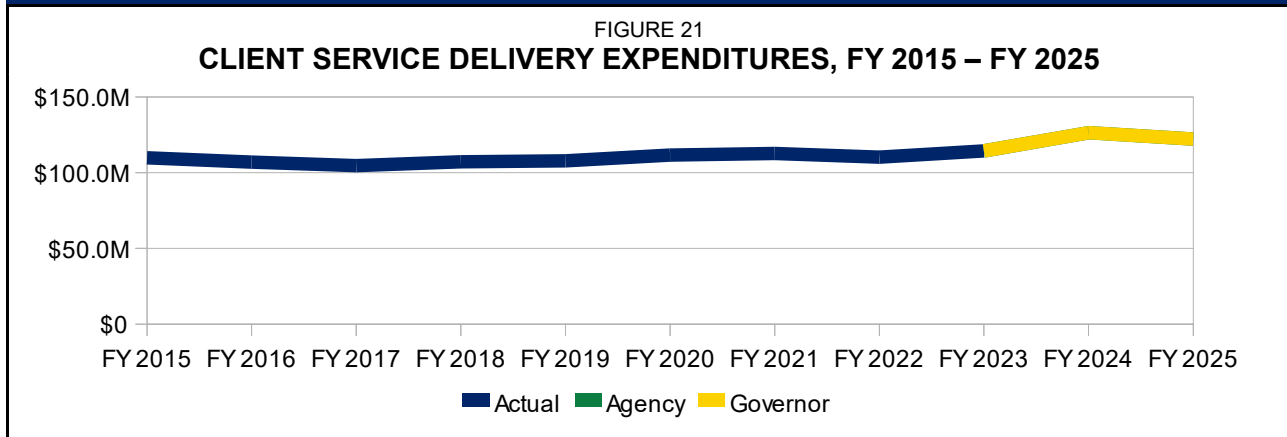
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 251,670,800	277,032,652	279,878,342	278,708,876	276,088,260
Federal Funds	133,087,499	135,294,625	140,895,307	131,437,889	147,020,939
All Other Funds	16,977,608	14,729,568	14,983,196	15,842,568	10,855,134
TOTAL	\$ 401,735,907	\$ 427,056,845	\$ 435,756,845	\$ 425,989,333	\$ 433,964,333
Percent Change:					
SGF	16.1 %	10.1 %	1.0 %	0.6 %	(0.9) %
All Funds	10.6 %	6.3 %	2.0 %	(0.2) %	1.9 %
FTE Positions	208.0	204.0	204.0	204.0	204.0

BUDGET ANALYSIS

The agency submits a request of \$426.0 million, including \$278.7 million SGF, in expenditures for Prevention and Protection Services for FY 2025. This is an all funds decrease of \$1.1 million, or 0.2 percent, that is the result of a decrease in federal funds offset by an SGF increase of \$1.7 million from the agency's FY 2024 revised estimate of expenditures. The increase is primarily attributable to the agency's enhancement requests to benefit the Prevention and Protection Services Program, including establishing five additional Family Resource Centers (\$2.5 million SGF), providing grants to families post-adoption (\$1 million SGF), expanding Foster Adopt Connect into Wichita (\$500,000 SGF), fully funding the KanCoach Program (\$309,575 SGF), and recruiting additional CASA volunteers (\$300,000 SGF).

The **Governor** recommends \$434.0 million, including \$276.0 million SGF, in expenditures for Prevention and Protection Services for FY 2025. This is an all funds increase of \$8.0 million, or 0.2 percent, above the agency's request. This is an SGF decrease of \$2.6 million, or 0.9 percent, below the agency's request. The Governor adopted the agency's enhancements to provide grants to families post-adoption and to expand Foster Adopt Connect into Wichita. The Governor recommended partial adoption of the agency's request for additional funding to support Family Resource Centers. The Governor did not adopt the agency's request to fully fund the KanCoach Program. In addition, the Governor shifted \$3.2 million CIF to SGF to fund Family Preservation Services.

CLIENT SERVICE DELIVERY



STATUTORY BASIS: • KSA 38-2226, 39-708, 39-709, 39-1433, 75-5316a

PROGRAM GOALS:

- Accurately assess the safety and needs of children and adults during abuse investigations.
- Perform accurate and timely service assessments and eligibility determinations.
- Provide case management and services appropriate to client needs.
- Provide services resulting in gainful employment and self-sufficiency.

The Client Service Delivery staff are employed throughout Kansas and deliver the bulk of all DCF benefits and many direct services in 36 service centers throughout the 6 regional management areas: Kansas City (HQ), Wichita (HQ), Northeast (Topeka HQ), Southeast (Chanute HQ), Northwest (Manhattan HQ), and Southwest (Garden City

HQ). The staff in these regions carry out the agency's three main programs: Economic and Employment Services, Vocational Rehabilitation Services, and Prevention and Protection Services. Most positions are considered front-line staff providing direct services.

CLIENT SERVICE DELIVERY

FIGURE 22

CLIENT SERVICES DELIVERY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 70,197,123	79,228,365	79,228,365	76,535,694	75,449,571
Federal Funds	44,132,658	47,133,329	47,133,329	45,603,604	46,689,727
All Other Funds	(41)	-	-	-	-
TOTAL	\$ 114,329,740	\$ 126,361,694	\$ 126,361,694	\$ 122,139,298	\$ 122,139,298
Percent Change:					
SGF	7.7 %	12.9 %	-- %	(3.4) %	(1.4) %
All Funds	3.8 %	10.5 %	-- %	(3.3) %	-- %
FTE Positions	1,908.4	1,917.7	1,917.7	1,859.7	1,859.7

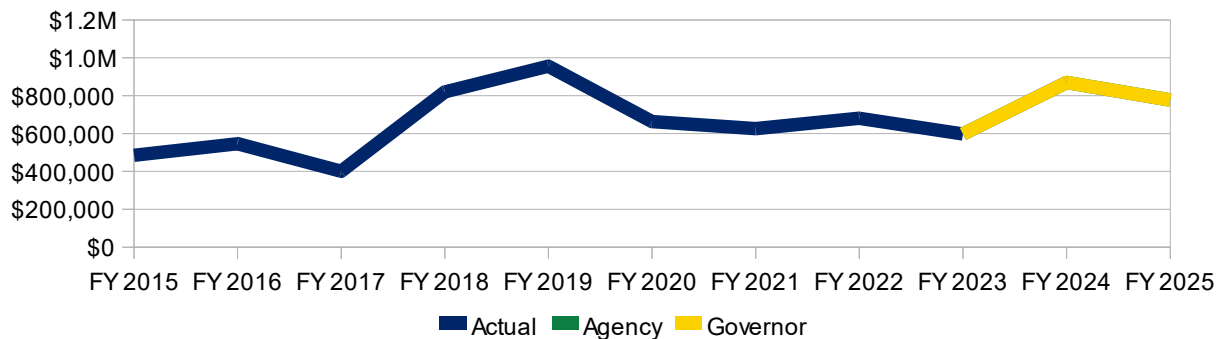
BUDGET ANALYSIS

The agency submits a request of \$122.1 million, including \$76.5 million SGF, in expenditures for Client Services Delivery for FY 2025. This is an all funds decrease of \$4.2 million, or 3.3 percent, including an SGF decrease of \$2.7 million, primarily in salaries and wages.

The **Governor** concurs with the agency's request for FY 2025. There is a \$1.1 million shift from SGF to Federal Funds that is due to the Title IV-E SGF Administrative cost savings.

DEVELOPMENTAL DISABILITIES COUNCIL

FIGURE 23
DEVELOPMENTAL DISABILITIES COUNCIL EXPENDITURES, FY 2015 – FY 2025



STATUTORY BASIS: • KSA 39-708(c)

PROGRAM GOALS: • Build capacity and advocate for services supporting individuals with disabilities.

The Developmentally Disabled Assistance and Bill of Rights Act of 1975 mandated a Developmental Disability Council in every state. The **Kansas Council on Developmental Disabilities (KCDD)** is composed of members appointed by the Governor and represents the

developmental disability community. The council advocates for improvements in the Kansas system with the goal of providing people with intellectual and developmental disabilities, family members, and caregivers the services and support they need.

FIGURE 24
DEVELOPMENTAL DISABILITIES COUNCIL FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 3,519	3,069	3,069	3,530	3,530
Federal Funds	593,846	866,054	866,054	773,684	773,684
All Other Funds	-	-		-	
TOTAL	\$ 597,365	\$ 869,123	\$ 869,123	\$ 777,214	\$ 777,214
Percent Change:					
SGF	7.7 %	(12.8) %	-- %	15.0 %	-- %
All Funds	3.8 %	45.5 %	-- %	(10.6) %	-- %
FTE Positions	5.0	5.0	5.0	5.0	5.0

BUDGET ANALYSIS

The agency submits a request of \$777,214, including \$3,530 SGF, in expenditures for the Kansas Council on Developmental Disabilities for FY 2025. This is an all funds decrease of \$91,909 or 10.6 percent, including an SGF increase of \$461.

The **Governor** concurs with the agency's revised estimate in FY 2024 and the agency's request for FY 2025 for the Developmental Disabilities Council.

CAPITAL IMPROVEMENTS

The Topeka Service Center at 500 SW Van Buren St. serves as the DCF service center for the Northeast Region. The agency leases this building from the Department of Administration on a lease-to-buy agreement. During FY 2021, the existing bonds associated with this lease were recalled, and the building was refinanced. This was completed through the Department of Administration along with the Curtis State Office Building. The lease agreement requires the agency to set aside \$0.75 per square foot, or \$64,725 annually, into a state Project Maintenance Reserve Fund. The agency is currently responsible for capital improvements to this building.

Per federal rules, expenditures are made using state funds when incurred. These are then amortized over time to leverage federal funds. Approximately one-half of total expenditures will eventually be claimed to federal funding sources. As a result, future improvements will be funded 50.0 percent from Maintenance Funds and 50.0 percent from fee funds. As federal funds are claimed, the dollars will be used to reimburse the fee fund. The Maintenance Fund will be replenished via the annual contribution cited above.

FIGURE 25 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Replace the roof	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Service Center Lobby and Interview Room Remodeling	881,875	-	-	-	-
TOTAL	\$ 881,875	\$ -	\$ -	\$ 200,000	\$ 200,000
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	881,875	-	-	200,000	200,000
TOTAL	\$ 881,875	\$ -	\$ -	\$ 200,000	\$ 200,000

FY 2024 CAPITAL IMPROVEMENTS

The **agency** has no Capital Improvements requests in FY 2024.

The **Governor** concurs with the agency's revised estimate for capital improvement expenditures in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$200,000 in special revenue fund expenditures to replace the roof at the Topeka Service Center.

The agency indicates that the life expectancy of an asphalt/rubber roof is between 20 and 25 years. The Topeka Service Center has not had

any major improvements and is showing signs of wear and tear. In an effort to preserve the longevity of the building, as well as the vast amount of equipment in the interior, a roof replacement is requested. This repair would be funded from the Project Maintenance Reserve Fund.

The **Governor** concurs with the agency's request for capital improvement expenditures for FY 2025.

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 914,882,588	\$ 1,393,082,461	\$ 1,381,031,000	\$ 1,263,419,268	\$ 1,274,371,082
Federal Funds	1,636,585,457	1,789,759,504	1,771,744,305	1,746,455,551	1,707,284,945
All Other Funds	68,268,117	91,201,751	88,894,271	75,792,215	71,504,735
<i>Subtotal</i>	<u>\$ 2,619,736,162</u>	<u>\$ 3,274,043,716</u>	<u>\$ 3,241,669,576</u>	<u>\$ 3,085,667,034</u>	<u>\$ 3,053,160,762</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	10,242,064	18,943,660	18,943,660	12,257,950	11,977,550
<i>Subtotal</i>	<u>\$ 10,242,064</u>	<u>\$ 18,943,660</u>	<u>\$ 18,943,660</u>	<u>\$ 12,257,950</u>	<u>\$ 11,977,550</u>
TOTAL	<u>\$ 2,629,978,226</u>	<u>\$ 3,292,987,376</u>	<u>\$ 3,260,613,236</u>	<u>\$ 3,097,924,984</u>	<u>\$ 3,065,138,312</u>
Percentage Change:					
State General Fund	28.4 %	52.3 %	51.0 %	(9.3) %	(7.7) %
All Funds	15.2 %	25.2 %	24.0 %	(5.9) %	(6.0) %
FTE Positions	362.3	380.6	380.6	372.6	366.6

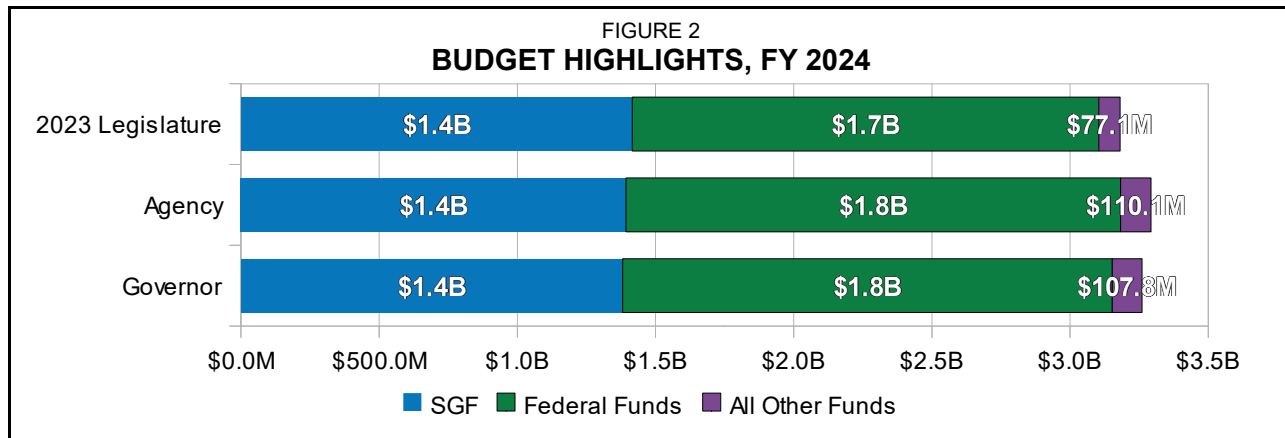
The Kansas Department for Aging and Disability Services (KDADS) was established by statute in 1977 as a cabinet-level agency, known as the Department of Aging until 2012. The agency is headed by a secretary appointed by the Governor, subject to confirmation by the Senate. Its goals are to promote the security, dignity, and independence of older adults and persons with disabilities. KDADS is responsible 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. KDADS 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.

KDADS is responsible for overseeing the administration of the Medicaid Home and Community Based Services (HCBS) waivers for older adults and persons with disabilities. Kansas currently has seven separate HCBS waivers: Autism (AU), Frail Elderly (FE), Intellectual and Developmental Disability (I/DD), Physical Disability (PD), Serious Emotional Disturbance (SED), Technology Assisted (TA), and Brain Injury (BI).

For budgetary purposes, KDADS is organized into the following programs: Administration, Aging and Disability Commission, Behavioral Health Commission, Capital Improvements, Medicaid Programs, State Hospital Commission, and Survey and Certification Commission.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$3.2 billion, including \$1.4 billion from the State General Fund (SGF), for the Kansas Department for Aging and Disability Services for FY 2024. The approved budget includes \$198.7 million in reappropriated SGF moneys that the agency did not spend in FY 2023. The reappropriated funds are primarily related to changes in the Federal Medical Assistance Percentage (FMAP) rate related to the COVID-19 Public Health Emergency.



The **agency** requests a revised estimate of \$3.3 billion, including \$1.4 billion SGF, in expenditures and 380.6 FTE positions in FY 2024. This is an increase of \$111.7 million, or 3.5 percent, including an SGF decrease of \$23.0 million, or 1.6 percent, compared with the amount approved by the 2023 Legislature.

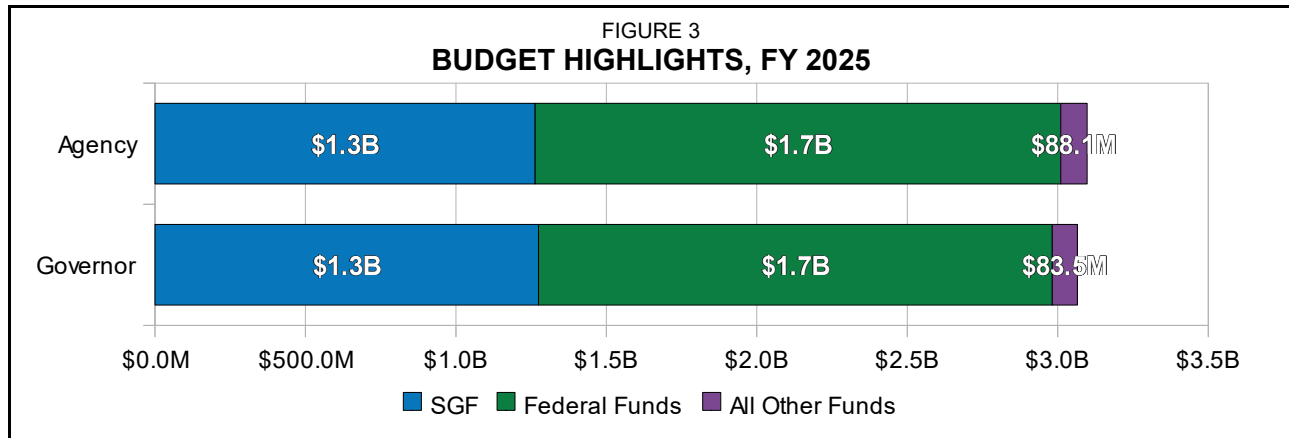
The all funds increase is primarily due to the award of \$66.0 million to the agency by the Strengthening People and Restoring Kansas (SPARK) Taskforce to **administer the Health Facilities and Program Expansion grant program**, \$15.5 million in **State Institutions Building Fund (SIBF) reappropriations**, and \$34.6 million in **federal grants** received by KDADS above the amount included in the budget approved by the 2023 Legislature.

The SGF decrease is primarily due to a transfer of \$12.3 million SGF to the state hospitals to provide **hourly differential pay pursuant to the 24/7 Pay Plan** and the agency's enhancement request to **lapse \$7.5 million of the SGF reappropriation for KanCare caseloads**. The KanCare caseloads funds are revised every spring and fall by the consensus caseloads estimating group, consisting of the Kansas Department of Health and Environment, the Kansas Department for Aging and Disability Services, the Department for Children and Families, the Division of Budget, and the Kansas Legislative Research Department.

The **Governor** recommends expenditures totaling \$3.3 billion, including \$1.4 billion SGF, in FY 2024. This is a decrease of \$32.8 million, including \$12.1 million SGF, below the agency's revised estimate in FY 2024. The Governor's recommendation includes 380.6 FTE positions, which is the same as the agency's revised estimate.

The decrease in expenditures is primarily due to the Governor's recommendation to delete \$39.0 million, including \$18.7 million SGF, to adopt the **fall consensus caseloads revised estimate** in FY 2024. The decrease is primarily due to a decrease of \$11.6 million, including \$4.5 million SGF, to account for several Community Mental Health Centers (CMHCs) transitioning to Certified Community Behavioral Health Clinics (CCBHCs) partway through the year. The previous estimate assumed all CMHCs would transition on July 1, and the revised estimate more accurately reflects a partial year's cost. For more information, see the "Consensus Caseloads Estimate" Special Topics section for this agency.

Lastly, the Governor recommends lapsing \$903,780 SGF from the **CARE/PASRR program** to avoid double counting, as funding for this program was included in consensus caseloads in FY 2024. The Client Assessment, Referral and Evaluation (CARE) program is the Kansas-specific version of the Pre-admission Screen and Resident Review) PASRR, which is a CMS-mandated assessment to determine appropriate placement of an individual in a long-term-care facility, including in nursing facilities that are funded through the consensus caseloads process.



The **agency** requests \$3.1 billion, including \$1.3 billion SGF, in expenditures and 372.6 FTE positions for FY 2025. This is a decrease of \$195.0 million, or 5.9 percent, including an SGF decrease of \$130.0 million, or 9.3 percent, below the agency's FY 2024 revised estimate.

The decrease is primarily due to several large expenditures in FY 2024 not reoccurring in FY 2025, including \$191.2 million in SGF reappropriations, \$66.0 million in SPARK Taskforce grants, \$22.0 million for the Ascension Via Christi emergency room expansion, and \$15.5 million in SIBF reappropriations.

The overall decrease is partially offset by the agency's 20 enhancement requests totaling \$122.5 million, including \$49.9 million SGF.

The **Governor** recommends expenditures of \$3.1 billion, including \$1.3 billion SGF, for FY 2025. This is a decrease of \$32.8 million, but an increase of \$11.0 million SGF, from the agency's request for FY 2025.

The reduction is primarily due to the Governor's recommendation not to adopt 12 of the agency's enhancement requests, totaling \$82.7 million. Those requests include:

- PACE Staffing (\$175,262, including \$87,631 SGF);
- Behavioral Health Commission Staffing (\$570,908, including \$285,455 SGF);
- IECMH Coordinator (\$87,752 SGF and 1.0 FTE position);
- NFMH Case Management (\$1.5 million SGF);
- SUD Uninsured Services and Staffing (\$5.1 million SGF and 1.0 FTE position);
- Assistive Technology for I/DD Waiver (\$7.8 million, including \$3.0 million SGF);
- Cognitive Support Service for PD Waiver (\$9.5 million, including \$3.7 million SGF);
- 500 Additional Slots for the I/DD Waiver (\$34.5 million, including \$13.3 million SGF);
- 500 Additional Slots for the PD Waiver (\$11.5 million, including \$4.5 million SGF);
- T1000 Rate Increase (\$9.1 million, including \$3.5 million SGF);
- Cottonwood Recreation Building Remodel (\$1.9 million SIBF); and
- Special Services and MICO House Office Renovation (\$873,600 SIBF).

Additionally, the Governor recommends partial adoption of eight enhancement requests, which results in a reduction of \$22.8 million. Those requests include:

- Supported Employment Rate Increase (\$21.3 million decrease);
- Family Treatment Court Costs (\$1.5 million SGF decrease);
- Employment and Benefits Coordinator (fund \$21,938 from existing funds);
- Family Support Coordinator (fund \$43,876 from existing funds);
- CSW Staffing (2.0 FTE position decrease); and
- TA Program Manager (1.0 FTE position decrease).

Furthermore, the Governor's recommendation includes an increase of \$2.5 million for **institutional razing projects**; \$30.3 million, including \$15.8 million SGF, to adopt the **fall consensus caseloads initial estimate** for FY 2025; \$40.0 million SGF to provide grants to assist local governments in **responding to and preventing housing insecurity** in their communities; \$120,000 SGF and 1.0 FTE position to create the **State Housing Supports Director** position; and \$690,868 SGF for a **shoe and boot allowance** for safety and security officers and nursing staff at state hospitals.

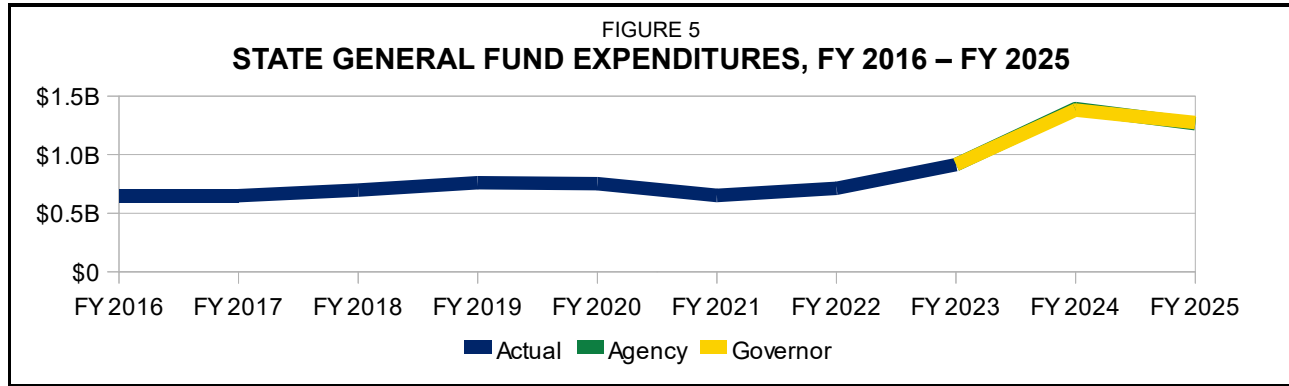
EXPENDITURES AND FINANCING

FIGURE 4

BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 19,782,002	\$ 30,211,183	\$ 30,211,183	\$ 46,032,672	\$ 45,312,770
Contractual Services	57,450,719	168,114,460	172,811,438	83,008,280	86,293,133
Commodities	641,461	191,370	191,370	191,370	882,238
Capital Outlay	97,372	91,490	91,490	91,490	91,490
Debt Service Interest	2,585,194	4,225	4,225	-	-
<i>Subtotal</i>	<i>\$ 80,556,748</i>	<i>\$ 198,612,728</i>	<i>\$ 203,309,706</i>	<i>\$ 129,323,812</i>	<i>\$ 132,579,631</i>
Aid to Local Units	123,482,508	149,675,135	149,675,135	176,838,256	176,838,256
Other Assistance	2,415,696,906	2,925,755,735	2,925,755,735	2,743,742,875	2,743,742,875
<i>Subtotal—Operating</i>	<i>\$ 2,619,736,162</i>	<i>\$ 3,274,043,598</i>	<i>\$ 3,278,740,576</i>	<i>\$ 3,049,904,943</i>	<i>\$ 3,053,160,762</i>
Capital Improvements	10,242,064	18,679,435	18,679,435	12,257,950	11,977,550
Debt Service Principal	-	264,225	264,225	-	-
TOTAL	\$ 2,629,978,226	\$ 3,292,987,258	\$ 3,297,684,236	\$ 3,062,162,893	\$ 3,065,138,312
Financing:					
State General Fund	\$ 914,882,588	\$ 1,393,082,461	\$ 1,381,031,000	\$ 1,263,419,268	\$ 1,274,371,082
State Institutions Bldg. Fund	12,827,258	18,947,885	18,947,885	12,257,950	11,977,550
Federal Funds	1,636,585,457	1,789,759,504	1,771,744,305	1,746,455,551	1,707,284,945
All Other Funds	65,682,923	91,197,526	88,890,046	75,792,215	71,504,735
TOTAL	\$ 2,629,978,226	\$ 3,292,987,376	\$ 3,260,613,236	\$ 3,097,924,984	\$ 3,065,138,312
FTE Positions	362.3	380.6	380.6	372.6	366.6

STATE GENERAL FUND



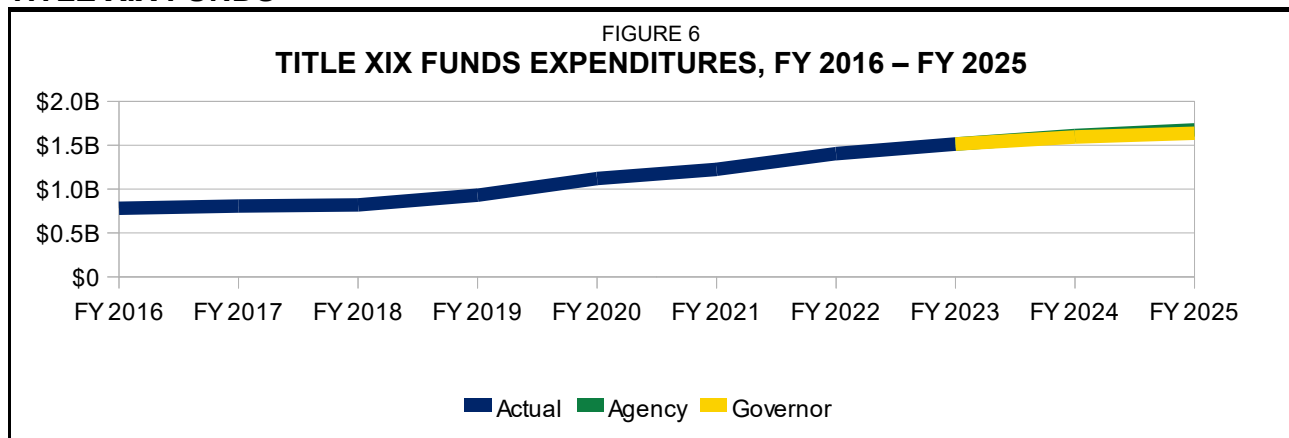
For the Kansas Department for Aging and Disability Services, SGF expenditures are the second largest source of financing. A large portion of the SGF expenditures provide a State match to draw down federal funds for various programs.

In FY 2021, the federal government implemented a temporary 6.2 percent increase in the FMAP rate as part of its efforts to address the COVID-19 pandemic. This increase in the FMAP allowed the agency to utilize less SGF moneys and draw down more federal funds.

In FY 2023, the federal government began phasing out the enhanced FMAP rate through the end of CY 2023. For quarter 4 of FY 2023, the enhanced FMAP rate decreased to 5.0 percent. For quarter 1 of FY 2024, the enhanced FMAP rate decreased to 2.5 percent. For quarter 2 of FY 2024, the enhanced FMAP rate decreased to 1.5 percent. Beginning quarter 3 of FY 2024, there is no enhanced FMAP rate.

In FY 2024, the agency estimates expending \$1.39 billion SGF. This increase in expenditures is partially due to the agency not spending its full approved SGF budget in prior years, the elimination of the enhanced FMAP rate, and \$191.2 million in unspent funds that shifted from FY 2023 to FY 2024.

TITLE XIX FUNDS



The Title XIX Funds are federal Medicaid moneys the agency receives as reimbursement for providing various Medicaid services. It is the largest source of funding for the agency and is largely determined by the FMAP rate. These funds are generally used for Medicaid expenditures for behavioral health services, nursing facility reimbursements, and Home and Community Based Services (HCBS). The amount of Title XIX funds increased throughout the COVID-19 Public Health Emergency due to the enhanced FMAP rate. The enhanced FMAP rate ended as of January 2024.

FY 2024 ANALYSIS

FIGURE 7

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 1,217,359,847	\$ 2,982,598,556	366.3
1. SGF Reappropriation—Standard FMAP Savings	123,302,947	123,302,947	--
2. SGF Reappropriation—10.0 Percent FMAP Savings	41,623,065	41,623,065	--
3. Other SGF Reappropriations	33,797,447	33,797,447	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 1,416,083,306</i>	<i>\$ 3,181,322,015</i>	<i>366.3</i>
Agency Revised Estimate:			
Supplemental Requests:			
4. Lapse Caseloads Reappropriation	\$ (7,513,609)	\$ (7,513,609)	--
5. Pay Plan Shortfall	85,777	85,777	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ (7,427,832)</i>	<i>\$ (7,427,832)</i>	<i>--</i>
6. SIBF Reappropriation	\$ -	\$ 15,479,435	--
7. SPARK Grant Program	-	66,000,000	--
8. Federal Grants	-	34,606,613	--
9. 24/7 Pay Plan Transfer	(12,283,113)	(12,283,113)	--
10. Community Crisis Stabilization	-	9,691,954	--
11. County Competency Reimbursements	-	5,000,000	--
12. All Other Adjustments	(3,289,900)	598,304	14.3
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 1,393,082,461</i>	<i>\$ 3,292,987,376</i>	<i>380.6</i>
Governor's Recommendation:			
13. Supplementals Not Recommended	\$ 7,513,609	\$ 7,513,609	--
14. Fall Consensus Caseloads Estimate	(18,661,290)	(38,983,969)	--
15. CARE/PASRR Lapse	(903,780)	(903,780)	--
TOTAL	\$ 1,381,031,000	\$ 3,260,613,236	380.6

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, three adjustments were made to the \$3.0 billion, including \$1.2 billion SGF, appropriated to the Kansas Department for Aging and Disability Services for FY 2024. These adjustments change the current year approved amount without any legislative action required:

- 1. SGF REAPPROPRIATION—STANDARD FMAP SAVINGS.** The agency reappropriated \$123.3 million SGF in savings in the HCBS waiver programs due to changes in the standard FMAP related to an extension of the COVID-19 Public Health Emergency. The agency reports that it will use the \$123.3 million to develop a number of one-time HCBS projects, including development of an I/DD Community Supports Waiver, Integrated Care and Technology projects, and housing initiatives for HCBS participants. See the "Special Topics" section for this agency for more details.
- 2. SGF REAPPROPRIATION—10.0 PERCENT FMAP SAVINGS.** The agency reappropriated \$41.6 million SGF in savings from the 10.0 percent HCBS FMAP bump. A condition of the 10.0 percent HCBS FMAP bump is that SGF savings must be used on projects to further develop HCBS programs. These agency anticipates expending the remaining funds in FY 2024.
- 3. OTHER SGF REAPPROPRIATIONS.** The agency reappropriated \$33.8 million SGF due to unspent funds for other programs, including development of the regional state hospital in Sedgwick County (\$18.7 million SGF), unspent funds for KanCare caseloads

(\$4.0 million SGF) and non-KanCare caseloads (\$3.5 million SGF), continued implementation of the Electronic Health Records system at the state hospitals (\$5.1 million SGF), one-time mental health community based initiatives (\$2.1 million SGF), and one-time administrative expenses for Community Developmental Disability Organizations (\$304,539).

AGENCY ESTIMATE

The **agency** estimates revised expenditures of \$3.3 billion, including \$1.4 billion SGF, in FY 2024. This is an increase of \$111.7 million, including a decrease of \$23.0 million SGF, from the amount approved by the 2023 Legislature.

The revised estimate includes a decrease of \$7.4 million SGF for the following supplemental requests:

4. **LAPSE CASELOADS REAPPROPRIATION.** The agency's revised estimate includes a supplemental request to lapse \$7.4 million SGF of its reappropriations. This amount is related to KanCare caseloads and non-KanCare caseloads. Funding for caseloads is reassessed each spring and fall as part of the consensus caseloads estimating process.
5. **PAY PLAN SHORTFALL.** The revised estimate includes \$85,777 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. For more detail, see the "Supplemental and Enhancement Requests" section for this agency.

Absent the supplemental requests, the revised estimate includes an increase of \$119.1 million, including a decrease of \$15.6 million SGF, in base budget expenditures. Significant adjustments are as follows:

6. **SIBF REAPPROPRIATION.** The agency's revised estimate includes \$15.5 million, all from the State Institutions Building Fund (SIBF), for rehabilitation and repair and remodeling projects at the state hospitals. These funds were approved by the 2023 Legislature but were unspent during FY 2023 and reappropriate to FY 2024.
7. **SPARK GRANT PROGRAM.** The agency's revised estimate includes \$66.0 million, all from federal American Rescue Plan Act (ARPA) funds, which the agency was directed to distribute to grantees as part of the Strengthening People and Revitalizing Kansas (SPARK) process. The grants are for health facilities and health program expansion. Awarded projects include development of the regional state hospital in Sedgwick County (\$25.0 million), development of a private psychiatric hospital in Olathe (\$12.7 million), the Wichita State University and University of Kansas Health Sciences Education Center (\$15.0 million), expansion of current service providers programs (\$7.7 million), and supporting the expansion of the Kansas College of Osteopathic Medicine (\$5.0 million).
8. **FEDERAL GRANTS.** The agency's revised estimate includes an additional \$34.6 million in federal grants that were not included in amount approved by the 2023 Legislature. The additional funds do not represent a significant change from FY 2023 actual expenditures.
9. **24/7 PAY PLAN TRANSFER.** The agency's revised estimate includes a decrease of \$12.3 million SGF due to the agency transferring funds to the state hospitals for hourly differentials pursuant to the 24/7 Pay Plan.

10. **COMMUNITY CRISIS STABILIZATION.** The agency's revised estimate includes an increase of \$9.7 million, all from special revenue funds, for community crisis stabilization centers in FY 2024. According to statute, 75.0 percent of net lottery vending machine revenue goes toward crisis stabilization centers. The increase over the amount approved by the 2023 Legislature is primarily due to \$8.9 million in unspent funds in FY 2023. The agency reports that expansion of the crisis stabilization centers has been slower than anticipated.
11. **COUNTY COMPETENCY REIMBURSEMENTS.** The agency's revised estimate includes \$5.0 million, all from special revenue funds, to provide reimbursement to counties for confinement of individuals waiting for forensic evaluation or treatment pursuant to 2023 SB 228. The reimbursements are funded via request from the county, certification of costs and demand transfer by KDADS from the State General Fund to the KDADS County Competency Reimbursement Fund, and from KDADS to the counties. As of December 18, 2023, expenditures totaled \$3.7 million for FY 2023 and \$1.3 million for quarter 1 of FY 2024.
12. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other adjustments totaling \$598.304, including a decrease of \$3.3 million SGF, for FY 2024. These include a number of adjustments across all KDADS programs.

The **agency's** estimate also includes 380.6 FTE positions, which is an increase of 14.3 FTE positions above the amount approved by the 2024 Legislature. The increase is primarily related to 14 grant-funded positions in the Behavioral Health Commission.

GOVERNOR'S RECOMMENDATION

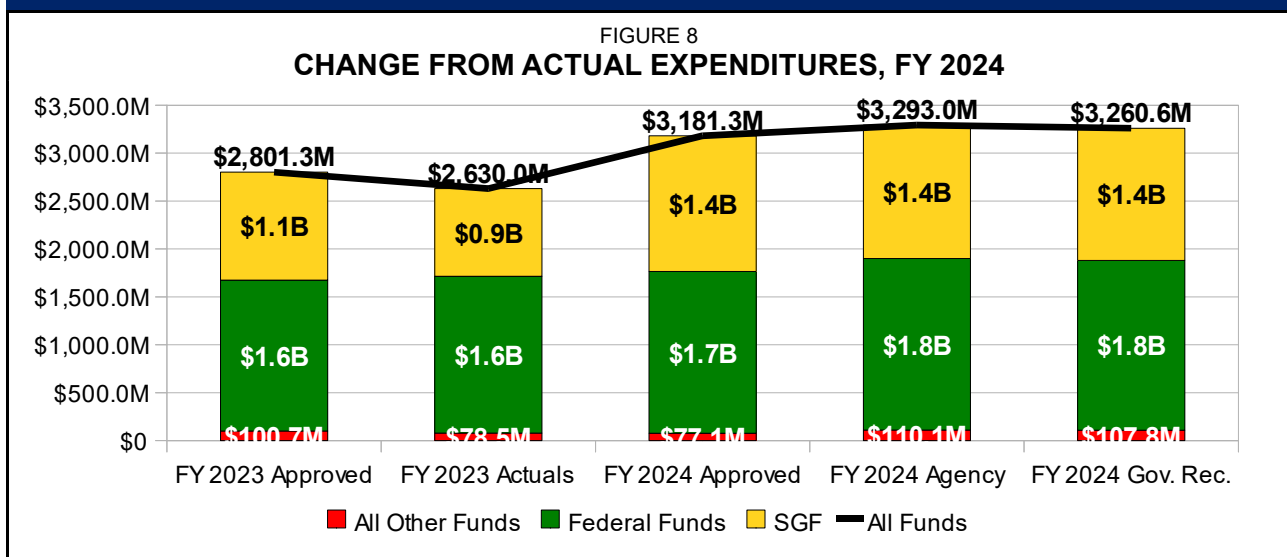
The **Governor** recommends expenditures totaling \$3.3 billion, including \$1.4 billion SGF, in FY 2024. This is a decrease of \$32.8 million, including \$12.1 million SGF, below the agency's revised estimate in FY 2024. The Governor's recommendation includes 380.6 FTE positions, which is the same as the agency's revised estimate.

The **Governor's** recommendation includes the following adjustments:

13. **SUPPLEMENTALS NOT RECOMMENDED.** The Governor does not recommend adoption of the agency's supplemental request to lapse its consensus caseloads reappropriation of \$7.5 million SGF. This lapse is handled in the Governor's enhancement to adopt the decreased consensus caseloads estimate.
14. **FALL CONSENSUS CASELOADS ESTIMATE.** The Governor recommends the deletion of \$39.0 million, including \$18.7 million SGF, to adopt the fall consensus caseloads revised estimate in FY 2024. The decrease is primarily due to a decrease of \$11.6 million, including \$4.5 million SGF, to account for several Community Mental Health Centers (CMHCs) transitioning to Certified Community Behavioral Health Clinics (CCBHCs) partway through the year. The previous estimate assumed all CMHCs would transition on July 1, and the revised estimate more accurately reflects a partial year's cost. For more information, see the "Consensus Caseloads Estimate" Special Topics section for this agency.
15. **CARE/PASRR LAPSE.** The Governor recommends lapsing \$903,780 SGF from the CARE/PASRR program to avoid double counting, as funding for this program was included in consensus caseloads in FY 2024. The Client Assessment, Referral and Evaluation (CARE) program is the Kansas-specific version of the PASRR, which is a

CMS-mandated assessment to determine appropriate placement of an individual in a long-term-care facility, including in nursing facilities that are funded through the consensus caseloads process.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$3.3 billion, including \$1.4 billion SGF, in FY 2024. This is an increase of \$111.7 million, including \$101.7 million SGF, above the agency's actual expenditures in FY 2023. This increase is due to the following factors:

- UNSPENT FUNDS IN FY 2023.** The agency spent \$171.3 million, including \$211.4 million SGF, less than the amount approved by the 2023 Legislature in FY 2023. Significant causes for the unspent funds include changes in the standard FMAP related to an extension of the COVID-19 Public Health Emergency (\$123.3 million), SGF savings from the 10.0 percent FMAP bump for HCBS waivers (\$41.6 million), and continued development of the regional state hospital in Sedgwick County (\$18.7 million SGF).
- REAPPROPRIATIONS.** While the aforementioned unspent funds decrease the FY 2023 actual expenditures, the unspent SGF moneys reappropriated into FY 2024 and increase the FY 2024 revised estimate by \$191.2 million SGF.
- INCREASES APPROVED BY THE 2023 LEGISLATURE.** The 2023 Legislature approved enhancements totaling \$181.3 million, including \$91.2 million SGF, in FY 2024. These are enhancements above the FY 2023 approved amount and include a Medicaid add-on payment for nursing facilities (\$61.6 million, including \$24.6 million SGF), a full rebase for nursing facilities (\$34.4 million, including \$14.0 million SGF), and the expansion of Ascension Via Christi's emergency room to address behavioral health patients (\$22.0 million ARPA).
- INCREASES REQUESTED IN THE CURRENT YEAR'S BUDGET SUBMISSION.** The agency's revised estimate also includes increases totaling \$111.7 million, including an SGF decrease of \$23.0 million, from the amount approved by the 2023 Legislature. The all funds increase is primarily due to the agency's adjustments detailed in the "FY 2024 Analysis" section for this agency. Significant increases include SPARK grants (\$66.0 million), additional federal funding above the approved amount (\$34.6 million) and a SIBF reappropriation (\$14.6 million).

FY 2025 ANALYSIS

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 1,392,404,087	\$ 3,257,858,971	365.6
Enhancement Requests:			
1. Aging and Disability Commission Program (3)	\$ 310,945	\$ 621,889	3.0
2. Behavioral Health Commission Program (7)	10,136,463	10,421,916	4.0
3. Medicaid Program (6)	39,494,510	102,370,430	--
4. Capital Improvement Program (4)	-	9,057,950	--
<i>Subtotal—Enhancement Requests</i>	<i>\$ 49,941,918</i>	<i>\$ 122,472,185</i>	<i>7.0</i>
5. Non-Reoccurring Reappropriations	\$ (191,209,850)	\$ (206,689,285)	--
6. Non-Reoccurring SPARK Grant Program	-	(66,000,000)	--
7. Non-Reoccurring Mental Health Expansion	-	(22,000,000)	--
8. 24/7 Pay Plan Transfer	12,283,113	12,283,113	--
<i>Subtotal—Agency Request</i>	<i>\$ 1,263,419,268</i>	<i>\$ 3,097,924,984</i>	<i>372.6</i>
Governor's Recommendation:			
9. Agency Enhancement Requests	\$ (44,785,593)	\$ (102,958,400)	(7.0)
10. Fall Consensus Caseloads Estimate	15,830,319	30,264,640	--
11. CARE/PASRR Lapse	(903,780)	(903,780)	--
12. Housing Solutions Grant	40,000,000	40,000,000	--
13. State Housing Supports Director	120,000	120,000	1.0
14. Shoe/Boot Allowance for Safety and Security Officers and Nursing Staff	690,868	690,868	--
TOTAL	\$ 1,274,371,082	\$ 3,065,138,312	366.6

AGENCY REQUEST

The **agency** requests expenditure totaling \$3.1 billion, including \$1.3 billion SGF, for FY 2025. This is a decrease of \$195.1 million, including a decrease of \$129.7 million SGF, below the agency's request in FY 2024. The agency requests 372.6 FTE positions.

The request includes \$122.5 million, including \$50.0 million SGF, for the following enhancement requests:

1. **AGING AND DISABILITY COMMISSION PROGRAM (3).** The agency requests \$621,889, including \$310,945 SGF, and 3.0 FTE positions to implement the following 3 enhancement requests within the Aging and Disability Commission Program:
 - *Community Support Waiver (CSW) Staffing.* The agency requests \$358,995, including \$179,498 SGF, and 2.0 FTE positions to employ an Assistant Director, CSW Program Manager. Additionally, the funding would sustain two existing Quality Assurance Specialist positions funded with SGF savings from the 10.0 percent HCBS FMAP increase. The additional staff would administer the CSW and provide oversight, stakeholder engagement, and meet federal and state reporting requirements.
 - *Program for the All-Inclusive Care for the Elderly (PACE) Staffing.* The agency requests \$175,262, including \$87,631 SGF, to continue funding 2.0 existing FTE positions currently funded with savings from the 10.0 percent HCBS FMAP increase. The positions would fulfill the state-level responsibility to operate PACE in

Kansas, including ensuring timely and efficient enrollment and disenrollment, and expansion of the PACE program.

- *Technology Assisted (TA) Waiver Program Manager.* The agency requests \$87,632, including \$43,816 SGF, and 1.0 FTE position to employ a TA Waiver Program Manager. Currently, the agency has one program manager overseeing both the TA and Severe Emotional Disturbed (SED) waivers. The agency reports that the stress of managing both programs contributed to the resignation of the former program manager.

2. **BEHAVIORAL HEALTH COMMISSION PROGRAM (7).** The agency requests \$10.4 million, including \$10.1 million SGF, and 4.0 FTE positions to implement the following 7 enhancement requests within the Behavioral Health Commission Program:

- *Sustain Behavioral Health Commission Staffing.* The agency requests \$570,908, including \$285,445 SGF, to sustain 7.0 existing FTE positions currently funded with a federal grant. The FTE positions monitor and assist in the implementation of Behavioral Health Commission projects, including implementation of Certified Community Behavioral Health Clinics (CCBHCs), Mobile Crisis Response, the Nursing Facility for Mental Health (NFMH) Pre-Litigation Settlement Agreement requirements, and the 988 program.
- *Employment and Benefit Coordinator.* The agency requests \$87,752 SGF and 1.0 FTE position to employ an Employment and Benefit Coordinator who would provide training, technical assistance, and outreach to KDADS, other state agencies, and community providers to support Employment First. Employment First identifies strategies and models that give individuals, primarily those with significant disabilities, the option to find work and to be engrained in community life. Additionally, this would address a NFMH Pre-Litigation Settlement Agreement requirement to hire a supported employment program manager.
- *Family Support Coordinator.* The agency requests \$87,752 SGF and 1.0 FTE position to serve as the Lead Family Coordinator for federal Substance Abuse and Mental Health Services Administration (SAMHSA) and Health Resources and Services Administration (HRSA) programs, assist with the growth of the Parent Peer Support and YLINK programs, and build family supports for serious emotional disturbance- (SED) diagnosed and Child in Need of Care (CINC) children.
- *Family Treatment Court Costs.* The agency requests \$3.0 million SGF to fund actual treatment costs for individuals participating in family treatment courts, which are planned to serve CINC children. Three jurisdictions will implement family treatment courts in September 2024. The agency reports these evidence-based programs are effective at helping individuals in recovery and reducing out-of-home placements.
- *Infant and Early Childhood Mental Health (IECMH) Coordinator.* The agency requests \$87,752 SGF and 1.0 FTE position to employ a IECMH Coordinator to develop ways to partner with providers to provide to help families with early intervention and treatment for infant and children with mental health struggles to prevent behavioral health issues later in life. The position will work with partners to provide early intervention through Medicaid and other grant funding dollars.
- *NFMH Case Management.* The agency requests \$1.5 million SGF to sustain case management funding for the NFMH Pre-Litigation Settlement Agreement.

Specifically, the funding would address requirement number 6 that case managers are available to develop person-centered plans, including specialized services and a plan to transition to the community upon admission to the NFMH. Funding for third-party case management services is currently provided through federal COVID-19 funding that will not be available for FY 2025.

- *Substance Use Disorder (SUD) Uninsured Services and Staffing.* The agency requests \$5.1 million SGF and 1.0 FTE position for SUD services and staffing. \$5.0 million SGF would be used to support SUD services for individuals not covered by Medicaid. The funding would increase the number served and the rates paid to providers. In FY 2024, KDADS is utilizing \$5.0 million from special revenue funds to supplement federal funds, but the agency reports this is not sustainable in future years. Additionally, \$87,752 would be used to employ a SUD Project Coordinator who would be responsible for assisting with compliance of federally funded SUD programs, tracking SUD treatment outcomes, and tracking provider reporting requirements.
3. **MEDICAID PROGRAM (6).** The agency requests \$102.4 million, including \$39.5 million SGF, to implement the following 6 enhancement requests within the Medicaid Program:
- *Assistive Technology Service for I/DD Waiver.* The agency requests \$7.8 million, including \$3.0 million SGF, to add the assistive technology service to the comprehensive I/DD waiver. This service would include evaluation of an individual's technology needs, the cost to lease or purchase technology, the cost to customize or adapt equipment to meet the need, monitoring of the equipment, and ongoing training and support. Examples include motion sensors or web-based monitoring systems to ensure safety while maintaining independence and privacy.
 - *Cognitive Support Service for Physical Disability (PD) Waiver.* The agency requests \$9.5 million, including \$3.7 million SGF, to add the cognitive support service to the PD waiver. This service would serve those individuals on the PD waiver who were previously on the Brain Injury (BI) waiver, with the goal of facilitating cognitive rehabilitation and ongoing daily functioning. The service would provide therapy, ranging from two to eight hours per week based on the individual's need and progress over time. The agency states it would serve as a measure to prevent a BI waiver waitlist and provide a seamless transition to the PD waiver.
 - *Additional 500 I/DD Waiver Slots.* The agency requests \$34.5 million, including \$13.3 million SGF, to add 500 individuals from the I/DD waitlist to the I/DD waiver. As of November, the I/DD waiver serves 8,924 individuals, with 5,235 individuals on the waitlist for services. As of December 2022, the KU Center on Developmental Disabilities reported the average wait time was 5 years and the longest wait time was 11 years.
 - *Additional 500 PD Waiver Slots.* The agency requests \$11.5 million, including \$4.5 million SGF, to add 500 individuals from the PD waitlist to the PD waiver. As of November, the PD waiver serves 6,093 individuals, with 2,484 on the waitlist for services. As of December 2022, the KU Center on Developmental Disabilities reported the average wait time was 1 year and the longest wait time was 3 years.
 - *Specialized Medical Care (T1000) Rate Increase.* The agency requests \$9.1 million, including \$3.5 million SGF, to increase the T1000 rate for the TA and I/DD waivers. This would increase the rate from \$47/hour to \$55/hour. The rate most recently

increased from \$31/hour to \$47/hour in FY 2023. The agency reports that the \$55/hour rate would be in line with neighboring states and increase providers' ability to hire, train, and retain quality nursing staff.

- *Supported Employment Rate Increase and Unbundling.* The agency requests \$29.9 million, including \$11.5 million SGF, to increase the supported employment rate from \$18/hour to \$53/hour on the I/DD waiver. The agency reports this would make the rate competitive with neighboring states. Additionally, the agency reports the increase would allow providers to expand and enhance service delivery models to allow individuals on the I/DD waiver to pursue their competitively integrated employment goals.

4. **CAPITAL IMPROVEMENT PROGRAM (4).** The agency requests \$9.1 million SIBF to implement the following 4 enhancement requests within the Capital Improvements Program:

- *FY 2025 Priority 2 Rehabilitation and Repair Projects.* The agency requests \$5.6 million, all from the State Institutions Building Fund (SIBF), to fund the second priority rehabilitation and repair projects identified in the agency's 5-year capital improvement plan for FY 2025. These projects include replacing the medium-voltage electrical system at Osawatomie State Hospital (OSH) (\$2.4 million), upgrading sewer mains at Kansas Neurological Institute (KNI) (\$772,200), replacing deteriorated water mains at OSH (\$711,450), replacement of a chiller at Larned State Hospital (\$707,200), and replacing piping at Parsons State Hospital (PSH) (\$468,000).
- *Razing Projects.* The agency requests \$650,200 SIBF to raze the Gheel building on LSH campus and the Chestnut Building on PSH campus. Following the razing of the De Jong and West Pavilion at OSH in FY 2023 and FY 2024, the Gheel and Chestnut buildings are the next oldest. The buildings contain asbestos insulation, asbestos floor and ceiling tile, and lead-based paint. Additionally, the agency reports the buildings contain live rats and broken windows, and are susceptible to collapse and arson.
- *Cottonwood Recreation Building Remodel.* The agency requests \$1.9 million SIBF to remodel the Cottonwood Recreation Building on OSH campus. The building was constructed in 1956 and the agency reports it has had no significant renovations since. The remodel would include sealing and tuckpointing the structure; replacing windows; implementing ADA-compliant modifications; a new heating, ventilation, and air conditioning (HVAC) system; restroom upgrades; repairing moisture-damaged walls; and improving exterior drainage to prevent moisture damage. The building includes patient recreation, including a library, television rooms, and game areas.
- *Special Services and MICO House Office Renovation.* The agency requests \$873,600 SIBF to remodel the Special Services building and an office area in the MICO House, both on the OSH campus. The project would involve asbestos abatement, new flooring, repairing walls, repairing the heating system, and improving exterior drainage. The project would allow utilization of the third floor of the Special Services building and protect the IT and other programs in the Special Services building. The project would expand office space at the MICO facility.

Absent the enhancement requests, the revised estimate includes a decrease in base budget expenditures compared with the agency's revised estimate in FY 2024. Significant adjustments are as follows:

5. **REAPPROPRIATIONS.** The agency reappropriated \$119.2 million SGF and \$15.5 million SIBF in FY 2024 due to unspent funds in FY 2023. The agency anticipates spending all of its reappropriations in FY 2024, so the agency's request for FY 2025 includes a \$206.7 million decrease below the FY 2024 revised estimate.
6. **SPARK GRANT PROGRAM.** The agency's revised estimate in FY 2023 included \$66.0 million, all from federal ARPA funds, to distribute to grantees as part of the SPARK process. The agency anticipates distributing all of the grant funding in FY 2024, so the agency's request for FY 2025 includes a decrease of \$66.0 million ARPA below the FY 2024 revised estimate.
7. **MENTAL HEALTH EXPANSION.** The 2023 Legislature approved \$22.0 million ARPA to be transferred from KDADS to Ascension Via Christi to expand its emergency room to serve more individuals with mental health needs. The agency anticipates transferring the funding in FY 2024, so the agency's request for FY 2025 includes a decrease of \$22.0 million ARPA below the FY 2024 revised estimate.
8. **24/7 PAY PLAN TRANSFER.** The agency's revised estimate includes an increase of \$12.3 million SGF to fund hourly differentials at the state hospitals pursuant to the 24/7 Pay Plan for FY 2025. KDADS receives the moneys on the hospitals' behalf and will transfer the moneys to the hospitals during FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$3.1 billion, including \$1.3 billion SGF, for FY 2025. This is a decrease of \$32.8 million, but an increase of \$11.0 million SGF, from the agency's request for FY 2025. The recommendation includes the following adjustments:

9. **ENHANCEMENT REQUESTS.** The Governor does not recommend adoption of the following 12 enhancement requests, totaling \$82.7 million:
 - *Aging and Disability Commission Program:* PACE Staffing (\$175,262, including \$87,631 SGF)
 - *Behavioral Health Commission Program:* Sustain Behavioral Health Commission Staffing (\$570,908, including \$285,455 SGF), IECMH Coordinator (\$87,752 SGF and 1.0 FTE position), NFMH Case Management (\$1.5 million SGF), SUD Uninsured Services and Staffing (\$5.1 million SGF and 1.0 FTE position)
 - *Medicaid Program:* Assistive Technology Service for I/DD Waiver (\$7.8 million, including \$3.0 million SGF), Cognitive Support Service for PD Waiver (\$9.5 million, including \$3.7 million SGF), 500 Additional Slots for the I/DD Waiver (\$34.5 million, including \$13.3 million SGF), 500 Additional Slots for the PD Waiver (\$11.5 million, including \$4.5 million SGF), T1000 Rate Increase (\$9.1 million, including \$3.5 million SGF)
 - *Capital Improvement Program:* Cottonwood Recreation Building Remodel (\$1.9 million SIBF), Special Services and MICO House Office Renovation (\$873,600 SIBF)

Additionally, the Governor recommends partial adoption of the following 8 enhancement requests, which results in a reduction of \$22.8 million:

- *Supported Employment Rate Increase and Unbundling.* The Governor recommends \$8.6 million, including \$3.3 million SGF, to increase the rate to \$28/hour. The agency requested \$29.9 million, including \$11.5 million SGF, to increase the rate to \$53/hour.
- *Family Treatment Court Costs.* The Governor recommends \$1.5 million SGF. The agency requested \$3.0 million SGF.
- *Employment and Benefits Coordinator.* The Governor recommends \$87,752, including \$43,876 SGF, and no additional FTE position. The agency requested \$87,752, all SGF, and 1.0 FTE position.
- *Family Support Coordinator.* The Governor recommends \$87,752, including \$43,876 SGF, and no additional FTE position. The agency requested \$87,752, all SGF, and 1.0 FTE position.
- *CSW Staffing.* The Governor recommends \$358,995, including \$179,497 SGF, and no FTE positions. The agency requested the same funding and an additional FTE position.
- *TA Program Manager.* The Governor recommends \$87,632, including \$43,816 SGF, and no additional FTE position. The agency requested the same funding and an additional FTE position.

Furthermore, the Governor recommends an additional \$2.5 million for institutional razing projects for FY 2025.

10. **FALL CONSENSUS CASELOADS ESTIMATE.** The Governor recommends an increase of \$30.3 million, including \$15.8 million SGF, to adopt the fall consensus caseloads initial estimate for FY 2025. For more information about the increase, see the "Consensus Caseloads Estimate" Special Topics section for this agency.
11. **CARE/PASRR LAPSE.** The Governor recommends lapsing \$903,780 SGF from the CARE/PASRR program to avoid double counting, as funding for this program was included in consensus caseloads beginning in FY 2024.
12. **HOUSING SOLUTIONS GRANT.** The Governor recommends \$40.0 million SGF to provide grants to assist local governments in responding to and preventing housing insecurity in their communities using proven models that emphasize connecting homeless residents with needed resources to gain long-term housing stability. This funding is one-time and should be used to improve local infrastructure and increase private investment by prioritizing those projects and communities that require dollar-for-dollar local matching funds. Ongoing funding for these programs will be the responsibility of local governments, faith-based communities, and businesses.
13. **STATE HOUSING SUPPORTS DIRECTOR.** The Governor recommends adding \$120,000 SGF and 1.0 FTE position to create the State Housing Supports Director position. The Director will facilitate and oversee housing programs throughout the State. This position will oversee the Housing and Benefit Eligibility team at KDADS. This

position will collaborate with government agencies, nonprofit organizations, and community stakeholders to develop, implement, and manage initiatives that address housing challenges and promote affordable housing solutions. The Director will be responsible for assessing the housing needs of the population, coordinating state and federal resources, and establishing partnerships to maximize the impact of the state matching funds for Municipal Housing programs for people with disabilities. The Director will serve as a central point of contact for housing-related inquiries, advocate for equitable housing opportunities for people with disabilities, and work towards creating sustainable and inclusive housing solutions for homeless residents across the state. Additionally, the Director will work closely with Kansas Department of Health and Environment and the Kansas Housing Resource Commission to coordinate federal investments in supportive housing services and other housing solutions to maintain successful community integration.

14. **SHOE/BOOT ALLOWANCE FOR SAFETY AND SECURITY OFFICERS AND NURSING STAFF.** The Governor recommends \$690,868 SGF for a shoe and boot allowance for safety and security officers and nursing staff at the state hospitals.

The **Governor's** recommendation also includes 366.6 FTE positions, which is a decrease of 6 FTE positions below the agency's request for FY 2025. The decrease is due to the Governor not recommending additional FTE positions for several agency enhancement requests, and is partially offset by the recommended addition of 1.0 FTE position for a State Housing Supports Director.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 10
SUPPLEMENTALS AND ENHANCEMENTS

	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
FY 2024 Supplementals						
1. Lapse Caseloads Reappropriation	\$ (7,513,609)	\$ (7,513,609)	-	\$ -	\$ -	-
2. Pay Plan Shortfall	85,777	85,777	-	85,777	85,777	-
3. Fall Consensus Caseloads Est.	-	-	-	(18,661,290)	(38,983,969)	-
4. CARE/PASRR Lapse	-	-	-	(903,780)	(903,780)	-
FY 2024 Total	\$ (7,427,832)	\$ (7,427,832)	-	\$ (19,479,293)	\$ (39,801,972)	-
FY 2025 Enhancements						
1. CSW Staffing	\$ 179,498	\$ 358,995	2.0	\$ 179,498	\$ 358,995	-
2. PACE Staffing	87,631	175,262	-	-	-	-
3. TA Waiver Program Manager	43,816	87,632	1.0	43,816	87,632	-
<i>Aging and Disability--Subtotal</i>	<i>\$ 310,945</i>	<i>621,889</i>	<i>3.0</i>	<i>\$ 223,314</i>	<i>446,627</i>	<i>-</i>
1. Sustain Behavioral Health Commission Staffing	\$ 285,455	\$ 570,908	-	\$ -	\$ -	-
2. Employment and Benefit Coordinator	87,752	87,752	1.0	65,814	87,752	-
3. Family Support Coordinator	87,752	87,752	1.0	43,876	87,752	-
4. Family Treatment Court Costs for CINC Children	3,000,000	3,000,000	-	1,500,000	1,500,000	-
5. IECMH Coordinator	87,752	87,752	1.0	-	-	-
6. NFMH Case Management	1,500,000	1,500,000	-	-	-	-
7. SUD Uninsured Services and Staffing	5,087,752	5,087,752	1.0	-	-	-
<i>Behavioral Health--Subtotal</i>	<i>\$ 10,136,463</i>	<i>10,421,916</i>	<i>4.0</i>	<i>\$ 1,609,690</i>	<i>\$ 1,675,504</i>	<i>-</i>
1. Assistive Technology Service for I/DD Waiver	\$ 3,007,470	\$ 7,795,420	-	\$ -	\$ -	-
2. Cognitive Support Service for PD Waiver	3,666,380	9,503,310	-	-	-	-
3. I/DD Waiver Slots	13,313,080	34,507,720	-	-	-	-
4. PD Waiver Slots	4,447,880	11,528,980	-	-	-	-
5. Specialized Medical Care Rate Increase	3,526,600	9,141,010	-	-	-	-
6. Supported Employment Rate Increase	11,533,100	29,893,990	-	3,323,321	8,614,104	-
<i>Medicaid--Subtotal</i>	<i>\$ 39,494,510</i>	<i>\$ 102,370,430</i>	<i>-</i>	<i>\$ 3,323,321</i>	<i>\$ 8,614,104</i>	<i>-</i>
1. Priority 2 Rehab and Repair	\$ -	\$ 5,627,350	-	\$ -	\$ 5,627,350	-
2. Razing Projects	-	650,200	-	-	3,150,200	-
3. Remodel Cottonwood - OSH	-	1,906,800	-	-	-	-
4. Remodel Special Services and MICO - OSH	-	873,600	-	-	-	-
<i>Capital Improvements--Subtotal</i>	<i>\$ -</i>	<i>\$ 9,057,950</i>	<i>-</i>	<i>\$ -</i>	<i>\$ 8,777,550</i>	<i>-</i>
1. Fall Consensus Caseloads Estimate	\$ -	\$ -	-	\$ 15,830,319	\$ 30,264,640	-
2. CARE/PASRR Lapse	-	-	-	(903,780)	(903,780)	-
3. Housing Solution Grants	-	-	-	40,000,000	40,000,000	-
4. State Housing Supports Director	-	-	-	120,000	120,000	1.0
5. Shoe/Boot Allowance for Officers and Nursing Staff	-	-	-	690,868	690,868	-
<i>Governor Enhancements--Subtotal</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>\$ 55,737,407</i>	<i>\$ 70,171,728</i>	<i>1.0</i>
FY 2025 Total	\$ 49,941,918	\$ 122,472,185	7.0	\$ 60,893,732	\$ 89,685,513	1.0

FIGURE 11
SUPPLEMENTAL REQUESTS, FY 2024

	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
1. Lapse Caseloads Reappropriation	\$ (7,513,609)	\$ (7,513,609)	-	\$ -	\$ -	-
2. Pay Plan Shortfall	85,777	85,777	-	85,777	85,777	-
3. Fall Consensus Caseloads Est.	-	-	-	(18,661,290)	(38,983,969)	-
4. CARE/PASRR Lapse	-	-	-	(903,780)	(903,780)	-
TOTAL	\$ (7,427,832)	\$ (7,427,832)	-	\$ (19,479,293)	\$ (39,801,972)	-

1. **LAPSE CASELOADS REAPPROPRIATION.** The agency's revised estimate includes a supplemental request to lapse \$7.4 million SGF of its reappropriations. This amount is related to KanCare caseloads and non-KanCare caseloads. Funding for caseloads is reassessed each spring and fall as part of the consensus caseloads estimating process.

The Governor does not recommend adoption of this request due to the Governor's Recommendation to adopt the Fall Consensus Caseloads Estimate. Please see Item 3 for additional detail.

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$85,777 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KDADS, a supplemental appropriation of \$85,777 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

3. **FALL CONSENSUS CASELOADS ESTIMATE.** The Governor recommends the deletion of \$39.0 million, including \$18.7 million SGF, to adopt the fall consensus caseloads revised estimate in FY 2024. The decrease is primarily due to a decrease of \$11.6 million, including \$4.5 million SGF, to account for several Community Mental Health Centers (CMHCs) transitioning to Certified Community Behavioral Health Clinics (CCBHCs) partway through the year. The previous estimate assumed all CMHCs would transition on July 1, and the revised estimate more accurately reflects a partial year's cost. For more information, see the Special Topics section "Consensus Caseloads Estimate."
4. **CARE/PASRR LAPSE.** The Governor recommends lapsing \$903,780 SGF from the CARE/PASRR program to avoid double counting, as funding for this program was included in consensus caseloads in FY 2024. The Client Assessment, Referral and Evaluation (CARE) program is the Kansas-specific version of the PASRR, which is a CMS-mandated assessment to determine appropriate placement of an individual in a

long-term-care facility, including in nursing facilities which that funded through the consensus caseloads process.

FIGURE 12
AGING AND DISABILITY COMMISSION ENHANCEMENTS, FY 2025

	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
1. CSW Staffing	\$ 179,498	\$ 358,995	2.0	\$ 179,498	\$ 358,995	-
2. PACE Staffing	87,631	175,262	-	-	-	-
3. TA Waiver Program Manager	43,816	87,632	1.0	43,816	87,632	-
TOTAL	\$ 310,945	\$ 621,889	3.0	\$ 223,314	\$ 446,627	-

1. **COMMUNITY SUPPORT WAIVER (CSW) STAFFING.** The agency requests \$358,995, including \$179,498 SGF, and 2.0 FTE positions to employ an Assistant Director, CSW Program Manager. Additionally, the funding would sustain two existing Quality Assurance Specialist positions funded with SGF savings from the 10.0 percent HCBS FMAP increase. The additional staff would administer the CSW and provide oversight and stakeholder engagement, and meet federal and state reporting requirements.

The Governor recommends adding the funding but not the FTE position.

2. **PROGRAM FOR THE ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE) STAFFING.** The agency requests \$175,262, including \$87,631 SGF, to continue funding 2.0 existing FTE positions currently funded with savings from the 10.0 percent HCBS FMAP increase. The positions would fulfill the state-level responsibility to operate PACE in Kansas, including ensuring timely and efficient enrollment and disenrollment, and expansion of the PACE program.

The Governor does not recommend adoption of this request.

3. **TECHNOLOGY ASSISTED (TA) WAIVER PROGRAM MANAGER.** The agency requests \$87,632, including \$43,816 SGF, and 1.0 FTE position to employ a TA Waiver Program Manager. Currently, the agency has one program manager overseeing both the TA and Severe Emotional Disturbed (SED) waivers. The agency reports that the stress of managing both programs contributed to the resignation of the former program manager.

The Governor recommends adding the funding but not the FTE position.

FIGURE 13 BEHAVIORAL HEALTH COMMISSION ENHANCEMENTS, FY 2025						
Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
1. Sustain Behavioral Health Commission Staffing	\$ 285,455	\$ 570,908	-	\$ -	\$ -	-
2. Employment and Benefit Coordinator	87,752	87,752	1.0	65,814	87,752	-
3. Family Support Coordinator	87,752	87,752	1.0	43,876	87,752	-
4. Family Treatment Court Costs for CINC Children	3,000,000	3,000,000	-	1,500,000	1,500,000	-
5. IECMH Coordinator	87,752	87,752	1.0	-	-	-
6. NFMH Case Management	1,500,000	1,500,000	-	-	-	-
7. SUD Uninsured Services and Staffing	5,087,752	5,087,752	1.0	-	-	-
TOTAL	\$ 10,136,463	\$ 10,421,916	4.0	\$ 1,609,690	\$ 1,675,504	-

- 1. SUSTAIN BEHAVIORAL HEALTH COMMISSION STAFFING.** The agency requests \$570,908, including \$285,445 SGF, to sustain 7.0 existing FTE positions currently funded with a federal grant. The FTE positions monitor and assist in the implementation of Behavioral Health Commission projects, including implementation of Certified Community Behavioral Health Clinics (CCBHCs), Mobile Crisis Response, the Nursing Facility for Mental Health (NFMH) Pre-Litigation Settlement Agreement requirements, and the 988 program.

The Governor does not recommend adoption of this request.

- 2. EMPLOYMENT AND BENEFIT COORDINATOR.** The agency requests \$87,752 SGF and 1.0 FTE position to employ an Employment and Benefit Coordinator who would providing training, technical assistance, and outreach to KDADS, other state agencies, and community providers to support Employment First. Employment First identifies strategies and models that give individuals, primarily those with significant disabilities, the option to find work and to be engrained in community life. Additionally, this would address a NFMH Pre-Litigation Settlement Agreement requirement to hire a supported employment program manager.

The Governor recommends partial adoption of this request. The Governor recommends funding \$65,814 from the SGF and the remainder from other funds.

- 3. FAMILY SUPPORT COORDINATOR.** The agency requests \$87,752 SGF and 1.0 FTE position to serve as the Lead Family Coordinator for federal SAMHSA and HRSA programs, assist with the growth of the Parent Peer Support and YLINK programs, and build family supports for SED-diagnosed and CINC children.

The Governor recommends partial adoption of this request. The Governor recommends funding \$43,876 from the SGF and the remainder from other funds.

4. **FAMILY TREATMENT COURT COSTS FOR CINC CHILDREN.** The agency requests \$3.0 million SGF to fund actual treatment costs for individuals participating in family treatment courts, which are planned to serve CINC children. Three jurisdictions will implement family treatment courts in September 2024. The agency reports these evidence-based programs are effective at helping individuals in recovery and reducing out-of-home placements.

The Governor recommends partial adoption of this request. The Governor recommends funding \$1.5 million SGF total.

5. **INFANT AND EARLY CHILDHOOD MENTAL HEALTH (IECMH) COORDINATOR.** The agency requests \$87,752 SGF and 1.0 FTE position to employ a IECMH Coordinator to develop ways to partner with providers to provide help to families with early intervention and treatment for infants and children with mental health struggles to prevent behavioral health issues later in life. The position will work with partners to provide early intervention through Medicaid and other grant funding dollars.

The Governor does not recommend adoption of this request.

6. **NFMH CASE MANAGEMENT.** The agency requests \$1.5 million SGF to sustain case management funding for the NFMH Pre-Litigation Settlement Agreement. Specifically, the funding would address requirement number 6 that case managers are available to develop person-centered plans, including specialized services and a plan to transition to the community upon admission to the NFMH. Funding for third-party case management services is currently provided through federal COVID-19 funding that will not be available for FY 2025.

The Governor does not recommend adoption of this request.

7. **SUBSTANCE USE DISORDER (SUD) UNINSURED SERVICES AND STAFFING.** The agency requests \$5.1 million SGF and 1.0 FTE position for SUD services and staffing. \$5.0 million SGF would be used to support SUD services for individuals not covered by Medicaid. The funding would increase the number served and the rates paid to providers. In FY 2024, KDADS is utilizing \$5.0 million from special revenue funds to supplement federal funds, but the agency reports this is not sustainable in future years. Additionally, \$87,752 would be used to employ a SUD Project Coordinator who would be responsible for assisting with compliance of federally funded SUD programs, tracking SUD treatment outcomes, and tracking provider reporting requirements.

The Governor does not recommend adoption of this request.

FIGURE 14
MEDICAID PROGRAM ENHANCEMENTS, FY 2025

Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
1. Assistive Technology Service for I/DD Waiver	\$ 3,007,470	\$ 7,795,420	-	\$ -	\$ -	-
2. Cognitive Support Service for PD Waiver	3,666,380	9,503,310	-	-	-	-
3. I/DD Waiver Slots	13,313,080	34,507,720	-	-	-	-
4. PD Waiver Slots	4,447,880	11,528,980	-	-	-	-
5. Specialized Medical Care Rate Increase	3,526,600	9,141,010	-	-	-	-
6. Supported Employment Rate Increase	11,533,100	29,893,990	-	3,323,321	8,614,104	-
TOTAL	\$ 39,494,510	\$ 102,370,430	-	\$ 3,323,321	\$ 8,614,104	-

- 1. ASSISTIVE TECHNOLOGY SERVICE FOR I/DD WAIVER.** The agency requests \$7.8 million, including \$3.0 million SGF, to add the assistive technology service to the comprehensive I/DD waiver. This service would include evaluation of an individual's technology needs, the cost to lease or purchase technology, the cost to customize or adapt equipment to meet the need, monitoring of the equipment, and ongoing training and support. Examples include motion sensors or web-based monitoring systems to ensure safety while maintaining independence and privacy.

The Governor does not recommend adoption of this request.

- 2. COGNITIVE SUPPORT SERVICE FOR PHYSICAL DISABILITY (PD) WAIVER.** The agency requests \$9.5 million, including \$3.7 million SGF, to add the cognitive support service to the PD waiver. This service would serve those individuals on the PD waiver who were previously on the Brain Injury (BI) waiver, with the goal of facilitating cognitive rehabilitation and ongoing daily functioning. The service would provide therapy, ranging from two to eight hours per week based on the individual's need and progress over time. The agency states the service would serve as a measure to prevent a BI waiver waitlist and provide a seamless transition to the PD waiver.

The Governor does not recommend adoption of this request.

- 3. ADDITIONAL 500 I/DD WAIVER SLOTS.** The agency requests \$34.5 million, including \$13.3 million SGF, to add 500 individuals from the I/DD waitlist to the I/DD waiver. As of November, the I/DD waiver serves 8,924 individuals, with 5,235 individuals on the waitlist for services. As of December 2022, the KU Center on Developmental Disabilities reported the average wait time was 5 years and the longest wait time was 11 years.

The Governor does not recommend adoption of this request.

4. **ADDITIONAL 500 PD WAIVER SLOTS.** The agency requests \$11.5 million, including \$4.5 million SGF, to add 500 individuals from the PD waitlist to the PD waiver. As of November, the PD waiver serves 6,093 individuals, with 2,484 on the waitlist for services. As of December 2022, the KU Center on Developmental Disabilities reported the average wait time was 1 year and the longest wait time was 3 years.

The Governor does not recommend adoption of this request.

5. **SPECIALIZED MEDICAL CARE (T1000) RATE INCREASE.** The agency requests \$9.1 million, including \$3.5 million SGF, to increase the T1000 rate for the TA and I/DD waivers. This would increase the rate from \$47/hour to \$55/hour. The rate most recently increased from \$31/hour to \$47/hour in FY 2023. The agency reports that the \$55/hour rate would be in line with neighboring states and increase providers' ability to hire, train, and retain quality nursing staff.

The Governor does not recommend adoption of this request.

6. **SUPPORTED EMPLOYMENT RATE INCREASE AND UNBUNDLING.** The agency requests \$29.9 million, including \$11.5 million SGF, to increase the supported employment rate from \$18/hour to \$53/hour on the I/DD waiver. The agency reports this would make the rate competitive with neighboring states. Additionally, the agency reports the increase would allow providers to expand and enhance service delivery models to allow individuals on the I/DD waiver to pursue their competitively integrated employment goals.

The Governor recommends partial adoption of this request, to increase the reimbursement rate to \$28 per hour.

FIGURE 15 CAPITAL IMPROVEMENT PROGRAM ENHANCEMENTS, FY 2025						
Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
1. Priority 2 Rehab and Repair	\$ -	\$ 5,627,350	-	\$ -	\$ 5,627,350	-
2. Razing Projects	-	650,200	-	-	3,150,200	-
3. Remodel Cottonwood - OSH	-	1,906,800	-	-	-	-
4. Remodel Special Services and MICO - OSH	-	873,600	-	-	-	-
TOTAL	\$ -	\$ 9,057,950	-	\$ -	\$ 8,777,550	-

1. **FY 2025 PRIORITY 2 REHABILITATION AND REPAIR PROJECTS.** The agency requests \$5.6 million, all from the State Institutions Building Fund (SIBF), to fund the FY 2025 Priority 2 rehabilitation and repair projects identified in the agency's 5-year capital improvement plan. These projects include replacing the medium-voltage electrical system at Osawatomie State Hospital (OSH) (\$2.4 million), upgrading sewer mains at Kansas Neurological Institute (KNI) (\$772,200), replacement of deteriorated water mains at OSH (\$711,450), replacement of a chiller at Larned State Hospital (\$707,200), and replacement of piping at Parsons State Hospital (PSH) (\$468,000).

The Governor recommends adoption of this request.

2. **RAZING PROJECTS.** The agency requests \$650,200 SIBF to raze the Gheel building on LSH campus and the Chestnut Building on PSH campus. Following the razing of the De Jong and West Pavilion at OSH in FY 2023 and FY 2024, the Gheel and Chestnut buildings are the next oldest. The buildings contain asbestos insulation, asbestos floor and ceiling tile, and lead-based paint. Additionally, the agency reports the buildings contain live rats and broken windows, and are susceptible to collapse and arson.

The Governor recommends additional funding for a total of \$3.2 million to complete all 9 razing projects in the agency's 5-Year Capital Improvement Plan to maximize cost savings by razing all buildings at once.

3. **COTTONWOOD RECREATION BUILDING REMODEL.** The agency requests \$1.9 million SIBF to remodel the Cottonwood Recreation Building on OSH campus. The building was constructed in 1956 and the agency reports it has had no significant renovations since. The remodel would include sealing and tuckpointing the structure, replacing windows, implementing ADA-compliant modifications, a new HVAC system, restroom upgrades, repairing moisture-damaged walls, and improving exterior drainage to prevent moisture damage. The building includes patient recreation, including a library, television rooms, and game areas.

The Governor does not recommend adoption of this request.

4. **SPECIAL SERVICES AND MICO HOUSE OFFICE RENOVATION.** The agency requests \$873,600 SIBF to remodel the Special Services building and an office area in

the MICO House, both on the OSH campus. The project would involve asbestos abatement, new flooring, repairing walls, repairing the heating system, and improving exterior drainage. The project would allow utilization of the third floor of the Special Services building and protect the IT and other programs in the Special Services building. The project would expand office space at the MICO facility.

The Governor does not recommend adoption of this request.

FIGURE 16 GOVERNOR'S ENHANCEMENTS, FY 2025			
Request	SGF	All Funds	FTE
1. Fall Consensus Caseloads Estimate	\$ 15,830,319	\$ 30,264,640	-
2. CARE/PASRR Lapse	(903,780)	(903,780)	-
3. Housing Solution Grants	40,000,000	40,000,000	-
4. State Housing Supports Director	120,000	120,000	1.0
5. Shoe/Boot Allowance for Officers and Nursing Staff	690,868	690,868	-
TOTAL	\$ 55,737,407	\$ 70,171,728	1.0

1. **FALL CONSENSUS CASELOADS ESTIMATE.** The Governor recommends an increase of \$30.3 million, including \$15.8 million SGF, to adopt the fall consensus caseloads initial estimate for FY 2025. For more information about the increase, see the "Consensus Caseloads Estimate" Special Topics section for the agency.
2. **CARE/PASRR LAPSE.** The Governor recommends lapsing \$903,780 SGF from the CARE/PASRR program to avoid double counting, as funding for this program was included in consensus caseloads beginning in FY 2024.
3. **HOUSING SOLUTIONS GRANT.** The Governor recommends \$40.0 million SGF to provide grants to assist local governments in responding to and preventing housing insecurity in their communities using proven models that emphasize connecting homeless residents with needed resources to gain long-term housing stability. This funding is one-time and should be used to improve local infrastructure and increase private investment by prioritizing those projects and communities that require dollar-for-dollar local matching funds. Ongoing funding for these programs will be the responsibility of local governments, faith-based communities, and businesses.
4. **STATE HOUSING SUPPORTS DIRECTOR.** The Governor recommends adding \$120,000 SGF and 1.0 FTE position to create the State Housing Supports Director position. The Director will facilitate and oversee housing programs throughout the State. This position will oversee the Housing and Benefit Eligibility team at KDADS. This position will collaborate with government agencies, non-profit organizations, and community stakeholders to develop, implement, and manage initiatives that address housing challenges and promote affordable housing solutions. The Director will be responsible for assessing the housing needs of the population, coordinating state and federal resources, and establishing partnerships to maximize the impact of the state matching funds for Municipal Housing programs for people with disabilities. The Director will serve as a central point of contact for housing-related inquiries, advocate for equitable housing opportunities for people with disabilities, and work toward creating sustainable and inclusive housing solutions for homeless residents across the state. Additionally, the Director will work closely with KDHE and the Kansas Housing Resource Commission to coordinate federal investments in supportive housing services and other housing solutions to maintain successful community integration.
5. **SHOE/BOOT ALLOWANCE FOR SAFETY AND SECURITY OFFICERS AND NURSING STAFF.** The Governor recommends \$690,868 SGF for a shoe and boot allowance for safety and security officers and nursing staff at the state hospitals.

SPECIAL TOPICS

CONSENSUS CASELOADS ESTIMATE

Twice a year, in the spring and fall, the Division of the Budget, the Department for Children and Families, KDHE, KDADS, and the Legislative Research Department meet to revise and develop estimates for entitlement expenditures for the current fiscal year and the budget year. The group met on November 3, 2023, to revise the estimates in FY 2024 and develop an estimate for FY 2025. Funding for consensus caseloads covers programs that the State must fund for any eligible individual.

The estimates described below only reflect the portion of the consensus caseloads estimate in the KDADS budget. Portions of KanCare medical expenditures are funded through the KDHE budget. For FY 2024, the total KanCare Medical estimate is \$4.5 billion, including \$1.2 billion SGF. For FY 2025, the total KanCare Medical estimate is \$5.1 billion, including \$1.5 billion SGF.

REVISED FY 2024 ESTIMATE

KDADS KANCARE MEDICAL EXPENDITURES

The KDADS portion of KanCare Medical primarily covers expenditures for nursing facility reimbursement, behavioral health expenditures, Psychiatric Residential Treatment Facilities (PRTFs), and medical services for individuals on the HCBS waivers.

The estimate for KDADS's portion of KanCare Medical expenditures in FY 2024 is \$1.5 billion, including \$526.0 million SGF. This is a decrease of \$36.2 million, including \$16.3 million SGF, below the amount approved by the 2023 Legislature for FY 2024. The reduction is primarily due to a decrease of \$11.6 million, including \$4.5 million SGF, to account for several Community Mental Health Centers (CMHCs) transitioning to Certified Community Behavioral Health Clinics (CCBHCs) partway through the year. The previous estimate assumed all CMHCs would transition on July 1, and the revised estimate more accurately reflects a partial year's cost. The revised estimate includes decreases in long-term care and brain injury populations, which contribute to the decrease.

KDADS NON-KANCARE EXPENDITURES

KDADS non-KanCare primarily includes expenditures for the Program of All-Inclusive Care of the Elderly (PACE), fee for service payments to nursing facilities and nursing facilities for mental health, assessments for stays at a state hospital, and assessments for the HCBS waivers.

The estimate for KDADS non-KanCare for FY 2025 is \$116.2 million, including \$59.8 million. This is a decrease of \$2.8 million, including \$2.3 million SGF, below the amount approved by the 2023 Legislature. This decrease is primarily due to lower amounts of nursing facility fee-for-service payments and lower-than-anticipated participation in PACE. The overall decrease is partially offset by the inclusion of the Client Assessment, Referral and Evaluation (CARE) program being included in consensus caseloads. CARE is a CMS-mandated assessment to determine appropriate placement of an individual in a long-term-care facility, including in nursing facilities that are funded through the consensus caseloads process.

INITIAL FY 2025 ESTIMATE

KDADS KANCARE MEDICAL EXPENDITURES

The estimate for KDADS's portion of KanCare Medical expenditures for FY 2025 is \$1.5 billion, including \$548.0 million SGF. This is an increase of \$49.0 million, including \$22.0 million SGF, above the revised estimate in FY 2024.

This increase is primarily due to the addition of \$57.8 million, including \$22.2 million SGF, to fully rebase the nursing facility daily reimbursement rates and to implement the CMS-mandated transition from the Resource Utilization Group (RUG) to the Patient Driven Payment Model (PDPM) system. Together, the full rebase and transition to PDPM would result in an estimated 6.8 percent increase in nursing facility daily reimbursement rates for FY 2025. The estimate will be further revised in the spring consensus caseloads process as actual cost reports are submitted by nursing facilities and reviewed by KDADS. The estimate includes an increase of \$11.2 million, including \$6.8 million, above the FY 2023 revised estimate to account for a full year's cost for the CCBHCs transitioning in FY 2024.

The overall increase is partially offset by a decrease of \$61.6 million, including \$23.7 million SGF, to eliminate the add-on payment for nursing facilities based on the number of Medicaid residents served for FY 2025. The 2023 Legislature added this payment for FY 2024 only.

KDADS NON-KANCARE EXPENDITURES

The estimate for KDADS non-KanCare expenditures for FY 2025 is \$128.9 million, including \$64.8 million SGF. This is an increase of \$12.7 million, including \$5.0 million SGF, above the FY 2024 revised estimate. The increase is due to an increase in nursing facility fee-for-service payments based on the 6.8 percent increase to reimbursement rates from a full rebase and transition to the PDPM system. Additionally, participation in PACE is expected to increase as the program expands into additional counties.

SPECIAL TOPICS

REAPPROPRIATIONS

The agency reappropriated \$198.7 million SGF in unspent funds in FY 2023 into FY 2024. The agency submitted a supplemental request to lapse \$7.5 million SGF that is associated with consensus caseloads funding. Funding for consensus caseloads estimates is reevaluated every spring and fall by the consensus caseloads estimating group. The agency has proposed the following plan to spend its remaining reappropriation, totaling \$191.2 million SGF:

KANCARE NON-CASELOADS REAPPROPRIATION (HCBS WAIVERS): \$123.3 MILLION SGF

The agency reappropriated \$123.3 million SGF in unspent funds for the HCBS waivers. The savings are the result of changes in the FMAP due to the Public Health Emergency. Unlike other KanCare expenditures that are reevaluated in the spring and fall as part of the consensus caseloads process, funding for the HCBS waivers are not reevaluated after the agency submits its initial budget in the fall. The agency is in the process of developing one-time projects to support the HCBS waiver programs, including conflict of interest mitigation, Community Support Waiver development, HCBS modernization projects, HCBS final settings rule compliance, provider network enhancements, and HCBS-supported housing projects.

SGF SAVINGS FROM 10.0 PERCENT BUMP IN HCBS FMAP: \$41.6 MILLION SGF

The agency reappropriated \$41.6 million SGF in savings from the HCBS waivers due to a 10.0 percent bump in the FMAP during the Public Health Emergency. According to CMS rules, the agency must use the SGF savings derived from the increased FMAP for one-time projects to support HCBS programs. The agency had a total of \$102.9 million in SGF savings that must be used for HCBS projects.

As of August 3, 2023, the status of the projects were as follows:

- The agency has completed 2 projects, providing bonuses to direct care workers (\$51.0 million) and a Sequential Intercept Model (SIM) consultation (\$28,000).
- The agency has 5 projects in progress, totaling \$5.6 million, and including the creation of a direct service worker training program, a study of the I/DD and PD waitlist, a study of conflicts of interest related to targeted case management for individuals on the I/DD waiver, a behavioral management family training pilot, and autism behavior training for families receiving autism waiver services.
- The agency has 14 projects pending CMS approval, totaling \$34.4 million, including development of a workforce training and career ladder, creation of an Employment First roadmap, expansion of the Employment First provider network, grants to HCBS providers to remodel facilities, Technology First and SMART home technology grants, and funding to develop the Community Support Waiver.

MISCELLANEOUS REAPPROPRIATIONS FOR ONGOING PROJECTS: \$26.3 MILLION SGF

The agency intends to spend its remaining SGF reappropriations on continued development of a regional state hospital in Sedgwick County (\$18.7 million), continued implementation of the Electronic Health Records system at each state hospital (\$5.1 million), one-time mental health community-based initiatives (\$2.1 million), one-time administrative expenses for Community Developmental Disability Organizations (\$304,529), and SUD treatment services for the uninsured (\$54,814).

PROGRAM OVERVIEW

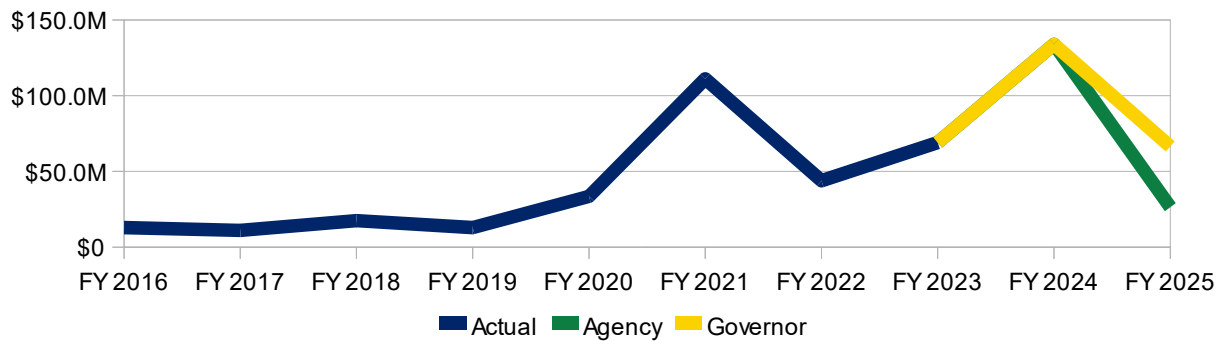
FIGURE 17

EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 69,052,297	\$ 133,924,126	\$ 133,924,126	\$ 26,379,470	\$ 66,499,470
Aging and Disability Commission	73,210,359	62,905,779	62,001,999	62,855,003	61,775,961
Behavioral Health Commission	165,934,786	234,449,984	234,449,984	207,340,885	198,594,473
Medicaid Programs	2,298,771,125	2,810,765,012	2,779,294,652	2,745,870,139	2,682,378,453
Survey and Certification	9,378,714	13,126,335	13,126,335	12,811,622	12,811,622
State Hospital Commission	3,388,881	19,136,705	19,136,705	30,409,915	31,100,783
Capital Improvements	10,242,064	18,679,435	18,679,435	12,257,950	11,977,550
TOTAL	\$ 2,629,978,226	\$ 3,292,987,376	\$ 3,260,613,236	\$ 3,097,924,984	\$ 3,065,138,312
FTE Positions:					
Administration	117.5	123.6	123.6	121.6	122.6
Aging and Disability Commission	47.0	54.0	54.0	57.0	54.0
Behavioral Health Commission	40.8	61.0	61.0	58.0	54.0
Medicaid Programs	11.0	8.0	8.0	2.0	2.0
Survey and Certification	137.0	125.0	125.0	125.0	125.0
State Hospital Commission	9.0	9.0	9.0	9.0	9.0
Capital Improvements	-	-	-	-	-
TOTAL	362.3	380.6	380.6	372.6	366.6

ADMINISTRATION

FIGURE 18
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5901 *et seq.*; KSA 75-59-45; KSA 75-5321a; KSA 39-925

PROGRAM GOALS: • Planning, policy development, administration, coordination, prioritization, and evaluation of all state activities related to older Kansans and Kansans with disabilities.

- Promote healthy aging with personal and financial independence and high-quality service and supports at all levels of individuals needs.
- Analyze consumer-focused quality data (timely and accurately) across all service settings to improve the service quality

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. Expenditures for the program include debt service interest payments, and, during the COVID-19 pandemic, all pandemic-related funding.

FIGURE 19 ADMINISTRATION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 7,756,920	\$ 10,493,372	\$ 10,493,372	\$ 8,671,399	\$ 48,791,399
Federal Funds	56,898,258	120,649,800	120,649,800	15,197,495	15,197,495
All Other Funds	4,397,119	2,780,954	2,780,954	2,510,576	2,510,576
TOTAL	\$ 69,052,297	\$ 133,924,126	\$ 133,924,126	\$ 26,379,470	\$ 66,499,470
Percent Change:					
SGF	(25.7) %	35.3 %	-- %	(17.4) %	462.7 %
All Funds	49.3 %	93.9 %	-- %	(80.3) %	152.1 %
FTE Positions	117.5	123.6	123.6	121.6	122.6

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** estimates revised expenditures totaling \$134.0 million, including \$10.5 million SGF, for the Administration program in FY 2024. This is an increase of \$64.9 million, including an SGF increase of \$2.7 million, above actual expenditures in FY 2023. The increase is primarily due to the agency receiving \$66.0 million ARPA to distribute to grantees as part of the SPARK process.

The **Governor** concurs with the agency's revised estimate for the Administration program in FY 2024.

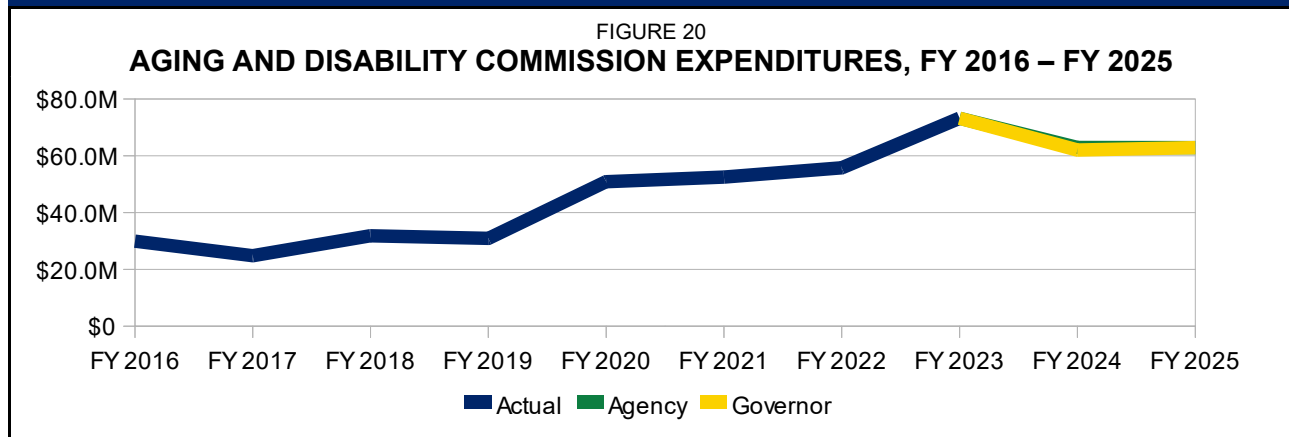
FY 2025 REQUEST

The **agency** requests expenditures totaling \$26.4 million, including \$8.7 million SGF, for the Administration program in FY 2025. This is a decrease of \$107.6 million, including an SGF decrease of \$1.8 million, below the agency's

revised estimate in FY 2024. This decrease is primarily due to the SPARK grants (\$66.0 million) and a transfer to Ascension Via Christi to expand their mental health room to treat more behavioral health patients (\$22.0 million) that occur in FY 2024 but do not reoccur in FY 2025. Additionally, the FY 2025 request includes approximately \$16.4 million less in federal grants than the amount included in the FY 2024 revised estimate.

The **Governor** recommends expenditures totaling \$66.5 million, including \$48.8 million SGF, for the Administration program for FY 2025. This is an increase of \$40.1 million SGF above the agency's request for FY 2025. The increase is due to the Governor's recommendation to add \$40.0 million for Housing Solution Grants and \$120,000 SGF to create the State Housing Supports Director position.

AGING AND DISABILITY COMMISSION



STATUTORY BASIS: • KSA 65-5101 *et seq.*, KSA 65-6201, KSA 39-1801, KSA 65-4411, KSA 75- 5903, KSA 75-5926, KSA 75-5903, KSA 65-4411 *et seq.*, and KSA 39-1801 *et seq.*

PROGRAM GOALS: • Assist older Kansans who are at risk of institutionalization with services to help them remain in their homes.
• Provide quality meal services to older Kansans in order to improve or maintain their health and nutritional status.
• Implement person-centered, self-determined services that allow individuals to live successfully in their home and community

The Aging and Disability Commission includes two organizational units, the HCBS Waiver Services Program and the Aging Services Unit.

HCBS WAIVER SERVICES PROGRAM

The HCBS Waiver Services Program oversees community-based supports and services provided 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. HCBS waiver services providers contract with the three KanCare Managed Care Organizations (MCOs) to provide HCBS for each of the waivers.

AGING SERVICES UNIT

The Aging Services Unit seeks to assist older Kansans in avoiding premature nursing facility placement through an effective and supportive community aging network. It includes seven programs: 1) Older Americans Act (OAA); 2) Senior Care Act (SCA); 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 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 SGF.

AREA AGENCIES ON AGING

The agency traditionally distributes funds to Area Agencies on Aging (AAAs), which then contract out to providers to serve individuals. AAAs are generally private nonprofit organizations, but can be a unit of county government. There are currently 11 AAAs in Kansas, which also serve as Aging and Disability Resource Centers.

In their capacity as Aging and Disability Resource Centers, the AAAs serve as organizations to assess individuals for Home and Community Based Services (HCBS) for the Frail Elderly, Physical Disability, and Brain Injury Medicaid waivers; Program of All-Inclusive Care for the Elderly (PACE); and Client Assessment, Referral, and Evaluation (CARE).

SENIOR CARE ACT SERVICES

The Senior Care Act (SCA) provides early intervention components 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 HCBS Frail Elderly Waiver (HCBS FE) waiver. The program is targeted at those who are 60 years of age or older.

The total number of SCA participants has remained flat over the last several years, with a three-year average of 3,756 individuals per year.

NUTRITIONAL PROGRAM

The agency provides some nutritional programming through the federal Older Americans Act. Meals are provided in two ways: home delivered or in a congregate setting (such as through an AAA).

FIGURE 21 AGING AND DISABILITY COMMISSION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 28,060,107	\$ 31,257,365	\$ 30,353,585	\$ 30,975,029	\$ 29,983,618
Federal Funds	45,135,921	31,518,675	31,518,675	31,787,574	31,699,943
All Other Funds	14,331	129,739	129,739	92,400	92,400
TOTAL	\$ 73,210,359	\$ 62,905,779	\$ 62,001,999	\$ 62,855,003	\$ 61,775,961
Percent Change:					
SGF	28.7 %	11.4 %	(2.9) %	(0.9) %	(3.2) %
All Funds	31.4 %	(14.1) %	(1.4) %	(0.1) %	(1.7) %
FTE Positions	47.0	54.0	54.0	57.0	54.0

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** estimates revised expenditures totaling \$62.9 million, including \$31.3 million SGF, for the Aging and Disability Commission program in FY 2024. This is a decrease of \$10.3 million, including an increase of \$3.2 million SGF, from actual expenditures in FY 2023, primarily due to federal funds that were available in FY 2023 but not in FY 2024.

The **Governor** recommends expenditures of \$62.0 million, including \$30.4 million SGF, for the Aging and Disability Commission program in FY 2024. This is a decrease of \$903,780 SGF below the agency's revised estimate in FY 2024. The decrease is due to the Governor's enhancement request to lapse \$903,780 in CARE/PASRR funding, since that funding is included in consensus caseloads in FY 2024.

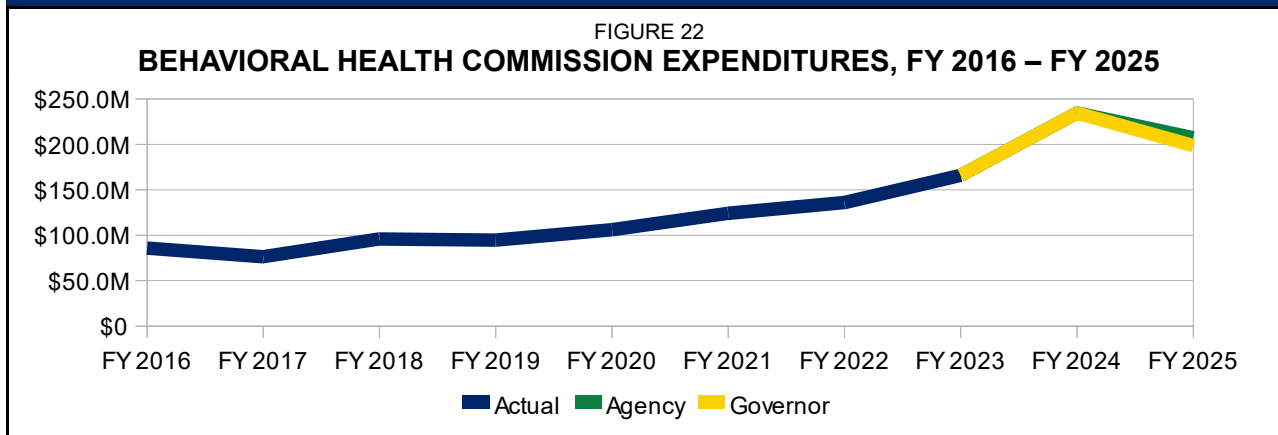
FY 2025 REQUEST

The **agency** requests expenditures totaling \$62.9 million, including \$31.0 million SGF, for the Aging and Disability Commission program for FY 2025. This is a decrease of \$50,776,

including an SGF decrease of \$282,336, below the agency's revised estimate in FY 2024. The decrease is primarily due to adjustments to account for availability of federal funds and is partially offset by the agency's three enhancement requests totaling \$621,889, including \$310,495 SGF. The enhancement requests are discussed in detail in the "Aging and Disability Commission" subsection of the "Supplementals and Enhancements" section for this agency.

The **Governor** recommends expenditures of \$61.8 million, including \$30.0 million SGF, for the Aging and Disability Commission program for FY 2025. This is a decrease of \$1.1 million, including a decrease of \$991,411 SGF, below the agency's request for FY 2025. The decrease is due to the Governor not recommending the agency's enhancement request for PACE staffing (\$175,262, including \$87,631 SGF), and the Governor's enhancement request to lapse \$903,780 in CARE/PASRR funding, since CARE/PASRR funding is included in consensus caseloads beginning in FY 2024.

BEHAVIORAL HEALTH COMMISSION



STATUTORY BASIS: • KSA 65-4001, KSA 75-5375, KSA 65-4007, KSA 75-3307b, KSA 79-4805, KSA 39-1601 to KSA 39-1604

PROGRAM GOALS:

- Address and treat people who are in immediate crisis.
- Increase availability of diagnosis and treatment of serious mental illness (SMI) and substance use disorder (SUD).
- Stabilize patients so that they can return to the community.

The Behavioral Health Commission provides oversight for various programs and grants to assist individuals with severe and persistent mental illness (SPMI) and individuals with a substance use disorder (SUD).

MENTAL HEALTH SERVICES

The foundation for all community mental health services is the Mental Health Reform Act, (KSA 39-1601 *et seq.*). Additionally, the Treatment Act for Mentally Ill Persons, KSA 59-2901 *et seq.*, provides for how patients shall be provided both voluntary and involuntary psychiatric treatment. Funding through grants and contracts is awarded to community mental health centers (CMHCs), certified community behavioral health clinics (CCBHCs), private community mental health providers, psychiatric residential treatment facilities (PRTFs), nursing facilities for mental health (NFMHs), consumer-run organizations, advocacy groups, a pharmacy benefits manager, housing organizations, and universities.

SUBSTANCE USE DISORDERS AND ADDICTION SERVICES

The Behavioral Health Commission supports a system of services for individuals experiencing alcoholism, drug dependence, or a gambling addiction, using federal block grant moneys, Medicaid, and state funds. The Commission's SUD and additional services are

generally broken up into efforts toward prevention through education, awareness, and contact, and grants to support a system of services for low-income individuals experiencing alcoholism, drug dependence, or gambling addiction.

FUNDING FOR COMMUNITY MENTAL HEALTH CENTERS

As part of its oversight, the agency serves as the pass-through agency for funding community mental health centers (CMHCs) across the state. There are currently 26 CMHCs in the state to provide behavioral health services to individuals.

CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINICS

During the 2021 Session, the Legislature passed Senate Sub. for HB 2208, which, among other things, required KDADS to establish a certification process for certified community behavioral health clinics (CCBHCs), a relatively new Medicaid provider type. Generally, these providers are required to provide expanded services, including but not limited to, person-centered treatment planning, crisis services, outpatient mental health and substance use services, and screening, assessment, diagnosis, and risk assessment. All CMHCs will transition to CCBHCs by the end of FY 2024.

FIGURE 23

BEHAVIORAL HEALTH COMMISSION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 104,508,333	\$ 150,987,732	\$ 150,987,732	\$ 140,237,933	\$ 131,711,160
Federal Funds	31,204,700	34,245,230	34,245,230	33,251,707	33,032,068
All Other Funds	30,221,753	49,217,022	49,217,022	33,851,245	33,851,245
TOTAL	\$ 165,934,786	\$ 234,449,984	\$ 234,449,984	\$ 207,340,885	\$ 198,594,473
Percent Change:					
SGF	36.8 %	44.5 %	-- %	(7.1) %	(6.1) %
All Funds	22.1 %	41.3 %	-- %	(11.6) %	(4.2) %
FTE Positions	40.8	61.0	61.0	58.0	54.0

BUDGET ANALYSIS**FY 2024 REVISED ESTIMATE**

The **agency** estimates revised expenditures totaling \$234.5 million, including \$151.0 million SGF, for the Behavioral Health Commission program in FY 2024. This is an increase of \$68.5 million, including \$46.5 million SGF, above the amount approved by the 2023 Legislature for FY 2024. This increase is primarily due to carry-forward funds for community crisis stabilization services due to slower-than-anticipated expansion of the services (\$9.7 million), carry-forward funds for alcohol treatment that were unspent in FY 2023 (\$4.7 million), and an increase of \$14.8 million in available federal grant funds. The SGF increase is primarily due to \$18.7 million in reappropriations that the agency reports will be applied to support housing initiatives, PRTFs, and NFMHs.

The **Governor** concurs with the agency's revised estimate for the Behavioral Health Commission program in FY 2024.

FY 2025 REQUEST

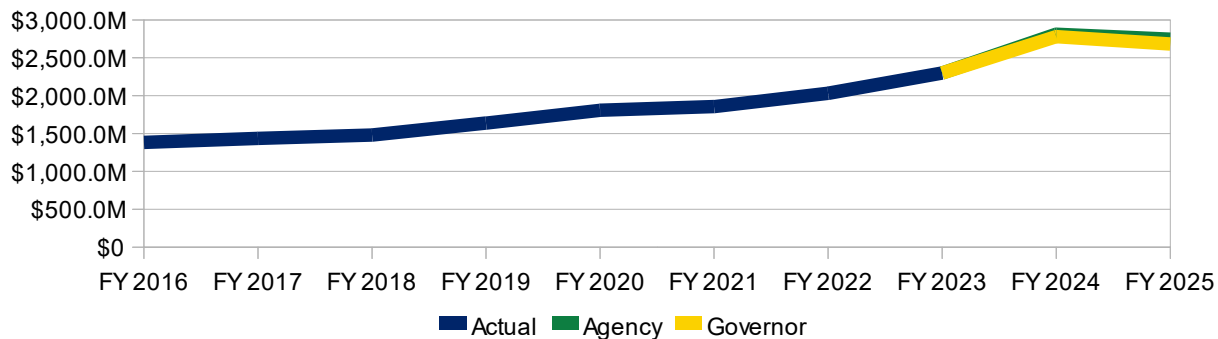
The **agency** requests expenditures totaling \$207.3 million, including \$140.3 million SGF, for the Behavioral Health Commission program for FY 2025. This is a decrease of \$27.1 million,

including a decrease of \$10.8 million SGF, below the agency's revised estimate in FY 2024. The decrease is primarily due to the reappropriations (\$18.7 million SGF) not reoccurring in FY 2025, as well as the agency budgeting to spend all carry-forward funding for crisis stabilization services (\$9.7 million) and alcohol treatment (\$4.7 million). The overall decrease is partially offset by an increase of \$10.4 million, including \$10.1 million SGF, for the agency's seven enhancement requests. The enhancement requests are discussed in detail in the "Medicaid Programs" subsection of the "Supplementals and Enhancements" section for this agency.

The **Governor** recommends expenditures totaling \$198.6 million, including \$131.7 million SGF, for the Behavioral Health Commission program for FY 2025. This is a decrease of \$8.8 million, including \$8.5 million SGF, below the agency's request for FY 2025. The decrease is due to the Governor not recommending four agency enhancement requests and partially recommending three enhancement requests. The enhancement requests are discussed in detail in the "Behavioral Health Commission" subsection of the "Supplementals and Enhancements" section for this agency.

MEDICAID PROGRAMS

FIGURE 24
MEDICAID PROGRAMS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5945 and 39-1801 *et seq.* HCBS (FE) KS.0303.R05.00; HCBS (I/DD) KS.0224.R06.00; HCBS (AU) KS.0476.R02.00; HCBS (PD) KS.0304.R05.00; HCBS (TA):KS.4165.R06.00; HCBS (BI) KS.4164.R06.02; HCBS (SED):KS.0320.R04.00

PROGRAM GOALS: • Ensure that Kansas with high level of care needs (regarding activities of daily living and instrumental activities of daily living) and at imminent risk of institutionalization are served and supported while remaining in their homes and communities.

- Deliver equitable services and supports to Kansans with different forms of disabilities by encouraging competitive and integrated employment alternatives and opportunities, incentivizing positive movement toward greater independence through competitive employment, and creating a path for disability employment and empowerment in the State of Kansas.
- Divert psychiatric hospitalization by providing intensive Home and Community Based Support Services (HCBS) to children and youth in their homes and communities; provide short-term rehabilitation to individuals with brain injury; support parents of children with autism spectrum disorder; support children and youth chronically ill or medically fragile and dependent upon a ventilator or medical device to compensate for the loss of vital bodily function; and support frail and elderly Kansans above 65 years of age.

The Medicaid Programs include medical services programs managed by KDADS, 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 PACE.

HCBS WAIVER SERVICES

The HCBS waiver program is authorized under Section 1915(c) of the federal Social Security Act. Through the program, a Medicaid beneficiary can receive services designed to allow them to live in their home or community rather than receive institutionalized care.

WAITLIST HISTORY

Due to funding and capacity limitations, several waivers have waitlists for services. Individuals are assessed and determined eligible, but are placed on a list until HCBS can be provided. Both Physical Disability (PD) and Intellectual/Developmental Disability (I/DD) waivers have historically had waitlists. While not technically a waitlist, the Autism waiver has a proposed recipient list, where individuals are identified as potential waiver participants, and once a spot on the waiver opens, the individual is assessed and placed on the waiver.

During the 2021 Session, funding was added for FY 2021 for Brain Injury (BI) waiver services in order to avoid a potential waitlist after the Legislature expanded the population eligible for

the BI waiver. With this expanded population, the agency anticipates an increase in waiver participants over the next several years.

REIMBURSEMENT RATES

The agency sets a base rate that a managed care organization is permitted to pay a provider for HCBS.

PROGRAM FOR ALL-INCLUSIVE CARE FOR THE ELDERLY

This program also includes expenditures for PACE, which provides community-based care and services to individuals age 55 or older who otherwise need a nursing home level of care.

FIGURE 25 MEDICAID PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 767,967,344	\$ 1,181,947,071	\$ 1,170,799,390	\$ 1,054,176,122	\$ 1,033,835,252
Federal Funds	1,498,855,301	1,596,869,461	1,578,854,262	1,659,745,537	1,620,882,201
All Other Funds	31,948,480	31,948,480	29,641,000	31,948,480	27,661,000
TOTAL	\$ 2,298,771,125	\$ 2,810,765,012	\$ 2,779,294,652	\$ 2,745,870,139	\$ 2,682,378,453
Percent Change:					
SGF	28.5 %	53.9 %	(0.9) %	(10.8) %	(1.9) %
All Funds	13.2 %	22.3 %	(1.1) %	(2.3) %	(2.3) %
FTE Positions	11.0	8.0	8.0	2.0	2.0

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** estimates revised expenditures totaling \$2.8 billion, including \$1.2 billion SGF, for the Medicaid program in FY 2024. This is an increase of \$512.0 million, including \$414.0 million SGF, above actual expenditures in FY 2023, primarily due to underspending \$164.9 million SGF in FY 2023 and reappropriating the funding in FY 2024. Additionally, the revised estimate includes an enhancement request to lapse \$7.5 million of the reappropriation associated with consensus caseloads funding.

The **Governor** recommends expenditures totaling \$2.8 billion, including \$1.2 billion SGF, for the Medicaid program in FY 2024. This is a decrease of \$31.5 million, including \$11.2 million SGF, below the agency's revised estimate in FY 2024. The decrease is due to the Governor's enhancement to adopt the fall consensus caseloads estimate in FY 2024. This is primarily due to the revised estimate reducing the estimated expenditures for the CCBHCs transitioning in FY 2024.

FY 2025 REQUEST

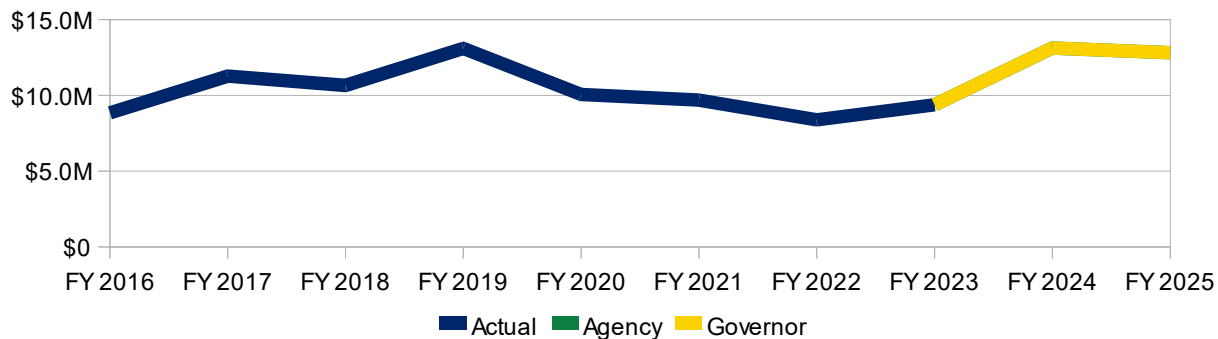
The **agency** requests expenditures totaling \$2.8 billion, including \$1.1 billion SGF, for the Medicaid program for FY 2025. This is a

decrease of \$64.9 million, including \$127.7 million SGF, below the agency's revised estimate in FY 2024. This decrease is primarily due to the agency's \$164.9 million reappropriation in FY 2024 not reoccurring in FY 2025. The overall decrease is partially offset by the agency's six enhancement requests totaling \$102.4 million, including \$39.5 million SGF. The enhancement requests are discussed in detail in the "Medicaid Programs" subsection of the "Supplementals and Enhancements" section for this agency.

The **Governor** recommends expenditures totaling \$2.7 billion, including \$1.0 billion SGF, for the Medicaid program for FY 2025. This is a decrease of \$63.5 million, including \$20.3 million SGF, below the agency's request for FY 2025. The decrease is primarily due to the Governor not recommending five enhancement requests and only partially recommending the remaining request. The overall decrease is partially offset by the Governor's recommendation to add \$30.3 million, including \$15.8 million SGF, to adopt the fall consensus caseloads estimate. For information on the factors contributing to an increase in the consensus caseloads estimate, see the "Consensus Caseloads Estimate" subsection in the Special Topics section for this agency.

SURVEY, CREDENTIALING AND CERTIFICATION COMMISSION

FIGURE 26
SURVEY, CREDENTIALING AND CERTIFICATION COMMISSION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • 42 CFR Parts 405, 431, 447, 482, 483, 485, 488, and 489; KSA Chapter 39 Article 9 Adult Care Home Statutes; KAR Chapter 26 Adult Care Homes

PROGRAM GOALS: • Provide enforcement and oversight to ensure the requirements that long-term care facilities must meet to participate in the Medicare and Medicaid programs.
• Ensure compliance with statutory requirements for licensure of adult care homes and ongoing inspections/investigations of complaints related to allegations of abuse, neglect, and exploitation.
• Ensure compliance with statutory requirements for the Criminal Record Check Program and Nurse Aide registry, as well as several health occupations curriculum, course approval, and licensure/certification of these occupations.

The primary purpose of the Survey, Credentialing and Certification Commission (SCCC) 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. 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.

The Commission largely operates through surveying adult care homes for compliance in state and federal guidelines.

The facilities include:

- **NURSING FACILITIES**, which are facilities that provide 24/7 care for six or more individuals who require skilled nursing care;
- **ASSISTED LIVING FACILITIES**, which provide care for six or more individuals who require assistance in their daily activities but do not require 24/7 care;
- **RESIDENTIAL HEALTH CARE FACILITIES**, which provide care for six or more individuals who require assistance in their daily activities but do not require 24/7 care and where the facility is divided into individual living units;
- **HOME PLUS FACILITIES**, which

provide care to not more than 12 individuals and are typically located in a residential area; and

- **ADULT DAY CARE FACILITIES**, which provide care for individuals needing assistance with activities of daily living, but operate less than 24 hours a day.

HEALTH OCCUPATION CREDENTIALING

Included in the SCCC is the health occupations credentialing program, which provides the oversight and licensing for a number of long-term care positions, including, but not limited to, nurse aides, home health aides, and adult care home operators. As part of the licensing process, the agency requires criminal background checks to be conducted for all individuals employed by facilities licensed by KDADS.

FIGURE 27

SURVEY, CERTIFICATION AND CREDENTIALING COMMISSION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 3,571,031	\$ 4,462,808	\$ 4,462,808	\$ 4,151,196	\$ 4,151,196
Federal Funds	4,398,868	6,443,281	6,443,281	6,440,347	6,440,347
All Other Funds	1,408,815	2,220,246	2,220,246	2,220,079	2,220,079
TOTAL	\$ 9,378,714	\$ 13,126,335	\$ 13,126,335	\$ 12,811,622	\$ 12,811,622
Percent Change:					
SGF	27.7 %	25.0 %	-- %	(7.0) %	-- %
All Funds	11.8 %	40.0 %	-- %	(2.4) %	-- %
FTE Positions	137.0	125.0	125.0	125.0	125.0

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** estimates revised expenditures totaling \$13.2 million, including \$4.5 million SGF, for the SCCC in FY 2024. This is an increase of \$3.7 million, including \$891,777 SGF, above actual expenditures in FY 2023. This increase is primarily due to the agency underspending its salaries and wages budget in FY 2023 due to having vacant positions.

The **Governor** concurs with the agency's revised estimate in FY 2024.

FY 2025 REQUEST

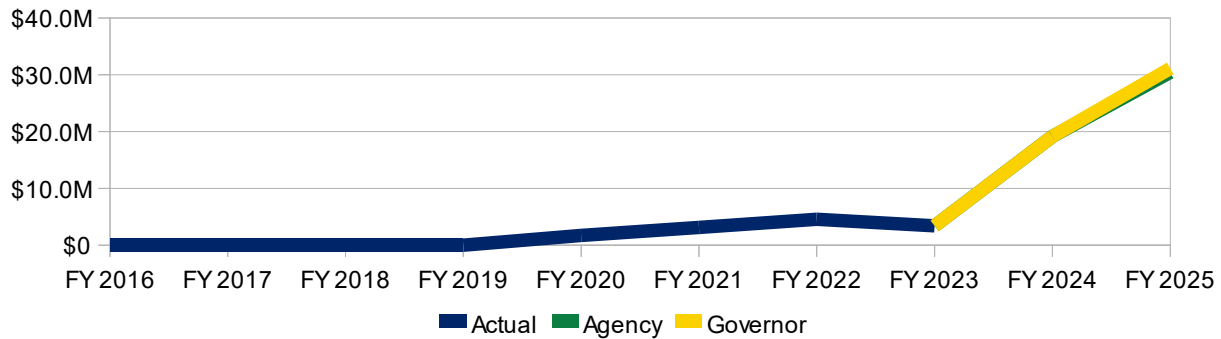
The **agency** requests expenditures totaling \$12.8 million, including \$4.2 million SGF, for the SCCC for FY 2025. This is a decrease of \$314,713, including \$311,612 SGF, below the agency's revised estimate in FY 2024. The decrease is primarily due to small decreases in a number of contractual service expenditures, including fees and in-state travel.

The **Governor** concurs with the agency's request for FY 2025.

STATE HOSPITAL COMMISSION

FIGURE 28

STATE HOSPITAL COMMISSION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 76-12a01

PROGRAM GOALS:

- Ensure state hospital budget submissions are integrated into the KDADS budget priorities and goals.
- Standardize risk management reporting across the state hospitals to inform the Governing Body about patient safety and care practices.
- Lead projects to modernize processes and implement technology solutions to improve and enhance critical processes, patient safety, and clinical outcomes.

The State Hospital Commission was formed in FY 2019 to provide oversight over the four state hospitals in an effort to facilitate coordinated leadership, guidance, direction, oversight, and training. The 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 federal Centers for Medicare and Medicaid Services and accreditation with The Joint Commission. The Commission oversees Osawatimie State Hospital, Larned State Hospital, Kansas Neurological Institute, and Parsons State Hospital and training Center. Additionally, the Commission is overseeing the development of a regional mental health hospital in Sedgwick County. The new hospital is being developed jointly between Sedgwick County and KDADS.

FIGURE 29 STATE HOSPITAL COMMISSION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 3,018,853	\$ 13,934,113	\$ 13,934,113	\$ 25,207,589	\$ 25,898,457
Federal Funds	92,409	33,057	33,057	32,891	32,891
All Other Funds	277,619	5,169,535	5,169,535	5,169,435	5,169,435
TOTAL	\$ 3,388,881	\$ 19,136,705	\$ 19,136,705	\$ 30,409,915	\$ 31,100,783
Percent Change:					
SGF	16.2 %	361.6 %	-- %	80.9 %	2.7 %
All Funds	25.6 %	464.7 %	-- %	58.9 %	2.3 %
FTE Positions	9.0	9.0	9.0	9.0	9.0

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

The **agency** estimates revised expenditures totaling \$19.1 million, including \$14.0 million SGF, for the State Hospital Commission in FY 2024. This is an increase of \$15.8 million, including \$10.9 million SGF, above actual expenditures in FY 2023. The agency's revised estimate includes the addition of \$5.0 million SGF, all from special revenue funds, to provide reimbursement to counties for confinement of individuals waiting for forensic evaluation or treatment pursuant to 2023 SB 228. Additionally, the 2023 Legislature approved \$5.0 million SGF to fund reimbursement to hospitals for reimbursement for supervision and transportation of individuals awaiting transfer to a state hospital. Additionally, the State Hospital Commission did not complete the Electronic Hospital Records project in FY 2023 and reappropriated \$5.1 million SGF into FY 2024. This had the effect of both decreasing FY 2023 actual expenditures and increasing the FY 2024 revised estimate.

The **Governor** concurs with the agency's revised estimate in FY 2024.

FY 2025 REQUEST

The **agency** requests expenditures totaling \$30.4 million, including \$25.2 million SGF, for the State Hospital Commission for FY 2025. This is an increase of \$11.3 million, including \$11.3 million SGF, above the agency's revised estimate in FY 2024. This increase is due to the addition of \$12.3 million SGF for the 24/7 Pay Plan transfer to the state hospital to occur in FY 2025, as well as increases in fringe benefits. The overall increase is partially offset by the reappropriation of \$5.1 million SGF for the Electronic Hospital Records system not reoccurring for FY 2025.

The **Governor** recommends expenditures totaling \$31.1 million, including \$25.9 million SGF, for the State Hospital Commission for FY 2025. This is an increase of \$690,868 above the agency's request for FY 2025. This is due to the Governor's enhancement for a shoe and boot allowance for safety and security officers and nursing staff at the state hospitals.

CAPITAL IMPROVEMENTS

The Kansas Department for Aging and Disability Services serves as the point of contact to coordinate all of the capital improvement projects for the four state hospitals:

KANSAS NEUROLOGICAL INSTITUTE

Kansas Neurological Institute (KNI) was established in 1960 by repurposing a former veterans' hospital and is one of the two state institutions serving individuals with intellectual and developmental disabilities.

PARSONS STATE HOSPITAL AND TRAINING CENTER

Established in 1903, Parsons State Hospital and Training Center (PSH) is one of the two state institutions serving individuals with intellectual and developmental disabilities. The hospital has historically reported that its infrastructure is deteriorating.

LARNED STATE HOSPITAL

Larned State Hospital (LSH) was established in 1914 and serves the western portion of the state. It comprises three main units: an adult psychiatric program, the state security program, and the sexual predator treatment program.

OSAWATOMIE STATE HOSPITAL

Established in 1866, Osawatomie State Hospital (OSH) was Kansas' first established institution for mental health. While the original buildings have been demolished, the campus comprises several older buildings that have fallen into disrepair.

FIGURE 30 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Remodeling	\$ 18,350	\$ 1,139,407	\$ 1,139,407	\$ 2,780,400	\$ -
Razing	-	-	-	650,200	3,150,200
Rehabilitation and Repair	10,223,714	17,540,028	17,540,028	8,827,350	8,827,350
Miscellaneous	-	-	-	-	-
<i>Subtotal—Projects</i>	<u>\$ 10,242,064</u>	<u>\$ 18,679,435</u>	<u>\$ 18,679,435</u>	<u>\$ 12,257,950</u>	<u>\$ 11,977,550</u>
Debt Service Principal:					
State Hospital Debt Service	\$ -	\$ 264,225	\$ 264,225	\$ -	\$ -
<i>Subtotal—Debt</i>	<u>\$ -</u>	<u>\$ 264,225</u>	<u>\$ 264,225</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 10,242,064</u>	<u>\$ 18,943,660</u>	<u>\$ 18,943,660</u>	<u>\$ 12,257,950</u>	<u>\$ 11,977,550</u>
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Institutions Bldg. Fund	10,242,064	18,943,660	18,943,660	12,257,950	11,977,550
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	<u>\$ 10,242,064</u>	<u>\$ 18,943,660</u>	<u>\$ 18,943,660</u>	<u>\$ 12,257,950</u>	<u>\$ 11,977,550</u>

FY 2024 CAPITAL IMPROVEMENTS

The **agency** estimates revised expenditures totaling \$18.9 million, all from the State Institutions Building Fund (SIBF), for Capital Improvement expenditures in FY 2024. This is an increase of \$8.4 million SIBF above actual expenditures in FY 2023. The increase is due to reappropriated funds from projects not completed during FY 2023. These projects include the ongoing remodel of the Biddle Building on OSH campus, which the agency anticipates to be completed in February 2024, and the remodel of the Spruce Building on PSH campus, which the agency anticipates will begin in Spring 2024.

In addition to the ongoing projects, the 2023 Legislature approved \$3.2 million SIBF in expenditures to complete the agency's Priority 1 Rehabilitation and Repair projects in FY 2024. These are projects required to maintain safe operation of the facility and include replacement of a chiller at LSH and repairing roadways and parking lots at OSH.

The **Governor** concurs with the agency's revised estimate in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$12.3 million SIBF in capital improvement expenditures for FY 2025, including \$2.7 million for LSH, \$6.9 million for OSH, \$1.3 million for PSH, and \$1.4 million for KNI. Requested projects include Priority 1 Rehabilitation and Repair projects listed in the agency's 5-Year Capital Improvement Plan for FY 2025, as well as the following enhancement requests:

the FY 2025 Priority 2 rehabilitation and repair projects identified in the agency's 5-year capital improvement plan. These projects include:

- \$2.4 million to replace the medium-voltage electrical system at OSH;
- \$772,200 to upgrade sewer mains at KNI;
- \$711,450 to replace deteriorated water mains at OSH;

FY 2025 PRIORITY 2 REHABILITATION AND REPAIR PROJECTS

The agency requests \$5.6 million, all from the State Institutions Building Fund (SIBF), to fund

- \$707,200 to replace a chiller at LSH; and
- \$468,000 to replace piping at PSH.

RAZING PROJECTS

The agency requests \$650,200 SIBF to raze the Gheel building on LSH campus and the Chestnut Building on PSH campus. Following the razing of the De Jong and West Pavilion at OSH in FY 2023 and FY 2024, the Gheel and Chestnut buildings are the next oldest. The buildings contain asbestos insulation, asbestos floor and ceiling tile, and lead-based paint. Additionally, the agency reports the buildings contain live rats and broken windows, and are susceptible to collapse and arson.

COTTONWOOD RECREATION BUILDING REMODEL

The agency requests \$1.9 million SIBF to remodel the Cottonwood Recreation Building on OSH campus. The building was constructed in 1956 and the agency reports it has had no significant renovations since. The remodel would include sealing and tuckpointing the structure, replacing windows, implementing ADA compliant modifications, a new HVAC system, restroom upgrades, repairing moisture-damaged walls, and improving exterior drainage to prevent moisture damage. The building includes patient recreation, including a library, television rooms, and game areas.

SPECIAL SERVICES AND MICO HOUSE OFFICE RENOVATION

The agency requests \$873,600 SIBF to remodel the Special Services building and an office area in the MICO House, both on OSH campus. The project would involve asbestos abatement, new flooring, repairing walls, repairing the heating system, and improving exterior drainage. The project would allow utilization of the third floor of the Special Services building and protect the IT and other programs in the Special Services building. The project would expand office space at the MICO facility.

The **Governor** recommends expenditures totaling \$12.0 million SIBF for Capital Improvements for FY 2025. This is a decrease of \$280,400 SIBF below the agency's request for FY 2025. The decrease is due to the following adjustments:

- **Non-Recommended Enhancements.** The Governor does not recommend the agency's enhancements to remodel the Cottonwood Building (\$1.9 million) or to renovate the Special Services and MICO buildings (\$873,600).

Additional Razing Projects. The overall decrease is partially offset by the Governor's recommendation to add \$2.5 million SIBF to complete all 9 razing projects in the agency's 5-Year Capital Improvement Plan to maximize cost savings by razing all buildings at once. This would bring the total cost for razing to \$3.2 million SIBF for FY 2025.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

FY 2023 – FY 2025 BUDGET ANALYSIS

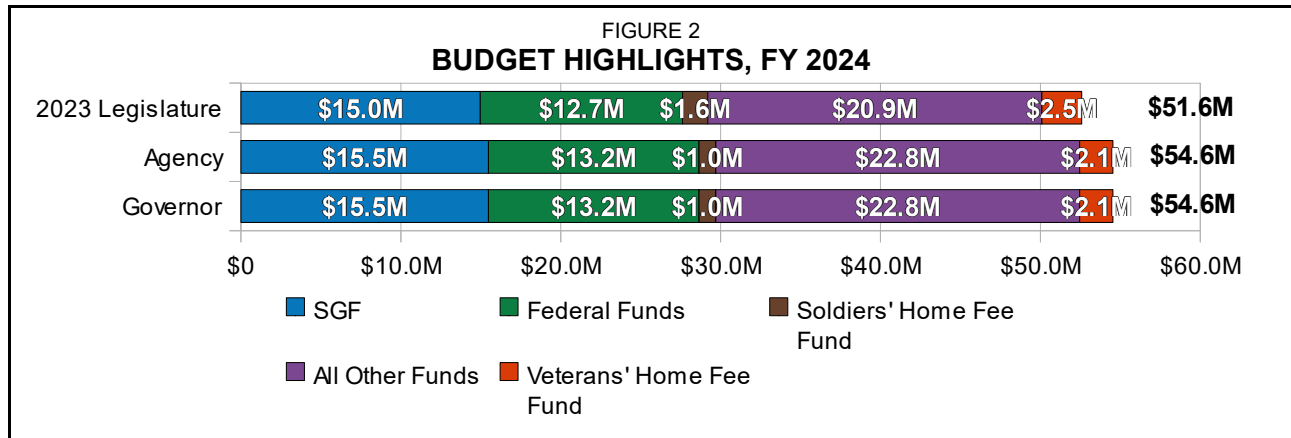
FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 10,777,520	\$ 15,061,138	\$ 15,061,138	\$ 14,641,700	\$ 14,469,950
Federal Funds	12,659,312	12,716,613	12,716,613	13,165,160	13,165,160
All Other Funds	5,187,326	4,876,399	4,876,399	5,866,786	5,866,786
<i>Subtotal</i>	<u>\$ 28,624,158</u>	<u>\$ 32,654,150</u>	<u>\$ 32,654,150</u>	<u>\$ 33,673,646</u>	<u>\$ 33,501,896</u>
Capital Improvements:					
State General Fund	\$ 61,941	\$ 413,939	\$ 413,939	\$ 201,980	\$ 201,980
Federal Funds	-	460,000	460,000	89,911	89,911
All Other Funds	2,364,005	21,052,942	21,052,942	2,983,054	3,583,054
<i>Subtotal</i>	<u>\$ 2,425,946</u>	<u>\$ 21,926,881</u>	<u>\$ 21,926,881</u>	<u>\$ 3,274,945</u>	<u>\$ 3,874,945</u>
TOTAL	<u>\$ 31,050,104</u>	<u>\$ 54,581,031</u>	<u>\$ 54,581,031</u>	<u>\$ 36,948,591</u>	<u>\$ 37,376,841</u>
Percentage Change:					
State General Fund	76.6 %	42.8 %	42.8 %	(4.1) %	(5.2) %
All Funds	15.0 %	75.8 %	75.8 %	(32.3) %	(31.5) %
FTE Positions	375.0	376.0	376.0	376.0	376.0

The Kansas Commission on Veterans Affairs Office (KCVAO) provides veterans and veterans' families in Kansas with advice and assistance in obtaining veterans' benefits and services that are intended to improve the quality of their lives. Aside from assisting veterans in obtaining benefits, including internment benefits, the KCVAO operates two veterans' homes that provide long-term and domiciliary care to veterans and, on occasion, family of veterans: the Kansas Veterans' Home (KVH) and the Kansas Soldiers' Home (KSH). The 2023 Legislature appropriated from the State Institutions Building Fund (SIBF) \$17.2 million for the construction of a third veterans' home to be located in Northeast Kansas. Several of the programs the agency administers, including the veterans' homes programs, existed in various forms for decades prior to the statutory creation of KCVAO in 1986 and the subsequent reorganization of the agency in 2014.

Though the KCVAO is within the executive branch of state government, the agency must also adhere to the rules and regulations of the U.S. Department of Veterans Affairs (VA). The Director of the KCVAO, who must be a veteran, is appointed by the Governor and subject to confirmation by the Kansas Senate. The Director of KCVAO appoints one Superintendent of the KVH, one Superintendent of the KSH, and one Deputy Director of Veterans Services. The Deputy Director of Veterans Services serves as the Chairperson of the Veterans Claims Assistance Program (VCAP) Advisory Board, which exists to advise the Director of KCVAO on all veterans services. The VCAP Advisory Board consists of at least seven members, including two state legislators, who meet a minimum of four times a year to improve the coordination of counseling veterans. The VCAP Advisory Board routinely works with KCVAO to guarantee that veterans are able to obtain the benefits to which they are entitled.

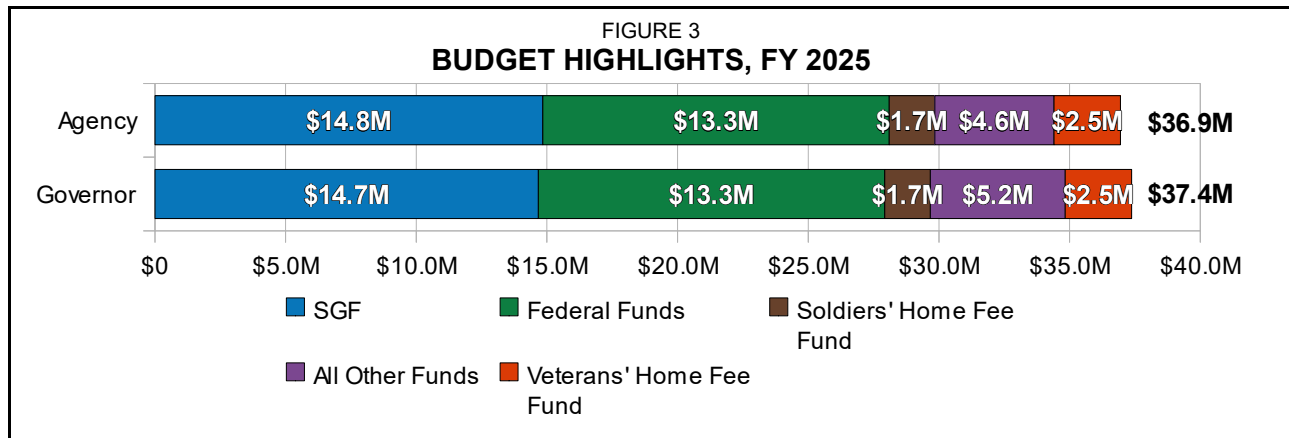
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$51.6 million, including \$14.0 million from the State General Fund (SGF), and 376.0 FTE positions for the Kansas Commission on Veterans Affairs Office for FY 2024. One adjustment has been made subsequently to that amount that changes the current year approved amount without any legislative action required. The agency reappropriated \$1.0 million SGF in unspent moneys from FY 2023 into FY 2024, giving the agency a revised approved budget of \$52.6 million in FY 2024.



The **agency** requests a revised estimate of \$54.6 million, including \$15.5 million SGF, in expenditures and 376.0 FTE positions in FY 2024. This increase of \$2.0 million, or 3.8 percent, above the FY 2024 approved amount is primarily due to a variety of supplemental requests and other adjustments by the agency. (*Note:* For more information on the supplemental requests, see the Supplemental and Enhancement Request section.) Moreover, the agency's reappropriation of \$1.7 million in unspent SIBF moneys from FY 2023 into FY 2024 also contributes to the revised estimate.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$36.9 million, including \$14.8 million SGF, in expenditures and 376.0 FTE positions for FY 2025. This all funds decrease of \$17.6 million, or 32.3 percent, including an SGF decrease of \$631,397, or 4.1 percent, below the FY 2023 revised estimate is due to the agency not requesting monies for the construction of the new Northeast Kansas Veterans' Home for FY 2025. However, the decrease is partially offset by several enhancement requests for FY 2025. (*Note:* For more information on the enhancement requests, see the Supplemental and Enhancement Request section.)

The **Governor** recommends a budget of \$37.4 million, including \$14.7 million SGF, in expenditures and 376.0 FTE positions for FY 2025. This is an all funds increase of \$428,250, or 1.2 percent, above the FY 2025 agency request, and an SGF decrease of \$208,000, or 0.8 percent, below the FY 2025 agency request. The Governor concurs in full or in part with the agency's enhancement requests, and recommends an additional \$636,250 in state funds for two additional enhancements. (*Note:* For more information on the enhancement requests, see the Supplemental and Enhancement Request section.)

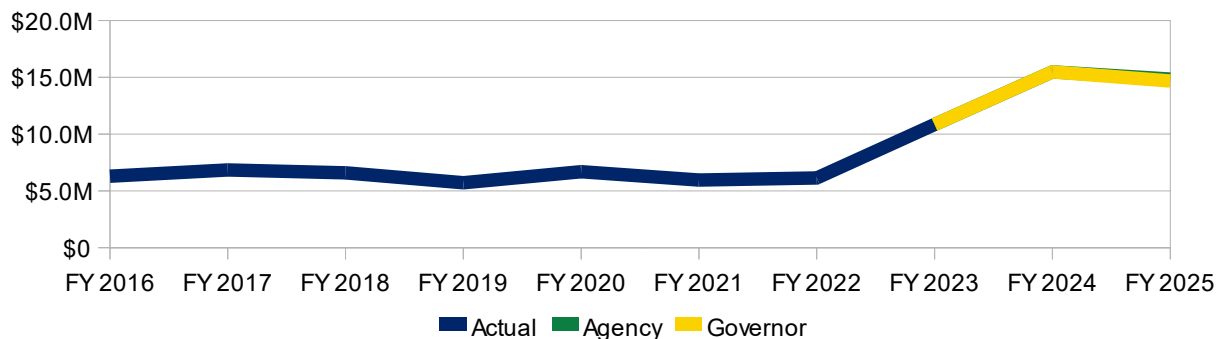
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 19,338,258	\$ 25,866,644	\$ 25,866,644	\$ 27,128,743	\$ 26,920,743
Contractual Services	7,323,277	2,810,477	2,810,477	2,738,214	2,738,214
Commodities	2,441,356	2,314,878	2,314,878	2,452,467	2,488,717
Capital Outlay	779,665	1,011,315	1,011,315	727,327	727,327
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 29,882,556</i>	<i>\$ 32,003,314</i>	<i>\$ 32,003,314</i>	<i>\$ 33,046,751</i>	<i>\$ 32,875,001</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	705,360	1,155,417	1,155,417	1,005,417	1,005,417
<i>Subtotal—Operating</i>	<i>\$ 30,587,916</i>	<i>\$ 33,158,731</i>	<i>\$ 33,158,731</i>	<i>\$ 34,052,168</i>	<i>\$ 33,880,418</i>
Capital Improvements	462,188	21,422,300	21,422,300	2,896,423	3,496,423
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 31,050,104	\$ 54,581,031	\$ 54,581,031	\$ 36,948,591	\$ 37,376,841
Financing:					
State General Fund	\$ 10,839,461	\$ 15,475,077	\$ 15,475,077	\$ 14,843,680	\$ 14,671,930
Veterans' Home Fee Fund	2,459,359	2,082,170	2,082,170	2,544,448	2,544,448
Soldiers' Home Fee Fund	1,186,647	1,046,235	1,046,235	1,748,563	1,748,563
Federal Funds	12,659,312	13,176,613	13,176,613	13,255,071	13,255,071
All Other Funds	3,905,325	22,800,936	22,800,936	4,556,829	5,156,829
TOTAL	\$ 31,050,104	\$ 54,581,031	\$ 54,581,031	\$ 36,948,591	\$ 37,376,841
FTE Positions	375.0	376.0	376.0	376.0	376.0

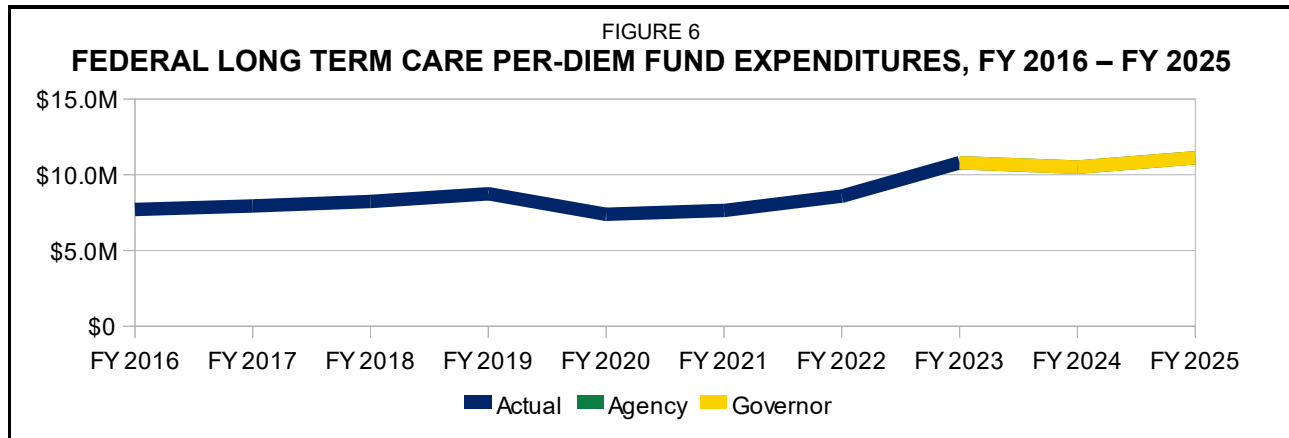
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



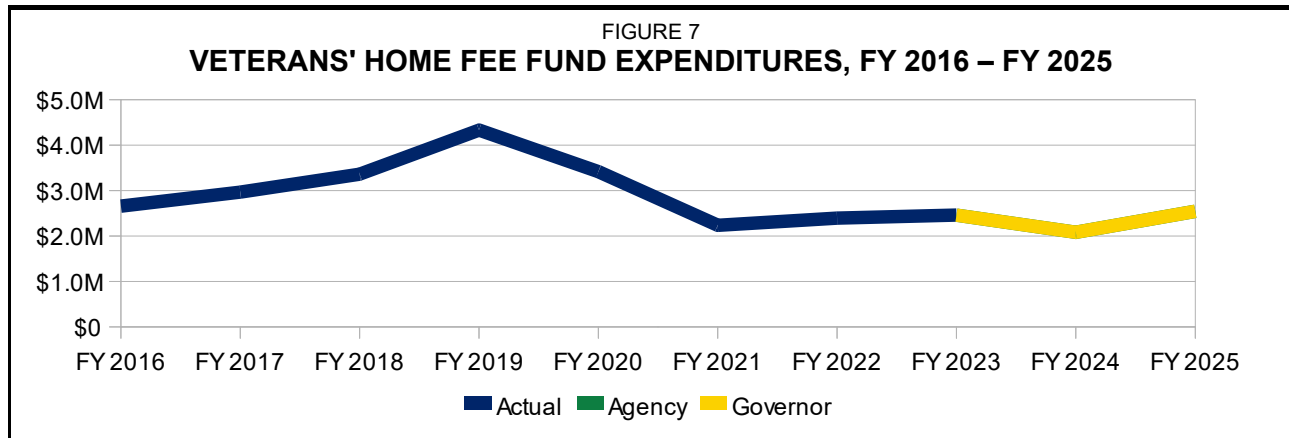
For the Kansas Commission on Veterans Affairs Office, SGF expenditures averaged \$6.9 million from FY 2016 through FY 2023. The increase in SGF expenditures from FY 2022 into the current fiscal year is due to a variety of supplemental and enhancement requests by the agency. Notable items contained in the requests include funding for leadership positions within the agency, and additional moneys for VCAP to account for the federal government's recent expansion of the Promise to Address Comprehensive Toxics (PACT) Act. (Note: For more information on the supplemental requests and enhancement requests, see the Supplemental and Enhancement Request section.)

FEDERAL LONG TERM CARE PER-DIEM FUND



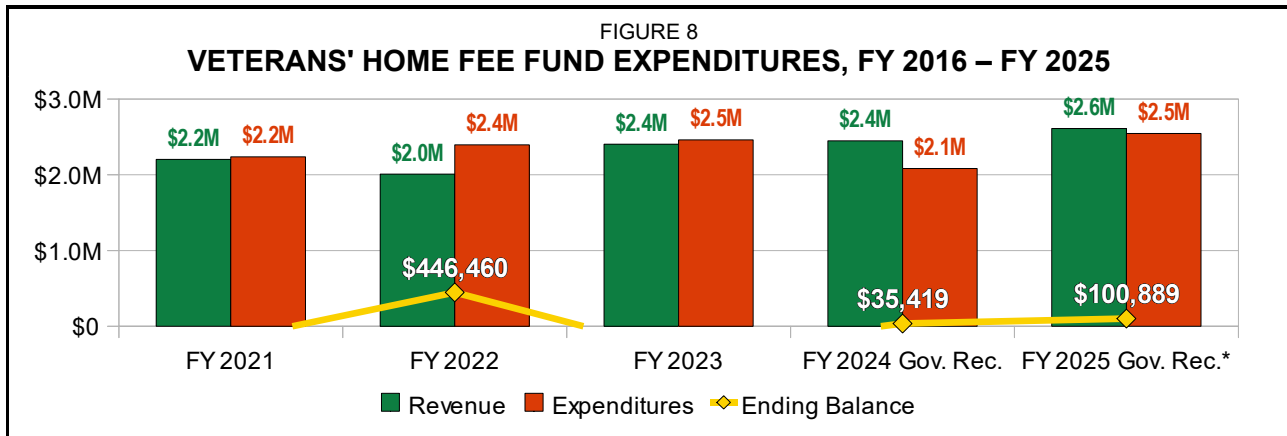
The Federal Long Term Care Per-Diem Fund includes the Veteran's Home Federal Fund Long Term Care account and the Soldiers' Home Federal Fund Long Term Care account. 38 Code of Federal Regulations, Part 17, Subpart 51.40, promulgates that the VA will pay per diem for long-term nursing care and domiciliary care provided to an eligible veteran in a facility recognized as a State Home for Veterans. Per diem payments are paid to the KVH and the KSH on a monthly basis. In order to qualify for the per diem, each home must be surveyed annually by the supporting VA Medical Center for adherence to health and safety standards established by the VA. The current VA per diem basic rate per veteran is \$129.97, whereas the current VA per diem rate per veteran who has a service-connected disability of 70.0 percent or more is \$442.42. The KCVAO anticipates a slight increase in the census for long-term care, which would lead to increased expenditures and higher revenue projections in both FY 2024 and FY 2025.

VETERANS' HOME FEE FUND



The Veterans' Home Fee Fund is authorized by KSA 76-1952, as amended by 2014 Sub. for HB 2681, and is a main source of funds for the KVH, located in Winfield, Kansas. Expenditures from this fund go toward providing long-term care to veterans who require skilled or intermediate nursing care, and toward providing domiciliary care to assist veterans who are disabled but not in need of hospitalization or nursing care services. The agency notes that the nursing staff shortage throughout the state has caused the KVH to hire nurses on a temporary basis through temporary staffing agencies, which is more costly than hiring directly. In addition, the agency anticipates that admissions to the KVH will continue to increase over the next couple of years, which will require more resources.

VETERANS' HOME FEE FUND

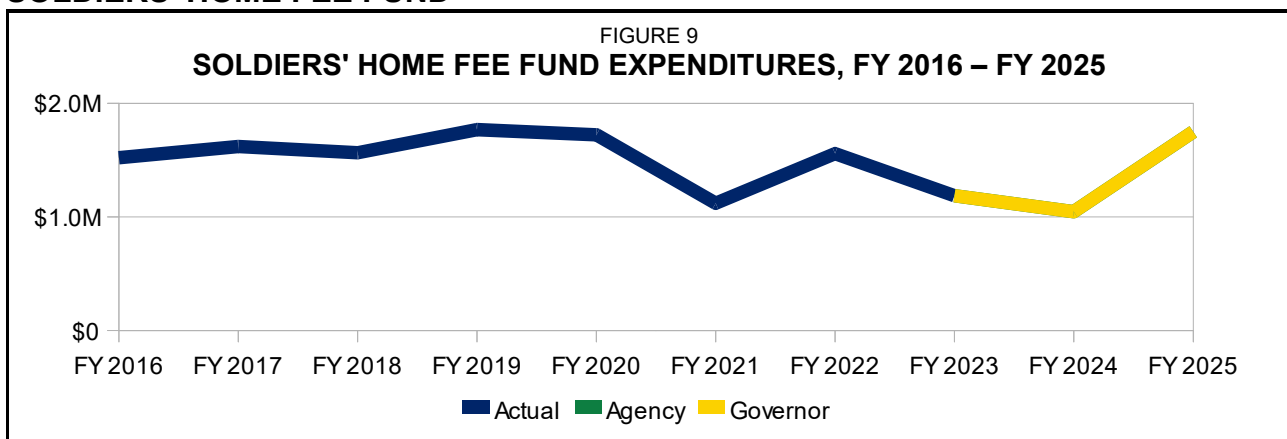


* For FY 2025, the lowest month ending balance for the Veterans' Home Fee Fund will occur in July, with a negative balance of **\$(303,578)**.

The Veterans' Home Fee Fund includes revenues in the form of monthly reimbursements from resident fees, interest, rent of unimproved lands, oil royalties, and other miscellaneous sources. Although the agency is reimbursed for certain costs, it notes that the difficulty of predicting when a reimbursement will be received can cause an uneven flow of receipts into the Veterans' Home Fee Fund. (Note: Veterans who have a service-connected disability of 70.0 percent or more do not pay resident fees because the VA reimburses KCVAO for their costs through the Federal Long Term Care Per-Diem Fund.) In FY 2020, the agency indicated it had double counted and encumbered some of its expenditures during the accounting process, which resulted in the funds showing a negative ending balance. The actual expenditures from the Veterans' Home Fee Fund averaged \$2.9 million from FY 2015 to FY 2022.

In FY 2021, the agency raised the monthly room rate by 5.0 percent due to an increase in the overall cost of care. However, 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 their financial status. As such, actual fund balances at the beginning of a fiscal year can reflect dramatic variances when compared with original estimates. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, and any VA pension or compensation program.

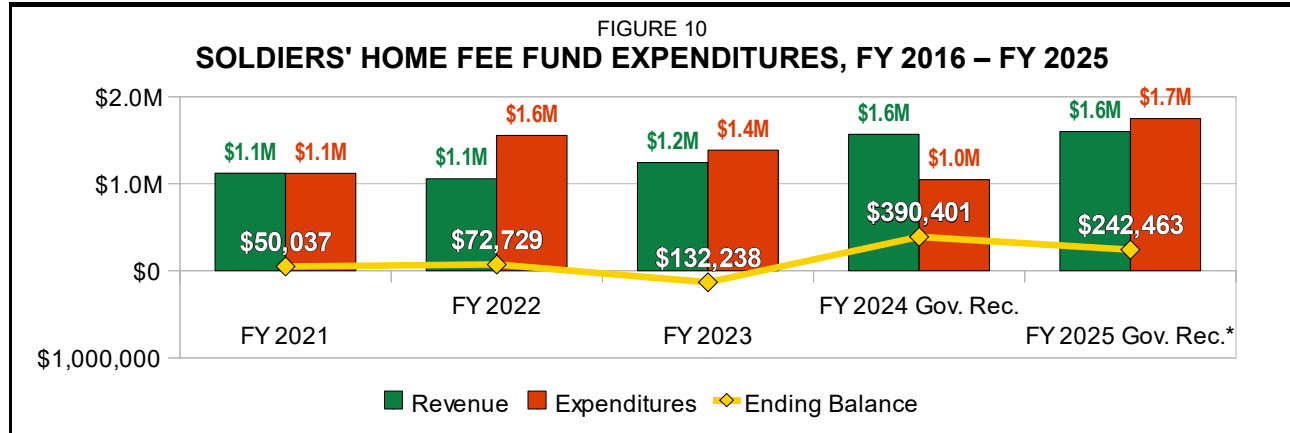
SOLDIERS' HOME FEE FUND



The Soldiers' Home Fee Fund is authorized by KSA 76-1952, as amended by 2014 Sub. for HB 2681, and is a main source of funds for the KSH, located on Fort Dodge near Dodge City, Kansas. Expenditures from this fund go toward providing long-term care to veterans who require skilled or

intermediate nursing care, and toward providing domiciliary and cottage care to assist veterans who are disabled but not in need of hospitalization or nursing care services. The agency notes that the nursing staff shortage throughout the state has caused the KSH to hire nurses on a temporary basis through temporary staffing agencies, which is more costly than hiring directly. In addition, the agency anticipates that with the public's renewed interest in long-term care for their loved ones, admissions to the KSH will continue to increase over the next few years, which will require more resources.

SOLDIERS' HOME FEE FUND



* For FY 2025, the lowest month ending balance for the Soldiers' Home Fee Fund will occur in July, with a negative balance of **\$(55,717)**.

The Soldiers' Home Fee Fund includes revenues in the form of monthly reimbursements from resident fees and other miscellaneous revenues, such as farm and garage rentals, interest, and obsolete equipment and material sales. Although the agency is reimbursed for certain costs, it notes that the difficulty of predicting when a reimbursement will be received can cause an uneven flow of receipts into the Soldiers' Home Fee Fund. (Note: Veterans who have a service-connected disability of 70.0 percent or more do not pay resident fees because the VA reimburses KCVAO for their costs through the Federal Long Term Care Per-Diem Fund.) In FY 2020, the agency indicated it had double counted and encumbered some of its expenditures during the accounting process, which resulted in the funds showing a negative balance. The actual expenditures from the Soldiers' Home Fee Fund averaged \$1.6 million from FY 2015 to FY 2022.

Since FY 2010, the agency has raised the monthly room rate by a total of 20.0 percent due to an increase in the overall cost of care. KCVAO states that compared with other facilities in the region, the fees for the KSH remain lower than other facilities that provide the same services. However, 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 their financial status. As such, actual fund balances at the beginning of a fiscal year can reflect dramatic variances when compared with original estimates. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, and any VA pension or compensation program.

FY 2024 ANALYSIS

FIGURE 11

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 13,962,791	\$ 51,588,435	376.0
1. SGF Reappropriation	1,002,022	1,002,022	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 14,964,813</i>	<i>\$ 52,590,457</i>	<i>376.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. KVH and KSH IT Support	\$ 151,536	\$ 151,536	--
3. Veterans Claims Assistance	150,000	150,000	--
4. KVH Transit Van	107,945	107,945	--
5. Pay Plan Shortfall	100,783	100,783	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 510,264</i>	<i>\$ 510,264</i>	<i>--</i>
6. SIBF Reappropriation	\$ -	\$ 1,719,470	--
7. All Other Adjustments	-	(239,160)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 15,475,077</i>	<i>\$ 54,581,031</i>	<i>376.0</i>
Governor's Recommendation:			
8. No Changes	\$ -	\$ -	--
TOTAL	\$ 15,475,077	\$ 54,581,031	376.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$52.6 million in on-budget expenditures appropriated to the Kansas Commission on Veterans Affairs Office for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** The agency reappropriated \$1.0 million in unspent SGF moneys from FY 2023 into FY 2024. According to the agency, the reappropriation is associated with vacant positions as well as delays in rehabilitation projects at the Kansas Veterans' Cemetery at Fort Dodge due to the lack of contractors in that area of the state. This reappropriated amount gives the agency an approved budget of \$52.6 million, including \$15.0 million SGF, in FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$54.6 million, including \$15.5 million SGF and \$21.0 million SIBF, in FY 2024. This is an all funds increase of \$2.0 million, or 3.8 percent, above the amount approved by the 2023 Legislature. Included within this is an SGF increase of \$510,264, or 3.4 percent, and an SIBF increase of \$1.7 million, or 8.9 percent, above the FY 2024 approved amount.

The revised estimate includes \$510,264 for the following supplemental requests:

2. **KVH AND KSH IT SUPPORT.** The revised estimate includes a supplemental request of \$151,536 SGF to transition to Office 365 services, including email for the KVH and KSH, that are managed by the Office of Information and Technology Services (OITS) in FY 2024. KCVAO notes that the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.

3. **VETERANS CLAIMS ASSISTANCE.** The revised estimates includes a supplemental request of \$150,000 SGF for the VCAP in FY 2024. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year.
4. **KVH TRANSIT VAN.** The revised estimate also includes a supplemental request of \$107,945 SGF for the KVH to purchase one new transit van equipped with a wheelchair lift in FY 2024. The current mini-bus is 20 years old, has 112,315 miles on it, and does not have a wheelchair lift for handicapped veterans.
5. **PAY PLAN SHORTFALL.** The revised estimate also includes \$100,783 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KCVAO, a supplemental appropriation of \$100,783 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental requests, the revised estimate includes an all-funds increase of \$1.5 million in base budget expenditures. Significant adjustments are as follows:

6. **SIBF REAPPROPRIATION.** The agency reappropriated \$1.7 million in unspent SIBF moneys from FY 2023 into FY 2024. According to the agency, the reappropriation is associated with delays in construction and rehabilitation projects at the KVH and the KSH due to the lack of contractors in that area of the state.
7. **ALL OTHER ADJUSTMENTS.** The revised estimate includes a decrease of \$239,160 SGF in other adjustments in FY 2024. The adjustment relates to contractual services provided at the KVH and the KSH. For example, the agency spent less on utilities, such as electricity and gas, and professional fees than it initially budgeted. The decrease is offset by increases in other contractual services, including computer program services and building and grounds services.

The **agency's** revised estimate also includes 376.0 FTE positions in FY 2024, which is the same as the number of positions approved by the 2023 Legislature.

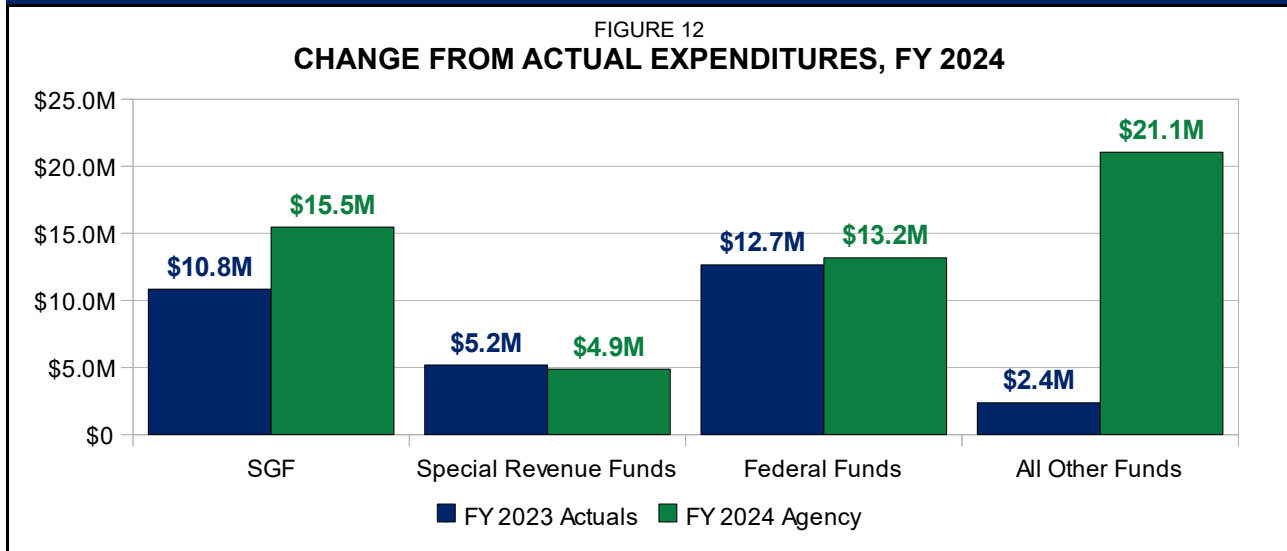
GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate of \$54.6 million, including \$15.5 million SGF, in FY 2024.

8. **NO CHANGES.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

The **Governor's** recommendation also includes 376.0 FTE positions in FY 2024, which is the same as the number of positions in the agency's revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$54.6 million, including \$15.5 million SGF, in FY 2024. This is an all-funds increase of \$23.5 million, or 75.8 percent, and an SGF increase of \$4.6 million, or 42.8 percent, above the FY 2023 actual expenditures. The uptick in expenditures from FY 2023 into FY 2024 is primarily due to the 2023 Legislature's appropriation of \$17.2 million SIBF for the construction of the new Northeast Kansas Veterans' Home in FY 2024. The increase is also due to the agency's supplemental requests, increases in pay of regular and temporary unclassified employees and differential pay of unclassified employees, and employer contributions for fringe benefits, such as group health insurance.

FY 2025 ANALYSIS

FIGURE 13

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 14,075,388	\$ 54,204,180	376.0
Enhancement Requests:			
1. KVH and KSH IT Support	\$ 156,792	\$ 156,792	--
2. Veterans Claims Assistance	150,000	150,000	--
3. Funding for Leadership Positions	461,500	461,500	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 768,292</i>	<i>\$ 768,292</i>	<i>--</i>
4. SIBF – NE Veterans' Home	\$ -	\$ (18,023,881)	--
<i>Subtotal—Agency Request</i>	<i>\$ 14,843,680</i>	<i>\$ 36,948,591</i>	<i>376.0</i>
Governor's Recommendation:			
5. Enhancement -- Funding for Leadership Positions (Partially Recommended)	\$ (208,000)	\$ (208,000)	--
6. Direct Care Allowance	36,250	36,250	--
7. Fort Dodge Structures	-	600,000	--
TOTAL	\$ 14,671,930	\$ 37,376,841	376.0

AGENCY REQUEST

The **agency** requests \$37.0 million, including \$14.8 million SGF and \$3.0 million SIBF, for FY 2025. This is an all funds decrease of \$17.6 million, or 32.3 percent, below the FY 2024 revised estimate. Included within this is an SGF decrease of \$631,397, or 4.1 percent, and an SIBF decrease of \$18.0 million, or 85.8 percent, below the FY 2024 revised estimate. The reduction of funds is primarily due to the agency not requesting a continuation in funding for the construction of the new Northeast Kansas Veterans' Home.

The request includes \$768,292 for the following enhancement requests:

- KVH AND KSH IT SUPPORT.** The request includes \$156,792 SGF to support OITS-managed Office 365 services, including email for the KVH and the KSH, for FY 2025. KCVAO notes that the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.
- VETERANS CLAIMS ASSISTANCE.** The request includes \$150,000 SGF for the VCAP for FY 2025. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year.
- FUNDING FOR LEADERSHIP POSITIONS.** The request also includes \$461,000 SGF to fund four leadership positions within the agency for FY 2025. Two positions, a Procurement Officer (\$91,000) and a Director of the Kansas Veterans' Homes (\$162,500), would be stationed at the KCVAO central office in Topeka, Kansas. The other two positions, an Operations Officer of the Kansas Soldiers' Home (\$104,000) and an Operations Officer of the Kansas Veterans' Home (\$104,000), would be stationed at their respective veterans' home, either on Fort Dodge or in Winfield.

Significant other adjustments are as follows:

4. **SIBF – NE VETERANS’ HOME.** The request also deletes \$18.0 million in SIBF funding largely related to construction of the Northeast Kansas Veterans’ Home.

The **agency’s** request also includes 376.0 FTE positions for FY 2025, which is the same as the number in the agency’s revised estimate.

GOVERNOR’S RECOMMENDATION

The **Governor** recommends \$37.4 million, including \$14.7 million SGF, for FY 2025. This is an all funds increase of \$428,250, or 1.2 percent, as well as an SIBF increase of \$600,000, or 20.1 percent, above the agency’s request. Included within this is an SGF decrease of \$171,750, or 1.2 percent, below the agency’s request. The SGF reduction is due to the Governor’s partial recommendation of the agency’s enhancement request for leadership positions, though this is offset by the Governor’s recommendation of an increase in SIBF moneys for capital improvement projects.

The **Governor’s** recommendation includes the following adjustments:

5. **FUNDING FOR LEADERSHIP POSITIONS.** The Governor partially recommends the agency’s enhancement requests for leadership positions for FY 2025. Specifically, the Governor recommends that the agency fund the positions of Procurement Officer (\$91,000) and Director of Kansas Veterans’ Homes (\$162,500).
6. **DIRECT CARE ALLOWANCE.** The Governor recommends \$36,250 SGF for direct care workers at the KVH and the KSH to use as an allowance to buy shoes for FY 2025.
7. **FORT DODGE STRUCTURES.** The Governor recommends \$600,000 SIBF for the demolition of the Junior Officers Quarters and Walt Hall capital improvement projects at the KSH on Fort Dodge for FY 2025.

The **Governor’s** recommendation also includes 376.0 FTE positions for FY 2025, which is the same as the number of positions in the agency’s request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 14 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. KVH and KSH IT Support	\$ 151,536	\$ 151,536	-	\$ 151,536	\$ 151,536	-
2. Veterans Claims Assistance	150,000	150,000	-	150,000	150,000	-
3. KVH Transit Van	107,945	107,945	-	107,945	107,945	-
4. Pay Plan Shortfall	100,783	100,783	-	100,783	100,783	-
TOTAL	\$ 510,264	\$ 510,264	-	\$ 510,264	\$ 510,264	-
FY 2025 Enhancements:						
5. KVH and KSH IT Support	\$ 156,792	\$ 156,792	-	\$ 156,792	\$ 156,792	-
6. Veterans Claims Assistance	150,000	150,000	-	150,000	150,000	-
7. Funding for Leadership Positions	461,500	461,500	-	253,500	253,500	-
8. Direct Care Allowance	-	-	-	36,250	36,250	-
9. Fort Dodge Structures	-	-	-	-	600,000	-
TOTAL	\$ 768,292	\$ 768,292	-	\$ 596,542	\$ 1,196,542	-

1. **KVH AND KSH IT SUPPORT.** The revised estimate includes a supplemental request of \$151,536 SGF to transition to Office 365 services, including email for the KVH and the KSH, that are managed by the Office of Information and Technology Services (OITS) in FY 2024. The current email exchange servers used by the two Veterans' Homes are no longer supported, and the agency states it would cost approximately \$250,000 to replace the servers. KCVAO notes the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.

The Governor recommends adoption of this request.

2. **VETERANS CLAIMS ASSISTANCE.** The revised estimates includes a supplemental request of \$150,000 SGF for the VCAP in FY 2024. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year. The Veteran Service Representatives work for Veterans Service Organizations, such as the American Legion and the Veterans' of Foreign Wars, which are awarded annual grants through contract agreements entered into with KCVAO at the beginning of each fiscal year. The additional service representatives would be placed at the VA Regional Office in Wichita, as well as the VA hospitals in Leavenworth, Topeka, and Wichita, to ensure veterans receive counseling and assistance in respect to their claims for benefits.

The Governor recommends adoption of this request.

3. **KVH TRANSIT VAN.** The revised estimate also includes a supplemental request of \$107,945 SGF for the KVH to purchase one new transit van equipped with a wheelchair lift in FY 2024. The current mini-bus is 20 years old, has 112,315 miles on it, and does not have a wheelchair lift for handicapped veterans. The KVH uses buses and vans to transport residents to medical appointments in areas surrounding Wichita, as well as

the VA Hospital in Wichita. In FY 2023, residents were transported to 679 out-of-town appointments.

The Governor recommends adoption of this request.

4. **PAY PLAN SHORTFALL.** The revised estimate also includes \$100,783 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KCVAO, a supplemental appropriation of \$100,783 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

5. **KVH AND KSH IT SUPPORT.** The request includes an enhancement of \$156,792 SGF to support OITS-managed Office 365 services, including email for the KVH and the KSH, for FY 2025. (*Note:* For additional information, see Item 1.)

The Governor recommends adoption of this request.

6. **VETERANS CLAIMS ASSISTANCE.** The request includes an enhancement of \$150,000 SGF for the VCAP for FY 2025. (*Note:* For additional information, see Item 2.)

The Governor recommends adoption of this request.

7. **FUNDING FOR LEADERSHIP POSITIONS.** The request includes an enhancement of \$461,000 SGF to fund four leadership positions within the agency for FY 2025:
 - **Procurement Officer.** The agency requests \$91,000 SGF to fund a Procurement Officer position for FY 2025. The Procurement Officer would oversee and assist with all contracts and purchases/procurements within the agency.

The Governor recommends adoption of this request.

- **Director of the Kansas Veterans' Homes.** The agency requests \$162,500 SGF to fund a Director of the Kansas Veterans' Homes position for FY 2025. The agency notes that once the new Northeast Kansas Veterans' Home is constructed and opened, the agency will have outgrown its ability to provide oversight to the new home without a director of all veterans' homes. This position would coordinate with the superintendents of each veterans' home to provide oversight for daily operation and regulatory compliance, as well as participate in the management of all veterans' homes.

The Governor recommends adoption of this request.

- **Operations Officer of the Kansas Veterans' Home.** The agency requests \$104,000 SGF to fund an Operations Officer of the Kansas Veterans' Home position for FY 2025. This position would report directly to the Kansas Veterans' Home Superintendent, and would be responsible for the day-to-day operations of the entire KVH campus in Winfield, Kansas.

The Governor does not recommend adoption of this request.

- **Operations Officer of the Kansas Soldiers' Home.** The agency requests \$104,000 SGF to fund an Operations Officer of the Kansas Soldiers' Home position for FY 2025. This position would report directly to the Kansas Soldiers' Home Superintendent, and would be responsible for the day-to-day operations of the entire KSH campus on Fort Dodge, near Dodge City, Kansas.

The Governor does not recommend adoption of this request.

8. **DIRECT CARE ALLOWANCE.** The Governor recommends \$36,250 SGF for direct care workers at the KVH and the KSH to use as an allowance to buy shoes for FY 2025.

The Governor recommends adoption of this request.

9. **FORT DODGE STRUCTURES.** The Governor recommends \$600,000 SIBF for the demolition of the Junior Officers Quarters and Walt Hall at the KSH on Fort Dodge for FY 2025.

The Governor recommends adoption of this request.

SPECIAL TOPICS

NORTHEAST KANSAS VETERANS' HOME

In March 2021, the Governor signed Executive Order No. 21-07, which directs KCVAO to submit an application to the VA for partial funding of a new veterans' home that would be located in Northeast Kansas. The 2021 Legislature authorized the issuance of bonds for the construction of a new home contingent on the federal government covering 65.0 percent of the costs. KCVAO submitted an application to the VA in July 2022 with the commitment that the State would cover \$17.2 million, or 35.0 percent, of the costs.

In January 2023, it was announced that the new Northeast Kansas Veterans' Home would be built in Topeka, Kansas, on the plot of land near the Colmery-O'Neil Veterans' Administration Medical Center. The 2023 Legislature authorized this site and appropriated \$17.2 million, or 35.0 percent of the total cost of construction, to KCVAO for FY 2024.

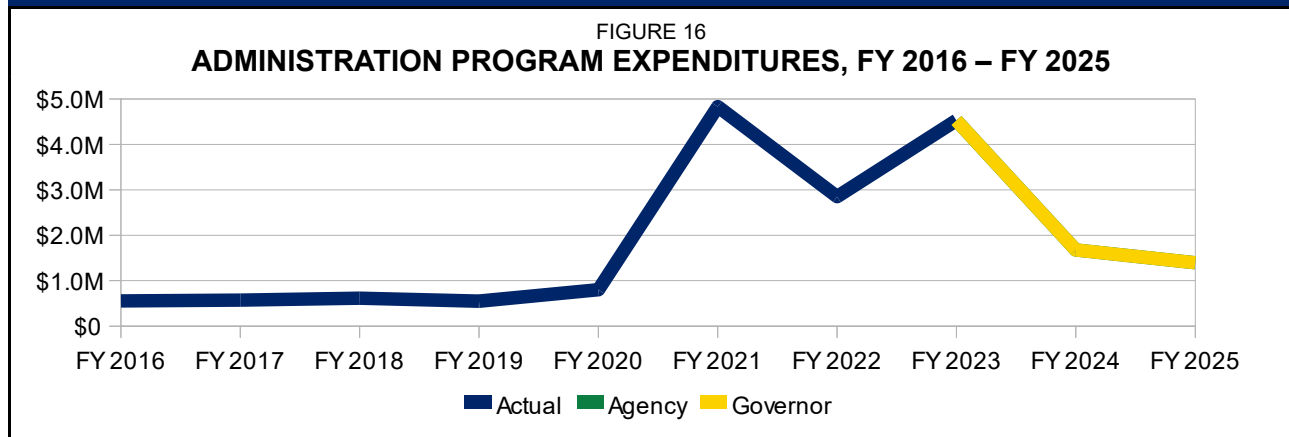
In June 2023, the agency learned that the construction of the new home was placed in VA Priority Group 8, meaning that the VA has not approved construction of the new home nor appropriated funds to the KCVAO for the construction of the new home. The agency notes that the VA has not denied the State's application to build a new veterans' home. Rather, the construction of a new veterans' home in Kansas is not among the immediate priorities for the VA. KCVAO will not know whether the new Northeast Kansas Veterans' Home will be more of a priority for the federal government until Spring 2024, when the VA releases the priority groupings. As such, the \$17.2 million SIBF appropriated to the agency in FY 2024 will likely be carried over to the next fiscal year in case the VA approves the KCVAO's application to construct a new Northeast Kansas Veterans' Home.

PROGRAM OVERVIEW

FIGURE 15 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration Program	\$ 4,532,442	\$ 1,677,315	\$ 1,677,315	\$ 1,394,420	\$ 1,394,420
Veterans' Services Program	2,823,110	3,982,156	3,982,156	3,845,064	3,845,064
Kansas Veterans' Home Program	11,857,945	14,634,036	14,634,036	15,331,559	15,250,559
Kansas Soldiers' Home Program	8,061,372	10,867,973	10,867,973	11,573,332	11,482,582
Veterans' Cemeteries Program	1,349,289	1,492,670	1,492,670	1,529,271	1,529,271
Capital Improvements Program	2,425,946	21,926,881	21,926,881	3,274,945	3,874,945
TOTAL—ON-BUDGET	\$ 31,050,104	\$ 54,581,031	\$ 54,581,031	\$ 36,948,591	\$ 37,376,841
Off-Budget*	2,571,736	4,022,022	4,022,022	3,894,385	3,894,385
GRAND TOTAL	\$ 33,621,840	\$ 58,603,053	\$ 58,603,053	\$ 40,842,976	\$ 41,271,226
FTE Positions:					
Administration Program	10.0	10.0	10.0	10.0	10.0
Veterans' Services Program	34.0	34.0	34.0	34.0	34.0
Kansas Veterans' Home Program	196.0	196.0	196.0	196.0	196.0
Kansas Soldiers' Home Program	117.0	117.0	117.0	117.0	117.0
Veterans' Cemeteries Program	18.0	19.0	19.0	19.0	19.0
Capital Improvements Program	-	-	-	-	-
TOTAL	375.0	376.0	376.0	376.0	376.0

*Note: The KCVAO receives reimbursed Medicaid funds from the Kansas Department for Aging and Disability Services (KDADS). KCVAO expenditures funded with Medicaid monies are treated as non-reportable because the disbursement of funds is considered an expenditure for KDADS.

ADMINISTRATION PROGRAM



STATUTORY BASIS: • KSA 73-1208e and KSA 73-1209.

PROGRAM GOALS:

- Provide information and advocacy to Kansas veterans in obtaining all applicable federal benefits and state benefits.
- Continue education and assistance for the public, governmental agencies, and elected officials regarding veterans' services, programs, initiatives, and policy.
- Provide fiscal, human resources, and information technology services to other programs within the agency.

The Administration Program provides guidance and oversight for the veterans programs and support staff. There are five divisions within the Administration Program: Operations, Fiscal, Public Affairs, Human Resources, and Information Technology.

OPERATIONS DIVISION

The Operations Division is responsible for leading KCVAO and state cross-functional teams to plan and coordinate the strategic mission to increase efficiency and generate executive, legislative, and public support for agency priorities and goals. The Director of Operations must maintain effective relationships with federal and state agencies to integrate and synchronize the effects of available resources to provide optimal services to veterans.

FISCAL DIVISION

The Fiscal Division is charged with providing accounting and reporting services to the agency and the Division of the Budget, as well as coordinating the agency's budget. It provides for reporting of federal fund expenditures, as well as applying for and overseeing federal grant awards. The Fiscal Division provides budgetary oversight for the Central Office in Topeka and the two veterans' homes.

PUBLIC AFFAIRS AND OUTREACH

The Public Affairs Division is responsible for all KCVAO communications strategies. The Division coordinates agency outreach activities and develops and maintains stakeholder relationships and key partnerships with external organizations.

HUMAN RESOURCES DIVISION

The Human Resources Division provides guidance and oversight of the human resources staff members at the two veterans' homes, and manages the agency-wide personnel program. It works to establish and increase efficiency, uniformity, and fairness in employment policies, procedures, and practices across the diverse program areas.

INFORMATION TECHNOLOGY DIVISION

The Information Technology Division coordinates and provides support for the information technology and telecommunications needs and services for the Central Office, the veterans' homes, the veterans' cemeteries, and the Veterans Services offices throughout the state. It also provides support for the KCVAO Quality Assurance Office, located at the Wichita VA Medical/Regional Office, and the Veteran Services Mobile Office program.

FIGURE 17
ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 874,821	\$ 1,177,315	\$ 1,177,315	\$ 1,394,420	\$ 1,394,420
Federal Funds	3,657,621	500,000	500,000	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 4,532,442	\$ 1,677,315	\$ 1,677,315	\$ 1,394,420	\$ 1,394,420
Percent Change:					
SGF	3.0 %	34.6 %	-- %	18.4 %	-- %
All Funds	0.1 %	(63.0) %	-- %	(16.9) %	-- %
FTE Positions	10.0	10.0	10.0	10.0	10.0

BUDGET ANALYSIS

The Administration Program currently funds the salaries of the Central Office staff, in addition to travel for staff and office rental and equipment rental. The program is normally funded mostly or entirely by the SGF. However, in recent years, the Administration Program was appropriated a significant amount of federal funds as a result of the additional moneys that were appropriated in response to the COVID-19 pandemic. Notably, the expiration date to utilize most American Rescue Plan Act (ARPA) funds has passed, which is why the requested amounts for FY 2024 and FY 2025 are less than the actual expenditures in FY 2023.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$1.7 million, including \$1.2 million SGF, and 10.0 FTE positions for the Administration Program in FY 2024. This is an all funds decrease of \$2.9 million, or 63.0 percent, and an SGF decrease of \$382,398, or 34.6 percent, below the FY 2023 actual expenditures. The decrease is primarily due to the expiration of special funds appropriated during the COVID-19 pandemic.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.7 million, including \$1.2 million SGF, and 10.0 FTE positions for the Administration Program in FY 2024.

FY 2025

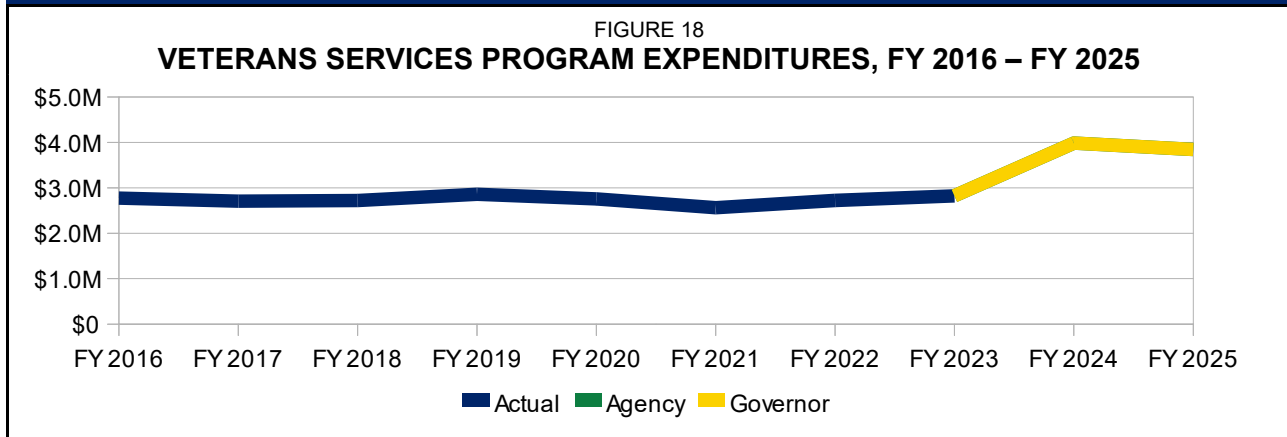
AGENCY'S REQUEST

The agency's request includes \$1.4 million SGF and 10.0 FTE positions for the Administration Program for FY 2025. This is an all funds decrease of \$282,895, or 16.9 percent, below the FY 2024 revised estimate, and an SGF increase of \$217,105, or 18.4 percent, above the FY 2024 revised estimate. The overall decrease is due to the expiration of ARPA funding, whereas the SGF increase is due to greater employer contributions for fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.4 million SGF and 10.0 FTE positions for the Administration Program for FY 2025.

VETERANS SERVICES PROGRAM



STATUTORY BASIS: • KSA 73-1208f, KSA 73-1209, KSA 73-1234, KSA 73-1238, and KSA 74-8724.

PROGRAM GOALS: • Provide information and advocacy to Kansas veterans and eligible family members by assisting them in obtaining all applicable federal and state benefits in order to improve quality of life.

The Veterans Services Program exists to serve Kansas veterans, their families, and survivors by advocating for them, providing information on benefits, and assisting them in securing their rightful benefits as provided for by state and federal law. Veterans Services uses outreach to expand visibility and awareness statewide of the many programs and services available to Kansas veterans and their families.

During FY 2023 and continuing into FY 2024, the Veterans Services Program has focused on the implementation of the PACT Act, which expanded and extended eligibility for VA health care to veterans of certain wars and to veterans who were exposed to toxicities.

There are three main subprograms within the Veterans Services Program: Veterans Field Services, Veterans Claims Assistance, and the State Approving Agency. Several miscellaneous subprograms also fall within the scope of the Veterans Services Program.

VETERANS FIELD SERVICES

The Veterans Field Services Program is the face of the agency, with Veteran Service Representatives located in 15 field offices throughout the state. Veteran Service Representatives work for Veterans Service Organizations, such as the American Legion and the Veterans of Foreign Wars, which are

awarded annual grants through contract agreements entered into with KCVAO at the beginning of each fiscal year. Veteran Service Representatives are advocates who specialize in providing information and assistance to veterans in obtaining their applicable benefits. In FY 2023, the Veterans Services Program assisted in submitting more than 14,750 claim submissions to the VA. This resulted in more than \$275 million being paid to Kansas veterans and family members.

VETERANS ENHANCED FIELD SERVICE DELIVERY

In addition to the field services, KCVAO offers a mobile office program known as the Veterans Enhanced Field Service Delivery Program to provide services to veterans residing in rural areas and support services to all district field offices. The mobile offices participate in community outreach events and routinely partner with the VA, Veterans Service Organizations, various state agencies, and community leaders to identify the needs of veterans and to assist them in filing claims and obtaining benefits.

VETERANS CLAIMS ASSISTANCE PROGRAM

The Veterans Claims Assistance Program (VCAP) was established to improve the coordination of veterans' benefits counseling in Kansas in order to maximize the effective and

efficient use of taxpayer dollars and to ensure that every veteran is served and receives claims counseling and assistance.

VETERANS CLAIMS ASSISTANCE GRANT

One component of the Veterans Services Program is to provide service grants to eligible Veterans Service Organizations, which are used to train the Veteran Service Representatives who provide support at the VA hospitals and the VA Regional Office. KCVAO is required to annually solicit participation from all Veterans Service Organizations that have a presence in the VA Regional Office in Wichita. Two chartered Veterans Service Organizations elected to participate in the VCAP in FY 2024: the American Legion and the Veterans of Foreign Wars.

To participate in the grant program, Veterans Service Organizations must meet minimum requirements as promulgated in KSA 73-1234(f). The VCAP Grant funding was raised in FY 2023 based on the need for more service representatives at the VA hospitals and the VA Regional Office because of an increase in veteran engagements that resulted from the PACT Act expansion. Veteran Service Representatives inform veterans of eligible benefits and assist them in applying for applicable benefits.

VETERANS CLAIMS QUALITY ASSURANCE

Within the VCAP program is the Quality Assurance subprogram, which exists to review claims for benefits from KCVAO district office staff and VCAP participants. The Quality Assurance staff conduct reviews of all benefit claims paperwork in order to ensure veterans' claims meet the standards for development, accuracy, and completeness in hopes of facilitating a faster response from the VA Regional Office regarding eligibility for benefits. In addition, the Quality Assurance staff is tasked with training all Veteran Service Representatives.

STATE APPROVING AGENCY

The State Approving Agency was established in 1945 to assist with the implementation of the original GI Bill. In FY 1946, the responsibility of the State Approving Agency was transferred to what is now the KCVAO. The program exists to

provide veterans and community members with information on work programs available to veterans in hopes of improving their career and education opportunities. Public Service Administrators within the State Approving Agency work with businesses to provide them with information on programs available to their employees who are veterans and to develop on-the-job training and apprenticeship programs for veterans.

The State Approving Agency subprogram is operated under a contractual agreement between the VA and KCVAO. Veterans only receive reimbursement for programs reviewed by the State Approving Agency and approved for reimbursement under the GI Bill. KCVAO is designated by the Governor as the State Approving Agency for the State of Kansas. Annual grants from the VA are calculated by the number of active veteran programs within the state. The State Approving Agency Program is reviewed each year by the Joint Peer Review Group, which is composed of other states' approving agencies and the VA. An unsatisfactory performance can result in termination of future contracts with the Kansas State Approving Agency.

MISCELLANEOUS SERVICE PROGRAMS

There are several miscellaneous programs and duties that fall under the Veterans Services Program. A few of those programs and duties include:

Vietnam Veterans Medallion: The Vietnam Era Veterans Medallion program provides a Vietnam Era Medallion, Medal, and Certificate of Appreciation from the State of Kansas to Veterans who served on active duty in the U.S. military at any time between February 28, 1961, and May 7, 1975. The program is funded through SGF appropriations. The agency receives approximately ten applications per month for a medallion, and has awarded over 8,100 Vietnam Era Medallions since the program's inception.

Hunting and Fishing License: The agency is responsible for verifying that veterans who seek benefits from other state agencies are *bona fide* veterans and, in some cases, have a service-connected disability. For example,

KCVAO routinely verifies veteran status for the following state agencies:

- **Kansas Department of Wildlife and Parks**, to ensure that veterans who are seeking a free service-connected hunting and fishing license have a 30.0 percent or greater service-connected disability;
- **Kansas Department of Transportation**, to verify that a veteran is eligible to be commemorated as a veteran through designated signage along state-owned roads; and

- **Kansas Department of Administration**, to certify that a veteran-owned small business competing for "Disabled Veteran Owned Business" status is, in fact, owned by a veteran with a service-connected disability.

Veterans Treatment Courts: KCVAO provides assistance and mentorship to the Kansas Veterans Treatment Courts to identify veterans who would be better suited for treatment and court supervision rather than incarceration.

FIGURE 19 VETERANS SERVICES PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,457,891	\$ 2,855,574	\$ 2,855,574	\$ 2,711,600	\$ 2,711,600
Federal Funds	164,660	189,434	189,434	189,689	189,689
All Other Funds	200,559	937,148	937,148	943,775	943,775
TOTAL	\$ 2,823,110	\$ 3,982,156	\$ 3,982,156	\$ 3,845,064	\$ 3,845,064
Percent Change:					
SGF	30.9 %	16.2 %	-- %	(5.0) %	-- %
All Funds	3.7 %	41.1 %	-- %	(3.4) %	-- %
FTE Positions	34.0	34.0	34.0	34.0	34.0

BUDGET ANALYSIS

The Veterans Services Program is funded almost entirely by the SGF, though the agency anticipates that the special revenue funds will earn a significant amount of revenue in the coming years.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$4.0 million, including \$2.9 million SGF, and 34.0 FTE positions for the Veterans Services Program in FY 2024. This is an all funds increase of \$1.2 million, or 41.1 percent, and an SGF increase of \$397,683, or 16.2 percent, above the FY 2023 actual expenditures. The increase is due to grant award payments through the VCAP and to an increase in employer contributions for fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$4.0 million, including \$2.9

million SGF, and 34.0 FTE positions for the Veterans Services Program in FY 2024.

FY 2025

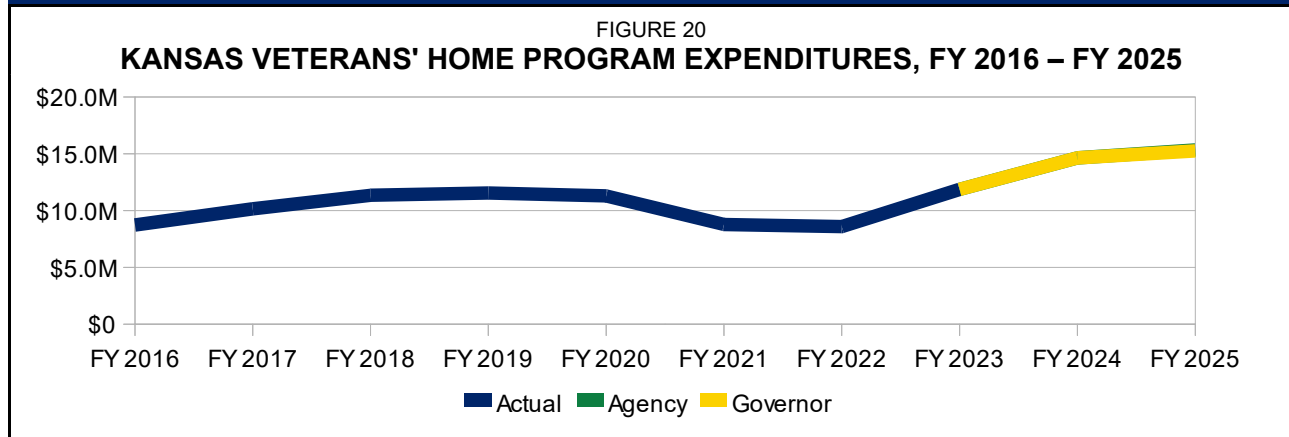
AGENCY'S REQUEST

The agency's request includes \$3.8 million, including \$2.7 million SGF, and 34.0 FTE positions for the Veterans Services Program for FY 2025. This is an all funds decrease of \$137,092, or 3.4 percent, and an SGF decrease of \$143,974, or 5.0 percent, below the agency's FY 2024 revised estimate. The reduction is primarily due to less money requested for grant award payments.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's request of \$3.8 million, including \$2.7 million SGF, and 34.0 FTE positions for the Veterans Services Program for FY 2025.

KANSAS VETERANS' HOME PROGRAM



STATUTORY BASIS: • KSA 76-1951 *et seq.*

PROGRAM GOALS:

- Maintain and support resident census with adequate staffing of qualified employees in all programs and ensure the safety and comfort of residents, visitors, and staff at the Kansas Veterans' Home.
- Encourage interest in the Kansas Veterans' Home and Kansas Soldiers' Home and their missions.
- Make the public aware of the facilities and other benefits and services available to veterans by maintaining good relationships with organizations and local communities that are able to assist with the missions of the homes.

The Kansas Veterans' Home Program is tasked with managing and operating the KVH campus located in Winfield, Kansas. The KVH serves veterans who have been discharged under conditions other than dishonorable who may be disabled to such an extent that they are unable to earn a living. The KVH provides nursing home care and domiciliary care to veterans and, on a space-available basis, to their family members. It has five main buildings and connected structures that house a 48-bed domiciliary unit, 73-bed long-term care unit, and 18-bed special care unit for Alzheimer's patients and those with related dementia.

The primary purpose of the KVH is to care for any person who served in active military duty for the United States during any period of war, or who served in active military duty during peacetime and is entitled to VA hospitalization or domiciliary care. To achieve this purpose, KVH provides long-term care and related medical services to veterans who require skilled or intermediate nursing care. The care and medical services must be prescribed by and performed under the general direction of persons duly licensed to provide such care, including registered professional nurses.

The secondary purpose of the KVH is to provide domiciliary care, such as shelter, food, and necessary medical care, on an ambulatory self-care basis to assist eligible veterans. Veterans who are suffering from a disability that incapacitates them from earning a living but who are not in need of hospitalization or nursing care services are eligible for domiciliary care. The goal is 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-functioning level.

The KVH saw an increase in admissions in FY 2023 that the agency believes is partially due to a decline in COVID-19 positive test results. As such, the census grew and the agency is optimistic that admissions will continue to increase over the next few years. However, the agency notes that the KVH is still suffering from a shortage of nurses despite an increase in staffing numbers. Due to the shortage, KCVAO contracts with temporary staffing agencies to hire nurses on a temporary basis.

FIGURE 21 KANSAS VETERANS' HOME PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,158,814	\$ 4,993,166	\$ 4,993,166	\$ 5,009,519	\$ 4,928,519
Federal Funds	4,997,038	7,393,309	7,393,309	7,612,201	7,612,201
All Other Funds	2,702,093	2,247,561	2,247,561	2,709,839	2,709,839
TOTAL	\$ 11,857,945	\$ 14,634,036	\$ 14,634,036	\$ 15,331,559	\$ 15,250,559
Percent Change:					
SGF	317.0 %	20.1 %	-- %	0.3 %	(1.6) %
All Funds	38.1 %	23.4 %	-- %	4.8 %	(0.5) %
FTE Positions	196.0	196.0	196.0	196.0	196.0

BUDGET ANALYSIS

The Kansas Veterans' Home Program earns revenue through monthly reimbursements, as well as appropriations from state funds. The agency notes there is, at times, an uneven flow of receipts into each fund since the agency does not control when reimbursements are submitted. KCVAO fiscal staff continually monitor each fund to see where sufficient balances are available to pay due bills.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$14.6 million, including \$5.0 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program in FY 2024. This is an all funds increase of \$2.8 million, or 23.4 percent, and an SGF increase of \$834,352, or 20.1 percent, above the FY 2023 actual expenditures. The increase is primarily due to an increase in salaries and wages and commodities.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$14.6 million, including \$5.0 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program in FY 2024.

FY 2025

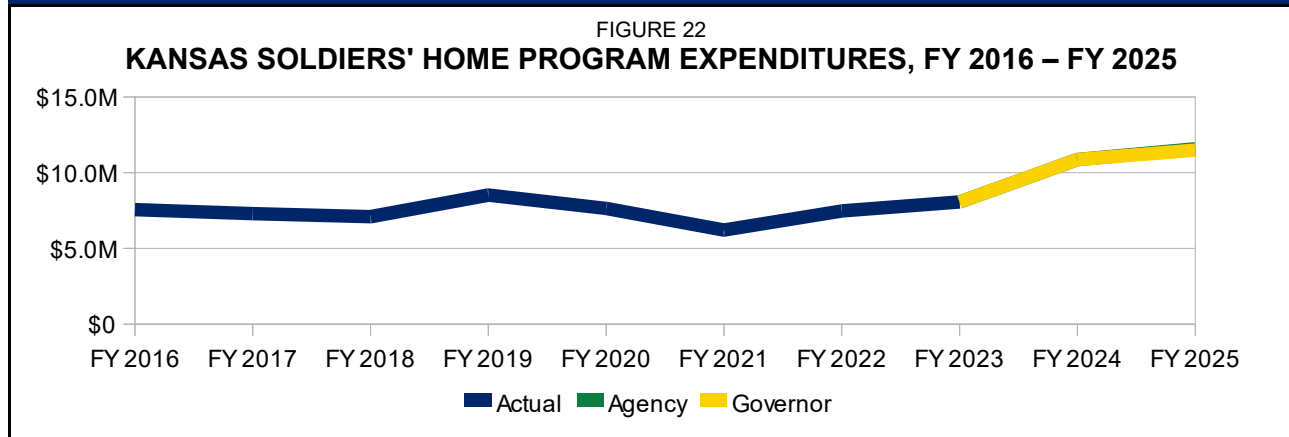
AGENCY'S REQUEST

The agency requests \$15.3 million, including \$5.0 million SGF, and 196.0 FTE positions for the Veterans' Home Program for FY 2025. This is an all funds increase of \$697,523, or 4.8 percent, and an SGF increase of \$16,353, or 0.3 percent, above the FY 2024 revised estimate. The increase is primarily due to the agency's enhancement request to fund leadership positions, including the position of Operations Officer of the Kansas Veterans' Home. The increase is also attributable to other adjustments made to salaries and wages, such as employer contributions for fringe benefits.

GOVERNOR'S RECOMMENDATION

The Governor recommends \$15.3 million, including \$4.9 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program for FY 2025. This is an all funds decrease of \$81,000, or 0.5 percent, and an SGF decrease of the same amount, or 1.6 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's enhancement request for an Operations Officer of the Kansas Veterans' Home. However, this is partially offset by the Governor's recommendation of \$23,000 SGF for direct care workers at the KVH to use as an allowance to buy shoes for FY 2025.

KANSAS SOLDIERS' HOME PROGRAM



STATUTORY BASIS: • KSA 76-1901 *et seq.*

PROGRAM GOALS: • Maintain and support resident census with adequate staffing of qualified employees in all programs and ensure the safety and comfort of residents, visitors, and staff at the Kansas Soldiers' Home.

- Encourage interest in the Kansas Veterans' Home and Kansas Soldiers' Home and their missions.
- Make the public aware of the facilities and other benefits and services available to veterans by maintaining good relationships with organizations and local communities that are able to assist with the missions of the homes.

The Kansas Soldiers' Home Program is tasked with managing and operating the Kansas Soldiers' Home (KSH) campus, located on Fort Dodge near Dodge City, Kansas. The KSH serves veterans who have been discharged under conditions other than dishonorable who may be disabled to such an extent that they are unable to earn a living. The KSH provides nursing home care and domiciliary and cottage care to veterans and, on a space-available basis, to their family members. The KSH consists of three domiciliary buildings, a long-term care facility, 65 cottages, and numerous ancillary buildings.

The primary purpose of the KSH is to care for any person who served in active military duty for the United States during any period of war, or who served in active military duty during peacetime and is entitled to VA hospitalization or domiciliary care. To achieve this purpose, the KSH provides nursing care and related medical services to veterans who require skilled or intermediate nursing care. The care and medical services must be prescribed by and performed under the general direction of persons duly licensed to provide such care, including registered professional nurses.

The secondary purpose of the KSH is to provide domiciliary or cottage care, as well as necessary medical care, on an ambulatory self-care basis to assist eligible veterans. Veterans who are suffering from a disability that incapacitates them from earning a living but who are not in need of hospitalization or nursing care services are eligible for domiciliary care. The goal is 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 functioning level. Eligible applicants may apply for cottage living at the KSH if they are capable of handling the day-to-day routine of independent living and maintaining the upkeep of the residences.

The KSH saw an increase in admissions in FY 2023 that the agency believes is partially due to a decline in COVID-19 positive test results. As such, the census grew, and the agency is optimistic that admissions will continue to increase over the next few years. However, the agency notes that the KSH is still suffering from a shortage of nurses despite an increase in staffing numbers. Due to the shortage, KCVAO contracts with temporary staffing agencies to hire nurses on a temporary basis.

FIGURE 23 KANSAS SOLDIERS' HOME PROGRAM FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,650,268	\$ 5,250,198	\$ 5,250,198	\$ 4,589,696	\$ 4,498,946
Federal Funds	3,533,809	4,377,143	4,377,143	4,994,669	4,994,669
All Other Funds	1,877,295	1,240,632	1,240,632	1,988,967	1,988,967
TOTAL	\$ 8,061,372	\$ 10,867,973	\$ 10,867,973	\$ 11,573,332	\$ 11,482,582
Percent Change:					
SGF	45.0 %	98.1 %	-- %	(12.6) %	(2.0) %
All Funds	7.9 %	34.8 %	-- %	6.5 %	(0.8) %
FTE Positions	117.0	117.0	117.0	117.0	117.0

BUDGET ANALYSIS

The Kansas Soldiers' Home Program earns revenue through monthly reimbursements, as well as appropriations from state funds. The agency notes there is, at times, an uneven flow of receipts into each fund since the agency does not control when reimbursements are submitted. KCVAO fiscal staff continually monitor each fund to see where sufficient balances are available to pay the due bills.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$10.9 million, including \$5.3 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program in FY 2024. This is an all funds increase of \$2.8 million, or 34.8 percent, and an SGF increase of \$2.6 million, or 98.1 percent, above the FY 2023 actual expenditures. This is due to an increase in pay of regular unclassified employees and additional employer contributions to fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$10.9 million, including \$5.3 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program in FY 2024.

FY 2025

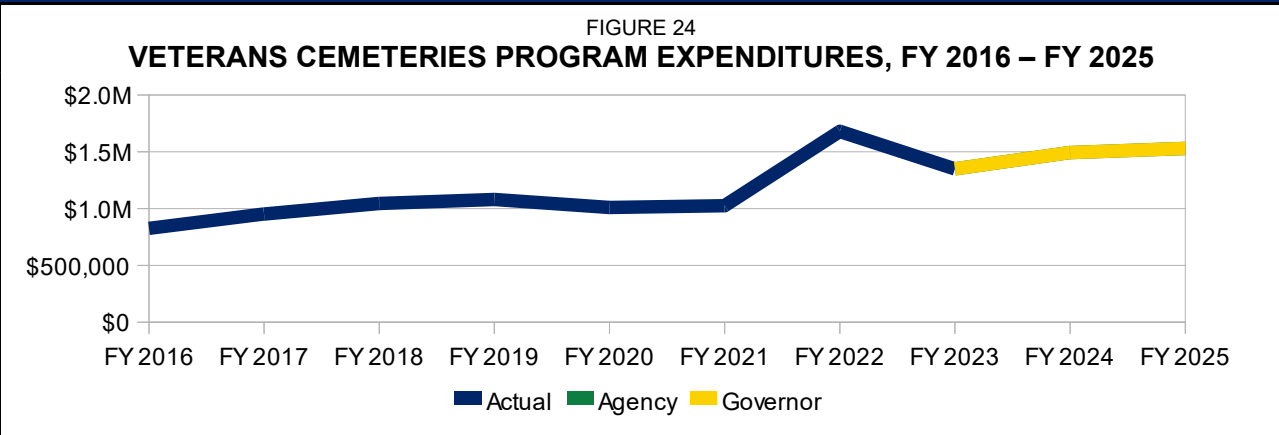
AGENCY'S REQUEST

The agency requests \$11.6 million, including \$4.6 million SGF, and 117.0 FTE for the Kansas Soldiers' Home Program for FY 2025. This is an all funds increase of \$705,359, or 6.5 percent, and an SGF decrease of \$660,502, or 12.6 percent, from the FY 2024 revised estimate. The increase is primarily due to the agency's enhancement request to fund leadership positions, including the position of Operations Officer of the Kansas Soldiers' Home. It is also attributable to other adjustments made to salaries and wages, such as employer contributions for fringe benefits, and an increase in contractual services, such as staffing augmentation and recruiting.

GOVERNOR'S RECOMMENDATION

The Governor recommends \$11.5 million, including \$4.5 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program for FY 2025. This is an all funds decrease of \$90,750, or 0.8 percent, including an SGF decrease of the same amount, or 1.1 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's enhancement request for an Operations Officer of the Kansas Soldiers' Home. However, this is partially offset by the Governor's recommendation of \$13,250 SGF for direct care workers at the KSH to use as an allowance to buy shoes for FY 2025.

VETERANS CEMETERIES PROGRAM



STATUTORY BASIS: • KSA 73-1232

PROGRAM GOALS: • Promote the Kansas Veterans Cemeteries Program and make every veteran and eligible family member aware of their burial benefits.
• Ensure veterans and eligible dependents are informed about and understand how to pre-register for burial.

The Veterans Cemeteries Program provides veterans and their eligible dependents with interment opportunities for burial in a Kansas Veterans Cemetery. The Program manages and operates four veterans' cemeteries: Fort Dodge, Fort Riley, WaKeeney, and Winfield.

The Veterans Cemeteries Program provides support and assistance to veterans regarding their interment options, including whether to pre-register. Veterans and their dependents are provided the following cemetery benefits at no

charge: burial space, grave liner, opening and closing of the grave, perpetual care, placement of cremation remains in either columbarium niche or in-ground interment plot, scattering garden, and headstone or marker.

The KCVAO believes that veterans deserve to be interred with dignity, respect, and honor for their service. The agency notes that the veterans' cemeteries are in full compliance with VA standards that ensure these cemeteries are national shrines.

FIGURE 25
VETERANS CEMETERIES PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 635,726	\$ 784,885	\$ 784,885	\$ 936,465	\$ 936,465
Federal Funds	306,184	256,727	256,727	368,601	368,601
All Other Funds	407,379	451,058	451,058	224,205	224,205
TOTAL	\$ 1,349,289	\$ 1,492,670	\$ 1,492,670	\$ 1,529,271	\$ 1,529,271
Percent Change:					
SGF	8.5 %	23.5 %	-- %	19.3 %	-- %
All Funds	(19.6) %	10.6 %	-- %	2.5 %	-- %
FTE Positions	18.0	19.0	19.0	19.0	19.0

BUDGET ANALYSIS

The Veterans Cemeteries Program earns roughly half of its funding through the federal government and from the proceeds from the sale of Veterans Benefit Game lottery tickets. The other half of the funding is through the

SGF, with a small portion coming from donations and contributions to the Veterans' Cemeteries Program.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$1.5 million, including \$784,885 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program in FY 2024. This is an all funds increase of \$143,381, or 10.6 percent, and an SGF increase of \$149,159, or 23.5 percent, above the FY 2023 actual expenditures. The increase is due to an increase in pay of regular unclassified employees and additional employer contributions to fringe benefits, such as group health insurance, as well as contractual services, such as equipment rental.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.5 million, including \$784,885 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program in FY 2024.

FY 2025

AGENCY'S REQUEST

The agency requests \$1.5 million, including \$936,465 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program for FY 2025. This is an all funds increase of \$36,602, or 2.5 percent, and an SGF increase of \$151,580, or 19.3 percent, above the agency's FY 2024 revised estimate. The increase is primarily due to additional agricultural equipment and machinery expenditures for the cemeteries.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the request of \$1.5 million, including \$936,465 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Commission on Veterans Affairs Office strives to offer the best service possible for veterans and their families. In order to keep up the veterans' homes and the veterans cemeteries, the agency routinely requests funds for capital improvement projects. The agency prioritizes projects at each of the veterans' homes and the veterans cemeteries separately. Information on each of the homes follows.

KANSAS VETERANS' HOME

The Kansas Veterans' Home (KVH) is located in Winfield, Kansas. It has five main buildings and connected structures that were built between 1948 and 1983. The facility has a 48-

bed domiciliary unit, 73-bed long-term care unit, and 18-bed special care unit for Alzheimer's patients and those with related dementia. The KVH has professional staff charged with caring for the residents.

KANSAS SOLDIERS' HOME

The Kansas Soldiers' Home (KSH) is located on Fort Dodge near Dodge City, Kansas. It consists of three domiciliary buildings, a long-term care facility, 65 cottages, and numerous ancillary buildings. The KSH maintains its own heating, water, sewer, and gas systems. The KSH also maintains all roads within Fort Dodge.

FIGURE 26 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Kansas Veterans' Home					
Rehabilitation & Repair and Other Projects	\$ 1,686,436	\$ 1,760,993	\$ 1,760,993	\$ 1,738,442	\$ 1,738,442
Kansas Soldiers' Home					
Rehabilitation & Repair and Other Projects	677,569	1,809,253	1,809,253	1,244,612	1,844,612
Veterans Cemeteries					
Rehabilitation & Repair and Other Projects	61,941	1,156,635	1,156,635	291,891	291,891
Northeast Kansas Veterans' Home Construction	-	17,200,000	17,200,000	-	-
<i>Subtotal—Projects</i>	<u>\$ 2,425,946</u>	<u>\$ 21,926,881</u>	<u>\$ 21,926,881</u>	<u>\$ 3,274,945</u>	<u>\$ 3,874,945</u>
TOTAL	\$ 2,425,946	\$ 21,926,881	\$ 21,926,881	\$ 3,274,945	\$ 3,874,945
Financing:					
SGF	\$ 61,941	\$ 413,939	\$ 413,939	\$ 201,980	\$ 201,980
State Institutions Building Fund	2,364,005	21,006,935	21,006,935	2,983,054	3,583,054
Federal Funds	-	460,000	460,000	89,911	89,911
All Other Funds	-	46,007	46,007	-	-
TOTAL	\$ 2,425,946	\$ 21,926,881	\$ 21,926,881	\$ 3,274,945	\$ 3,874,945

FY 2024 CAPITAL IMPROVEMENTS

AGENCY'S REVISED ESTIMATE

The **agency's** revised estimate includes \$21.9 million, including \$413,939 SGF, for capital improvements in FY 2024. This is an all funds increase of \$2.4 million, or 12.3 percent, and an SGF increase of \$176,959, or 74.7 percent, above the FY 2024 approved amount. This includes \$21.0 million State Institutions Building Fund (SIBF) for various capital

improvement projects, including \$17.2 million SIBF for the new Northeast Kansas Veterans' Home. (Note: Although \$17.2 million SIBF is appropriated for the construction of the new home in FY 2024, the agency will not know until spring 2024 whether the U.S. Department of Veterans Affairs (VA) will approve federal funding for the project. In this scenario, the agency would likely have to carry over funds

into FY 2025 for the construction of the new home.)

The revised estimate also includes \$3.6 million SIBF for emergency repair and maintenance projects at both the KVH and the KSH. Specific projects at the KVH include upgrading the burner control on boiler and feed water equipment, installing new air-cooled chillers, replacing outside lighting, and remodeling the Peden Wing in the Bleckley Hall. Specific projects at the KSH include cottage painting; room conversion for a long-term care bariatric room; and generator replacement, make-up air unit, roof

replacement, and remodel of shower rooms at Halsey Hall.

Finally, the revised estimate includes \$413,939 SGF, \$282,696 SIBF, and \$460,000 in federal grant monies for rehabilitation and repair projects at the veterans' cemeteries. The federal grant monies would go toward a scattering garden wall and an expansion of the Columbarian Wall on Fort Dodge. The remaining funds would go toward the following projects: road installation, roof for storage, a new storage building on Fort Dodge, and committal shelter doors on Fort Dodge and at WaKeeney.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the revised estimate of \$21.9 million, including \$413,939 SGF, for capital improvements in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

AGENCY'S REQUEST

The **agency** requests \$3.3 million, including \$201,980 SGF, for capital improvements for FY 2025. This is a decrease of \$18.0 million, or 85.1 percent, and an SGF decrease of \$211,959, or 51.2 percent, below the FY 2024 revised estimate. The decrease is primarily due to the agency not requesting monies for the construction of the new Northeast Kansas Veterans' Home for FY 2025. The decrease is also due to the agency's belief that several projects, including the installation of committal shelter doors at two cemeteries, will be completed in FY 2024.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$3.5 million, including \$201,980 SGF, for capital improvements for FY 2025. This is an SIBF increase of \$600,000, or 18.3 percent, above

Included within the request is \$2.9 million SIBF for emergency repair and maintenance projects at both the KVH and KSH. Emergency projects at the KVH include upgrading the electrical infrastructure for the facility, and emergency projects at the KSH include an HVAC upgrade, pharmacy expansion, replacement of fire panels, and an IT infrastructure upgrade. Also included within the request is \$291,891 SGF for emergency repair and maintenance projects at the veterans' cemeteries, including the addition of committal shelter restrooms at Fort Riley.

the agency's FY 2025 request. The increase is for the demolition of the Junior Officers Quarters and Walt Hall at the KSH on Fort Dodge.

KANSAS DEPARTMENT OF LABOR

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

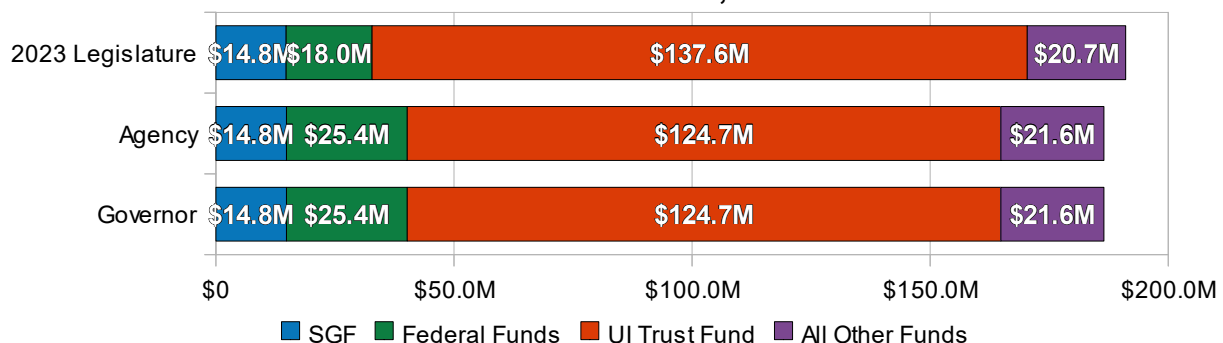
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 15,623,099	\$ 13,978,724	\$ 13,978,724	\$ 9,366,333	\$ 9,363,333
Federal Funds	37,966,715	25,378,389	25,378,389	21,868,901	21,868,901
All Other Funds	123,754,207	145,742,541	145,742,541	164,836,323	164,836,323
<i>Subtotal</i>	<i>\$ 177,344,021</i>	<i>\$ 185,099,654</i>	<i>\$ 185,099,654</i>	<i>\$ 196,071,557</i>	<i>\$ 196,068,557</i>
Capital Improvements:					
State General Fund	\$ 753,071	\$ 834,129	\$ 834,129	\$ 696,000	\$ 696,000
Federal Funds	6,192	-	-	-	-
All Other Funds	528,626	556,086	556,086	464,000	464,000
<i>Subtotal</i>	<i>\$ 1,287,889</i>	<i>\$ 1,390,215</i>	<i>\$ 1,390,215</i>	<i>\$ 1,160,000</i>	<i>\$ 1,160,000</i>
TOTAL	\$ 178,631,910	\$ 186,489,869	\$ 186,489,869	\$ 197,231,557	\$ 197,228,557
Percentage Change:					
State General Fund	963.4 %	(9.5) %	(9.5) %	(32.1) %	(32.1) %
All Funds	(61.3) %	4.4 %	4.4 %	5.8 %	5.8 %
FTE Positions	439.5	439.5	439.5	437.5	437.5

The Kansas Department of Labor's mission is to provide workers and employers with information and services that are accurate and timely, efficient and effective, and fair and impartial. The agency has six programs to assist with the agency's mission: Administration and Support Services, Labor Market Information Services, Unemployment Insurance Services, Industrial Safety and Health, Workers Compensation, and Labor Relations and Employment Standards.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$182.2 million in on-budget expenditures and 443.3 on-budget FTE positions for the Kansas Department of Labor in FY 2024, including \$14.8 million from the State General Fund (SGF) and \$137.6 million from the Unemployment Insurance (UI) Trust Fund. Subsequent to the 2023 Session, \$8.9 million in unspent SGF moneys was reappropriated from FY 2023 to FY 2024. That amount includes \$8.8 million from expected carryover funds for the UI modernization project, \$39,129 in unspent capital improvement funds, and \$2,764 in unspent operating expenditures. This changes the current year approved amount to \$191.1 million without any legislative action required.

FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** submits a revised estimate of \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds. The revised estimate represents a decrease of \$4.6 million, or 2.4 percent, below the amount approved by the 2023 Legislature. The majority of the change is due to a decrease of \$12.9 million, all from the UI Trust Fund, for **unemployment insurance benefits** in FY 2024. This reflects updated projections for benefit payments, which decrease from \$133.6 million to \$122.7 million.

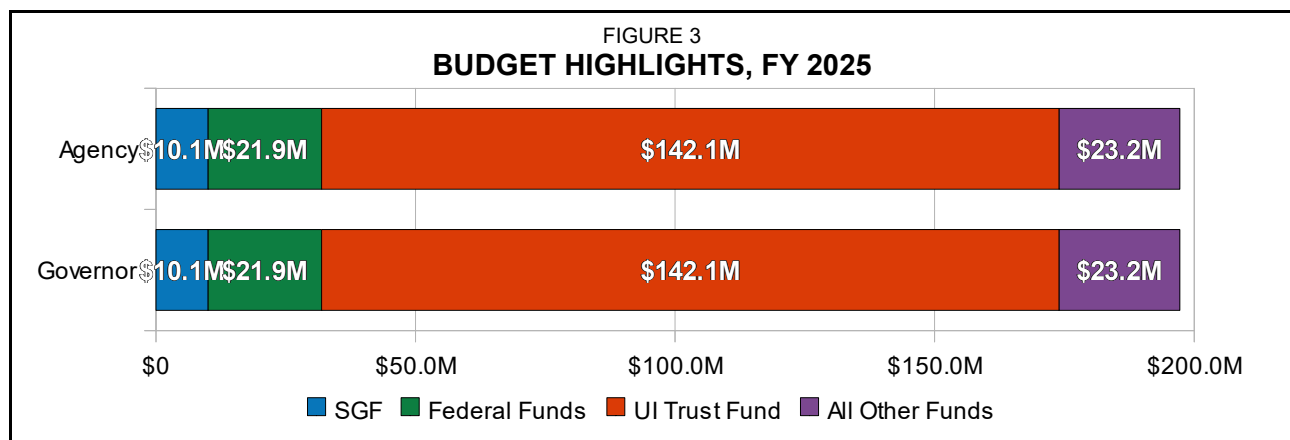
The decrease is partially offset by an increase of **\$7.2 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program** in FY 2024. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. Subsequent to the 2023 Session, the agency updated estimates on operating grant transfers into the fund from \$18.7 million to \$33.0 million in FY 2024. Corresponding expenditures from the fund increase from \$16.2 million to \$23.3 million.

The revised estimate includes a **\$55,075 SGF in supplemental funding to account for a shortfall in appropriations for the Legislative Pay Plan** in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Department of Labor, a supplemental appropriation of \$55,075 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The agency estimate also includes \$391,508 in off-budget expenditures and 2.9 off-budget FTE positions, which are categorized as such to avoid double counting payments from one state agency to another. The agency's off-budget expenditures are used for the New Hire Crossmatch, Workplace Safety, and Motor Pool programs.

The **Governor** concurs with the agency's revised estimate and recommends \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds.

The recommendation also includes \$391,508 in off-budget expenditures and 2.9 off-budget FTE positions, which is the same as the agency's request in FY 2024.



The **agency** requests \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents an increase of \$10.7 million, or 5.8 percent, above the revised estimate in FY 2024. The request includes **\$5.0 million SGF in enhancement funding for ongoing costs associated with the unemployment insurance system**. This request includes expenditures for maintenance of the core system as well as required peripheral systems. Additionally, this funding would also provide for continued hourly contract support after the go-live date. The agency indicates it has applied for all federal funding available. The agency has received several one-time funding awards, but they were all planned for expenditures related to the main project and not for ongoing maintenance.

The request also includes **\$3,000 SGF in enhancement funding to increase the official hospitality budget** from \$2,000 to \$5,000 for FY 2025. These funds support events conducted by the Secretary of Labor. The agency indicates these additional funds would allow the Secretary to engage with staff and outside entities, as well as provide refreshments for such events.

Absent the enhancement requests, the request includes an increase of **\$17.4 million, all from the UI Trust Fund, for unemployment insurance benefits**. The agency projects a continued increase in benefit payments, which increases from \$122.7 million in FY 2024 to \$140.1 million for FY 2025.

The increases are partially offset by a decrease of \$3.5 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program for FY 2025. The agency projects a decrease in operating grant transfers into the fund, from \$33.0 million in FY 2024 to \$23.5 million for FY 2025. Corresponding expenditures from the fund decrease from \$23.3 million in FY 2024 to \$19.8 million for FY 2025.

The request also includes \$429,500 in off-budget expenditures and 2.9 off-budget FTE positions, which are categorized as such to avoid double counting payments from one state agency to another. The agency's off-budget expenditures are used for the New Hire Crossmatch, Workplace Safety, and Motor Pool programs. For FY 2025, off-budget expenditures increase by \$37,992, or 9.7 percent, above the revised estimate in FY 2024.

The **Governor** recommends \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents a decrease of \$3,000 below the agency's request in FY 2024 and is entirely due to recommending partial adoption of the enhancement request to increase the official hospitality budget. The Governor concurs with increasing the expenditure limitation but recommends the agency fund it from existing resources instead.

The recommendation also includes \$429,500 in off-budget expenditures and 2.9 off-budget FTE positions, which is the same as the agency's request for FY 2025.

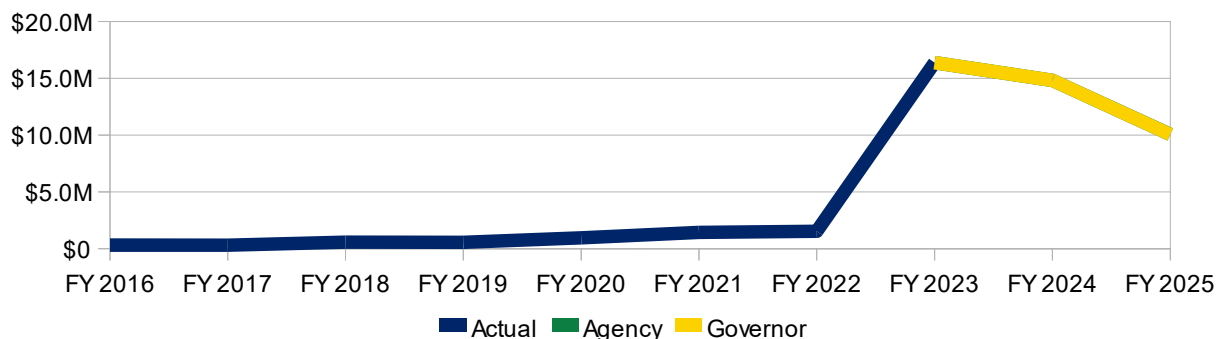
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 29,308,833	\$ 31,036,890	\$ 31,036,890	\$ 27,899,180	\$ 27,899,180
Contractual Services	8,151,907	18,426,315	18,426,315	21,307,286	21,304,286
Commodities	115,459	150,836	150,836	153,492	153,492
Capital Outlay	31,081,670	10,827,333	10,827,333	4,656,723	4,656,723
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 68,657,869</i>	<i>\$ 60,441,374</i>	<i>\$ 60,441,374</i>	<i>\$ 54,016,681</i>	<i>\$ 54,013,681</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	108,686,152	124,658,280	124,658,280	142,054,876	142,054,876
<i>Subtotal—Operating</i>	<i>\$ 177,344,021</i>	<i>\$ 185,099,654</i>	<i>\$ 185,099,654</i>	<i>\$ 196,071,557</i>	<i>\$ 196,068,557</i>
Capital Improvements	1,287,889	1,390,215	1,390,215	1,160,000	1,160,000
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 178,631,910	\$ 186,489,869	\$ 186,489,869	\$ 197,231,557	\$ 197,228,557
Financing:					
State General Fund	\$ 16,376,170	\$ 14,812,853	\$ 14,812,853	\$ 10,062,333	\$ 10,059,333
UI Trust Fund	108,728,473	124,658,280	124,658,280	142,054,876	142,054,876
Federal Funds	37,972,907	25,378,389	25,378,389	21,868,901	21,868,901
All Other Funds	15,554,360	21,640,347	21,640,347	23,245,447	23,245,447
TOTAL	\$ 178,631,910	\$ 186,489,869	\$ 186,489,869	\$ 197,231,557	\$ 197,228,557
FTE Positions	439.5	439.5	439.5	437.5	437.5

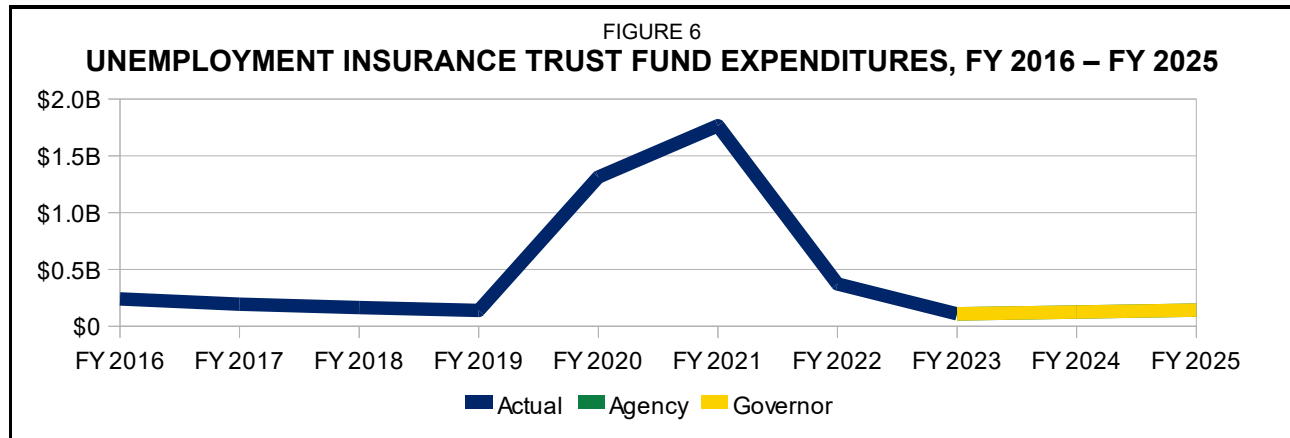
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



Prior to FY 2023, the Kansas Department of Labor primarily used SGF moneys to fund salaries and wages in the Industrial Safety and Health Division and for the Labor Relations Unit. The 2022 Legislature added \$2.2 million SGF and 30.0 FTE positions for additional staffing in the Administration and Unemployment Insurance Services programs for FY 2023 to continue duties performed by contracted staff during the pandemic. The 2023 Legislature added \$20.5 million SGF for the unfunded portion of the UI modernization project in FY 2023. Of that amount, \$8.8 million carried over into FY 2024. The agency is also requesting \$5.0 million SGF in enhancement funding for continued maintenance and support for the unemployment insurance system for FY 2025, as well as a \$3,000 increase to the official hospitality budget.

UNEMPLOYMENT INSURANCE TRUST FUND



The Unemployment Insurance Trust Fund includes the benefits, taxes, and interest of unemployment insurance benefits. Different accounts within the fund collect moneys from a variety of sources: The benefit account contains transfers from the UI Trust Fund to pay unemployment insurance benefits, the clearing account contains unemployment insurance taxes collected from employers, and the trust account contains transfers from the clearing account along with interest earnings. On July 1, 2023, the balance of the UI Trust Fund was \$1.299 billion. The agency estimates it will pay \$122.7 million in benefits in FY 2024 and \$140.1 million for FY 2024.

OTHER FUNDING SOURCES

FIGURE 7
REVENUE ESTIMATES, FEE FUNDS AND FEDERAL FUNDS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Agency FY 2025
Fee Funds:			
KDOL Special Projects Fund	\$ 115,446	\$ 227,001	\$ 227,150
Special Employment Security Fund	2,864,626	300,000	3,000,000
Workers Compensation Fee Fund	10,978,870	12,258,250	11,500,000
Wage Claims Assignment Fee Fund	1,067	-	-
Amusement Ride Safety Fund	84,872	80,000	80,000
Indirect Offset Fund	3,507,012	3,979,476	4,046,013
<i>Subtotal—Fee Fund Revenue</i>	<i>\$ 17,551,893</i>	<i>\$ 16,844,727</i>	<i>\$ 18,853,163</i>
Federal Funds:			
Wagner-Peyser Federal Fund	\$ 390,966	\$ 370,185	\$ 376,266
Unemployment Insurance	28,442,819	37,721,080	23,529,056
Occupational Health and Safety Federal Fund	1,041,859	883,678	9,079,535
Labor Force Statistics Federal Fund	818,100	954,115	949,555
Compensation and Working Conditions Federal Fund	95,450	91,811	91,037
American Rescue Plan Act State Relief Fund	9,601,567	-	-
<i>Subtotal—Federal Fund Revenue</i>	<i>\$ 40,390,761</i>	<i>\$ 40,020,869</i>	<i>\$ 34,025,449</i>

In addition to the SGF and UI Trust Fund, the agency is supported by fees, grants, and agreements that provide revenue from a variety of sources. The following fee funds are included in the agency budget:

- **KDOL Special Projects Fund.** This fund generates revenue by collecting registration fees for the Industrial Safety and Workers Compensation Conferences.
- **Special Employment Security Fund.** This fund is authorized by KSA 44-716a and generates revenue by (1) assessing penalties on late employer payments (0.05 percent of

total quarterly wages, up to a maximum of \$200 for each untimely return), (2) collecting interest per month on unpaid balances of employer contribution taxes (1.0 percent), and (3) individual benefit overpayments resulting from fraud, misrepresentation, or willful nondisclosure of required information.

- **Workers Compensation Fee Fund.** This fund is authorized by KSA 74-715 and generates revenue from an annual assessment applied to calendar year claims paid by insurance companies authorized to write workers' compensation insurance in Kansas, qualified employers that self-insure workers' compensation exposure, and deductible amounts paid by insurance carrier policyholders. The assessment rate for FY 2024 is 2.75 percent.
- **Wage Claims Assignment Fee Fund.** This fund generates revenue through a fee, set by KAR 49-21-1, of individual wage claims assigned to the agency, up to a maximum of \$25.
- **Amusement Ride Safety Fund.** This fund is authorized by KSA 75-4215 and generates revenue from permits and licensing of amusement rides in Kansas.
- **Indirect Offset Fund.** This fund generates revenue by assessing an indirect cost rate on various grants. The cost rate for FY 2024 is 15.30 percent.

Additionally, the agency receives federal funding from grants and agreements, typically with the U.S. Department of Labor and Bureau of Labor Statistics. These funds include:

- **Wagner-Peyser Federal Fund.** This fund receives grant funding from the U.S. Department of Labor to provide labor market information to local areas for federal workforce programs associated with the Workforce Investment Act.
- **UI Program Administration Federal Fund.** This fund is authorized by KSA 74-716 and receives grant funding from the U.S. Department of Labor for administrative costs to operate the Unemployment Insurance program established under the Social Security Administration.
- **Occupational Health Safety Federal Fund.** This fund receives grant funding from the U.S. Department of Labor to perform workplace safety consultation to private employers. The grant does not pay for consultation services within the public sector.
- **Labor Force Statistics Federal Fund.** This fund receives grant funding from the U.S. Department of Labor and Bureau of Labor Statistics for the operation of Labor Market Information statistical programs and activities. These programs provide data on employment, hours, wages, unemployment, and layoffs by occupation and industry for the nation, state, metropolitan areas, and counties.
- **Compensation and Working Conditions Federal Fund.** This fund receives grant funding from the U.S. Department of Labor and Bureau of Labor Statistics to collect information on occupational injury and illness, pursuant to Section 24 of the Occupational Safety and Health Act of 1970. These funds also allow for the collection of data related to occupational facilities in the state.
- **American Rescue Plan Act State Relief Fund.** This fund received grant funding from the U.S. Treasury to assist with recovery efforts for the COVID-19 pandemic.

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 5,880,074	\$ 182,190,922	443.3
1. SGF Reappropriation	8,877,704	8,877,704	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 14,757,778</i>	<i>\$ 191,068,626</i>	<i>443.3</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	\$ 55,075	\$ 55,075	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 55,075</i>	<i>\$ 55,075</i>	<i>--</i>
3. Unemployment Insurance Benefits	\$ -	\$ (10,940,642)	--
4. Unemployment Insurance Administration	-	7,162,835	--
5. All Other Adjustments	-	(856,025)	(3.8)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 14,812,853</i>	<i>\$ 186,489,869</i>	<i>439.5</i>
Governor's Recommendation:			
6. No Changes	\$ -	\$ -	--
TOTAL	\$ 14,812,853	\$ 186,489,869	439.5

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$182.2 million in on-budget expenditures appropriated to the Kansas Department of Labor for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** \$8.9 million in unspent SGF moneys was reappropriated from FY 2023 to FY 2024. The majority of that amount is from expected carryover funds for the UI modernization project. The 2023 Legislature appropriated \$20.5 million SGF in FY 2023 to be used across two years. Of that amount, \$8.8 million carried over into FY 2024. The remaining reappropriation includes \$39,129 in unspent capital improvement funds and \$2,764 in unspent operating expenditures.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds. The revised estimate represents a decrease of \$4.6 million, or 2.4 percent, and 3.8 FTE positions below the amount approved by the 2023 Legislature.

The revised estimate includes the following supplemental request:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$55,075 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Department of Labor, a supplemental appropriation of \$55,075 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental request, the revised estimate includes a decrease of \$4.6 million in base budget expenditures. Significant adjustments are as follows:

3. **UNEMPLOYMENT INSURANCE BENEFITS.** The revised estimate includes a decrease of \$10.9 million, all from the UI Trust Fund, for unemployment insurance benefits in FY 2024. This reflects updated projections for benefit payments, which decrease from \$133.6 million to \$122.7 million.
4. **UNEMPLOYMENT INSURANCE ADMINISTRATION.** The revised estimate includes an increase of \$7.2 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program in FY 2024. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. Subsequent to the 2023 Session, the agency updated estimates on operating grant transfers into the fund from \$18.7 million to \$33.0 million in FY 2024. Corresponding expenditures from the fund increase from \$16.2 million to \$23.3 million.
5. **ALL OTHER ADJUSTMENTS.** The revised estimate also includes a decrease of \$856,025 for a variety of other expenditures and a decrease of 3.8 FTE positions in FY 2024. The change is primarily due to a \$2.0 million reduction in expenditures from the Trust Account of the UI Trust Fund. This account contains transfers from a clearing account, along with interest earnings. The decrease is partially offset by a \$1.8 million increase in administrative costs funded by the Indirect Cost Fund, which assesses an indirect cost rate of 17.85 percent in FY 2024 on various grants. The change in FTE positions is primarily due to a decrease in estimated staffing in the Administration and Industrial Safety and Health programs. The FY 2024 revised estimate in FTE positions is the same as the FY 2023 actual number (439.5 FTE).

The **agency** estimate also includes \$391,508 in off-budget expenditures and 2.9 off-budget FTE positions, which are categorized as such to avoid double counting payments from one state agency to another.

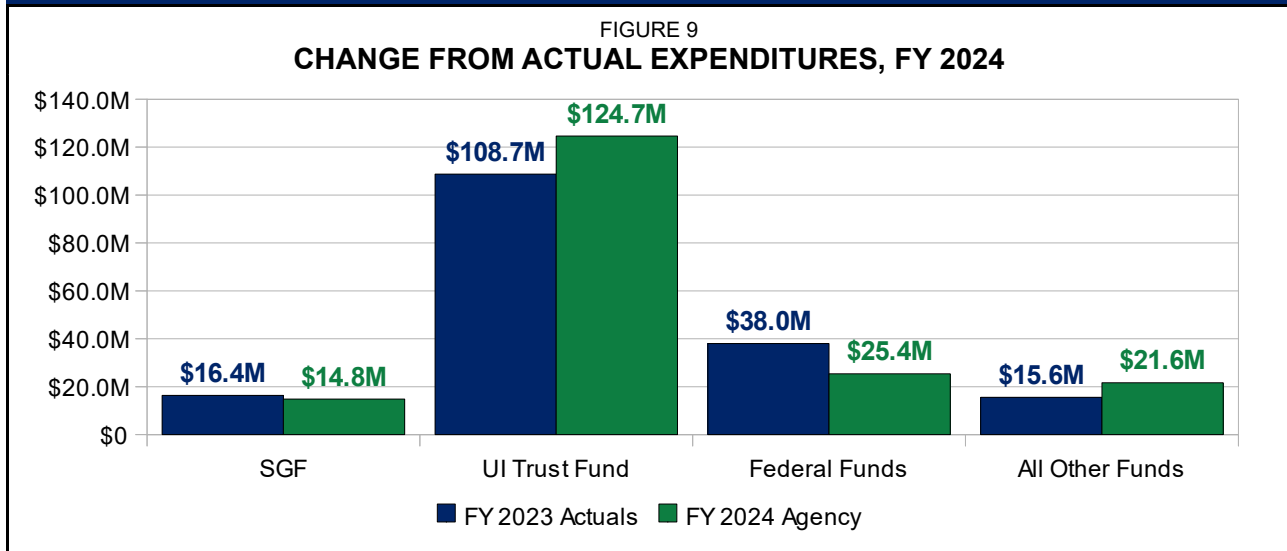
GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds.

6. **NO CHANGES.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

The **Governor's** recommendation also includes \$391,508 in off-budget expenditures and 2.9 off-budget FTE positions, which is the same as the agency's request in FY 2024. The agency's off-budget expenditures are used for the New Hire Crossmatch, Workplace Safety, and Motor Pool programs.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** submits a revised estimate of \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds. The revised estimate represents an overall increase of \$7.9 million from all funding sources, including a decrease of \$1.6 million SGF, from actual expenditures in FY 2023. The change is primarily due to a **greater volume of unemployment insurance benefits**. Payments from the Benefits Account of the UI Trust Fund increase by \$18.2 million, from \$104.5 million in FY 2023 to \$122.7 million in FY 2024. This reflects an overall increase in the number of initial claims filed for benefits, from 66,809 in FY 2023 to 96,153 in FY 2024.

The increase is partially offset by a \$9.5 million decrease in expenditures from the Employment Security Administration Federal Fund, which are primarily for the **administration of the Unemployment Insurance Services program** in FY 2024. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. This amount also includes funds allocated for the UI modernization project, which were expended in FY 2023 and do not extend into FY 2024.

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 5,059,333	\$ 178,341,302	437.5
Enhancement Requests:			
1. Unemployment IT Maintenance	\$ 5,000,000	\$ 5,000,000	--
2. Official Hospitality	3,000	3,000	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 5,003,000</i>	<i>\$ 5,003,000</i>	<i>--</i>
3. Unemployment Insurance Benefits	\$ -	\$ 17,396,596	--
4. Unemployment Insurance Administration	-	(3,509,341)	--
<i>Subtotal—Agency Request</i>	<i>\$ 10,062,333</i>	<i>\$ 197,231,557</i>	<i>437.5</i>
Governor's Recommendation:			
5. Enhancement Requests	\$ (3,000)	\$ (3,000)	--
TOTAL	\$ 10,059,333	\$ 197,228,557	437.5

AGENCY REQUEST

The **agency** requests \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents an increase of \$10.7 million, or 5.8 percent, above the revised estimate in FY 2024.

The request includes \$5.0 million for the following enhancement requests:

- 1. UNEMPLOYMENT IT MAINTENANCE.** The agency requests \$5.0 million SGF in enhancement funding for FY 2025 for ongoing costs associated with the unemployment insurance system. This request includes expenditures for maintenance of the core system as well as required peripheral systems. Additionally, this funding would also provide for continued hourly contract support after the go-live date. The agency indicates it has applied for all federal funding available. The agency has received several one-time funding awards, but they were all planned for expenditures related to the main project and not for ongoing maintenance.
- 2. OFFICIAL HOSPITALITY.** The agency requests \$3,000 SGF in enhancement funding to increase the official hospitality budget from \$2,000 to \$5,000 for FY 2025. These funds support events conducted by the Secretary of Labor. The agency indicates these additional funds would allow the Secretary to engage with staff and outside entities, as well as provide refreshments for such events.

Absent the enhancement requests, the request includes an increase of \$5.8 million in base budget expenditures. Significant adjustments are as follows:

- 3. UNEMPLOYMENT INSURANCE BENEFITS.** The request includes an increase of \$17.4 million, all from the UI Trust Fund, for unemployment insurance benefits for FY 2025. The agency projects a continued increase in benefit payments, which increases from \$122.7 million in FY 2024 to \$140.1 million for FY 2025.
- 4. UNEMPLOYMENT INSURANCE ADMINISTRATION.** The request includes a decrease of \$3.5 million, all from the Employment Security Administration Federal Fund, for the

administration of the Unemployment Insurance Services program for FY 2025. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. The agency projects a decrease in operating grant transfers into the fund, from \$33.0 million in FY 2024 to \$23.5 million for FY 2025. Corresponding expenditures from the fund decrease from \$23.3 million to \$19.8 million.

The **agency** request also includes \$429,500 in off-budget expenditures and 2.9 off-budget FTE positions, which are categorized as such to avoid double counting payments from one state agency to another. The agency's off-budget expenditures are used for the New Hire Crossmatch, Workplace Safety, and Motor Pool programs. For FY 2025, off-budget expenditures increase by \$37,992, or 9.7 percent, above the revised estimate in FY 2024.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents a decrease of \$3,000 below the agency's request in FY 2024 and is due to the following adjustment:

5. **ENHANCEMENT REQUESTS.** The Governor concurs with the enhancement request for ongoing costs associated with the unemployment insurance system (Item 1). Regarding the request to increase the hospitality budget (Item 2), the Governor concurs with increasing the expenditure limitation but recommends the agency fund it from existing resources instead.

The **Governor's** recommendation also includes \$429,500 in off-budget expenditures and 2.9 off-budget FTE positions, which is the same as the agency's request for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplemental:						
1. Pay Plan Shortfall	\$ 55,075	\$ 55,075	-	\$ 55,075	\$ 55,075	-
FY 2025 Enhancements:						
2. UI IT Maintenance	\$ 5,000,000	\$ 5,000,000	-	\$ 5,000,000	\$ 5,000,000	-
3. Official Hospitality	3,000	3,000	-	-	-	-
TOTAL	\$ 5,003,000	\$ 5,003,000	-	\$ 5,000,000	\$ 5,000,000	-

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$55,075 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Department of Labor, a supplemental appropriation of \$55,075 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **UNEMPLOYMENT IT MAINTENANCE.** The agency requests \$5.0 million SGF in enhancement funding for FY 2025 for ongoing costs associated with the unemployment insurance system. This request includes expenditures for maintenance of the core system as well as required peripheral systems. Additionally, this funding would also provide for continued hourly contract support after the go-live date. The agency indicates it has applied for all federal funding available. The agency has received several one-time funding awards, but they were all planned for expenditures related to the main project and not for ongoing maintenance.

The Governor recommends adoption of this request.

3. **OFFICIAL HOSPITALITY.** The agency requests \$3,000 SGF in enhancement funding to increase the official hospitality budget from \$2,000 to \$5,000 for FY 2025. These funds support events conducted by the Secretary of Labor. The agency indicates these additional funds would allow the Secretary to engage with staff and outside entities, as well as provide refreshments for such events.

The Governor recommends increasing the limitation but funding it from existing resources.

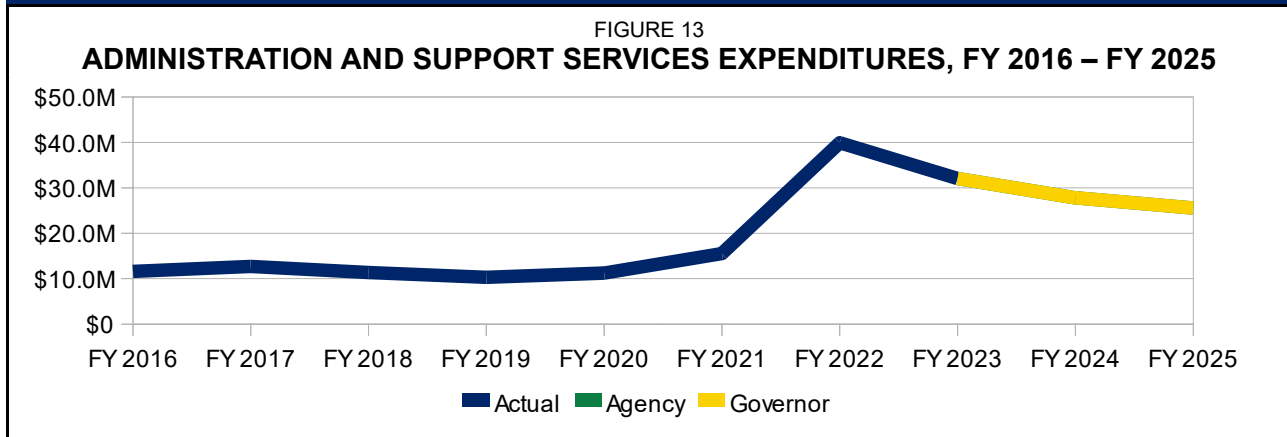
PROGRAM OVERVIEW

FIGURE 12
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 32,037,834	\$ 27,778,118	\$ 27,778,118	\$ 25,546,140	\$ 25,543,140
Unemployment Insurance	133,815,125	143,923,676	143,923,676	157,165,514	157,165,514
Labor Market Information	1,218,051	1,302,076	1,302,076	1,311,430	1,311,430
Industrial Safety and Health	1,977,776	2,101,550	2,101,550	2,064,514	2,064,514
Workers Compensation	8,012,834	9,602,813	9,602,813	9,644,767	9,644,767
Labor Relations	289,417	391,421	391,421	339,192	339,192
Capital Improvements	1,280,873	1,390,215	1,390,215	1,160,000	1,160,000
<i>Total–On-Budget</i>	<i>\$ 178,631,910</i>	<i>\$ 186,489,869</i>	<i>\$ 186,489,869</i>	<i>\$ 197,231,557</i>	<i>\$ 197,228,557</i>
Off-Budget*	363,035	391,508	391,508	429,500	429,500
GRAND TOTAL	\$ 178,994,945	\$ 186,881,377	\$ 186,881,377	\$ 197,661,057	\$ 197,658,057
FTE Positions:					
Administration	99.7	99.7	99.7	98.7	98.7
Unemployment Insurance	234.6	234.6	234.6	233.6	233.6
Labor Market Information	16.0	16.0	16.0	16.0	16.0
Industrial Safety and Health	16.9	16.9	16.9	16.9	16.9
Workers Compensation	69.0	69.0	69.0	69.0	69.0
Labor Relations	3.3	3.3	3.3	3.3	3.3
Capital Improvements	-	-	-	-	-
<i>Total–On-Budget</i>	<i>439.5</i>	<i>439.5</i>	<i>439.5</i>	<i>437.5</i>	<i>437.5</i>
Off-Budget*	2.9	2.9	2.9	2.9	2.9
GRAND TOTAL	442.4	442.4	442.4	440.4	440.4

* Staff note: Off-Budget expenditures represent payments from one state agency to another and are categorized as such to avoid double counting. These expenditures are not represented in charts and tables unless specified.

ADMINISTRATION AND SUPPORT SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740

PROGRAM GOALS: • Provide support to program staff to ensure the agency fulfills its mission.

The Administration and Support Services program includes the central management and administrative support function of the Kansas Department of Labor.

GENERAL ADMINISTRATION

The Office of the Secretary consists of five employees: the Secretary of Labor, Deputy Secretary, Chief of Staff, Compliance Officer, and Executive Assistant. Its budget is relatively small and primarily consists of salaries, travel, and normal office operational expenditures.

LEGAL

The Legal Division provides legal services to the agency, which includes providing legal counsel to the agency, its boards and divisions, officials generally, and to state and federal courts as required.

FISCAL

The Fiscal Department provides budgetary information to agency staff. This department is also responsible for maintaining the facilities and grounds for the agency, and currently retains three employees for this purpose.

HUMAN RESOURCES

The Human Resources Department is responsible for providing human resource

information and assistance throughout the agency.

COMMUNICATIONS

The Communications Division is responsible for a wide variety of services, such as agency-wide emails, email monitoring, internal- and external-facing materials, ordering business-related materials, drafting and maintaining agency forms, creating presentation materials, coordinating public relations, maintaining social media platforms, supporting events, and translations.

The Communications Division will also develop internal and external communications material for the modernization process with Tata Consultancy Services (TCS) until its completion in June 2024, and it assists all divisions with improving and modernizing material and processes.

INFORMATION TECHNOLOGY

The Information Technology (IT) Division supports the work of the agency, helps manage government resources, and provides broad access to public information and services throughout the State of Kansas. This division is also responsible for computing services, including application development of mainframe, web, and client server systems, IT infrastructure, telephony, and strategic planning.

FIGURE 14 ADMINISTRATION AND SUPPORT SERVICES FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 14,247,315	\$ 12,399,848	\$ 12,399,848	\$ 8,749,064	\$ 8,746,064
Federal Funds	12,177,527	4,981,145	4,981,145	4,715,785	4,715,785
All Other Funds	5,612,992	10,397,125	10,397,125	12,081,291	12,081,291
TOTAL	\$ 32,037,834	\$ 27,778,118	\$ 27,778,118	\$ 25,546,140	\$ 25,543,140
Percent Change:					
SGF	1,285.1 %	(13.0) %	-- %	(29.4) %	-- %
All Funds	(19.7) %	(13.3) %	-- %	(8.0) %	-- %
FTE Positions	99.7	99.7	99.7	98.7	98.7

BUDGET ANALYSIS

The **agency** requests \$25.5 million in expenditures, including \$8.7 million SGF, and 98.7 FTE positions for the Administration and Support Services program for FY 2025. The request is a decrease of \$2.2 million from all funding sources, including a decrease of \$3.7 million SGF, below the revised estimate in FY 2024.

The change is primarily due to a \$6.0 million decrease in software expenditures that occur in FY 2024 but do not extend into FY 2025. That amount includes \$8.8 million of the \$20.5 million SGF appropriated by the 2023 Legislature for the UI modernization project that will be spent in FY 2024, resulting in a corresponding drop for FY 2025.

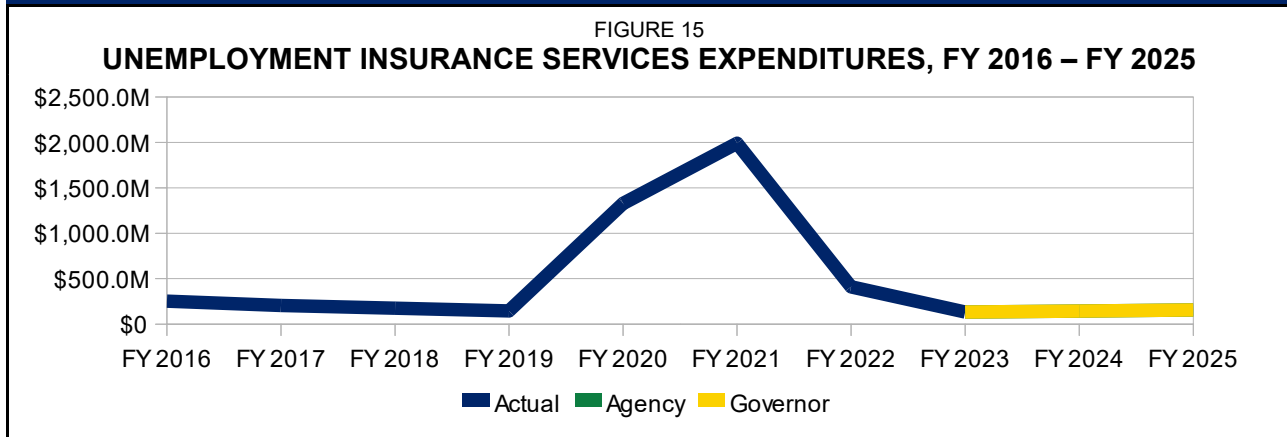
Additionally, the IT Division began a comprehensive upgrade of the agency's server operating system in FY 2024, from Windows Server 2012 to Windows Server 2019. Vendor support for the current system was discontinued

in October 2023. Accordingly, the agency allocated additional resources to upgrade the system in FY 2024 and expects a decrease in expenditures for FY 2025 as the project is completed.

The decrease is partially offset by enhancement requests for UI maintenance and support (\$5.0 million SGF) and an increase to the official hospitality budget (\$3,000 SGF).

The **Governor** recommends \$25.5 million in expenditures, including \$8.7 million SGF, and 98.7 FTE positions for the Administration and Support Services program for FY 2025. This represents a decrease of \$3,000 from the agency's request and is entirely due to partial adoption of the enhancement request to increase the official hospitality budget. The Governor concurs with increasing the limitation but recommends funding it from existing resources instead.

UNEMPLOYMENT INSURANCE SERVICES



STATUTORY BASIS: • KSA 44-701, *et seq.*

PROGRAM GOALS:

- Continue to improve and enhance the levels of customer service provided to Kansas employers and workers who interact with the agency.
- Continue to build upon recent successes in meeting and exceeding federally mandated program performance standards.
- Continue to work with the Office of Information Technology Services to make incremental improvements in existing technology platforms that support the unemployment system in Kansas.

The Unemployment Insurance Services program provides benefits to eligible applicants to replace part of wages lost from involuntary unemployment. The agency has four primary goals for this program:

1. Improve and enhance the levels of customer service provided to Kansas employers and workers who interact with the agency;
2. Build upon recent successes in meeting and exceeding federally mandated program performance standards;
3. Work with the Office of Information Technology Services to make improvements in the existing technology platforms that support the unemployment system in Kansas; and

4. Meet the Secretary of Labor's mandate to protect the integrity of the unemployment insurance trust, and ensure necessary funds are available to provide reemployment assistance to unemployed Kansans who meet the legal requirements to receive them.

The agency collects funds for benefits from employer contributions and deposits the revenue into the UI Trust Fund. Additionally, the federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services Administration expenditures. The federal Unemployment Tax Act allows the Internal Revenue Service to collect taxes from employers to administer the Unemployment Insurance program. Unemployment Insurance Services receives a base budget from the ESAF and can also receive contingency funds from ESAF in proportion to increases in workload.

FIGURE 16 UNEMPLOYMENT INSURANCE SERVICES FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 787,178	\$ 890,000	\$ 890,000	\$ -	\$ -
Federal Funds	23,680,647	18,375,396	18,375,396	15,110,638	15,110,638
All Other Funds	109,347,300	124,658,280	124,658,280	142,054,876	142,054,876
TOTAL	\$ 133,815,125	\$ 143,923,676	\$ 143,923,676	\$ 157,165,514	\$ 157,165,514
Percent Change:					
SGF	234,878.5 %	13.1 %	-- %	(100.0) %	-- %
All Funds	(67.4) %	7.6 %	-- %	9.2 %	-- %
FTE Positions	234.6	234.6	234.6	233.6	233.6

BUDGET ANALYSIS

The **agency** requests \$157.2 million in expenditures and 233.6 FTE positions for the Unemployment Insurance Services program for FY 2025. The request is an increase of \$13.2 million from all funding sources, including a decrease of \$890,000 SGF, from the revised estimate in FY 2024.

The change is primarily due to a \$17.4 million increase in unemployment benefit payments for FY 2025. The agency projects an increase in payments in FY 2024 and for FY 2025.

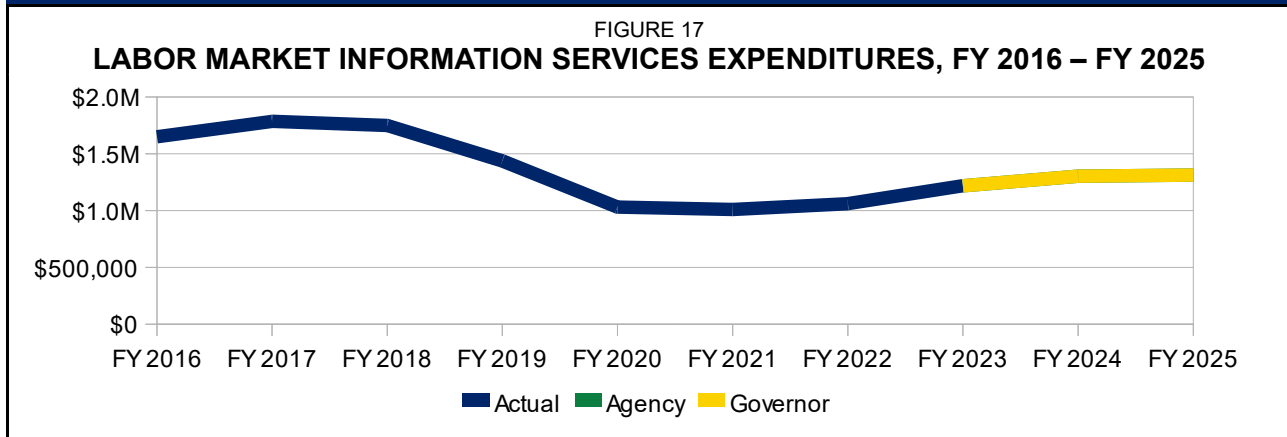
The increase is partially offset by a \$2.8 million decrease in salary and wage expenditures for FY 2025. In FY 2024, the agency will employ additional personnel to address the backlog of pandemic program claims. Appeals constitute a significant portion

of the backlog, and the agency indicates higher pay is needed for personnel with more experience and expertise in unemployment insurance. As the agency works through its backlog, it anticipates salary and wage expenditures to return to historically stable levels, around \$10.5 million.

The increase is also partially offset by a \$1.3 million decrease in contractual service expenditures for FY 2025, primarily for software maintenance and other costs related to the UI modernization project.

The **Governor** concurs with the agency's request and recommends \$157.2 million in expenditures and 233.6 FTE positions for the Unemployment Insurance Services program for FY 2025.

LABOR MARKET INFORMATION SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740

PROGRAM GOALS: • Provide accurate and timely labor market information in response to user requests and disseminate data using appropriate media.

The Labor Market Information Services program is the 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 program is also responsible for calculating and reporting unemployment rates for the State of Kansas, each of its counties, and metropolitan statistical areas of the state.

This program also calculates and analyzes the number of people employed in each industrial sector. Other responsibilities include preparing reports and surveys concerning the labor market in Kansas and serving as the actuarial trustee for the UI Trust Fund.

FIGURE 18
LABOR MARKET INFORMATION SERVICES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,135,895	1,223,898	1,223,898	1,232,989	1,232,989
All Other Funds	82,156	78,178	78,178	78,441	78,441
TOTAL	\$ 1,218,051	\$ 1,302,076	\$ 1,302,076	\$ 1,311,430	\$ 1,311,430
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	14.9 %	6.9 %	-- %	0.7 %	-- %
FTE Positions	16.0	16.0	16.0	16.0	16.0

BUDGET ANALYSIS

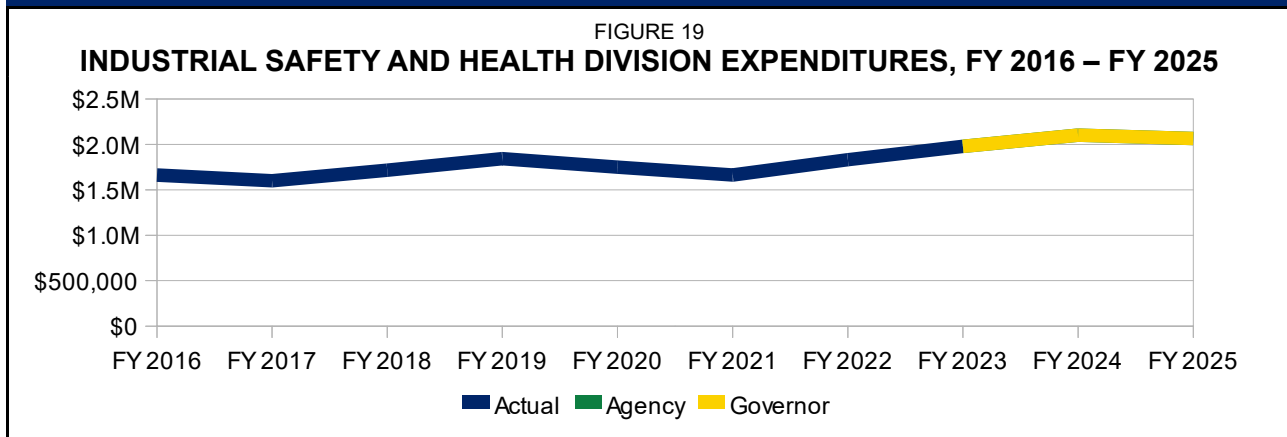
The **agency** requests \$1.3 million in expenditures and 16.0 FTE positions for the Labor Market Information Services program for FY 2025. The request is an increase of \$9,354 from all funding sources above the revised estimate in FY 2024.

The change is primarily due to a \$9,623 increase in contractual service expenditures,

much of which is associated with information technology support and inflationary changes.

The **Governor** concurs with the agency's request and recommends \$1.3 million in expenditures and 16.0 FTE positions for the Labor Market Information Services program for FY 2025.

INDUSTRIAL SAFETY AND HEALTH DIVISION



STATUTORY BASIS: • KSA 44-5,104, 44-575, 44-1601, *et seq.*

PROGRAM GOALS: • Assist and encourage employers in their efforts to assure safe and healthful workplaces in Kansas.
• Maintain availability of on-site consultation services pursuant to federal contract.
• Encourage employers to develop, use, and maintain workplace safety and health plans related to the nature of the employment.
• Review maintenance, operations, and qualifications of inspections conducted by third parties in accordance with the Kansas Amusement Ride Act.

The Industrial Safety and Health Division works to reduce the frequency and severity of workplace injuries and illnesses, checking for compliance with state and federal laws, such as the Occupational Safety and Health Act (OSHA), Kansas Workers Compensation Law, and the Kansas Amusement Ride Act.

KANSAS 21(D) CONSULTATION

The Kansas 21(d) Consultation Program is partially funded by a federal grant. The program offers free and confidential advice to small- and medium-sized businesses, with priority given to high-hazard work sites. Agency consultants work with employers to identify workplace hazards, provide advice on compliance with OSHA standards, and assist in establishing safety- and health-management systems.

SAFETY AND HEALTH

The Kansas Safety and Health Achievement Recognition Program offers workplace health and safety education and training education for employers, employees, emergency personnel, and safety professionals.

PUBLIC SECTOR

The Public Sector Program is responsible for safety- and health-related issues associated

with public entities in the State. These entities include cities, counties, Unified School Districts, and water districts.

ACCIDENT PREVENTION

The Accident Prevention 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 it is funded through the Workers Compensation Fee Fund.

AMUSEMENT RIDE SAFETY

The Division is also responsible for administration and enforcement of the Kansas Amusement Ride Act. The Amusement Ride Safety Unit is responsible for registering amusement ride entities, issuing amusement ride permits, and conducting compliance audits.

WORKPLACE HEALTH AND SAFETY

The State Workplace Health and Safety Program investigates safety- and health-related issues associated with Kansas state agencies.

FIGURE 20

INDUSTRIAL SAFETY AND HEALTH DIVISION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 268,527	\$ 279,861	\$ 279,861	\$ 278,077	\$ 278,077
Federal Funds	978,838	797,950	797,950	809,489	809,489
All Other Funds	730,411	1,023,739	1,023,739	976,948	976,948
TOTAL	\$ 1,977,776	\$ 2,101,550	\$ 2,101,550	\$ 2,064,514	\$ 2,064,514
Percent Change:					
SGF	1.3 %	4.2 %	-- %	(0.6) %	-- %
All Funds	8.8 %	6.3 %	-- %	(1.8) %	-- %
FTE Positions	16.9	16.9	16.9	16.9	16.9

BUDGET ANALYSIS

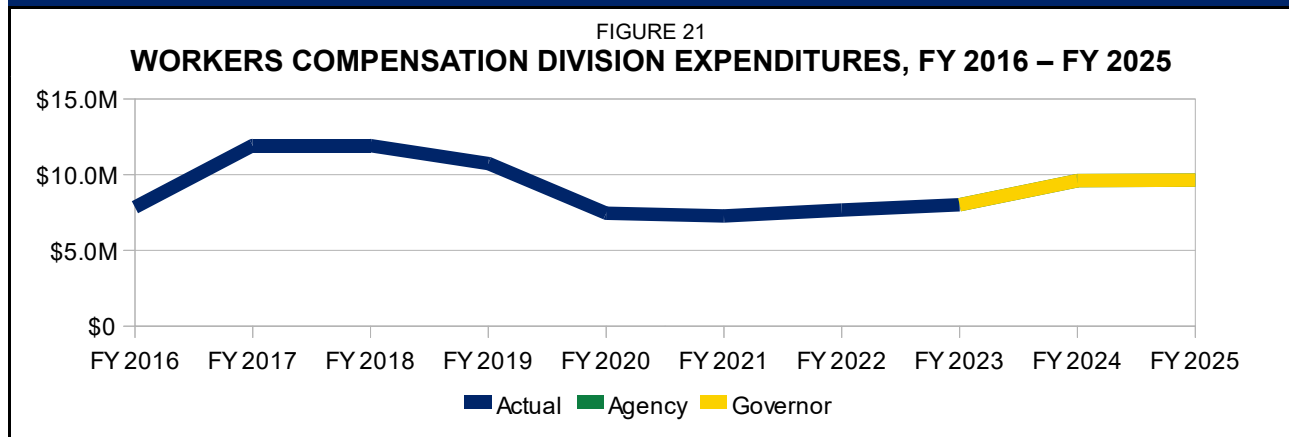
The **agency** requests \$2.1 million in expenditures, including \$278,077 SGF, and 16.9 FTE positions for the Industrial Safety and Health Division for FY 2025. The request is a decrease of \$37,036 from all funding sources, including a decrease of \$1,784 SGF, below the revised estimate in FY 2024.

The change is primarily due to a \$62,571 decrease in software expenditures that occur in FY 2024 but do not extend into FY 2025. In particular, the agency anticipates purchasing software to manage the amusement ride program in FY 2024.

The decrease is partially offset by a \$27,927 increase in contractual service expenditures, primarily for maintenance and improvements to software applications for the amusement ride program.

The **Governor** concurs with the agency's request and recommends \$2.1 million in expenditures, including \$278,077 SGF, and 16.9 FTE positions for the Industrial Safety and Health Division for FY 2025.

WORKERS COMPENSATION DIVISION



STATUTORY BASIS: • KSA 44-501, *et seq.*

PROGRAM GOALS: • Provide a statewide judicial system for workers' compensation claims that operates in a fair and efficient manner.
• Establish and publish a medical fee schedule for care involving injured workers.
• Regulatory oversight, including employer compliance with mandatory workers' compensation insurance coverage, self-insurance permitting, and insurer accident prevention programs.

The Workers Compensation Division administers and enforces the Kansas Workers Compensation Act. Pursuant to the Act, this Division files and maintains required reports of industrial accidents and discretionary notices of employment of disabled workers; directs and audits physical and vocation 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.

The Division has offices in Topeka, Wichita, Lenexa, Salina, and Garden City. The office in Wichita includes a hearing room for the Workers Compensation Appeals Board to hear appeals, in addition to hearing appeals in Topeka. All judges and the Appeals Board also have the ability to hold virtual hearings.

FIGURE 22
WORKERS COMPENSATION DIVISION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 31,168	\$ 17,594	\$ 17,594	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	7,981,666	9,585,219	9,585,219	9,644,767	9,644,767
TOTAL	\$ 8,012,834	\$ 9,602,813	\$ 9,602,813	\$ 9,644,767	\$ 9,644,767
Percent Change:					
SGF	100.0 %	(43.6) %	-- %	(100.0) %	-- %
All Funds	4.5 %	19.8 %	-- %	0.4 %	-- %
FTE Positions	69.0	69.0	69.0	69.0	69.0

BUDGET ANALYSIS

The **agency** requests \$9.6 million in Workers Compensation Division for FY 2025. The request is an increase of \$41,954, expenditures and 69.0 FTE positions for the

including a decrease of \$17,594 SGF, from the revised estimate in FY 2024.

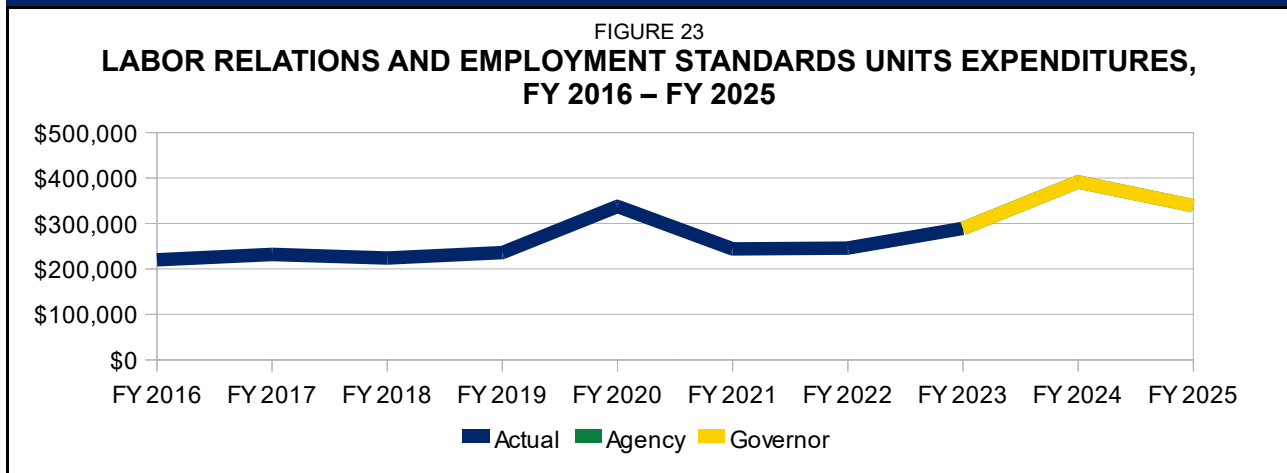
The change is primarily due to a \$137,342 increase in contractual service expenditures for FY 2025, much of which is for upgrading the Online System for Claims and Research/Regulation (OSCAR). The Workers Compensation Division uses OSCAR to track cases, facilitate communication between administrative law judges and parties, and digitally access exhibits and transcripts. The

agency anticipates beginning upgrades in FY 2024 that continue into FY 2025.

The increase is partially offset by a \$64,000 decrease in software expenditures that occur in FY 2024 but do not continue into FY 2025.

The **Governor** concurs with the agency's request and recommends \$9.6 million in expenditures and 69.0 FTE positions for the Workers Compensation Division for FY 2025.

LABOR RELATIONS AND EMPLOYMENT STANDARDS UNITS



STATUTORY BASIS: • KSA 75-4321, *et seq.*, KSA 22-5413 *et seq.*

PROGRAM GOALS: • Continue to administer both the Kansas Professional Negotiations Act and the Kansas Public Employer-Employee Relations Act in a timely, effective, and unbiased manner consistent with legislative intent for enacting these laws.

- Promote harmonious and cooperative employer/employee relationships and enforce laws providing protection to the Kansas workforce through due process of administration proceedings.

The Labor Relations and Employment Standards Units enforce laws relating to the following areas:

LABOR RELATIONS

The Labor Relations Unit administers Kansas labor relations statutes, including the Kansas Public Employer-Employee Relations Act (PEERA) and the Kansas Professional Negotiations Act (PNA). PNA governs labor relations activities between public school teachers and other professional employees in public schools and their employers, while PEERA governs labor relations between other State of Kansas public sector employees and their employers, as well as those of local governmental units whose governing bodies opt in to coverage by PEERA.

Assistance provided by staff includes holding bargaining unit determination hearings,

conducting elections, and holding hearings to resolve prohibited practice charges.

EMPLOYMENT STANDARDS

The Employee Standards Unit is primarily responsible for the enforcement of minimum wages, wage payment, and child labor laws, and it regulates private employment agencies. Additionally, this Unit also addresses inquiries that do not specifically relate to statutes under its purview but nonetheless require knowledge of programs within the agency and other governmental entities.

These inquiries include complaints relating to alleged violations of KSA 44-1131 through 44-1133. Since 2006, the agency has been tasked with enforcing violations of these statutes, which prohibit employers from terminating, discriminating, or retaliating against victims of domestic violence or sexual assault for taking statutorily authorized leave from work.

FIGURE 24

LABOR RELATIONS AND EMPLOYMENT STANDARDS UNITS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 289,111	\$ 391,421	\$ 391,421	\$ 339,192	\$ 339,192
Federal Funds	-	-	-	-	-
All Other Funds	306	-	-	-	-
TOTAL	\$ 289,417	\$ 391,421	\$ 391,421	\$ 339,192	\$ 339,192
Percent Change:					
SGF	17.6 %	35.4 %	-- %	(13.3) %	-- %
All Funds	17.7 %	35.2 %	-- %	(13.3) %	-- %
FTE Positions	3.3	3.3	3.3	3.3	3.3

BUDGET ANALYSIS

The **agency** requests \$339,192 SGF in expenditures and 3.3 FTE positions for the Labor Relations and Employment Standards Units for FY 2025. The request is a decrease of \$52,229 SGF below the revised estimate in FY 2024.

The change is primarily due to a \$53,291 decrease for the Pay Plan Shortfall in FY 2024 that does not extend into FY 2025.

Absent the supplemental request, the budget for the Labor Relations and Employment Standards Units increases by \$1,062 for FY 2025, much of which is for rental fees, utility payments, and other services.

The **Governor** concurs with the agency's request and recommends \$339,192 SGF in expenditures and 3.3 FTE positions for the Labor Relations and Employment Standards Units for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Department of Labor owns and maintains five properties in Topeka. Its capital improvements primarily involve its offices at the following three locations: **401 SW Topeka Blvd.**, **1309 SW Topeka Blvd.**, and **2650 East Circle Drive South**. In addition to regular maintenance and repair work, the agency is

also in the process of ongoing renovations at those buildings.

The agency does not own any properties outside of Topeka, but it does lease space in Garden City, Lenexa, Salina, and Wichita. No costs are incurred outside of overhead for the leased spaces outside of Topeka.

FIGURE 25
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Rehabilitation and Repair	\$ 175,000	\$ 240,215	\$ 240,215	\$ 200,000	\$ 200,000
Renovation Projects	812,889	-	-	-	-
Security Upgrade	-	340,000	340,000	-	-
Break Room Renovation	-	60,000	60,000	-	-
Eastman HVAC	300,000	300,000	300,000	-	-
Eastman Basement	-	450,000	450,000	-	-
First-Floor Reconfiguration	-	-	-	250,000	250,000
Replace Entry Doors	-	-	-	210,000	210,000
Replace Air Handlers	-	-	-	500,000	500,000
TOTAL	\$ 1,287,889	\$ 1,390,215	\$ 1,390,215	\$ 1,160,000	\$ 1,160,000
Financing:					
SGF	\$ 753,071	\$ 834,129	\$ 834,129	\$ 696,000	\$ 696,000
Workers Comp. Fee Fund	528,624	556,086	556,086	464,000	464,000
Federal Funds	6,192	-	-	-	-
All Other Funds	2	-	-	-	-
TOTAL	\$ 1,287,889	\$ 1,390,215	\$ 1,390,215	\$ 1,160,000	\$ 1,160,000

FY 2024 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$1.4 million in capital improvement expenditures in FY 2024, including \$834,129 SGF and \$556,086 from the Workers Compensation Fee Fund (WCFF). The revised estimate includes the following capital projects:

REHABILITATION AND REPAIR

The revised estimate includes \$240,215, including \$144,129 SGF, for general rehabilitation and repair work in FY 2024. This amount includes \$39,129 in unspent SGF that reappropriated from FY 2023 to FY 2024. These expenditures reflect yearly requirements to perform general repair work on agency-owned buildings in Topeka, such as roofing, sidewalk repair, painting, carpeting, and caulking. These funds also serve as a contingency for needs that materialize during the year.

SECURITY UPGRADE

The revised estimate includes \$340,000, including \$204,000 SGF, to upgrade building security at **all locations** for FY 2025. This includes replacing exterior cameras as well as updating servers and door entry systems. The current badge entry system is tied into the system for the Capitol Complex used by the Kansas Highway Patrol. As Capitol Complex systems are upgraded, the Department must also update its system to be compatible.

BREAK ROOM RENOVATION

The revised estimate includes \$60,000, including \$24,000 SGF, to update the break room at **401 SW Topeka Blvd.** in FY 2024. The agency indicates the current configuration is not conducive to a relaxing atmosphere and requests funding to provide different layout and seating options for staff.

EASTMAN HVAC

The revised estimate includes \$300,000, including \$180,000 SGF, to complete renovations on the ventilation system at **2650 East Circle Drive South** in FY 2024. This is the second of a two-year improvement project approved by the 2023 Legislature. The agency indicates renovations were needed because of the building's construction and design.

EASTMAN BASEMENT

The revised estimate includes \$450,000, including \$270,000 SGF, to complete

renovations to the basement of **2650 East Circle Drive South** in FY 2024. Part of this renovation project is already completed. The remainder involves replacing lighting and carpeting, removing walls, renovating bathrooms, and applying paint to the basement of the building.

The **Governor** concurs with the agency's revised estimate and recommends \$1.4 million in capital improvement expenditures in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$1.2 million in capital improvement expenditures for FY 2025, including \$696,000 SGF and \$464,000 from the Workers Compensation Fee Fund. This is a decrease of \$230,215, or 16.6 percent, below the revised FY 2024 estimate. The request includes the following projects:

REHABILITATION AND REPAIR

The request includes \$200,000, including \$120,000 SGF, for general rehabilitation and repair work for FY 2025. These expenditures reflect yearly requirements to perform general repair work on agency-owned buildings in Topeka, such as roofing, sidewalk repair, painting, carpeting, and caulking. These funds also serve as a contingency for needs that materialize during the year.

FIRST-FLOOR RECONFIGURATION

The request includes \$250,000, including \$150,000 SGF, to reconfigure the first floor of **401 SW Topeka Blvd.** for FY 2025. Currently, the building contains both meeting rooms and court rooms on the first floor. The agency indicates many of the judges that work in the building prefer to hold hearings remotely, only holding in-person hearings as needed. This

project would expand the workspace to provide additional room for staff outside of the Workers Compensation Division.

REPLACE ENTRY DOORS

The request includes \$210,000, including \$126,000 SGF, to replace entry doors at **401 SW Topeka Blvd.** and **1309 SW Topeka Blvd.** for FY 2025. This includes three double-entry vestibule doors and three single-entry doors between both locations. The agency indicates the integrity of these doors are beginning to fail and that parts are becoming difficult to find.

REPLACE AIR HANDLERS

The request includes \$500,000, including \$300,000 SGF, to replace three engineered HVAC units at **1309 SW Topeka Blvd.** for FY 2025. These units provide heating and cooling without remote condensing units or water supplies. The agency indicates the current units have reached their service limit and that maintenance costs have become increasingly substantial in the past few years.

The **Governor** concurs with the agency's request and recommends \$1.2 million in capital improvement expenditures for FY 2025.

FY 2026 CAPITAL IMPROVEMENTS

The **agency's** Five-Year Capital Improvements Plan includes \$1.0 million in capital improvement expenditures for FY 2026. Included within that amount is \$200,000 (\$120,000 SGF, \$80,000 WCFF) allocated to inspect, repair, and replace cast-iron piping at 401 SW Topeka Blvd. On September 20, 2023,

the Joint Committee on State Building Construction reviewed and approved the agency's Five-Year Capital Improvements Plan. Additionally, the Committee also recommended the inspection of cast-iron piping at 401 SW Topeka Blvd. be completed earlier if funding is available.

KANSAS GUARDIANSHIP PROGRAM

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 1,308,534	\$ 1,527,281	\$ 1,527,281	\$ 1,436,652	\$ 1,436,652
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,308,534</i>	<i>\$ 1,527,281</i>	<i>\$ 1,527,281</i>	<i>\$ 1,436,652</i>	<i>\$ 1,436,652</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 1,308,534	\$ 1,527,281	\$ 1,527,281	\$ 1,436,652	\$ 1,436,652
Percentage Change:					
State General Fund	(4.9) %	16.7 %	16.7 %	(5.9) %	(5.9) %
All Funds	(4.9) %	16.7 %	16.7 %	(5.9) %	(5.9) %
FTE Positions	10.0	10.0	10.0	10.0	10.0

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. The entire agency is financed through the State General Fund (SGF).

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.

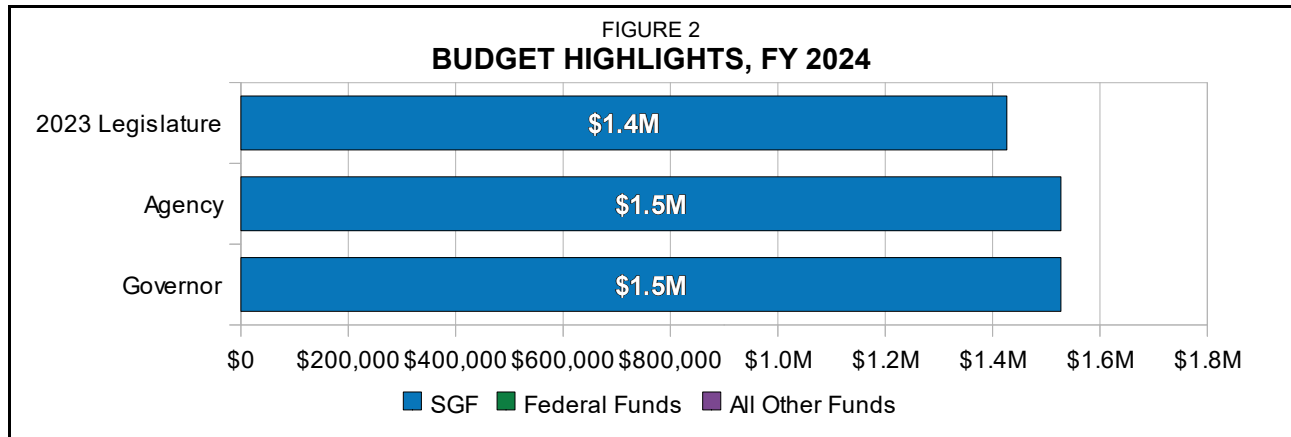
The program is governed by a seven-member board of directors, six of whom are appointed by the Governor and one by the Chief Justice of the Kansas Supreme Court.

STATUTORY BASIS: • KSA 74-9601, *et seq.*

PROGRAM GOALS: • Provide that qualified, caring, and trained persons are available throughout the state who will volunteer to serve in the capacity of court-appointed guardians or conservators for those program-eligible persons in need of this level of protection and advocacy, and who do not have family members capable or willing to assume such responsibilities. All such persons are identified by the Department for Children and Families adult protective services or the Kansas Department for Aging and Disability Services state hospital social workers and referred to the agency after all other alternatives have been exhausted. Legal services are provided through the State to petition to the court for the trial to determine impairment. Individuals served may be considered adult wards of the State.

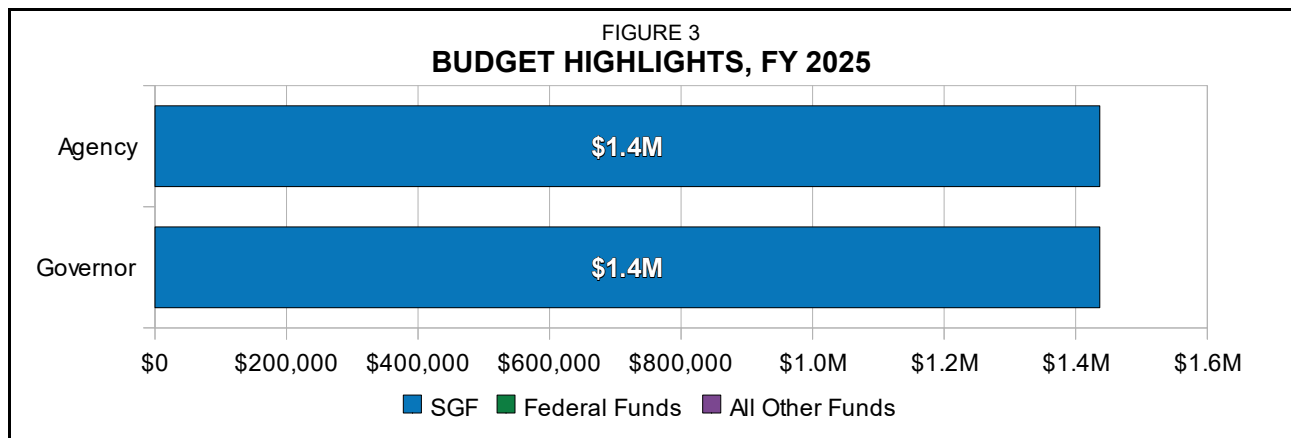
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$1.4 million, all from the SGF, for the Kansas Guardianship Program for FY 2024. No adjustments have been made subsequently to that amount.



The **agency** requests a revised estimate of \$1.5 million SGF in expenditures and 10.0 FTE positions in FY 2024. This is an increase of \$100,825, or 7.1 percent, above the amount approved by the 2023 Legislature. This increase is primarily due to a supplemental request of \$95,343 for reimbursement of leftover funds from FY 2023. Additionally, there is an increase of \$5,482 to account for a shortfall in appropriations from the Legislative Pay Plan in 2023 SB 25. This adjustment would achieve the intended effect of the pay plan and does not represent a substantive change from the salary adjustments approved by the 2023 Legislature.

The **Governor** concurs with the agency's FY 2024 revised estimate.



The **agency** requests a revised estimate of \$1.4 million SGF in expenditures and 10.0 FTE positions in FY 2025. This is a decrease of \$90,629, or 5.9 percent, below the agency's 2024 revised estimate. The decrease is largely due to the agency's FY 2024 supplemental request for the reimbursement of leftover funds from FY 2023 that was not budgeted for in FY 2025.

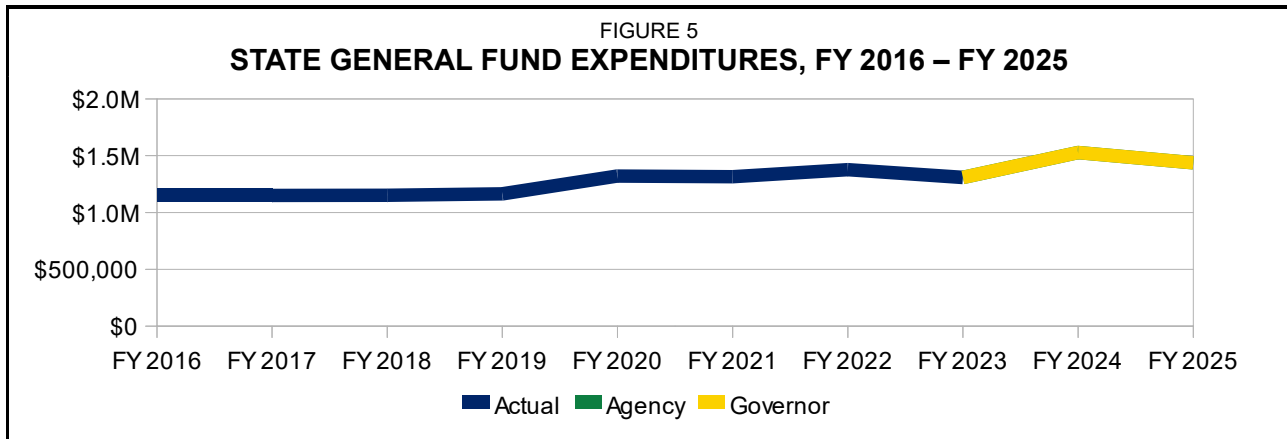
The **Governor** concurs with the agency's request for FY 2025.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 614,430	\$ 684,634	\$ 684,634	\$ 692,930	\$ 692,930
Contractual Services	670,754	829,525	829,525	730,200	730,200
Commodities	13,778	13,122	13,122	13,522	13,522
Capital Outlay	9,572	-	-	-	-
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,308,534</i>	<i>\$ 1,527,281</i>	<i>\$ 1,527,281</i>	<i>\$ 1,436,652</i>	<i>\$ 1,436,652</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 1,308,534</i>	<i>\$ 1,527,281</i>	<i>\$ 1,527,281</i>	<i>\$ 1,436,652</i>	<i>\$ 1,436,652</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 1,308,534	\$ 1,527,281	\$ 1,527,281	\$ 1,436,652	\$ 1,436,652
Financing:					
State General Fund	\$ 1,308,534	\$ 1,527,281	\$ 1,527,281	\$ 1,436,652	\$ 1,436,652
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 1,308,534	\$ 1,527,281	\$ 1,527,281	\$ 1,436,652	\$ 1,436,652
FTE Positions	10.0	10.0	10.0	10.0	10.0

STATE GENERAL FUND



The Kansas Guardianship Program is entirely funded through the SGF. Compared with FY 2023 actual expenditures, contractual services expenditures are greater by \$158,771, or 23.7 percent, in FY 2024. The increase is largely due to the agency's FY 2024 supplemental request for reimbursement of leftover funds from FY 2023, as well as the agency not spending all of its approved funding in FY 2023. Contractual services expenditures include the agency providing the \$40-per-month volunteer stipend to serve up to 1,125 different wards or conservatees, office space rental, and data support fees.

FY 2024 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Other Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2023 Legislature	\$ 1,426,456	\$ -	\$ 1,426,456	10.0
1.No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 1,426,456</i>	<i>\$ -</i>	<i>\$ 1,426,456</i>	<i>10.0</i>
Agency Revised Estimate:				
Supplemental Requests				
2.FY 2023 Leftover Funds Reimbursement	\$ 95,343	\$ -	\$ 95,343	--
3.Pay Plan Shortfall	5,482	-	5,482	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 1,527,281</i>	<i>\$ -</i>	<i>\$ 1,527,281</i>	<i>10.0</i>
Governor's Recommendation:				
4.No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 1,527,281	\$ -	\$ 1,527,281	10.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, no adjustments were made to the \$1.4 million appropriated to the Kansas Guardianship Program for FY 2024.

1. **NO CHANGES.** There were no adjustments made to the \$1.4 million appropriated in FY 2024.

AGENCY ESTIMATE

The **agency** estimates revised expenditures of \$1.5 million SGF and 10.0 FTE positions in FY 2024. This is an increase of \$100,825, or 7.1 percent, above the amount approved by the 2023 Legislature.

The revised estimate includes \$100,825 for the following supplemental requests:

2. **FY 2023 LEFTOVER FUNDS REIMBURSEMENT.** The agency requests \$95,343, all SGF, to restore unspent funds from FY 2023 to be used in FY 2024. The funds were not used in FY 2023 because salary expenditures were approximately \$63,000 lower than the approved amount due to two positions being vacant for part of the year, and volunteer stipends were lower than anticipated. These funds were intended to be reappropriated into FY 2024 but, according to the agency, due to an error during the budget process, this did not occur.

The agency plans to use these funds for one-time costs associated with the replacement of the agency's Business Director and Executive Director, who are planning to retire in FY 2024, and for a strategic planning initiative.

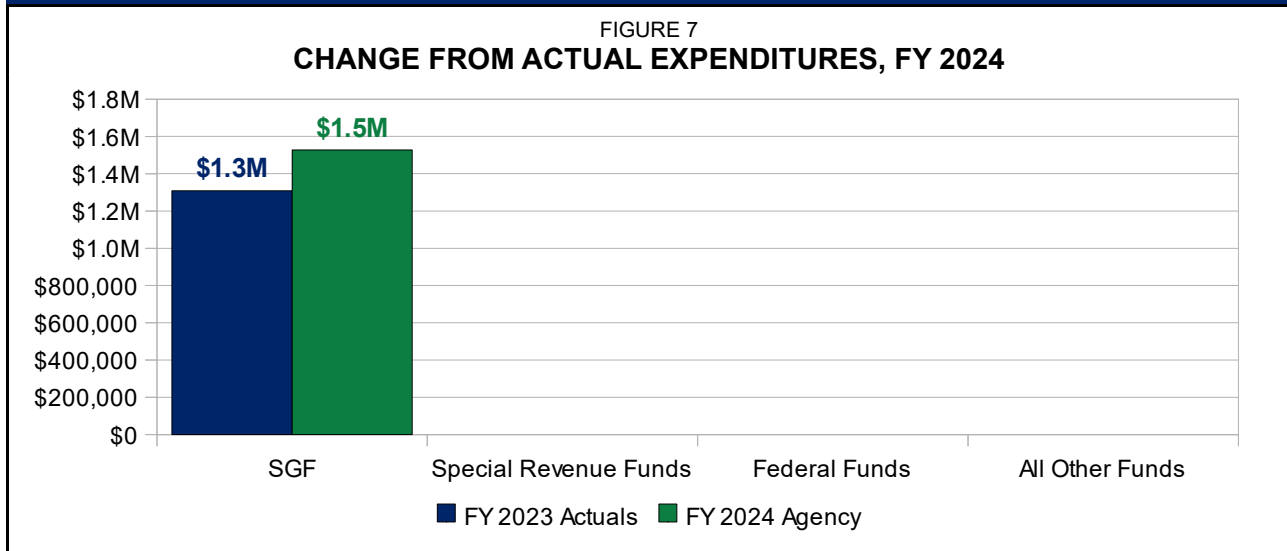
3. **PAY PLAN SHORTFALL.** The request includes \$5,482 SGF for FY 2025 to account for an increase in expenditure limitations that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25. This adjustment would achieve the intended effect of the pay plan and does not represent a substantive change from the salary adjustments approved by the 2023 Legislature.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2024 revised estimate.

4. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$1.5 million, all SGF, in FY 2024. This is an increase of \$218,747, or 16.7 percent, above FY 2023 actual expenditures. Of the total increase, \$95,341 is attributable to the agency spending less than its approved amount in FY 2023. Most of the unspent funds were contractual services expenditures (\$48,146) and salaries and wages (\$40,527). For the contractual services expenditure, the agency spent less on the fees-other services expenditure category in FY 2023. These costs include the stipend for volunteers. For the salaries and wages expenditure, there were two vacant positions part of FY 2023. The agency requests the unspent funds from FY 2023 carry forward to its FY 2024 budget, also contributing to the change by increasing the FY 2024 budget by \$95,343.

The remainder of the difference between 2023 actual expenditures and the agency's FY 2024 revised estimate is primarily due to the 2023 Legislature's addition of \$5,482 to implement the 2023 Legislative Pay Plan.

FY 2025 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Other Funds	All Funds	FTE
Agency Request:				
Request without Major Changes	\$ 1,436,652	\$ -	\$ 1,436,652	10.0
Enhancement Requests:				
1.No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 1,436,652</i>	<i>\$ -</i>	<i>\$ 1,436,652</i>	<i>10.0</i>
Governor's Recommendation:				
2.No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 1,436,652	\$ -	\$ 1,436,652	10.0

AGENCY REQUEST

The **agency** requests \$1.4 million, all SGF, for FY 2025. This is \$90,629, or 5.9 percent, below the FY 2024 revised estimate. The agency requests 10.0 FTE positions, which is the same as the FY 2024 revised estimate.

1. **NO CHANGES.** The agency's FY 2025 request is the same amount as its FY 2024 revised estimate. Significant items in the agency's request include salaries and benefits for the agency's 10.0 FTE positions, the \$40-per-month stipend for volunteers, and office space rental fees.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2025.

2. **NO CHANGES.** The Governor does not recommend any changes to the agency's request for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 9 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. FY 2023 Leftover Funds Reimbursement	\$ 95,343	\$ 95,343	-	\$ -	\$ -	-
2. Pay Plan Shortfall	5,482	5,482	-	-	-	-
TOTAL	\$ 100,825	\$ 100,825	-	\$ -	\$ -	-

1. **FY 2023 LEFTOVER FUNDS REIMBURSEMENT.** The agency requests the unspent funds from FY 2023 (\$95,343) for FY 2024. The agency is requesting funds to resolve two major concerns: the need to conduct strategic planning, and the imminent retirement of the Business Manager and the Executive Director.

The Governor recommends adoption of this request.

2. **PAY PLAN SHORTFALL.** The agency requests \$5,482 for FY 2024 to continue funding the pay plan approved by the 2023 Legislature.

The Governor recommends adoption of this request.

STATE INSTITUTIONS FOR INTELLECTUAL DISABILITIES

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

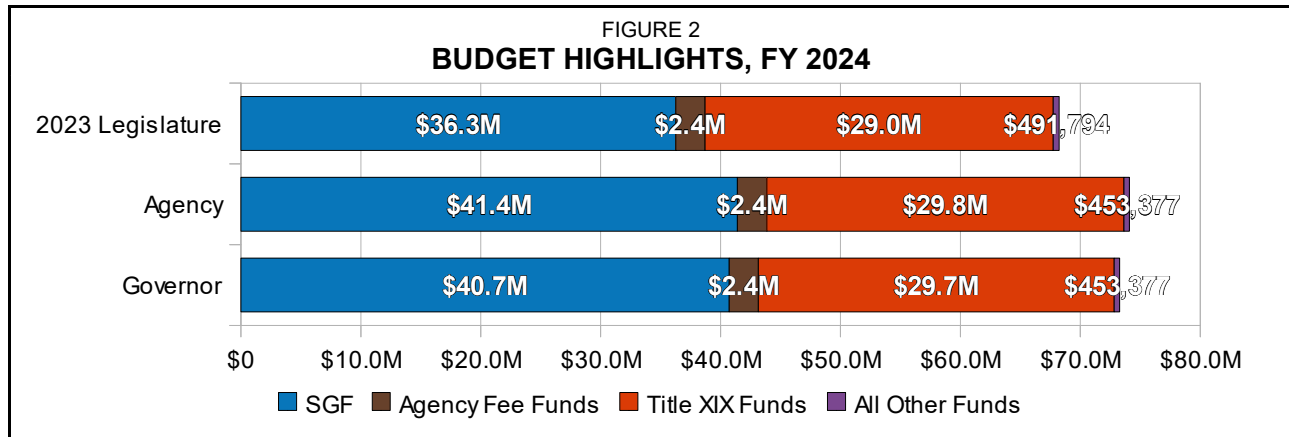
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 37,980,652	\$ 41,411,223	\$ 40,716,059	\$ 37,501,811	\$ 37,064,146
Federal Funds	273,616	376,742	376,742	375,371	375,371
All Other Funds	27,294,031	32,304,730	32,181,103	32,854,464	32,854,464
<i>Subtotal</i>	<u>\$ 65,548,299</u>	<u>\$ 74,092,695</u>	<u>\$ 73,273,904</u>	<u>\$ 70,731,646</u>	<u>\$ 70,293,981</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 65,548,299</u>	<u>\$ 74,092,695</u>	<u>\$ 73,273,904</u>	<u>\$ 70,731,646</u>	<u>\$ 70,293,981</u>
Percentage Change:					
State General Fund	65.7 %	9.0 %	7.2 %	(9.4) %	(9.0) %
All Funds	10.6 %	13.0 %	11.8 %	(4.5) %	(4.1) %
FTE Positions	927.7	956.7	942.7	956.7	942.7

The State Institutions for Intellectual Disabilities (I/D Institutions) serve individuals diagnosed with intellectual and developmental disabilities who require specialized residential service provisions. There are two residential treatment, training, and care facilities operated by the State of Kansas: Kansas Neurological Institute (KNI) and Parsons State Hospital and Training Center (PSH). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The I/D Institutions' mission is to improve the lives of residents by connecting the individuals they serve to appropriate supports and services. The general philosophy of the I/D Institutions is to promote the autonomy of the residents served through support and assistance to allow residents to make choices and achieve personal goals. Such individuals 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 I/D Institutions are both treatment centers and homes for those individuals who are not served in the community.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$68.2 million, including \$36.3 million from the State General Fund (SGF), for the State Institutions for Intellectual Disabilities for FY 2024. One adjustment has been made subsequently to that amount, which increased the current year approved amount by \$361,822 SGF without any legislative action required.

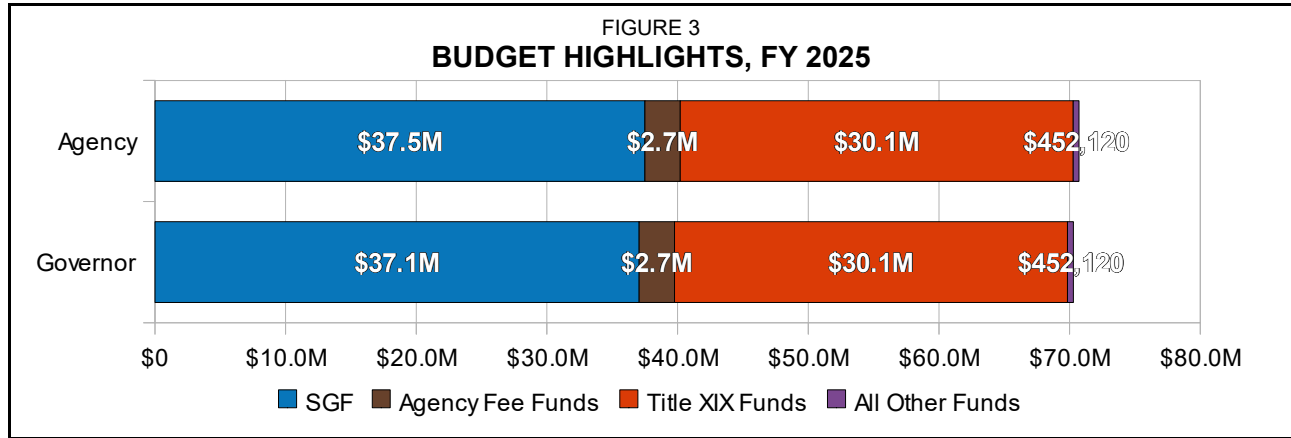


The **agencies** request a revised estimate of \$74.1 million, including \$41.4 million SGF, in expenditures and 956.7 FTE positions in FY 2024. This is an increase of \$5.9 million, including \$5.2 million SGF, above the amount approved by the 2023 Legislature. This is an all funds increase of 8.6 percent and an SGF increase of 14.2 percent above the approved amount. The increase is primarily due to a \$4.0 million SGF transfer from KDADS to PSH and KNI in FY 2024 to **provide shift differentials to PSH and KNI employees pursuant to the 24/7 Pay Plan**.

Additionally, the revised estimate also includes \$590,749 SGF in supplemental funding and an increase of 7.0 FTE positions for PSH to **restructure its cottage management team**. PSH reports its 13.0 Program Coordinator FTE positions have a 60.0 percent vacancy rate due to requiring a four-year college degree in human services and sufficient experience. PSH requests the 7.0 new FTE positions, which do not require a four-year college degree, only cottage or supervisory experience. Additionally, PSH states \$235,139 of this funding would be used to increase other cottage management FTE positions to avoid wage compression.

Lastly, the revised estimate includes \$228,042 SGF in supplemental funding and an increase of 7.0 FTE positions for PSH to **expand the dual diagnosis treatment and training services (DDT&TS) team**. The team has 7.0 FTE positions composing three outreach services teams, who travel throughout the state to train parents and community services providers to serve Kansans with intellectual and developmental disabilities (I/DD) in the community. PSH reports it has a waitlist of 51 individuals with a wait time of 4 to 5 months. The agency states 97.8 percent of the individuals who completed consultation with the team remained in their own communities. Furthermore, PSH indicates the expansion would increase the number of individuals served by 40 in the first year.

The **Governor** recommends expenditures totaling \$73.3 million, including \$40.7 million SGF, in FY 2024. This is a decrease of \$818,791, including \$695,164 SGF, below the agency's revised estimate in FY 2024. This decrease is due to the Governor not recommending the agency's two enhancement requests for a **cottage management restructure** and **expansion of the DDT&TS team** at PSH. The Governor's recommendation also includes a decrease of 14.0 FTE positions to not recommend the two enhancement requests.



The **agencies** request \$70.7 million, including \$37.5 million SGF, in expenditures and 956.7 FTE positions for FY 2025. This is a decrease of \$3.4 million, including a decrease of \$3.9 million SGF, below the agencies' revised estimate for FY 2024. This is a decrease of 4.5 percent, including an SGF decrease of 9.4 percent, below the revised estimate. This decrease is primarily due to the 24/7 Pay Plan transfers of \$4.0 million SGF appearing in the agencies' budget for FY 2024 but not FY 2025. The funds are requested in the KDADS budget for FY 2025 and will be transferred to the agencies during FY 2025. The decrease is partially offset by enhancement requests totaling \$1.2 million, including \$1.0 million SGF, to **restructure the cottage management team** and to **expand the DDT&TS team**.

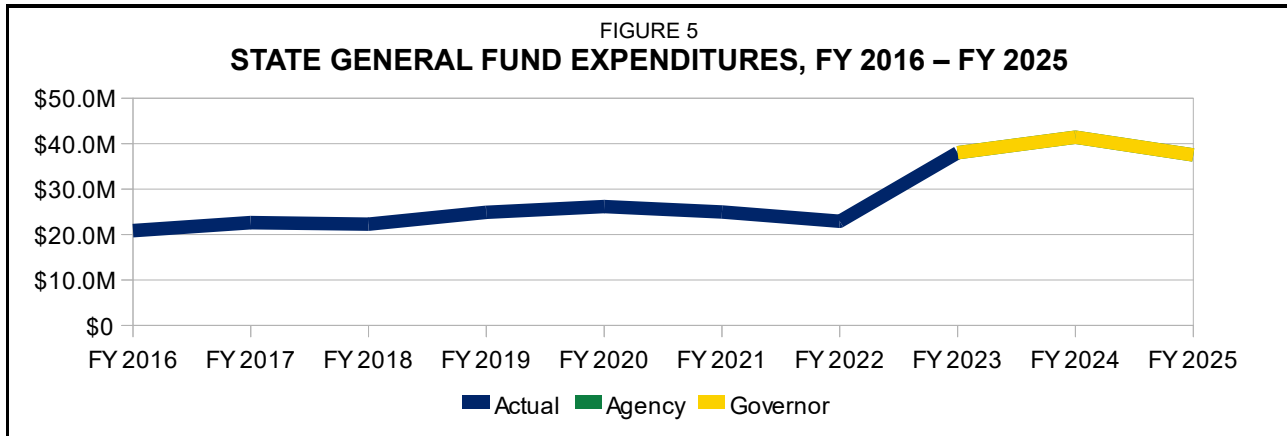
The **Governor** recommends expenditures totaling \$70.3 million, including \$37.1 million SGF, for FY 2024. This is a decrease of \$437,665 SGF below the agency's request for FY 2025. The decrease is due to the Governor recommending **partial adoption** of the agency's enhancement request to **restructure the cottage management team** for FY 2025. The Governor also recommends **partial adoption** of the agency's enhancement request to **expand the DDT&TS team**. The Governor's recommendation includes a decrease of 14.0 FTE positions to not recommend the addition of FTE positions for the enhancement requests.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

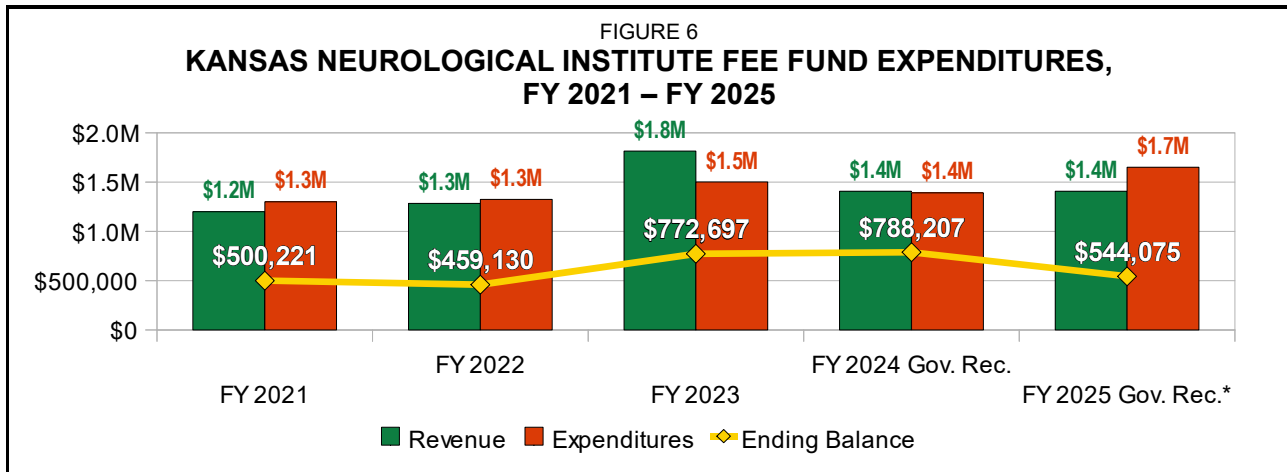
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 52,625,002	\$ 60,467,844	\$ 59,649,053	\$ 56,966,149	\$ 56,528,484
Contractual Services	8,433,527	8,965,826	8,965,826	9,146,766	9,146,766
Commodities	3,767,956	3,832,550	3,832,550	3,872,871	3,872,871
Capital Outlay	707,311	761,475	761,475	743,360	743,360
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 65,533,796</i>	<i>\$ 74,027,695</i>	<i>\$ 73,208,904</i>	<i>\$ 70,729,146</i>	<i>\$ 70,291,481</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	1,106	5,000	5,000	2,500	2,500
<i>Subtotal—Operating</i>	<i>\$ 65,534,902</i>	<i>\$ 74,032,695</i>	<i>\$ 73,213,904</i>	<i>\$ 70,731,646</i>	<i>\$ 70,293,981</i>
Capital Improvements	13,397	60,000	60,000	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 65,548,299	\$ 74,092,695	\$ 73,273,904	\$ 70,731,646	\$ 70,293,981
Financing:					
State General Fund	\$ 37,980,652	\$ 41,411,223	\$ 40,716,059	\$ 37,501,811	\$ 37,064,146
Agency Fee Funds	2,550,816	2,441,090	2,441,090	2,700,732	2,700,732
Title XIX Funds	24,675,915	29,787,005	29,663,378	30,076,983	30,076,983
Federal Funds	273,616	376,742	376,742	375,371	375,371
All Other Funds	67,300	76,635	76,635	76,749	76,749
TOTAL	\$ 65,548,299	\$ 74,092,695	\$ 73,273,904	\$ 70,731,646	\$ 70,293,981
FTE Positions	927.7	956.7	942.7	956.7	942.7

STATE GENERAL FUND

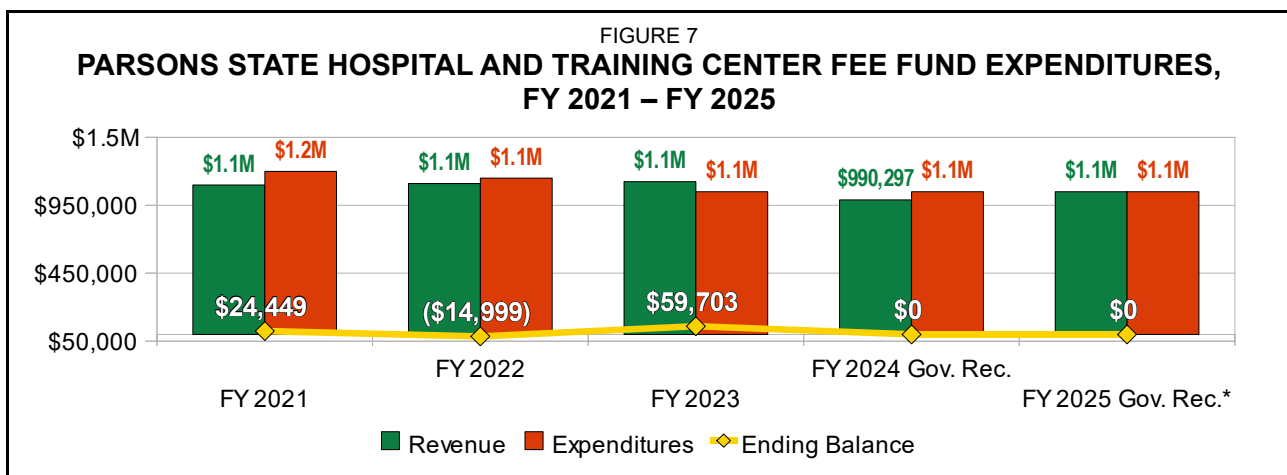


For the State Institutions for Intellectual Disabilities, SGF expenditures decreased during FY 2020 through FY 2022 because of the COVID-19 Public Health Emergency (PHE), during which the federal government provided a temporary increase to its Federal Medical Assistance Percentage (FMAP) contribution. The increased FMAP phased out during FY 2023 and the first two quarters of FY 2024, contributing to an increase in SGF expenditures from FY 2023 onward.

AGENCY FEE FUNDS



* For FY 2025, the lowest month ending balance for the Kansas Neurological Institute Fee Fund will occur in February, with a balance of \$483,665.



* For FY 2025, the lowest month ending balance for the Parsons State Hospital and Training Center Fee Fund will occur in July, with a balance of \$0.

Both agencies maintain fee fund accounts; however, these are not traditional fee funds in which the agency collects various fees or licenses. The bulk of these funds are private insurance or Medicare recoupments the hospitals receive in the course of caring for residents. Both agencies have indicated that these funds are not a stable source of revenue because the agencies cannot consistently anticipate when they will receive recoupments or exactly how much those recoupments will be.

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 35,902,032	\$ 67,870,814	927.7
1. SGF Reappropriation	361,822	361,822	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 36,263,854</i>	<i>\$ 68,232,636</i>	<i>927.7</i>
Agencies' Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	\$ 432,793	\$ 432,793	--
3. PSH Cottage Management Restructure	590,749	590,749	7.0
4. PSH DDT&TS Outreach Services	104,415	228,042	7.0
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 1,127,957</i>	<i>\$ 1,251,584</i>	<i>14.0</i>
5. 24/7 Pay Plan	\$ 4,019,412	\$ 4,019,412	--
6. All Other Adjustments	-	589,068	15.0
<i>Subtotal—Agencies' Revised Estimate</i>	<i>\$ 41,411,223</i>	<i>\$ 74,092,695</i>	<i>956.7</i>
Governor's Recommendation:			
7. Supplementals Not Recommended	\$ (695,164)	\$ (818,791)	(14.0)
TOTAL	\$ 40,716,059	\$ 73,273,904	942.7

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$67.9 million, including \$35.9 million SGF, appropriated to the State Institutions for Intellectual Disabilities for FY 2024. This adjustment changes the current year approved amount without any legislative action required:

1. **SGF REAPPROPRIATION.** \$361,822 in unspent SGF moneys was shifted from FY 2023 to FY 2024.

AGENCY ESTIMATE

The **agencies** request a revised estimate of \$74.1 million, including \$41.4 million SGF, in expenditures and 956.7 FTE positions in FY 2024. This is an increase of \$5.9 million, including \$5.2 million SGF, above the amount approved by the 2023 Legislature. This is an all funds increase of 8.6 percent and an SGF increase of 14.2 percent above the approved amount.

The revised estimate includes \$1.3 million, including \$1.1 million SGF, for the following supplemental requests:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$432,793 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. A supplemental appropriation of \$141,236 SGF for KNI and \$291,557 SGF for PSH is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

3. **PSH COTTAGE MANAGEMENT RESTRUCTURE.** PSH requests an increase of 7.0 FTE positions and a supplemental funding increase of \$590,749 SGF to restructure its cottage management team. PSH reports its 13.0 Program Coordinator FTE positions have a 60.0 percent vacancy rate due to requiring a four-year college degree in human services and sufficient experience. PSH requests the 7.0 new FTE positions not require a four-year college degree, only cottage or supervisory experience. Additionally, PSH states \$235,139 of this funding would be used to increase other cottage management FTE positions to avoid wage compression.
4. **PSH DUAL DIAGNOSIS TREATMENT AND TRAINING SERVICES (DDT&TS) PROGRAM.** PSH requests an increase of 7.0 FTE positions and \$228,042 SGF to expand the DDT&TS program team. The team has 7.0 FTE positions composing three outreach services teams, who travel throughout the state to train parents and community services providers to serve Kansans with I/DD in the community. PSH reports it has a waitlist of 51 individuals with a wait time of 4 to 5 months. The agency states 97.8 percent of the individuals who completed consultation with the team remained in their own communities. Furthermore, PSH indicates the expansion would increase the number of individuals served by 40 in the first year.

Absent the supplemental requests, the revised estimate includes an increase of \$4.6 million in base budget expenditures. Significant adjustments are as follows:

5. **24/7 PAY PLAN.** KDADS transferred \$4.0 million SGF to PSH and KNI in FY 2024 to provide shift differentials to PSH and KNI employees pursuant to the 24/7 Pay Plan.
6. **ALL OTHER ADJUSTMENTS.** All other adjustments encompass a variety of other incremental changes to the agencies' budgets; however, the primary driver is an increased budget of \$627,481 for Title XIX Medicaid expenditures at KNI. The increase in FTE positions is due to KDADS transferring 1.0 FTE position to PSH, the Department of Administration authorizing the transition of 6.0 temporary positions to regular FTE positions, the addition of 5.0 new FTE positions to the Maintenance Department, and the addition of 3.0 FTE positions to the Outreach Services Department.

GOVERNOR'S RECOMMENDATION

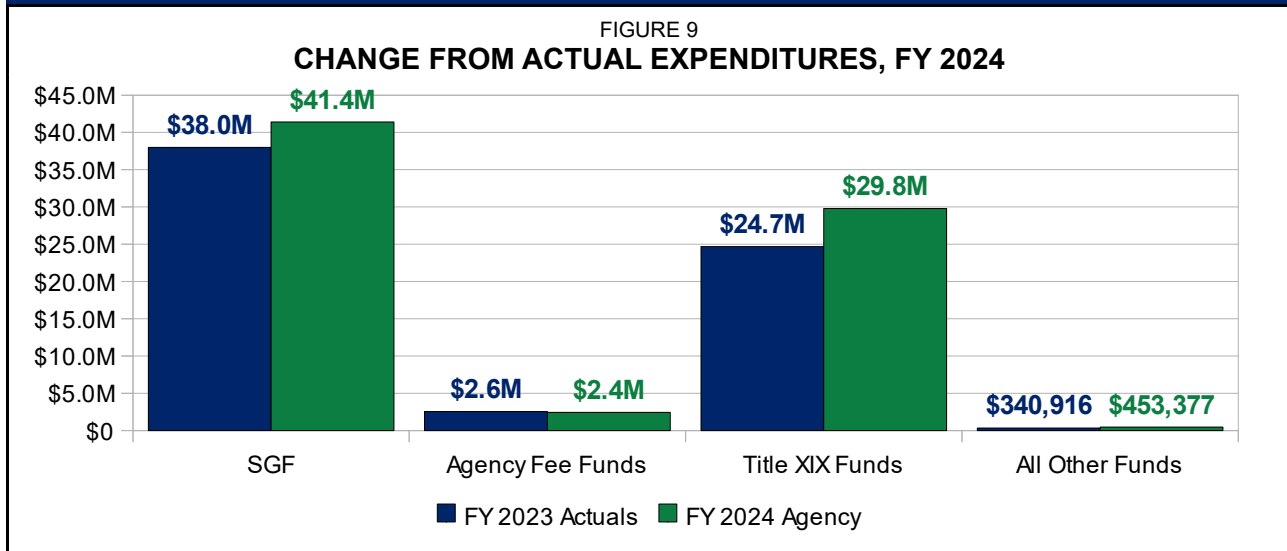
The **Governor** recommends expenditures totaling \$73.3 million, including \$40.7 million SGF, in FY 2024. This is a decrease of \$818,791, including \$695,164 SGF, below the agencies' revised estimate in FY 2024.

The **Governor's** recommendation includes the following adjustment:

7. **SUPPLEMENTALS NOT RECOMMENDED.** The Governor does not recommend adoption of the agencies' two enhancement requests for a cottage management restructure and expansion of the DDT&TS team at PSH.

The **Governor's** recommendation also includes 942.7 FTE positions. This is a decrease of 14.0 FTE positions due to the Governor's recommendation to not adopt the agencies' two enhancement requests.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agencies** request a revised estimate of \$74.1 million, including \$41.4 million SGF, in FY 2024. This is an increase of \$8.5 million, including \$3.4 million SGF, above actual expenditures in FY 2023. The following factors contribute to the difference between FY 2023 actual expenditures and the FY 2024 revised estimate:

- FY 2023 ACTUAL EXPENDITURES BELOW THE APPROVED AMOUNT.** In FY 2023, the agencies spent \$2.7 million, including \$1.7 million SGF, less than the amount approved for FY 2023. This is primarily due to the agencies spending less on salaries and wages expenditures than the agencies were approved to spend. In FY 2023, KNI had a 25.0 percent vacancy rate for direct care staff, while PSH had a 20.0 percent vacancy rate for direct care staff.
- INCREASES REQUESTED IN FY 2024.** Also contributing to the change from actual expenditures are the changes detailed above, such as the 24/7 Pay Plan (\$4.0 million SGF) and the agencies' supplemental requests (\$1.3 million, including \$1.1 million SGF).

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 36,505,316	\$ 69,570,315	942.7
Enhancement Requests:			
1. PSH DDT&TS Outreach Services	\$ 208,830	\$ 373,666	7.0
2. PSH Cottage Management Restructure	787,665	787,665	7.0
<i>Subtotal—Enhancement Requests</i>	<i>\$ 37,501,811</i>	<i>\$ 70,731,646</i>	<i>956.7</i>
3. 24/7 Pay Plan	\$ (432,793)	\$ (432,793)	--
<i>Subtotal—Agency Request</i>	<i>\$ 37,069,018</i>	<i>\$ 70,298,853</i>	<i>956.7</i>
Governor's Recommendation:			
4. Enhancements Partially Recommended	\$ (437,665)	\$ (437,665)	(14.0)
TOTAL	\$ 37,064,146	\$ 70,293,981	942.7

AGENCY REQUEST

The **agencies** request \$70.7 million, including \$37.5 million SGF, in expenditures and 956.7 FTE positions for FY 2025. This is a decrease of \$3.4 million, including a decrease of \$3.9 million SGF, below the agencies' revised estimate for FY 2024. This is a decrease of 4.5 percent, including an SGF decrease of 9.4 percent, below the FY 2024 revised estimate.

The request includes \$1.2 million, including \$996,495 SGF, for the following enhancement requests:

- PSH DDT&TS OUTREACH SERVICES.** PSH requests \$373,666, including \$208,830 SGF, and 7.0 FTE positions to continue funding the 7.0 FTE positions requested in FY 2024 to expand the DDT&TS Outreach Services. This amount reflects one full year's cost.
- PSH COTTAGE MANAGEMENT RESTRUCTURE.** PSH requests \$787,665 SGF and 7.0 FTE positions to continue funding the 7.0 FTE positions requested in FY 2024 to restructure its cottage management team and increase certain wages to avoid wage compression. This amount reflects one full year's cost.

Absent the enhancement requests, the revised estimate includes a decrease in base budget expenditures compared with the agency's revised estimate in FY 2024. Significant adjustments are as follows:

- 24/7 PAY PLAN.** The agencies' requests includes a decrease of \$432,793 due to the 24/7 Pay Plan not being included in the agencies' budget for FY 2025. Instead, it is reflected in KDADS budget submission for FY 2025 and will be transferred to the agencies during FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$70.3 million, including \$37.1 million SGF, for FY 2024. This is a decrease of \$437,665 SGF below the agencies' request for FY 2025. The decrease is due to the Governor recommending **partial adoption** of the agencies' enhancement request to **restructure the cottage management team** for FY 2025. The Governor also

recommends **partial adoption** of the agencies' enhancement request **to expand the DDT&TS team**. The Governor's recommendation includes a decrease of 14.0 FTE positions to not recommend the addition of FTE positions for the enhancement requests.

The **Governor's** recommendation includes the following adjustments:

4. **ENHANCEMENTS NOT RECOMMENDED.** The Governor recommends partial adoption of the following supplemental requests:

- **PSH DDT&TS Outreach Services.** The Governor recommends \$373,666, including \$208,830 SGF, to fully fund the enhancement request. The Governor does not recommend the addition of 7.0 FTE positions.
- **PSH Cottage Management Restructure.** The Governor recommends \$350,000 SGF to partially fund the enhancement request. The Governor does not recommend the addition of 7.0 FTE positions.

The **Governor's** recommendation also includes 942.7 FTE positions, which is a decrease of 14.0 FTE positions below the agencies' request for FY 2025. The decrease is due to the Governor's recommendation to not add FTE positions for the agencies' enhancement requests.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 432,793	\$ 432,793	-	\$ 432,793	\$ 432,793	-
2. PSH Cottage Management Restructure	590,749	590,749	7.0	-	-	-
3. PSH DDT&TS Outreach Services	104,415	228,042	7.0	-	-	-
TOTAL	\$ 1,127,957	\$ 1,251,584	14.0	\$ 432,793	\$ 432,793	-
FY 2025 Enhancements:						
4. PSH Cottage Management Restructure	787,665	787,665	7.0	350,000	350,000	-
5. PSH DDT&TS Outreach Services	208,830	373,666	7.0	208,830	373,666	-
TOTAL	\$ 996,495	\$ 1,161,331	14.0	\$ 558,830	\$ 723,666	-

1. **PAY PLAN SHORTFALL.** The revised estimate includes \$432,793 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. A supplemental appropriation of \$141,236 SGF for KNI and \$291,557 SGF for PSH is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

2. **PSH COTTAGE MANAGEMENT RESTRUCTURE.** PSH requests an increase of 7.0 FTE positions and a supplemental funding increase of \$590,749 SGF to restructure its cottage management team. PSH reports its Program Coordinator FTE position has a 60.0 percent vacancy rate due to it requiring a four-year college degree in human services and sufficient experience. PSH states the 7.0 new FTE positions would not require a four-year college degree, but would require cottage or supervisory experience. Additionally, PSH states a portion of the funding would be used to increase other cottage management FTE positions to avoid wage compression.

The Governor does not recommend adoption of this request.

3. **PSH DDT&TS OUTREACH SERVICES.** PSH requests an increase of 7.0 FTE positions and \$228,042 SGF to expand the DDT&TS program team. The team has 7.0 FTE positions composing three outreach services teams, who travel throughout the state to train parents and community services providers to serve Kansans with I/DD in the community. PSH reports it has a waitlist of 51 individuals with a wait time of 4 to 5 months. The agency states 97.8 percent of the individuals who completed consultation with the team remained in their own communities. PSH states the expansion would increase the number of individuals served by 40 in the first year.

The Governor does not recommend adoption of this request.

4. **PSH COTTAGE MANAGEMENT RESTRUCTURE.** PSH requests \$787,665 SGF and 7.0 FTE positions to continue funding the 7.0 FTE positions requested in FY 2024 to restructure its cottage management team and increase certain wages to avoid wage compression. This amount reflects one full year's cost.

The Governor recommends adding \$350,000 and 0.0 FTE positions.

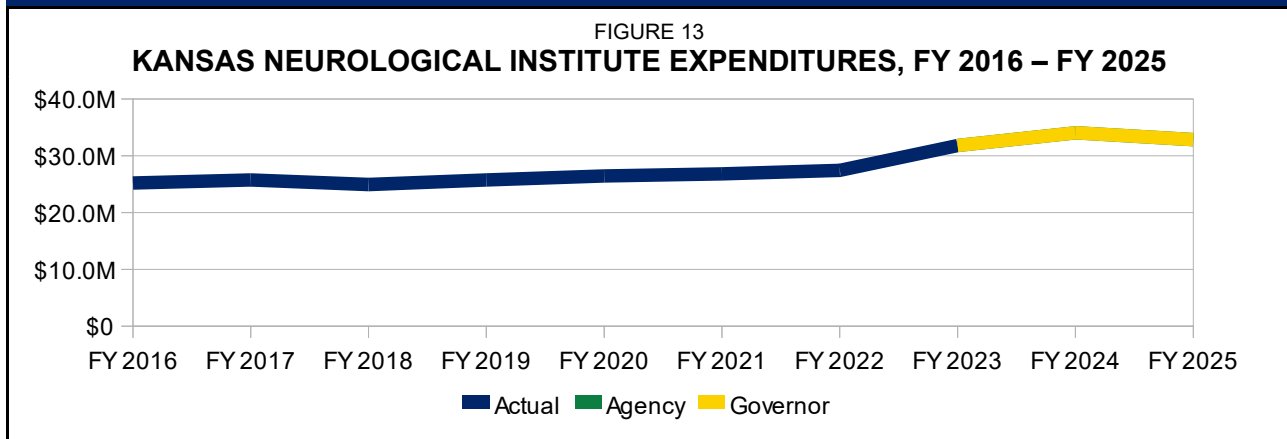
5. **PSH DDT&TS OUTREACH SERVICES.** PSH requests \$373,666, including \$208,830 SGF, and 7.0 FTE positions to continue funding the 7.0 FTE positions requested in FY 2024 to expand the DDT&TS Outreach Services. This amount reflects one full year's cost.

The Governor recommends adding the funding but not the FTE positions.

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Kansas Neurological Institute	\$ 31,790,604	\$ 34,032,083	\$ 34,032,083	\$ 32,820,552	\$ 32,820,552
Parsons State Hospital and Training Center	33,757,695	40,060,612	39,241,821	37,911,094	37,473,429
TOTAL	\$ 65,548,299	\$ 74,092,695	\$ 73,273,904	\$ 70,731,646	\$ 70,293,981
FTE Positions:					
Kansas Neurological Institute	437.5	437.5	437.5	437.5	437.5
Parsons State Hospital and Training Center	490.2	519.2	505.2	519.2	505.2
TOTAL	927.7	956.7	942.7	956.7	942.7

KANSAS NEUROLOGICAL INSTITUTE



STATUTORY BASIS: • KSA 76-17c01 to 76-17c08

PROGRAM GOALS:

- Provide quality supports for the people living at KNI in daily needs and decision-making.
- Provide support for residents in all aspects of finding, securing, and retaining individualized and meaningful employment.
- Engage community people to provide a high-quality volunteer experience that will enrich the lives of the volunteers and people with intellectual disabilities.
- Provide health care for people who live at KNI with various types of acute and chronic conditions and intermediate health care 24 hours a day, 7 days a week.

The Kansas Neurological Institute (KNI) was established in 1959 on 183 acres formerly occupied by the Winter Veterans Hospital. The resident population at KNI is growing older and facing increasingly complex medical, physical, and behavioral support challenges. Many KNI residents require intensive physical and medical supports. Patients at KNI live in 20 homes in 4

residential lodges. KNI's mission is to support each individual who lives at KNI to have a meaningful life. The agency aims to accomplish this mission by ensuring the well-being of its residents, providing opportunities for personal choice, promoting personal relationships, encouraging participation in the community, and recognizing residents' individuality.

KANSAS NEUROLOGICAL INSTITUTE CENSUS STATISTICS					
	Actual FY 2021	Actual FY 2022	Actual FY 2023	Projected FY 2024	Projected FY 2025
Bed Capacity	135	133	130	132	132
Average Daily Census	126	126	125	125	125
Admissions	4	5	3	4	4
Separations	7	6	2	4	4

The primary focus of KNI is providing individual supports for people with intellectual and developmental disabilities. Therefore, KNI's priority is ensuring it has adequate coverage for the care of its residents.

PREVIOUS SALARY INCREASE REQUESTS

During the 2021 Session, the agency sought to increase the starting salaries of its Mental Health/Developmental Disability Technicians (MHDDTs). At the time, the starting salary for MHDDTs was approximately \$12.35 an hour. The Governor subsequently issued Executive

Directive Nos. 21-537 and 21-538, which increased the starting salaries for these positions. The 2022 Legislature added \$2.7 million SGF for FY 2023 to implement the Executive Directives.

Additionally, the 2022 Legislature approved the 24/7 Pay Plan, which provides for base pay increases and hourly differential pay. The 24/7 Pay Plan was funded using federal ARPA funds in FY 2022 and SGF moneys in FY 2023.

The funds pass through KDADS to each of the state hospitals.

SERVICES FOR RESIDENTS

FOSTER GRANDPARENT PROGRAM

As part of its active therapies program, KNI provides leisure activities and skill development through the Foster Grandparent Program, which is a federally funded program that assists in pairing residents with older volunteers. Through this program, residents receive an array of individualized social, leisure, and spiritual opportunities by participating in leisure and other activities with the volunteer grandparents.

SUPPORTED EMPLOYMENT SERVICES

KNI also provides various supported employment services through several entrepreneurial businesses operated at KNI, as well as employment opportunities at KNI itself and other locations in the Topeka community.

FIGURE 14 KANSAS NEUROLOGICAL INSTITUTE FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 16,720,542	\$ 17,554,840	\$ 17,554,840	\$ 15,805,553	\$ 15,805,553
Federal Funds	273,616	376,742	376,742	375,371	375,371
All Other Funds	14,796,446	16,100,501	16,100,501	16,639,628	16,639,628
TOTAL	\$ 31,790,604	\$ 34,032,083	\$ 34,032,083	\$ 32,820,552	\$ 32,820,552
Percent Change:					
SGF	65.6 %	5.0 %	-- %	(10.0) %	-- %
All Funds	15.9 %	7.1 %	-- %	(3.6) %	-- %
FTE Positions	437.5	437.5	437.5	437.5	437.5

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

KNI submits a revised estimate of \$34.0 million, including \$17.6 million SGF, in FY 2024. This is an increase of \$2.5 million, or 8.1 percent, including \$2.0 million SGF, or 12.5 percent, above the amount approved by the 2023 Legislature. This increase includes the agency's enhancement request of \$141,236 to fully fund the 2023 Legislative Pay Plan and a \$1.8 million transfer from KDADS to fund the 24/7 Pay Plan.

The **Governor** concurs with the agency's revised estimate in FY 2024.

FY 2025 REVISED REQUEST

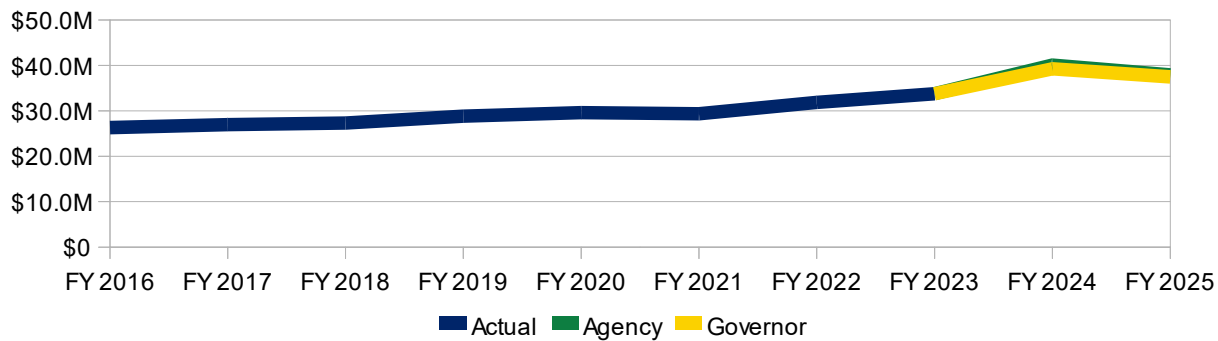
KNI requests \$32.8 million, including \$15.8 million SGF, for FY 2025. This is a decrease of \$1.2 million, or 3.6 percent, including a decrease of \$1.8 million SGF, or 10.0 percent, below the agency's request for FY 2024. This decrease is primarily due to the 24/7 Pay Plan transfer, which is included in the agency's budget in FY 2024 but is reflected in the KDADS budget for FY 2025. The decrease is partially offset by changes in fringe benefits.

The **Governor** concurs with the agency's request for FY 2025.

PARSONS STATE HOSPITAL AND TRAINING CENTER

FIGURE 15

PARSONS STATE HOSPITAL AND TRAINING CENTER EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 76-1401 to KSA 76-1415

PROGRAM GOALS:

- Provide effective habilitation, rehabilitation, active treatment, and care to residents of the facility in a safe, healthy, and homelike living environment with consideration for the informed personal lifestyle choices of each resident.
- Supplement and extend development of community service provisions for developmentally disabled children and adults, especially through Outreach Services, a statewide program for persons with developmental disabilities and psychiatric impairments.
- Provide for the optimal mental and physical health of each resident with consideration for the informed personal lifestyle choices of each resident.

The Parsons State Hospital and Training Center (PSH) was opened in 1903 as Parsons State Hospital to treat people who were epileptic. In 1953, the program was changed to provide residential services for children with intellectual disabilities, 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 to more accurately describe the treatment programs. The population at PSH functions within a profound to borderline range of intellectual abilities. Approximately 90.0 percent of the population are dually diagnosed with an accompanying psychiatric impairment.

PARSONS STATE HOSPITAL AND TRAINING CENTER CENSUS STATISTICS

	Actual FY 2021	Actual FY 2022	Actual FY 2023	Projected FY 2024	Projected FY 2025
Bed Capacity	172	172	172	172	172
Average Daily Census	150	147	148	150	150
Admissions	6	9	10	10	10
Separations	14	12	9	10	10

The mission of Parsons State Hospital and Training Center is to improve the lives of its residents by connecting people with supports and services. The agency's philosophy views services as existing to enhance the quality of life for individuals with developmental disabilities while supporting diversity and

inclusion of such individuals. It views personal preferences of the individual in all aspects of life as the benchmark of all of its services.

As stated above, approximately 90.0 percent of the PSH population are dually diagnosed with an accompanying psychiatric impairment.

This results in a population that may be more prone to emotional outbursts and self injurious and aggressive behaviors.

The agency indicates that in FY 2019 and FY 2020, PSH saw a significant increase in the number of psychotropic medications prescribed prior to admission to the state hospital by an outside service provider. According to the agency, these medications are generally used as a means to control aggressive behaviors in the community. The Parsons Medical Director and staff closely monitor all medications for each resident in an effort to reduce the number of psychotropic medications prescribed during a resident's stay at PSH. The agency estimates that approximately 73.0 percent of people admitted to PSH have had psychotropic medication prescriptions reduced or eliminated since FY 2004.

AGING POPULATION

Similar to KNI, the population of PSH is aging. Currently, the average length of stay for

residents at PSH is 19.3 years. Currently, 54.0 percent of the population is over the age of 50, including 21 residents who are over the age of 60. As these residents continue to age, PSH anticipates seeing increased expenditures related to age-related health conditions, similar to expenditures at KNI to care for its aging population.

AGGRESSIVE AND SEXUAL BEHAVIOR

The agency reports that a majority of new admissions are individuals with serious aggressive and sexual acting-out behaviors. While the agency indicates that the overall population is aging, since FY 2019, its new admissions have been, on average, 17 years old. Additionally, a majority of new residents have had multiple police involvements, hospitalizations, or emergency room visits prior to being admitted to the hospital. The agency anticipates that if this trend continues, it will see an increase in aggressive and self-injurious behaviors, which it believes may create difficulty in placing individuals.

FIGURE 16

PARSONS STATE HOSPITAL AND TRAINING CENTER FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 21,260,110	\$ 23,856,383	\$ 23,161,219	\$ 21,696,258	\$ 21,258,593
Federal Funds	-	-	-	-	-
All Other Funds	12,497,585	16,204,229	16,080,602	16,214,836	16,214,836
TOTAL	\$ 33,757,695	\$ 40,060,612	\$ 39,241,821	\$ 37,911,094	\$ 37,473,429
Percent Change:					
SGF	65.8 %	12.2 %	(2.9) %	(9.1) %	(2.0) %
All Funds	6.0 %	18.7 %	(2.0) %	(5.4) %	(1.2) %
FTE Positions	490.2	519.2	505.2	519.2	505.2

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

PSH submits a revised estimate of \$40.1 million, including \$23.9 million SGF, in FY 2024. This is an increase of \$3.3 million, or 9.0 percent, including \$3.2 million SGF, or 15.5 percent, above the amount approved by the 2023 Legislature. This increase is partially due to the agency's supplemental requests totaling \$1.1 million, including \$986,721 SGF. Additionally, the agency's estimate includes \$2.2 million to fund the 24/7 Pay Plan.

The **Governor** recommends \$39.2 million, including \$23.2 million SGF, in expenditures in FY 2024. This is a decrease of \$818,791, including \$695,164 SGF, below the agency's revised estimate in FY 2024. The decrease is due to the Governor not recommending the agency's two supplemental requests. Additionally, the Governor's recommendation includes a decrease of 14.0 FTE positions below the agency's revised estimate to not recommend the agency's supplemental requests.

FY 2025 REQUEST

PSH requests \$37.9 million, including \$21.7 million SGF, for FY 2025. This is a decrease of \$2.2 million, or 5.4 percent, including a decrease of \$2.2 million SGF, or 9.1 percent, below the agency's revised estimate in FY 2024. This decrease is primarily due to the 24/7 Pay Plan transfer, which is included in the agency's budget in FY 2024 but is reflected in the KDADS budget for FY 2025.

The **Governor** recommends expenditures totaling \$37.5 million, including \$21.3 million SGF, for FY 2025. This is a decrease of \$473,665 SGF below the agency's request for FY 2025. The decrease is due to the Governor's recommendation to partially fund the agency's enhancement request to restructure its cottage management team. Additionally, the Governor's recommendation includes a decrease of 14.0 FTE positions below the agency's request to not recommend adding FTE positions for the agency's two enhancement requests.

STATE INSTITUTIONS FOR MENTAL HEALTH

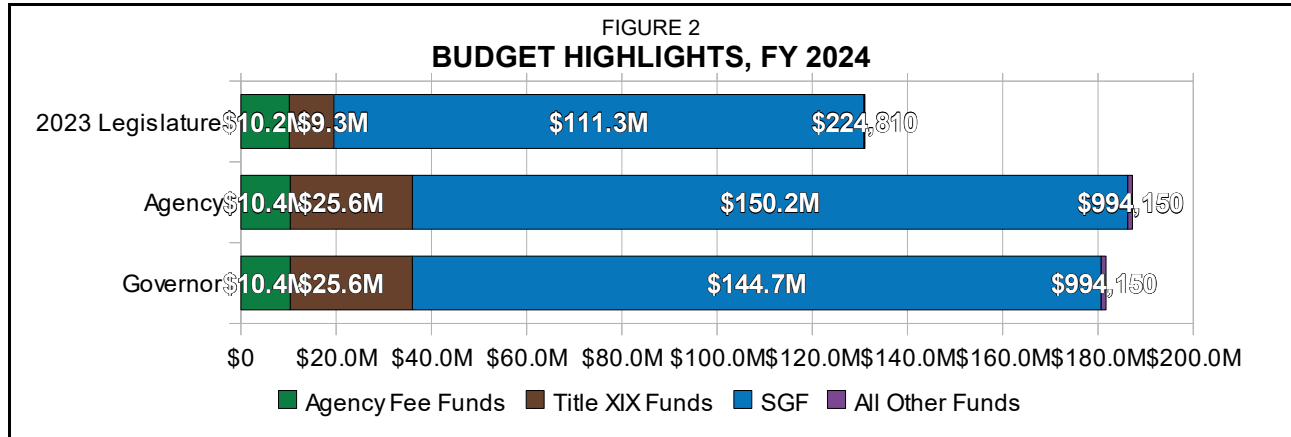
FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 139,043,270	\$ 150,240,477	\$ 144,675,306	\$ 155,176,637	\$ 112,615,749
Federal Funds	(480)	395,000	395,000	-	-
All Other Funds	31,437,569	36,614,566	36,614,566	21,034,552	21,527,438
<i>Subtotal</i>	<u>\$ 170,480,359</u>	<u>\$ 187,250,043</u>	<u>\$ 181,684,872</u>	<u>\$ 176,211,189</u>	<u>\$ 134,143,187</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 170,480,359</u>	<u>\$ 187,250,043</u>	<u>\$ 181,684,872</u>	<u>\$ 176,211,189</u>	<u>\$ 134,143,187</u>
Percentage Change:					
State General Fund	26.6 %	8.1 %	4.1 %	3.3 %	(22.2) %
All Funds	16.3 %	9.8 %	6.6 %	(5.9) %	(26.2) %
FTE Positions	1,455.5	1,454.9	1,405.6	1,454.9	1,405.6

The State Institutions for Mental Health (MH Institutions) serve individuals diagnosed with severe and persistent mental illnesses who require inpatient treatment. There are two mental health institutions operated by the State of Kansas: Osawatomie State Hospital (OSH) and Larned State Hospital (LSH). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$131.1 million, including \$111.3 million from the State General Fund (SGF), for the State Institutions for Mental Health for FY 2024. One adjustment has been made subsequently to that amount due to an SGF reappropriation, which increased the current year approved amount by \$734,170 without any legislative action required.

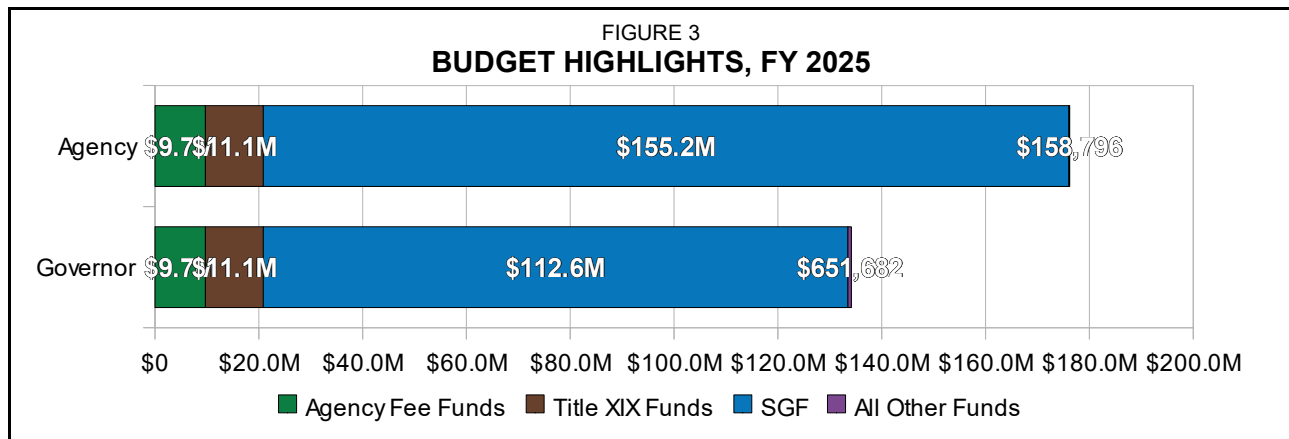


The **agencies** request a revised estimate of \$187.3 million, including \$150.2 million SGF, in expenditures and 1,454.9 FTE positions in FY 2024. This is an increase of \$56.2 million, or 42.9 percent, including an SGF increase of \$38.9 million, or 35.0 percent, above the budget approved by the 2023 Legislature.

This increase is primarily due to the the agencies' supplemental requests totaling \$27.4 million SGF and a transfer of \$10.9 million SGF from KDADS for the hourly differential payments pursuant to the 24/7 Pay Plan. Additionally, the agencies' requests include an estimated \$16.0 million in carry-forward funds in the LSH Title XIX Fund above the amount in the approved budget. These funds were transferred from KDADS in FY 2023 pending receipt of the FY 2023 Governor's Budget Amendment (GBA) to cover the contract agency staff shortfall, and they will primarily be used to reduce the shortfall in FY 2024.

The **Governor** recommends expenditures totaling \$181.7 million, including \$144.7 million SGF, for the agencies in FY 2024. This is a decrease of \$5.6 million SGF below the agencies' revised estimate in FY 2024. The decrease is due to the Governor not recommending the request from LSH for a Due Process Manager (LSH requested \$65,171 SGF, and the Governor recommended \$0) and partially recommending the request from OSH for contract nursing expenditures (OSH requested \$10.5 million SGF, and the Governor recommended \$5.0 million SGF).

Additionally, the Governor recommends a reduction of 49.0 FTE positions below the agencies' revised estimate to eliminate unfilled and unfunded FTE positions from the agencies' FTE counts.



The **agencies** request \$176.2 million, including \$155.2 million SGF, in expenditures and 1,454.9 FTE positions for FY 2025. This is a decrease of \$11.0 million, or 5.9 percent, including a SGF increase of \$5.0 million, or 3.3 percent, from the agencies' request for FY 2024.

The overall decrease is due to an anticipated decrease of \$14.5 million in the LSH Title XIX Fund and a decrease of \$14.3 million SGF due to the 24/7 Pay Plan transfer appearing in the KDADS budget for FY 2025. The overall decrease is partially offset by the agencies' enhancement requests totaling \$43 million SGF.

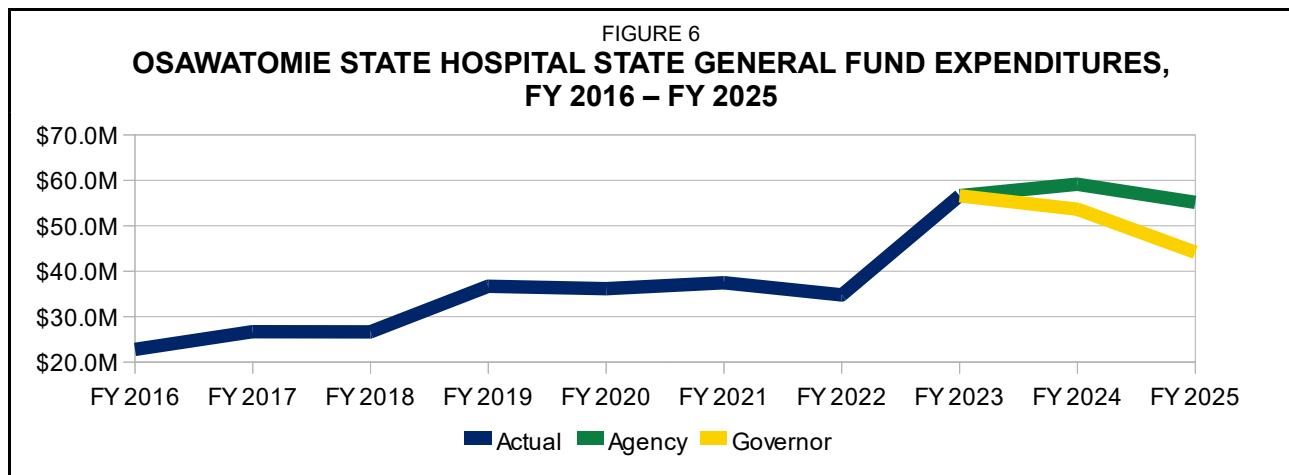
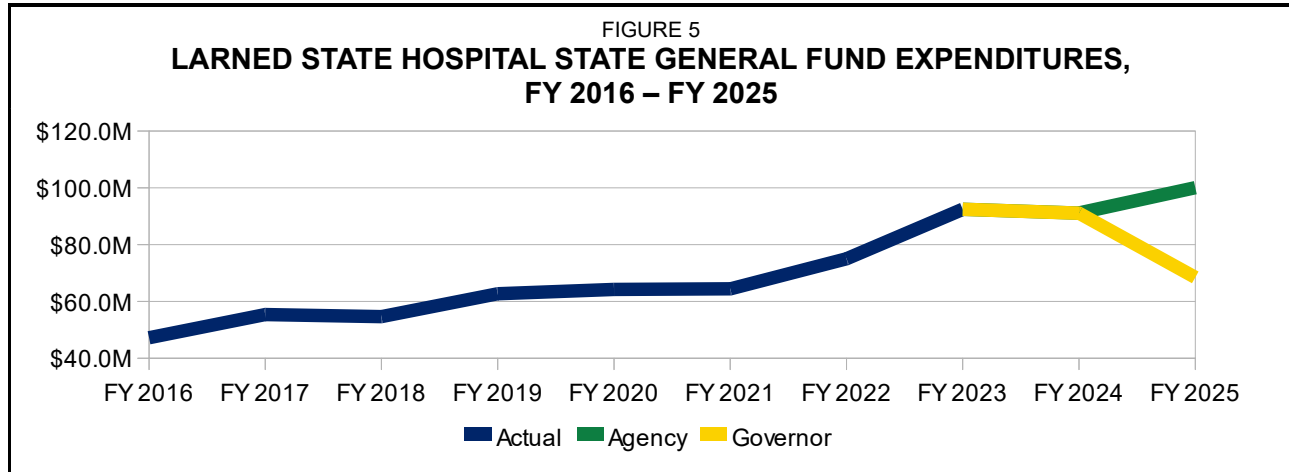
The **Governor** recommends expenditures totaling \$134.1 million, including \$112.6 million SGF, for the agencies for FY 2025. This is a reduction of \$42.1 million, including \$42.6 million SGF, below the agencies' request for FY 2025. The reduction is due to the Governor not recommending the following enhancement requests: LSH Sexual Predator Treatment Program (SPTP) Deputy Superintendent (\$170,157 SGF), LSH Due Process Manager (\$86,927 SGF), LSH Contract Nursing (\$31.0 million SGF), OSH Contract Nursing (\$10.5 million SGF), and LSH SPTP Primary Medical Care Staff (\$326,454 SGF). Additionally, the Governor recommends a slight reduction to the request by LSH for a Forensic Evaluator (a decrease of \$4,502 SGF). Finally, the Governor recommends using State Institutions Building Fund (SIBF) moneys for the Biddle Courtyard Remodel (a decrease of \$492,886 SGF and an increase of the same amount of SIBF moneys).

The Governor's recommendation also includes a reduction of 49.0 FTE positions below the agencies' request to eliminate unfilled and unfunded FTE positions from the agencies' FTE counts.

EXPENDITURES AND FINANCING

FIGURE 4 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025					
Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 81,682,813	\$ 92,825,973	\$ 92,760,802	\$ 79,987,844	\$ 79,399,804
Contractual Services	79,263,732	85,849,939	80,349,939	88,126,353	46,646,391
Commodities	7,163,053	7,426,817	7,426,817	7,559,014	7,559,014
Capital Outlay	2,224,204	1,022,691	1,022,691	523,239	523,239
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 170,333,802</i>	<i>\$ 187,125,420</i>	<i>\$ 181,560,249</i>	<i>\$ 176,196,450</i>	<i>\$ 134,128,448</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	15,474	14,623	14,623	14,739	14,739
<i>Subtotal—Operating</i>	<i>\$ 170,349,276</i>	<i>\$ 187,140,043</i>	<i>\$ 181,574,872</i>	<i>\$ 176,211,189</i>	<i>\$ 134,143,187</i>
Capital Improvements	131,083	110,000	110,000	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 170,480,359	\$ 187,250,043	\$ 181,684,872	\$ 176,211,189	\$ 134,143,187
Financing:					
State General Fund	\$ 139,043,270	\$ 150,240,477	\$ 144,675,306	\$ 155,176,637	\$ 112,615,749
LSH Fee Fund	2,985,658	4,342,483	4,342,483	3,671,879	3,671,879
OSH Fee Fund	6,937,906	6,055,362	6,055,362	6,055,362	6,055,362
Title XIX Funds	21,019,661	25,617,571	25,617,571	11,148,515	11,148,515
Federal Funds	(480)	395,000	395,000	-	-
All Other Funds	494,344	599,150	599,150	158,796	651,682
TOTAL	\$ 170,480,359	\$ 187,250,043	\$ 181,684,872	\$ 176,211,189	\$ 134,143,187
FTE Positions	1,455.5	1,454.9	1,405.6	1,454.9	1,405.6

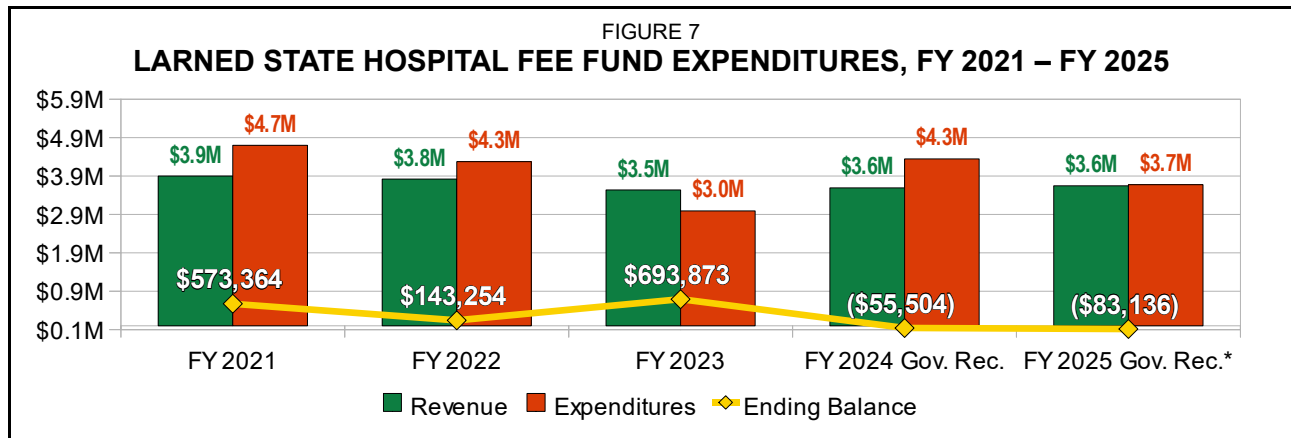
STATE GENERAL FUND



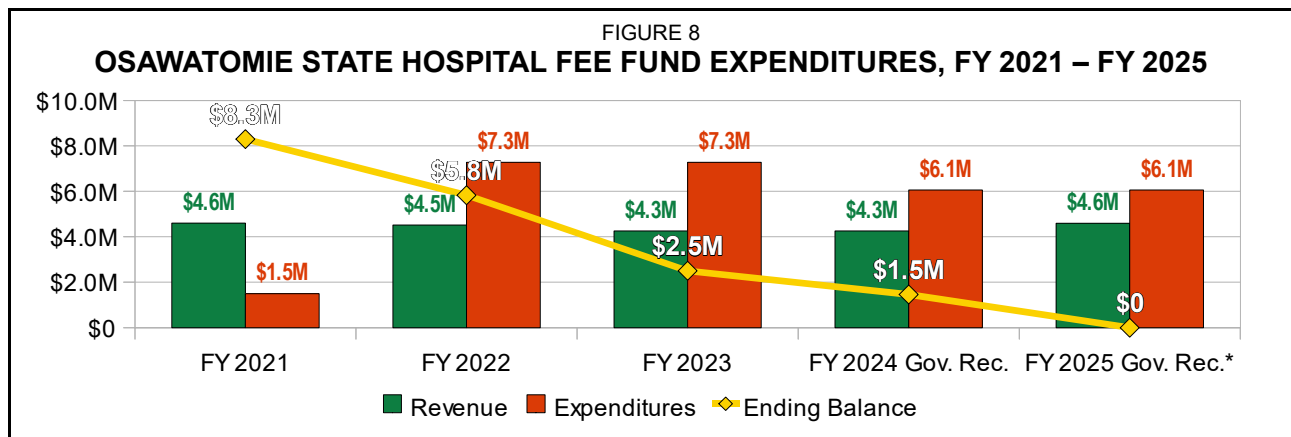
For the State Institutions for Mental Health , SGF expenditures compose a majority of the institutions' budgets. The MH Institutions are considered by the federal Centers for Medicare and Medicaid Services (CMS) to be institutions for mental disease. Under Medicaid statutes, institutions for mental disease are hospitals, nursing facilities, or other institutions with more than 16 beds that are primarily engaged in providing care of individuals with mental illness.

Historically, these types of institutions are not eligible to receive Medicaid reimbursements for services provided to individuals ages 21 to 64. Therefore, unlike the State Institutions for Intellectual/Developmental Disabilities, the MH Institutions are not eligible for Medicaid reimbursements, which results in SGF moneys being the major funding source for these institutions. The institutions do receive a small amount of Medicaid funding from the Medicaid Disproportionate Share Hospital payments the State receives. These are payments made to hospitals that serve a large number of Medicaid or uninsured individuals. The State receives these funds and then distributes them to qualifying hospitals. As such, the MH Institutions receive a small portion of these payments.

AGENCY FEE FUNDS



* For FY 2025, the lowest month ending balance for the Larned State Hospital Fee Fund will occur in July, with a balance of \$0.



* For FY 2025, the lowest month ending balance for the Osawatomie State Hospital Fee Fund will occur in June, with a balance of \$1.5 million.

Both hospitals maintain fee fund accounts; however, these are not traditional fee funds in which the agencies collect various fees or licenses. These fee funds are largely funded by private insurance and Medicare recoupments that the hospitals receive in the course of providing care to residents. Both agencies have indicated these funds are generally not stable sources of revenue, as they cannot consistently anticipate when the hospital will receive recoupments or exactly how much those recoupments will be.

FY 2024 ANALYSIS

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 110,592,634	\$ 130,340,774	1,453.5
1. SGF Reappropriation	734,170	734,170	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 111,326,804</i>	<i>\$ 131,074,944</i>	<i>1,453.5</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. LSH Due Process Manager	\$ 65,171	\$ 65,171	--
3. LSH Contract Nursing Staff	15,741,417	15,741,417	--
4. LSH Pay Plan Shortfall	601,807	601,807	--
5. OSH Contract Nursing Staff	10,500,000	10,500,000	--
6. OSH Pay Plan Shortfall	436,682	436,682	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 27,345,077</i>	<i>\$ 27,345,077</i>	<i>--</i>
7. 24/7 Pay Plan Transfer	\$ 10,904,824	\$ 10,904,824	--
8. LSH Title XIX Funds for Contract Nursing Staff	-	15,989,174	--
9. All Other Adjustments	663,772	1,936,024	1.4
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 150,240,477</i>	<i>\$ 187,250,043</i>	<i>1,454.9</i>
Governor's Recommendation:			
10. Non-Recommended - LSH Due Process Manager	(65,171)	(65,171)	--
11. Partially-Recommended - OSH Contract Nursing Staff	\$ (5,500,000)	\$ (5,500,000)	--
12. Unfunded FTE Reduction	-	-	(49.3)
TOTAL	\$ 144,675,306	\$ 181,684,872	1,405.6

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$131.1 million, including \$111.3 million SGF, appropriated to the State Institutions for Mental Health for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION.** The MH Institutions reappropriated \$734,170 SGF that was not expended in FY 2023.

AGENCY ESTIMATE

The **agencies** request a revised estimate of \$187.3 million, including \$150.2 million SGF, in expenditures and 1,454.9 FTE positions in FY 2024. This is an increase of \$56.2 million, or 42.9 percent, including an SGF increase of \$38.9 million, or 35.0 percent, above the budget approved by the 2023 Legislature.

The revised estimate includes \$27.3 million SGF for the following supplemental requests:

2. **LSH Due Process Manager.** LSH requests \$65,171 SGF for salaries and wages to employ a Due Process Manager in FY 2024. The employee would provide residents with a mechanism to report issues related to residents' care and treatment, including the opportunity to request a review of administrative decisions impacting residents. LSH employs two Grievance Officers who report to the Chief Operations Officer. The Due Process Manager would supervise the Grievance Officers. The request represents three-quarters of the salary and benefits cost to employ the Due Process Manager.
3. **LSH Contract Nursing Staff.** LSH requests \$15.7 million SGF to increase its base budget to cover the shortfall for agency nursing staff costs in FY 2024. In FY 2023, contract agency nursing costs averaged \$830,000 per week. LSH estimates contract nursing staff costs will total \$40.5 million in FY 2024. The approved budget in FY 2024 includes \$9.5 million as a base budget for contract nursing staff, and LSH received \$16.0 million in Title XIX Funds from KDADS, a majority of which will be used for contract nursing staff (see Item 8, below), leaving a shortfall of \$15.7 million in FY 2024.
4. **LSH Pay Plan Shortfall.** The revised estimate includes \$601,807 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25.
5. **OSH Contract Nursing Staff.** OSH requests \$10.5 million SGF to cover a shortfall for agency nursing staff costs in FY 2024. OSH estimates costs will reach \$19.0 million in FY 2024. In FY 2024, the agency experienced slower hiring of Registered Nurses and hired more contract staff to fill vacancies in the direct care and Mental Health/Developmental Disability Technician positions. In prior years, the additional costs were covered with salary savings due to higher vacancy rates.
6. **OSH Pay Plan Shortfall.** The revised estimate includes \$436,682 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental requests, the revised estimate includes an increase of \$28.8 million, including \$11.6 million SGF, in base budget expenditures. Significant adjustments are as follows:

7. **24/7 Pay Plan Transfer.** In FY 2024, KDADS transferred \$10.9 million SGF to LSH and OSH to provide shift differentials to employees pursuant to the 24/7 Pay Plan.
8. **LSH Title XIX Funds for Contract Nursing Staff.** The agency's revised estimate includes an additional \$16.0 million in carry-forward funds above the amount included in the agency's approved budget. These funds were transferred from KDADS in FY 2023 pending receipt of the FY 2023 GBA to cover the contract agency staff shortfall, and will primarily be used to reduce the shortfall in FY 2024.
9. **ALL OTHER ADJUSTMENTS.** The revised estimate includes an increase of \$2.0 million, including \$663,772 SGF, for fluctuations across all expenditure categories.

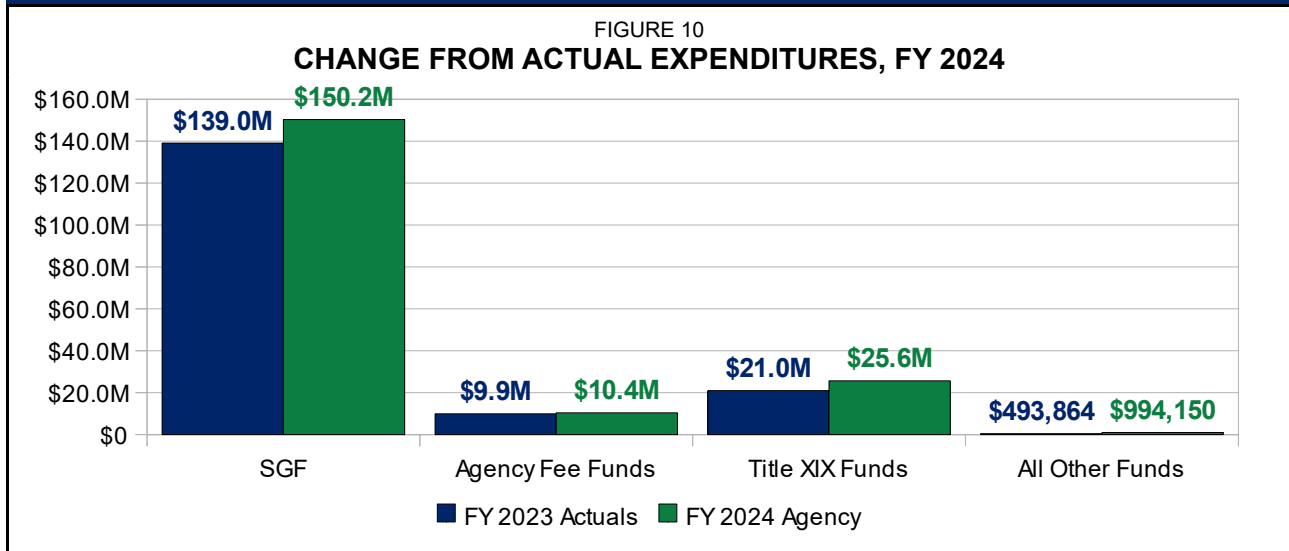
GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$181.9 million, including \$144.7 million SGF, for the agencies in FY 2024. This is a decrease of \$5.6 million SGF below the agencies' revised estimate in FY 2024.

The **Governor's** recommendation includes the following adjustments:

10. **SUPPLEMENTALS NOT RECOMMENDED.** The Governor does not recommend adoption of the LSH request for a Due Process Manager. This results in a reduction of \$65,171 SGF below the agencies' revised estimate in FY 2024.
11. **SUPPLEMENTALS PARTIALLY RECOMMENDED.** The Governor recommends partial adoption of the OSH request for contract nursing staff, recommending \$5.0 million SGF instead of the \$10.5 million SGF requested by LSH. This results in a reduction of \$5.5 million SGF below the agencies' revised estimate in FY 2024.
12. **UNFUNDED FTE REDUCTION.** The Governor's recommendation includes a reduction of 49.0 FTE positions below the agencies' revised estimate in FY 2024. This reduction eliminated unfilled and unfunded FTE positions from the agencies' FTE counts.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agencies** estimate revised expenditures of \$187.3 million, including \$150.2 million SGF, in FY 2024. This is an increase of \$16.8 million, including \$11.2 million SGF, above the agencies' actual expenditures in FY 2023. This increase is primarily due to the agencies' FY 2024 supplemental requests to cover shortfalls in the agencies' contract nursing budgets.

FY 2025 ANALYSIS

FIGURE 11

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 123,079,352	\$ 160,103,078	1,454.9
Enhancement Requests:			
1. LSH SPTP Deputy Superintendent	\$ 170,157	\$ 170,157	--
2. LSH SPTP Forensic Evaluator	130,053	130,053	--
3. LSH SPTP Primary Medical Care Staff	326,454	326,454	--
4. LSH Due Process Manager	86,927	86,927	--
5. LSH Contract Nursing Staff	30,979,962	30,979,962	--
6. LSH Environmental Services Staff	315,670	315,670	--
7. OSH Contract Nursing Staff	10,500,000	10,500,000	--
8. OSH Biddle Courtyard	492,886	492,886	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 43,002,109</i>	<i>\$ 43,002,109</i>	<i>--</i>
9. Non-Reoccurring 24/7 Pay Plan Transfer	\$ (10,904,824)	\$ (10,904,824)	--
10. Non-Reoccurring LSH Title XIX Funds for Contract Nursing Staff	-	(15,989,174)	--
<i>Subtotal—Agency Request</i>	<i>\$ 155,176,637</i>	<i>\$ 176,211,189</i>	<i>1,454.9</i>
Governor's Recommendation:			
11. Enhancements Not Recommended	\$ (42,063,500)	\$ (42,063,500)	--
12. Enhancement Partially Recommended - LSH SPTP Forensic Evaluator	(4,502)	(4,502)	--
13. Funding Swap - OSH Biddle Courtyard	(492,886)	-	--
14. Unfunded FTE Reduction	-	-	(49.0)
TOTAL	\$ 112,620,251	\$ 134,143,187	1,405.9

AGENCY REQUEST

The **agencies** request \$176.2 million, including \$155.2 million SGF, in expenditures and 1,454.9 FTE positions for FY 2025. This is a decrease of \$11.0 million, or 5.9 percent, including an SGF increase of \$5.0 million, or 3.3 percent, from the agencies' request for FY 2024. The overall decrease is due to LSH estimating a decrease of \$14.5 million in the LSH Title XIX Fund and a decrease of \$10.9 million SGF due to the 24/7 Pay Plan transfer appearing in the KDADS budget for FY 2025. The overall decrease is partially offset by the agencies' enhancement requests totaling \$43.0 million SGF.

The request includes \$43.0 million SGF for the following enhancement requests:

1. **LSH SPTP Deputy Superintendent.** LSH requests \$170,157 SGF to employ a Deputy Superintendent for the SPTP. Currently, the superintendent of LSH directly oversees the SPTP, as well as the State Security Program and the Psychiatric Services Program. The SPTP has 236 inpatient beds at LSH.
2. **LSH SPTP Forensic Evaluator.** LSH requests \$130,053 to employ a Forensic Evaluator for the SPTP. Currently, the agency employs one Forensic Evaluator position who conducts statutorily required initial psychological assessments, ongoing psychological evaluations, and annual forensic court reports. These duties must be completed for 285 residents annually. LSH reports the one Forensic Evaluator has historically met the demand, but recent modifications to the annual report has resulted in more residents agreeing to engage in the annual review process, which many residents had previously refused. LSH reports the increased demand required the

SPTP Clinical Program Director and Assistant Clinical Program Director to assist the Forensic Evaluator to meet demands in FY 2023 and FY 2024.

3. **LSH SPTP Primary Medical Care Staff.** LSH requests \$326,454 SGF to employ one Primary Care Medical Staff to manage medical needs of the SPTP residents with high-risk medical needs. LSH reports the resident population is aging and requires ongoing oversight, monitoring, and treatment. LSH reports that, for the SPTP population, outside medical appointments increased from 814 in FY 2021 to 1,136 in FY 2023, and sick calls increased from 1,542 in FY 2021 to 1,858 in FY 2023.
4. **LSH Due Process Manager.** LSH requests \$86,927 SGF to employ a Due Process Manager in FY 2024. The employee would provide residents with a mechanism to report issues related to residents' care and treatment, including the opportunity to request a review of administrative decisions impacting residents. LSH employs two Grievance Officers who report to the Chief Operations Officer. The Due Process Manager would supervise the Grievance Officers. The request would continue the supplemental request in FY 2024 and represents one full year's salary and benefits to employ the Due Process Manager for FY 2025.
5. **LSH Contract Nursing Staff.** LSH requests \$31.0 million SGF to increase its base budget to cover the shortfall for agency nursing staff costs for FY 2025. In FY 2023, contract agency nursing costs averaged \$830,000 per week. This would supplement the existing base budget of \$9.5 million to reach the estimated total of \$40.5 million for contract nursing staff.
6. **LSH Environmental Services Staff.** LSH requests \$315,670 SGF to employ six environmental services staff members. Four employees would serve the SPTP. LSH reports the duties were previously carried out by Vocational Training Program resident workers; however, access to the SPTP buildings have been restricted for resident access due to security concerns. The additional 2 employees would maintain 12 non-patient buildings in programs outside of the SPTP. LSH reports the two employees would allow for coverage of areas on campus that do not receive regular service and would provide a healthier work-life balance for staff.
7. **OSH Contract Nursing Staff.** OSH requests \$10.5 million SGF to cover a shortfall for agency nursing staff costs for FY 2025. This would continue to fund contract nursing staff costs at the same level OSH requested in a supplemental request in FY 2024. In FY 2024, the agency experienced slower hiring of registered nurses and hired more contract staff to fill vacancies in the direct care and Mental Health/Developmental Disability Technician positions. In prior years, the additional costs were covered with salary savings due to higher vacancy rates.
8. **OSH Biddle Courtyard.** OSH requests \$492,886 SGF to fund improvements to the Biddle Courtyard. OSH reports patients are restricted to being indoors for the entirety of their hospitalization due to safety concerns with the Biddle Courtyard, including uneven concrete, exposed pipes, and inadequate drainage. OSH reports the funds would allow for better utilization of the outdoor space, increased safety, and additional therapy and leisure opportunities.

Absent the enhancement requests, the request includes a decrease of \$26.9 million, including a decrease of \$10.9 million SGF, in base budget expenditures. Significant adjustments are as follows:

9. **Non-Reoccurring 24/7 Pay Plan Transfer.** In FY 2024, the agencies received a transfer of \$10.9 million from KDADS for hourly differentials pursuant to the 24/7 Pay Plan. For FY 2025, this transfer is included in the KDADS budget and will be transferred to the agencies at the beginning of FY 2025.
10. **Non-Reoccurring LSH Title XIX Funds for Contract Nursing Staff.** In FY 2024, LSH supplemented its contract nursing staff budget with a transfer of \$16.0 million in Title XIX Funds. This transfer is not anticipated to re-occur in FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$134.1 million, including \$112.6 million SGF, for the agencies for FY 2025. This is a reduction of \$42.1 million, including \$42.6 million SGF, below the agencies' request for FY 2025.

The **Governor's** recommendation includes the following adjustments:

11. **ENHANCEMENTS NOT RECOMMENDED.** The Governor does not recommend adoption of the following supplemental requests:
 - *LSH SPTP Deputy Superintendent.* The Governor does not recommend adoption of this request, resulting in a reduction of \$170,157 SGF below the agencies' request for FY 2025.
 - *LSH SPTP Primary Medical Care Staff.* The Governor does not recommend adoption of this request, resulting in a reduction of \$326,454 SGF below the agencies' request for FY 2025.
 - *LSH Due Process Manager.* The Governor does not recommend adoption of this request, resulting in a reduction of \$86,927 SGF below the agencies' request for FY 2025.
 - *LSH Contract Nursing Staff.* The Governor does not recommend adoption of this request, resulting in a reduction of \$31.0 million SGF below the agencies' request for FY 2025.
 - *OSH Contract Nursing Staff.* The Governor does not recommend adoption of this request, resulting in a reduction of \$10.5 million SGF below the agencies' request for FY 2025.
12. **ENHANCEMENTS PARTIALLY RECOMMENDED.** The Governor recommends partial adoption of the LSH request for a Forensic Evaluator. The Governor recommends \$125,551 SGF, a reduction of \$4,502 below the agencies' request for FY 2025.
13. **FUNDING SWAP - OSH BIDDLE COURTYARD.** The Governor recommends funding the OSH Biddle Courtyard request with SIBF moneys instead of SGF. This results in a reduction of \$492,886 SGF and an increase of \$492,887 SIBF.
14. **UNFUNDED FTE REDUCTION.** The Governor's recommendation includes a reduction of 49.0 FTE positions below the agencies' revised estimate for FY 2025. This reduction eliminated unfilled and unfunded FTE positions from the agencies' FTE counts.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 12 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. LSH Due Process Manager	\$ 65,171	\$ 65,171	-	\$ -	\$ -	-
2. LSH Contract Nursing Staff	15,741,417	15,741,417	-	15,741,417	15,741,417	-
3. LSH Pay Plan Shortfall	601,807	601,807	-	601,807	601,807	-
4. OSH Contract Nursing Staff	10,500,000	10,500,000	-	5,000,000	5,000,000	-
5. OSH Pay Plan Shortfall	436,682	436,682	-	436,682	436,682	-
TOTAL	\$ 27,345,077	\$ 27,345,077	-	\$ 21,779,906	\$ 21,779,906	-
FY 2025 Enhancements:						
6. LSH SPTP Deputy Superintendent	\$ 170,157	\$ 170,157	--	\$ -	\$ -	-
7. LSH SPTP Forensic Evaluator	130,053	130,053	--	125,551	125,551	-
8. LSH SPTP Primary Medical Care Staff	326,454	326,454	--	-	-	-
9. LSH Due Process Manager	86,927	86,927	--	-	-	-
10. LSH Contract Nursing Staff	30,979,962	30,979,962	--	-	-	-
11. LSH Environmental Services Staff	315,670	315,670	--	315,670	315,670	-
12. OSH Contract Nursing Staff	10,500,000	10,500,000	--	-	-	-
13. OSH Biddle Courtyard	492,886	492,886	--	-	492,886	-
14. Unfunded FTE Reduction	-	-	--	-	-	(49.0)
TOTAL	\$ 43,002,109	\$ 43,002,109	-	\$ 441,221	\$ 934,107	(49.0)

1. **LSH Due Process Manager.** LSH requests \$65,171 SGF for salaries and wages to employ a Due Process Manager in FY 2024. The employee would provide residents with a mechanism to report issues related to residents' care and treatment, including the opportunity to request a review of administrative decisions impacting residents. LSH employs two Grievance Officers who report to the Chief Operations Officer. The Due Process Manager would supervise the Grievance Officers. The request represents three-quarters of the salary and benefits cost to employ the Due Process Manager.

The Governor does not recommend adoption of this request.

2. **LSH Contract Nursing Staff.** LSH requests \$15.7 million SGF to increase its base budget to cover the shortfall for agency nursing staff costs in FY 2024. In FY 2023, contract agency nursing costs averaged \$830,000 per week. LSH estimates contract nursing staff costs will total \$40.5 million in FY 2024. The approved budget in FY 2024 includes \$9.5 million as a base budget for contract nursing staff, and LSH received \$16.0 million in Title XIX Funds from KDADS, a majority of which will be used for contract nursing staff (see Item 8 below), leaving a shortfall of \$15.7 million in FY 2024.

The Governor recommends adoption of this request.

3. **LSH Pay Plan Shortfall.** The revised estimate includes \$601,807 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For LSH, a supplemental appropriation of \$601,807 SGF in

FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

4. **OSH Contract Nursing Staff.** OSH requests \$10.5 million SGF to cover a shortfall for agency nursing staff costs in FY 2024. OSH estimates costs will reach \$19.0 million in FY 2024. In FY 2024, the agency experienced slower hiring of registered nurses and hired more contract staff to fill vacancies in the direct care and Mental Health/Developmental Disability Technician positions. In prior years, the additional costs were covered with salary savings due to higher vacancy rates.

The Governor recommends partial adoption of this request, recommending to add \$5.0 million SGF.

5. **OSH Pay Plan Shortfall.** The revised estimate includes \$436,682 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For OSH, a supplemental appropriation of \$436,682 SGF, in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

6. **LSH SPTP Deputy Superintendent.** LSH requests \$170,157 SGF to employ a Deputy Superintendent for the SPTP. Currently, the superintendent of LSH directly oversees the SPTP, as well as the State Security Program and the Psychiatric Services Program. The SPTP has 236 inpatient beds at LSH.

The Governor does not recommend adoption of this request.

7. **LSH SPTP Forensic Evaluator.** LSH requests \$130,053 to employ a Forensic Evaluator for the SPTP. Currently, the agency employs one Forensic Evaluator position who conducts statutorily required initial psychological assessments, ongoing psychological evaluations, and annual forensic court reports. These duties must be completed for 285 residents annually. LSH reports the one Forensic Evaluator has historically met the demand, but recent modifications to the annual report has resulted in more residents agreeing to engage in the annual review process, which many residents had previously refused. LSH reports the increased demand required the SPTP Clinical Program Director and Assistant Clinical Program Director to assist the Forensic Evaluator to meet demands in FY 2023 and FY 2024.

The Governor recommends partial adoption of this request, recommending addition of \$152,551 SGF.

8. **LSH SPTP Primary Medical Care Staff.** LSH requests \$326,454 SGF to employ one Primary Care Medical Staff to manage medical needs of the SPTP residents with high-risk medical needs. LSH reports the resident population is aging and requires ongoing oversight, monitoring, and treatment. LSH reports that, for the SPTP population, outside medical appointments increased from 814 in FY 2021 to 1,136 in FY 2023, and sick calls increased from 1,542 in FY 2021 to 1,858 in FY 2023.

The Governor does not recommend adoption of this request.

9. **LSH Due Process Manager.** LSH requests \$86,927 SGF to employ a Due Process Manager in FY 2024. The employee would provide residents with a mechanism to report issues related to the residents' care and treatment, including the opportunity to request a review of administrative decisions impacting residents. LSH employs two Grievance Officers who report to the Chief Operations Officer. The Due Process Manager would supervise the Grievance Officers. The request would continue the supplemental request in FY 2024 and represents one full year's salary and benefits to employ the Due Process Manager for FY 2025.

The Governor does not recommend adoption of this request.

10. **LSH Contract Nursing Staff.** LSH requests \$31.0 million SGF to increase its base budget to cover the shortfall for agency nursing staff costs for FY 2025. In FY 2023, contract agency nursing costs averaged \$830,000 per week. This would supplement the existing base budget of \$9.5 million to reach the estimated total of \$40.5 million for contract nursing staff.

The Governor does not recommend adoption of this request.

11. **LSH Environmental Services Staff.** LSH requests \$315,670 SGF to employ six environmental services staff members. Four employees would serve the SPTP. LSH reports the duties were previously carried out by Vocational Training Program resident workers; however, access to the SPTP buildings have been restricted for resident access due to security concerns. The additional two employees would maintain twelve non-patient buildings in programs outside of the SPTP. LSH reports the two employees would allow for coverage of areas on campus that do not receive regular service and would provide a healthier work-life balance for staff.

The Governor recommends adoption of this request.

12. **OSH Contract Nursing Staff.** OSH requests \$10.5 million SGF to cover a shortfall for agency nursing staff costs for FY 2025. This would continue to fund contract nursing staff costs at the same level OSH requested in a supplemental request in FY 2024. In FY 2024, the agency experienced slower hiring of registered nurses and hired more contract staff to fill vacancies in the direct care and Mental Health/Developmental Disability Technician positions. In prior years, the additional costs were covered with salary savings due to higher vacancy rates.

The Governor does not recommend adoption of this request.

13. **OSH Biddle Courtyard.** OSH requests \$492,886 SGF to fund improvements to the Biddle Courtyard. OSH reports patients are restricted to being indoors for the entirety of their hospitalization due to safety concerns with the Biddle Courtyard, including uneven concrete, exposed pipes, and inadequate drainage. OSH reports the funds would allow for better utilization of the outdoor space, increased safety, and additional therapy and leisure opportunities.

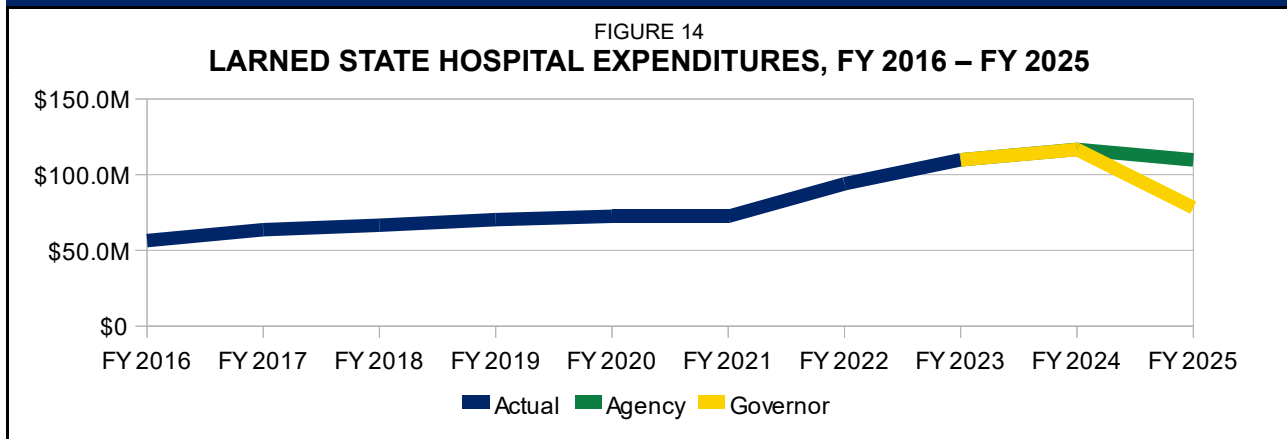
The Governor recommends funding this request using \$492,886 SIBF.

14. **FTE REDUCTION.** Delete 49.0 vacant unfunded FTE positions.

PROGRAM OVERVIEW

FIGURE 13 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Larned State Hospital	\$ 109,863,643	\$ 116,674,607	\$ 116,609,436	\$ 109,772,769	\$ 78,204,767
Osawatomie State Hospital	60,616,716	70,575,436	65,075,436	66,438,420	55,938,420
TOTAL	\$ 170,480,359	\$ 187,250,043	\$ 181,684,872	\$ 176,211,189	\$ 134,143,187
FTE Positions:					
Larned State Hospital	920.5	920.5	887.5	920.5	887.5
Osawatomie State Hospital	535.0	534.4	518.1	534.4	518.1
TOTAL	1,455.5	1,454.9	1,405.6	1,454.9	1,405.6

LARNED STATE HOSPITAL



STATUTORY BASIS: • KSA 46-1303; KSA 46-1305; KSA 46-1306; and KSA 59-29a07

- PROGRAM GOALS:**
- Effectively assess reports of suspected reportable incidents to ensure proper Standard of Care is met for patients and residents.
 - Identify and pursue opportunities for quality improvement across the services provided to patients and residents at LSH.
 - Prepare psychiatric services program (PSP) patients for community reintegration and manage their mental illness in a less-restrictive community-based setting.
 - Provide active treatment to patients ordered to the State Security Program.
 - Provide a safe and secure environment for the treatment of sexually violent predators committed by the courts to the SPTP.

Larned State Hospital (LSH) is the state mental health institution serving the western half of the state. It is composed of three main divisions:

- **The Psychiatric Services Program (PSP)**, which provides mental health services to civilly committed individuals who generally have a shorter length of stay, as they are admitted to the hospital, receive services, and are discharged;
- **The State Security Program (SSP)**, which provide mental health services to individuals referred to the hospital by the District Courts who often have a longer stay due to circumstances surrounding their admission; and
- **The Sexual Predator Treatment Program (SPTP)**, which provides services to individuals determined by a Court to be Sexually Violent Predators. To graduate from the program, individuals are required to successfully progress through the program with

gradually decreasing levels of supervision.

HISTORICAL STAFFING ISSUES

LSH has historically faced issues retaining direct support employees. According to the agency, these issues are related to the tension between low starting salaries, the high demands of these positions, and the rural location of LSH.

2021 INTERIM

The Governor issued Executive Directive Nos. 21-537 and 21- 538, which increased the starting salaries for Mental Health/Developmental Disability Technician positions. At the time, the starting salary for this position across all hospitals was approximately \$12.35 an hour. These directives increased the starting salaries to approximately \$16.00 an hour.

2022 SESSION

The Governor and the Legislature implemented the 24/7 Pay Plan, which included a permanent increase to the base pay of several nursing positions at all state hospitals,

and a pay differential that provides an increased hourly rate in certain circumstances and a bonus to salaried positions. KDADS received these funds and distributed them to the state hospitals. Additionally, the Legislature added and the Governor approved \$44,449 SGF for a 5.0 percent salary increase for state employees who did not receive salary adjustments as part of the 24/7 Pay Plan.

2023 SESSION

The 2023 Legislature added \$2.6 million, including \$2.5 million SGF, for a salary adjustment at LSH based on the Department of Administration Market Survey, as well as an additional 5.0 percent salary adjustment for FY 2024.

FIGURE 15 LARNED STATE HOSPITAL CENSUS STATISTICS					
	Actual FY 2021	Actual FY 2022	Actual FY 2023	Projected FY 2024	Projected FY 2025
PSYCHIATRIC SERVICES PROGRAM					
Bed Capacity	90	90	90	90	90
Average Daily Census	71	73	72	72	72
Average Length of Stay	19	42	49	45	45
STATE SECURITY PROGRAM					
Bed Capacity	140	140	140	140	140
Average Daily Census	86	90	90	90	90
Average Length of Stay	103	129	89	90	90
SEXUAL PREDATOR TREATMENT PROGRAM					
Bed Capacity	274	274	274	274	274
Average Daily Census	245	243	235	241	241

FIGURE 16
LARNED STATE HOSPITAL FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 92,446,379	\$ 91,115,999	\$ 91,050,828	\$ 100,022,755	\$ 68,454,753
Federal Funds	-	-	-	-	-
All Other Funds	17,417,264	25,558,608	25,558,608	9,750,014	9,750,014
TOTAL	\$ 109,863,643	\$ 116,674,607	\$ 116,609,436	\$ 109,772,769	\$ 78,204,767
Percent Change:					
SGF	23.2 %	(1.4) %	(0.1) %	9.8 %	(31.6) %
All Funds	16.9 %	6.2 %	(0.1) %	(5.9) %	(28.8) %
FTE Positions	920.5	920.5	887.5	920.5	887.5

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

LSH estimates revised expenditures of \$116.7 million, including \$91.1 million SGF, in FY 2024. This is an increase of \$40.1 million, including \$23.3 million SGF, above the amount approved by the 2023 Legislature. This increase is due to LSH's supplemental requests (\$16.4 million SGF), the 24/7 Pay Plan Transfer from KDADS (\$6.8 million SGF), and the Title XIX Funds Transfer from KDADS (\$16.0 million).

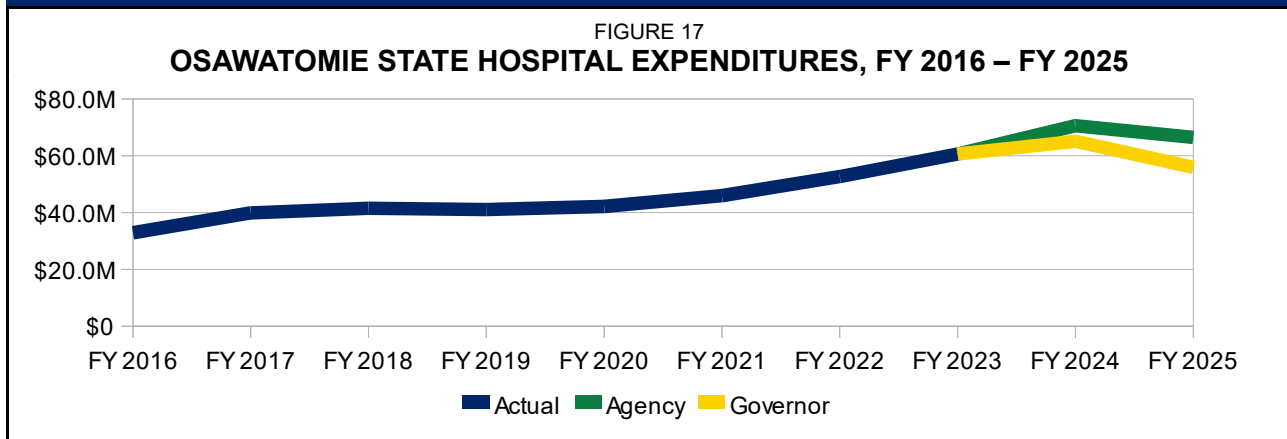
The **Governor** recommends expenditures totaling \$116.6 million, including \$91.1 million SGF, in FY 2024. This is a decrease of \$65,171 SGF below the revised estimate. The decrease is due to the Governor not recommending adoption of the request to employ a Due Process Manager.

FY 2025 REQUEST

LSH requests expenditures of \$109.8 million, including \$100.0 million SGF, for FY 2025. This is a decrease of \$6.9 million, including an SGF increase of \$8.9 million, from the agency's revised estimate in FY 2024. The overall decrease is primarily due to the 24/7 Pay Plan Transfer (\$6.8 million SGF) and Title XIX Funds Transfer (\$16.0 million) not reoccurring in FY 2025. The overall decrease is partially offset by the agency's enhancement requests, totaling \$15.6 million SGF.

The **Governor** recommends expenditures totaling \$78.2 million, including \$68.5 million SGF, for FY 2025. This is a decrease of \$31.6 million SGF below the agency's request for FY 2025. This is due to the Governor not recommending several agency enhancement requests. For more information, see the "Supplemental and Enhancement Requests" section above.

OSAWATOMIE STATE HOSPITAL



STATUTORY BASIS: • KSA 76-1201 *et seq.*; KSA 59-2901 through 59-2941; and KSA 59-2968

- PROGRAM GOALS:**
- At Least 95 percent of patients discharged will have a Discharge Summary Completed within 30 days of discharge.
 - A comprehensive discharge plan will be developed and implemented, and 95 percent of patients will have discharge criteria that is realistic, attainable, and individualized to their treatment on their Master Treatment Plan, with a Psychosocial Assessment being completed within 72 hours of admission.
 - Track and trend percentage of discharged patient readmitted within 30 days.

Osawatomie State Hospital (OSH) is an acute mental health care bed facility serving individuals 18 years and older from 46 eastern and central Kansas counties who require inpatient psychiatric treatment or non-medical detoxification for substance abuse. OSH campus includes two separate units, OSH and Adair Acute Care (AAC). Patients at OSH typically have a longer stay on the campus, while AAC patients are typically short-term (up to 14 days). For the purpose of this program, OSH expenditures, funding, and FTE positions include both AAC and OSH proper.

MORATORIUM AND DECERTIFICATION

In June 2015, a moratorium on voluntary admissions was imposed by KDADS, which oversees OSH. The moratorium was in response to concerns that OSH did not have sufficient space and staff to treat both involuntarily and voluntarily admitted patients.

In December 2015, OSH was decertified by the federal Centers for Medicare and Medicaid Services (CMS). Beginning in January 2016, OSH was able to obtain limited federal revenue through Medicare and Medicaid reimbursements and Disproportionate Share Hospital payments. OSH responded to the

decertification by making structural changes to improve patient safety, increase staffing levels, and institute new operating practices.

In August 2016, two living units were functionally separated from the rest of OSH to form AAC. AAC is considered a functionally free-standing unit on the OSH campus, though it is included in the overall number of licensed OSH beds. In December 2017, CMS certified the 60 AAC beds for federal reimbursement.

OSH is undergoing several renovations to increase capacity. The 2019 Legislature approved \$5.0 million to renovate the Biddle building, with an anticipated occupation date of April 2024. Additionally, the 2021 Legislature added \$500,000 SGF to renovate the B2 building, which was completed in May 2022.

In January 2021, the moratorium on voluntary admissions was lifted and OSH will begin to accept voluntary admissions if bed capacity is below 80.0 percent; however, to date, OSH has remained over 80.0 percent capacity and no individuals have been voluntarily admitted.

HISTORICAL STAFFING ISSUES

OSH has historically faced issues retaining direct support employees. According to the agency, these issues are related to the tension between low starting salaries and the high demands of these positions.

2021 INTERIM

The Governor issued Executive Directive Nos. 21-537 and 21- 538, which increased the starting salaries for Mental Health/Developmental Disability Technician positions. At the time, the starting salary for this position across all hospitals was approximately \$12.35 an hour. These directives increased the starting salaries to approximately \$16.00 an hour.

2022 SESSION

The Governor and the Legislature implemented the 24/7 Pay Plan, which included a permanent increase to the base pay of several nursing positions at all state hospitals, and a pay differential that provides an increased hourly rate in certain circumstances and a bonus to salaried positions. KDADS received these funds and distributed them to the state hospitals. Additionally, the Legislature added and the Governor approved \$44,449 SGF for a 5.0 percent salary increase for state employees who did not receive salary adjustments as part of the 24/7 Pay Plan.

2023 SESSION

The 2023 Legislature added \$2.0 million, including \$1.8 million SGF, for a salary adjustment at OSH based on the Department of Administration Market Survey, as well as an additional 5.0 percent salary adjustment for FY 2024.

FIGURE 18 OSAWATOMIE STATE HOSPITAL CENSUS STATISTICS					
	Actual FY 2021	Actual FY 2022	Actual FY 2023	Projected FY 2024	Projected FY 2025
Osawatomie State Hospital					
Bed Capacity	106	106	106	N/A	N/A
Average Daily Census	97	98	108	N/A	N/A
Average Length of Stay	237	244	177	N/A	N/A
Adair Acute Care					
Bed Capacity	60	60	60	N/A	N/A
Average Daily Census	37	30	33	N/A	N/A
Average Length of Stay	15	11	11	N/A	N/A

FIGURE 19 OSAWATOMIE STATE HOSPITAL FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 46,596,891	\$ 59,124,478	\$ 53,624,478	\$ 55,153,882	\$ 44,160,996
Federal Funds	-	-	-	-	-
All Other Funds	14,019,825	11,450,958	11,450,958	11,284,538	11,777,424
TOTAL	\$ 60,616,716	\$ 70,575,436	\$ 65,075,436	\$ 66,438,420	\$ 55,938,420
Percent Change:					
SGF	34.0 %	26.9 %	(9.3) %	(6.7) %	(19.9) %
All Funds	15.1 %	16.4 %	(7.8) %	(5.9) %	(15.8) %
FTE Positions	535.0	534.4	518.1	534.4	518.1

BUDGET ANALYSIS

FY 2024 REVISED ESTIMATE

OSH estimates revised expenditures of \$70.6 million, including \$59.1 million SGF, in FY 2024. This is an increase of \$16.1 million, including \$15.7 million SGF, above the amount approved by the 2023 Legislature. This increase is primarily due to OSH supplemental requests (\$10.9 million SGF) and the 24/7 Pay Plan transfer (\$4.1 million SGF).

The **Governor** recommends expenditures totaling \$65.1 million, including \$53.6 million SGF, in FY 2024. This is a decrease of \$5.5 million SGF below the agency's revised estimate in FY 2024. This decrease is due to the Governor recommending \$5.0 million SGF for OSH Contract Nursing, while the agency requested \$10.5 million SGF.

FY 2025 REQUEST

OSH requests expenditures of \$66.4 million, including \$55.2 million SGF, for FY 2025. This is a decrease of \$4.2 million, including \$4.0 million SGF, below the agency's request in FY 2024. The decrease is primarily due to the 24/7 Pay Plan transfer (\$4.1 million SGF) not reoccurring in FY 2025.

The **Governor** recommends expenditures totaling \$56.0 million, including \$44.2 million SGF, for FY 2025. This is a decrease of \$10.5 million, including \$11.0 million SGF, below the agency's request for FY 2025. The decrease is primarily due to the Governor not recommending the agency's enhancement request for contract nursing (\$10.5 million SGF). The SGF decrease is also attributable to the Governor recommending funding the OSH Biddle Courtyard request with SIBF moneys instead of SGF.

PUBLIC SAFETY



Kansas Highway Patrol car, 1959

Kansas State Historical Society,

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The Public Safety function of government provides safety and security to Kansas citizens. This function includes law enforcement agencies, emergency response entities, and correctional facilities. Agencies include 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 the Department of Corrections and its eight adult facilities and one juvenile facility.

The Governor's FY 2025 recommendation for the Public Safety function totals \$1.2 billion from all funding sources, including \$1.1 billion from the State General Fund.

Agencies in this Function:	
<i>Kansas Department of Corrections</i>	<i>1215</i>
<i>El Dorado Correctional Facility.....</i>	<i>1250</i>
<i>Ellsworth Correctional Facility.....</i>	<i>1252</i>
<i>Hutchinson Correctional Facility.....</i>	<i>1253</i>
<i>Lansing Correctional Facility.....</i>	<i>1257</i>
<i>Larned Correctional Mental Health Facility.....</i>	<i>1259</i>
<i>Norton Correctional Facility.....</i>	<i>1261</i>
<i>Topeka Correctional Facility.....</i>	<i>1262</i>
<i>Winfield Correctional Facility.....</i>	<i>1264</i>
<i>Kansas Juvenile Correctional Complex.....</i>	<i>1255</i>
<i>Adjutant General's Department.....</i>	<i>1267</i>
<i>Kansas Bureau of Investigation.....</i>	<i>1292</i>
<i>Kansas Commission on Peace Officers'</i>	
<i>Standards and Training.....</i>	<i>1332</i>
<i>Emergency Medical Services Board.....</i>	<i>1339</i>
<i>State Fire Marshal.....</i>	<i>1351</i>
<i>Kansas Highway Patrol.....</i>	<i>1362</i>
<i>Kansas Sentencing Commission.....</i>	<i>1398</i>

The FY 2025 recommendation represents a State General Fund increase of 70.9 percent, or \$436.6 million, from FY 2024. Expenditures from all funds increase by 44.3 percent, or \$368.6 million, from FY 2025.

A total of 4277.1 FTE positions are recommended by the Governor for the Public Safety function in FY 2025, which is an increase of 20.2 FTE positions from FY 2024. Of all state FTE positions, 10.0 percent are in this function.

Agencies in this function comprise 9.4 percent of the total State General Fund budget in FY 2025, which is an increase of 3.2 above FY 2024.

They comprise 4.5 percent of expenditures from all funding sources in FY 2025, which is an increase of 0.9 above FY 2024.

KANSAS DEPARTMENT OF CORRECTIONS

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

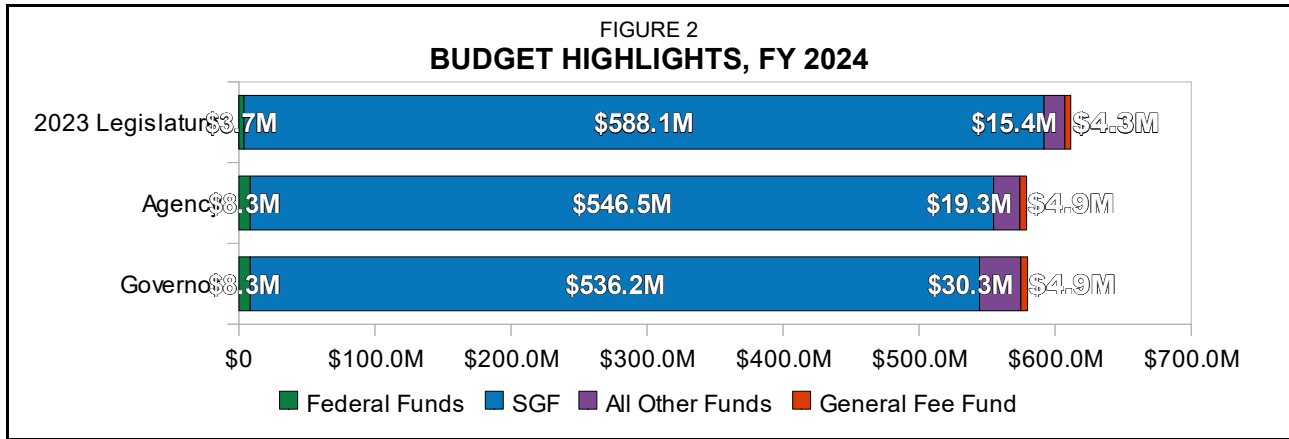
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 474,214,151	\$ 529,352,545	\$ 528,985,846	\$ 563,799,952	\$ 540,982,720
Federal Funds	8,470,487	8,293,842	8,293,842	3,420,115	3,420,115
All Other Funds	29,137,538	30,713,176	30,713,176	25,477,529	27,559,104
<i>Subtotal</i>	<u>\$ 511,822,176</u>	<u>\$ 568,359,563</u>	<u>\$ 567,992,864</u>	<u>\$ 592,697,596</u>	<u>\$ 571,961,939</u>
Capital Improvements:					
State General Fund	\$ 5,372,935	\$ 17,178,658	\$ 7,178,658	\$ 64,416,654	\$ 447,769,433
Federal Funds	977,864	-	-	-	-
All Other Funds	5,307,598	13,011,280	13,011,280	14,827,784	9,711,879
<i>Subtotal</i>	<u>\$ 11,658,397</u>	<u>\$ 30,189,938</u>	<u>\$ 20,189,938</u>	<u>\$ 79,244,438</u>	<u>\$ 457,481,312</u>
TOTAL	<u>\$ 523,480,573</u>	<u>\$ 598,549,501</u>	<u>\$ 588,182,802</u>	<u>\$ 671,942,034</u>	<u>\$1,029,443,251</u>
Percentage Change:					
State General Fund	16.5 %	14.0 %	11.8 %	14.9 %	84.4 %
All Funds	4.8 %	14.3 %	12.4 %	12.3 %	75.0 %
FTE Positions	3,438.1	3,488.5	3,488.5	3,488.5	3,488.5

The Kansas Department of Corrections (KDOC) system is composed of the KDOC Central Office, eight adult correctional facilities, one juvenile correctional facility, and a network of parole offices and local community corrections entities. The system provides containment of the highest-risk offenders and community supervision of those serving probation and parole. In FY 2014, the functions of the former Juvenile Justice Authority and juvenile correctional facilities were merged with the system. While components of the KDOC system are independent agencies, the structure allows for some commonly utilized items to be budgeted in a central location (e.g., the inmate health care contract). The annual appropriations bill grants the Secretary of Corrections the authority to transfer State General Fund (SGF) dollars between the facilities and the Central Office.

EXECUTIVE SUMMARY

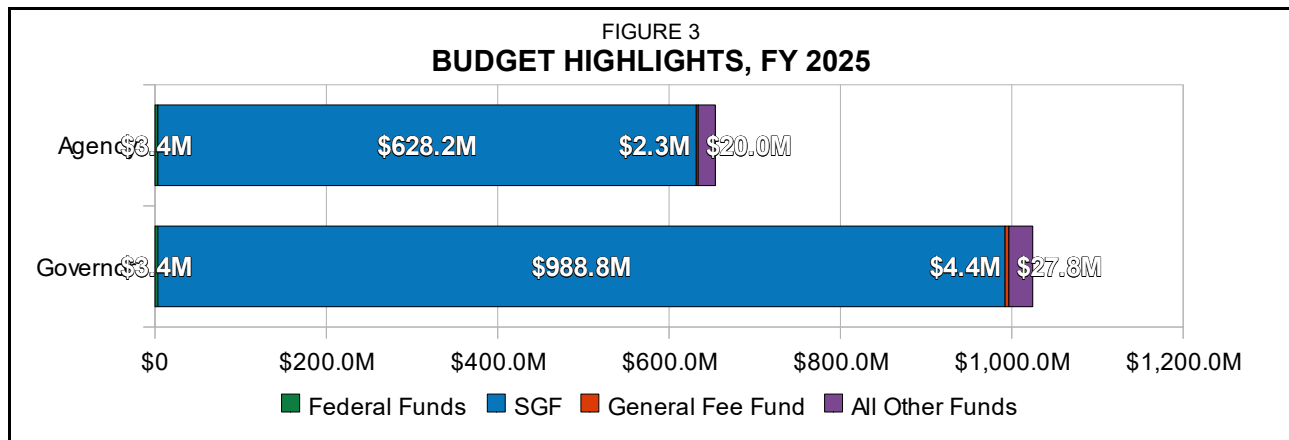
The 2023 Legislature approved a budget of \$626.0 million, including \$588.1 million SGF, for the Kansas Department of Corrections for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. An adjustment for this agency includes the following:

- **SGF REAPPROPRIATION.** The Department of Corrections received an increase of \$56.9 million SGF that was not spent in FY 2023 and has carried forward to FY 2024. The Evidence-based Juvenile Programs is the major fund that is reappropriating, with \$53.7 million SGF.



The **agency** requests a revised estimate of \$598.5 million, including \$546.5 million SGF, and 3,488.5 FTE positions in FY 2024. This is an all funds decrease of \$27.4 million, or 4.4 percent, and an SGF decrease of \$41.5 million, or 7.1 percent, below the approved amount. The decrease is primarily due to the reappropriation from the Evidence-based Juvenile Programs not being expended.

The **Governor** recommends \$588.2 million, including \$536.2 million SGF, in FY 2024. This is an all funds and SGF decrease of \$10.4 million. The decrease is due to the Governor not recommending the agency's request for \$10.0 million in FY 2024 for the Career Campus match, and the estimated food service contract was reduced. The Governor's recommendation is to move the entire requested \$20.0 million for the Career Campus match to FY 2025.



The **agency** requests \$671.9 million, including \$628.2 million SGF, for the Department of Corrections and facilities for FY 2025. This is an all funds increase of \$73.4 million, or 12.3 percent, and an SGF increase of \$81.7 million, or 14.9 percent, above the FY 2024 revised estimate. The increase includes the fully funded pay plan and \$100.8 million in enhancements for FY 2025.

The **Governor** recommends \$1.0 billion, including \$988.8 million SGF, for the Department of Corrections and correctional facilities for FY 2025. This is an all funds increase of \$357.5 million, or 53.2 percent, and an SGF increase of \$360.5 million, or 57.4 percent, above the agency's request. The increase is due to the Governor's recommendation of building a new Hutchinson Correctional Facility (HCF) for \$377.6 million SGF for FY 2025. The Governor's recommendation does not include the enhancement to reduce the shrinkage rate for the facilities

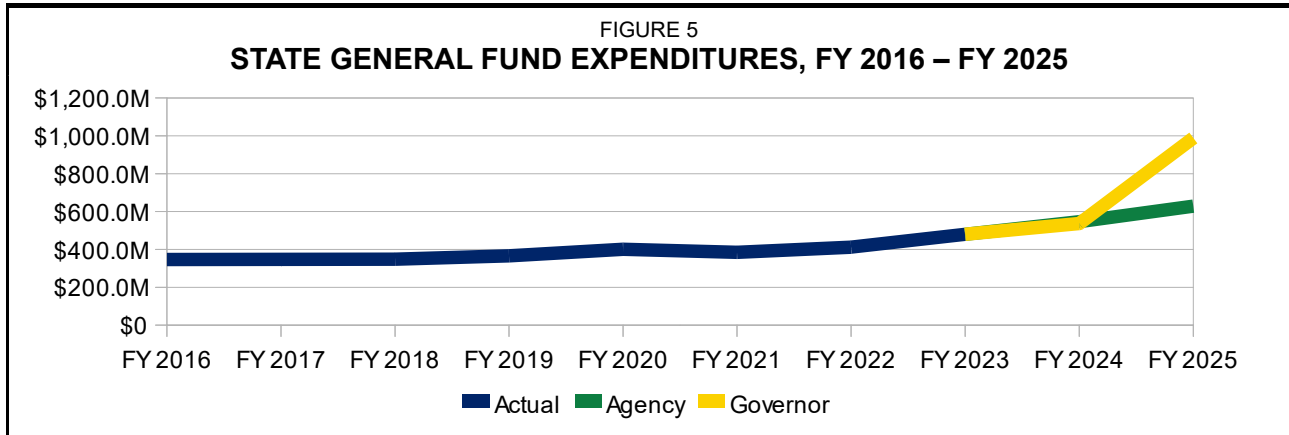
EXPENDITURES AND FINANCING

FIGURE 4

BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 241,033,048	\$ 270,380,604	\$ 270,380,603	\$ 292,933,551	\$ 271,810,976
Contractual Services	176,009,631	186,126,210	185,759,512	189,536,557	190,356,600
Commodities	20,290,056	18,527,827	18,527,827	17,731,290	19,798,165
Capital Outlay	15,917,718	7,611,937	7,611,937	2,117,930	2,117,930
Debt Service Interest	217,504	167,628	167,628	116,957	116,957
<i>Subtotal</i>	<i>\$ 453,467,957</i>	<i>\$ 482,814,206</i>	<i>\$ 482,447,507</i>	<i>\$ 502,436,285</i>	<i>\$ 484,200,628</i>
Aid to Local Units	55,494,503	53,368,411	53,368,411	58,368,411	55,868,411
Other Assistance	2,859,716	32,176,946	32,176,946	31,892,900	31,892,900
<i>Subtotal—Operating</i>	<i>\$ 511,822,176</i>	<i>\$ 568,359,563</i>	<i>\$ 567,992,864</i>	<i>\$ 592,697,596</i>	<i>\$ 571,961,939</i>
Capital Improvements	8,529,615	27,011,280	17,011,280	76,015,109	447,559,411
Debt Service Principal	3,128,782	3,178,658	3,178,658	3,229,329	9,921,901
TOTAL	\$ 523,480,573	\$ 598,549,501	\$ 588,182,802	\$ 671,942,034	\$ 1,029,443,251
Financing:					
State General Fund	\$ 479,587,086	\$ 546,531,203	\$ 536,164,504	\$ 628,216,606	\$ 988,752,153
General Fee Fund	5,243,630	4,942,487	4,942,487	2,344,900	4,426,475
State Institutions Building Fund	44,152	1,739,635	1,739,635	685,144	685,144
Correctional Institutions Building Fund	4,683,871	6,694,383	6,694,383	9,432,905	4,317,000
Federal Funds	9,448,351	8,293,842	8,293,842	3,420,115	3,420,115
All Other Funds	24,473,483	30,347,951	30,347,951	27,842,364	27,842,364
TOTAL	\$ 523,480,573	\$ 598,549,501	\$ 588,182,802	\$ 671,942,034	\$ 1,029,443,251
FTE Positions	3,438.1	3,488.5	3,488.5	3,488.5	3,488.5

STATE GENERAL FUND



For the Kansas Department of Corrections, SGF expenditures are primarily for operational purposes, such as salaries and wages, utilities at correctional facilities, and system-wide contracts for inmate health care and food service. Other significant SGF expenditures include aid to local units of governments for community-based supervision of adult and juvenile offenders.

FY 2024 ANALYSIS

FIGURE 6

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 531,203,199	\$ 569,105,635	3,475.9
1. SGF Reappropriation – Evidence-based Juvenile Programs	53,704,398	53,704,398	--
2. SGF Reappropriation – Operations	3,173,585	3,173,585	--
<i>Subtotal–Legislative Approved</i>	<u>\$ 588,081,182</u>	<u>\$ 625,983,618</u>	<u>3,475.9</u>
Agency Revised Estimate:			
Supplemental Requests:			
3. DOC and Facilities Pay Plan Shortfall	\$ 3,480,578	\$ 3,480,578	--
4. Fully Fund Food Service Contract	1,245,007	1,245,007	--
5. Career Campus Match	10,000,000	10,000,000	--
<i>Subtotal–Supplemental Requests Only</i>	<u>\$ 14,725,585</u>	<u>\$ 14,725,585</u>	<u>--</u>
6. All Other Adjustments	(56,275,564)	(42,159,702)	12.6
<i>Subtotal–Agency Revised Estimate</i>	<u>\$ 546,531,203</u>	<u>\$ 598,549,501</u>	<u>3,488.5</u>
Governor's Recommendation:			
7. Supplementals Not Recommended	\$ (10,366,699)	\$ (10,366,699)	--
TOTAL	<u>\$ 536,164,504</u>	<u>\$ 588,182,802</u>	<u>3,488.5</u>

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, two adjustments were made to the \$531.2 million appropriated to the Kansas Department of Corrections for FY 2024. These adjustments change the current year approved amount without any legislative action required and include the following:

1. **SGF REAPPROPRIATION–EVIDENCE-BASED JUVENILE PROGRAMS.** The majority of reappropriated funds are from \$53.7 million in unspent SGF in the Evidence-based Juvenile Programs account that shifted from FY 2023 to FY 2024.
2. **SGF REAPPROPRIATION–OPERATIONS.** Approximately \$3.2 million SGF was reappropriated from FY 2023 into various FY 2024 accounts. These accounts include Juvenile Justice Authority, general operating, treatment programs, community corrections, local jail payments, and purchase of services.

AGENCY ESTIMATE

The **agency** requests \$598.5 million, including \$546.5 million SGF, in FY 2024. This is an all funds decrease of \$27.4 million, or 4.4 percent, and an SGF decrease of \$41.5 million, or 7.1 percent, below the approved amount.

The revised estimate includes \$14.7 million SGF for the following supplemental requests:

3. **PAY PLAN SHORTFALL.** The KDOC system's revised estimate includes \$3.5 million SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the correctional system, a

supplemental appropriation of \$3.5 million in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

4. **FOOD SERVICE CONTRACT.** Additional funding of \$1.2 million SGF is requested to fully fund the food service contract in FY 2024. The FY 2024 approved budget was based on a 2.0 percent increase in per-meal cost and an average daily population of 8,384. Increased costs for food has led to price increases of 12.7 percent. There has also been an increase in the resident population of 4.5 percent over the first six months of calendar year 2023.
5. **CAREER CAMPUS MATCH.** HB 2401 (2021) provided the Secretary of Corrections with the authority to establish a 501(c)(3) nonprofit corporation, the KDOC Institute, for the purpose of sourcing and accepting of public and private monies to invest in large-scale capital projects for education, workforce development, and spiritual needs programs. The Pathways with Purpose campaign seeks private, tax-deductible philanthropy to build and equip a 45,000-square-foot Lansing Correctional Facility (LCF) Career Campus, with an estimated cost to construct and equip of \$40.0 million. The new campus will service as an education and workforce training center to provide a broad range of adult education, career and technical education, college degree, and career readiness programs that support success in education and employment.

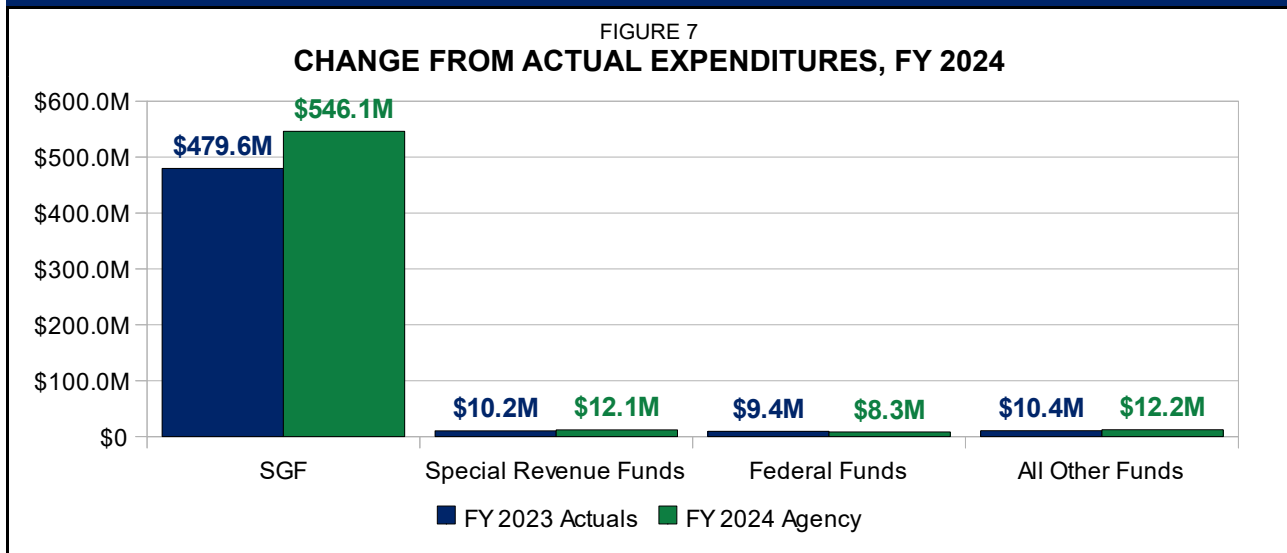
The agency is requesting a 50.0 percent contribution from the State so additional private donations can be leveraged for this project. The request is for \$10.0 million SGF in FY 2024 and \$10.0 million SGF for FY 2025.

6. **ALL OTHER ADJUSTMENTS.** Although there is approximately \$56.8 million SGF reappropriated into the FY 2024 accounts, the majority of these funds are not budgeted to be expended. There is, however, an increase of approximately \$10.0 million in expenditures of additional federal funds in FY 2024.

GOVERNOR'S RECOMMENDATION

7. **NO CHANGES.** The **Governor** recommends \$588.2 million, including \$536.2 million SGF, in FY 2024. This is an all funds and SGF decrease of \$10.4 million. The decrease is due to the Governor not recommending the agency's request for \$10.0 million in FY 2024 for the Career Campus match, and the request for the estimated food service contract was reduced. The Governor's recommendation is to move the entire requested \$20.0 million for the Career Campus match to FY 2025.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$598.5 million, including \$546.5 million SGF, in FY 2024. This is an all funds increase of \$75.1 million, or 14.3 percent, and an SGF increase of \$66.9 million, or 11.4 percent, above the FY 2023 actual expenditures. The increases include:

- \$15.5 million SGF in a pay plan increase from the 2023 Legislature;
- \$4.0 million for capital improvement projects;
- \$2.9 million SGF for the health care contract;
- \$1.7 million SGF for security equipment and vehicles; and
- \$3.7 million to reduce phone call charges.

There is a total of \$14.7 million SGF for supplemental requests in FY 2024, including:

- \$3.5 million for the pay plan shortfall;
- \$1.2 million to fully fund the food service contract; and
- \$10.0 million for a matching contribution for the Career Campus building at LCF.

FY 2025 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 530,329,684	\$ 571,150,545	3,488.5
Enhancement Requests:			
1. Reduce Shrinkage	\$ 22,549,104	\$ 22,549,104	--
2. Community Corrections	5,000,000	5,000,000	--
3. Food Service Contract	4,324,387	4,324,387	--
4. Health Service Contract	2,520,531	2,520,531	--
5. Children's Discovery Center	224,000	224,000	--
6. Replace KCI Funding with SGF	2,081,575	-	--
7. CI - Index CIBF to Inflation	-	4,986,142	--
8. CI - Career Campus Match	10,000,000	10,000,000	--
9. CI - Demo Old Lansing Maximum Facility	10,952,325	10,952,325	--
10. CI - Topeka Correctional Facility Health Building	40,235,000	40,235,000	--
<i>Subtotal-Agency Request</i>	<i>\$ 628,216,606</i>	<i>\$ 671,942,034</i>	<i>3,488.5</i>
Governor's Recommendation:			
11. Enhancements Not Recommended	\$ (38,720,745)	\$ (41,625,312)	--
12. Premium Pay and Uniform Replacement	3,275,165	3,275,165	--
13. Justice Assistance Grant Offset	218,239	218,239	--
14. Inmate Incentive Pay	1,457,784	1,457,784	--
15. Master Lease Payoff	6,692,572	6,692,572	--
16. CI - CIBF Adjustment	-	(129,763)	--
17. CI - Career Campus Match	10,000,000	10,000,000	--
18. CI - New Hutchinson Correctional Facility	377,612,532	377,612,532	--
TOTAL	\$ 988,752,153	\$ 1,029,443,251	3,488.5

AGENCY REQUEST

The **agency** requests \$671.9 million, including \$628.2 million SGF, for the Department of Corrections and correctional facilities for FY 2025. This is an all funds increase of \$73.4 million, or 12.3 percent, and an SGF increase of \$81.7 million, or 14.9 percent, above the FY 2024 revised estimate.

The request includes \$100.8 million, including \$97.9 million SGF, for the following enhancement requests:

- REDUCE SHRINKAGE.** The KDOC system requests \$22.5 million SGF to reduce the shrinkage rate to 5.0 percent across all agencies. According to the agencies, the rapid growth in inflation over the past two years and the lack of any inflationary adjustments in the budget allocations are putting a strain on the budgets as operating costs continue to increase.
- COMMUNITY CORRECTIONS.** On behalf of the Community Corrections Advisory Committee (CCAC), KDOC is requesting \$5.0 million SGF. This includes \$1.5 million SGF for additional Intensive Supervision Officers and \$3.5 million SGF for increased operating expenditures for FY 2025.
- FOOD SERVICE CONTRACT.** Additional funding of \$4.3 million SGF is requested to fully fund the food service contract for FY 2025. This is the same as the supplemental request in FY 2024 (Item 4).

4. **HEALTH SERVICE CONTRACT.** KDOC states an additional \$2.5 million is required to fully fund the health care contract. The contract includes an annual escalator of 2.7 percent for FY 2025.
5. **CHILDREN'S DISCOVERY CENTER.** KDOC requests \$224,000 to sustain the pilot sites and expand to three additional facilities. Six events would be held for residents of Kansas Juvenile Correctional Complex (KJCC), four for fathers at HCF and Ellsworth Correctional Facility (ECF), and three for fathers at the LCF and El Dorado Correctional Facility (EDCF). The agency requests \$90,000 in additional funding for visitation room improvements, including furniture and interactive toys and learning centers to create a more supportive visitation environment at the three largest facilities: EDCF, HCF, and LCF.
6. **REPLACE KCI FUNDING WITH SGF.** According to KDOC, since FY 2016, increases in the food service contract for population growth and the escalator clause have been financed by a transfer from the Kansas Correctional Industries (KCI). This annual transfer has grown from \$704,417 in FY 2016 to \$2.1 million in FY 2024. The agency requests that KCI be made whole from these transfers to pay the increased food service contract with a transfer of \$2.1 million SGF to KCI.
7. **CAPITAL IMPROVEMENT - INDEX CIBF TO INFLATION.** Using 1997 as a baseline, adjusted for inflation, the \$5.0 million from the Gaming Revenue would be \$9.5 million today. Assuming 2.5 percent inflation annually, if the transfer kept with inflation, the amount credited to the Correctional Institutions Building Fund (CIBF) would be \$9.7 million in FY 2024 and \$10.0 million for FY 2025. The increase would be \$4.7 in FY 2024 and \$5.0 million for FY 2025.
8. **CAPITAL IMPROVEMENT - CAREER CAMPUS MATCH.** The agency requests \$10.0 million SGF for a 50.0 percent contribution from the State so additional private donations can be leveraged for the Pathways with Purpose project. This is the same as the supplemental request in FY 2024 (Item 5).
9. **CAPITAL IMPROVEMENT - DEMOLISH OLD LANSING MAXIMUM FACILITY.** KDOC requests \$11.0 million SGF to demolish the old buildings within the LCF maximum-security compound. As part of the demolition, the south wall of the facility, including the warehouse and engineering shops, would be removed. This space would be replaced by a 25,000-square-foot metal building. The west wall, which currently houses staff development and human resources, would remain intact. The Career Campus would be constructed within the demolished area.
10. **CAPITAL IMPROVEMENT - TCF HEALTH BUILDING.** KDOC requests \$40.2 million SGF to construct a new Medical, Behavioral Health, and Support Building at Topeka Correctional Facility (TCF).

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$1.0 billion, including \$988.8 million SGF, for the Department of Corrections and correctional facilities for FY 2025. This is an all funds increase of \$357.5 million, or 53.2 percent, and an SGF increase of \$360.5 million, or 57.4 percent, above the agency's request. The increase is due to the Governor's recommendation to build a new HCF for \$377.6 million SGF for FY 2025.

The **Governor's** recommendation includes the following adjustments:

11. **ENHANCEMENTS NOT RECOMMENDED.** The Governor does not recommend adoption of the following enhancement requests: reducing the shrinkage rate (\$22.5 million); replacing KCI funding with SGF (\$2.1 million); demolition of the old Lansing Maximum Security facility (\$11.0 million); indexing the CIBF to inflation (\$5.0 million). The Governor recommends funding only one-half of the requested \$5.0 million for Community Corrections.
12. **PREMIUM PAY AND UNIFORM REPLACEMENT.** Due to a recently negotiated agreement with the Kansas Organization of State Employees, the Governor recommends \$3.3 million SGF for premium pay for bilingual officers assigned to restrictive housing units and special operations response teams, issuance of higher-quality and increased quantity of uniforms, and uniforms for non-security staff who work security posts.
13. **JUSTICE ASSISTANCE GRANT OFFSET.** The Governor recommends \$218,239 SGF to replace Justice Assistance Grant funding that was not approved by the Kansas Criminal Justice Coordinating Council. According to the agency, this loss of funding will impact victim services liaison and batterers' intervention work performed by the Office of Victim Services.
14. **INMATE INCENTIVE PAY.** The Governor recommends \$1.5 million SGF for inmate incentive pay. KDOC residents are provided routine, regularly established work assignments, which are designed to occupy their time in a productive manner and, to the extent possible, provide opportunities to develop, maintain, and improve vocational skills, work habits, self confidence, and other job-related attitudes. The current incentive pay rates have remained unchanged since at least 1985.
15. **MASTER LEASE PAYOFF.** The master lease payoff is for the Athena 2 information management system, which includes the Offender Management Information System and the juvenile Correctional Facility System. Payments began in October 2021 and would conclude in October 2026. The \$6.7 million SGF additional payments would pay the remaining debt in FY 2025.
16. **CAPITAL IMPROVEMENT - CIBF ADJUSTMENT.** The CIBF was reduced by \$129,763 to match the available amount in the fund from gambling revenues.
17. **CAPITAL IMPROVEMENT - CAREER CAMPUS MATCH.** The agency is requesting a 50.0 percent contribution from the State so additional private donations can be leveraged for this project. The request is for \$10.0 million SGF in FY 2024 and \$10.0 million SGF for FY 2025. However, the Governor's recommendation is for the entire \$20.0 million SGF for FY 2025.
18. **CAPITAL IMPROVEMENT - NEW HUTCHINSON CORRECTIONAL FACILITY.** The Governor recommends \$377.6 million SGF to construct a new facility at Hutchinson. This is a priority project in the agency's 5-year capital improvement plan. Construction of the current facility began in 1867. The cell sizes in A, B, and C cell houses are 42 square feet, which is well below the 80 square feet currently required by the court system for new construction. Many of the small cells are unable to meet ADA requirements for wheelchair access. The East and South Units are made of wood and are combustible, and they don't have fire suppression sprinkler systems. The average lifespan of a facility is 75 years, and HCF is more than 150 years old.

The **Governor's** recommendation also includes reduced amounts but full funding of the food service contract and health service contract. The agency adjusted the requests due to new prison population estimates that were released by the Kansas Sentencing Commission after the budget submission deadline.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 9 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 3,480,578	\$ 3,480,578	-	\$ 3,480,578	\$ 3,480,578	-
2. Food Service Contract	1,245,007	1,245,007	-	878,309	878,309	-
3. Career Campus Match	10,000,000	10,000,000	-	-	-	-
TOTAL	\$ 14,725,585	\$ 14,725,585	-	\$ 4,358,887	\$ 4,358,887	-
FY 2025 Enhancements:						
4. Reduce Shrinkage	\$ 22,549,104	\$ 22,549,104	-	\$ -	\$ -	-
5. Community Corrections	5,000,000	5,000,000	-	2,500,000	2,500,000	-
6. Food Service Contract	4,324,387	4,324,387	-	3,930,784	3,930,784	-
7. Health Service Contract	2,520,531	2,520,531	-	2,276,393	2,276,393	-
8. Children's Discovery Center	224,000	224,000	-	224,000	224,000	-
9. Replace KCI Funding with SGF	2,081,575	-	-	-	-	-
10. Premium Pay and Uniform Replacement	-	-	-	3,275,165	3,275,165	-
11. Justice Assistance Grant Offset	-	-	-	218,239	218,239	-
12. Inmate Incentive Pay	-	-	-	1,457,784	1,457,784	-
13. Master Lease Payoff	-	-	-	6,692,572	6,695,572	-
14. CI - CIBF to Inflation	-	4,986,142	-	-	-	-
15. CI - Career Campus	10,000,000	10,000,000	-	20,000,000	20,000,000	-
16. CI - Demo Old Lansing CF	10,952,325	10,952,325	-	-	-	-
17. CI - TCF Health Building	40,235,000	40,235,000	-	40,235,000	40,235,000	-
18. CI - Build New HCF	-	-	-	377,612,532	377,612,532	-
TOTAL	\$ 97,886,922	\$ 100,791,489	-	\$ 458,422,469	\$ 458,425,469	-

- PAY PLAN SHORTFALL.** The KDOC system's revised estimate includes \$3.5 million SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the correctional system, a supplemental appropriation of \$3.5 million in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- FOOD SERVICE CONTRACT.** Additional funding of \$1.2 million SGF is requested to fully fund the food service contract in FY 2024. The FY 2024 approved budget was based on a 2.0 percent increase in per-meal cost and an average daily population of 8,384. Increased costs for food has led to price increases of 12.7 percent. There has also been an increase in the resident population of 4.5 percent over the first six months of calendar year 2023.

The Governor recommends adoption of this request at a recalculated lower amount of \$878,309.

3. **CAREER CAMPUS MATCH.** HB 2401 (2021) provided the Secretary of Corrections with the authority to establish a 501(c)(3) nonprofit corporation, the KDOC Institute, for the purpose of sourcing and accepting public and private monies to invest in large-scale capital projects for education, workforce development, and spiritual needs programs. The Pathways with Purpose campaign seeks private, tax-deductible philanthropy to build and equip a 45-square-foot LCF Career Campus, with an estimated cost to construct and equip of \$40.0 million. The new campus will service as an education and workforce training center to provide a broad range of adult education, career and technical education, college degree, and career readiness programs that support success in education and employment.

The agency is requesting a 50.0 percent contribution from the State so additional private donations can be leveraged for this project. The request is for \$10.0 million SGF in FY 2024 and \$10.0 million SGF for FY 2025.

The Governor does not recommend adoption of this request in FY 2024; however, the Governor does recommend the full funding of \$20.0 million for FY 2025.

4. **REDUCE SHRINKAGE.** The KDOC system requests \$22.5 million SGF to reduce the shrinkage rate to 5.0 percent across all agencies. According to the agencies, the rapid growth in inflation over the past two years and the lack of any inflationary adjustments in the budget allocations are putting a strain on the budgets as operating costs continue to increase. In prior years, the correctional agencies have been able to absorb the increases using salary and wage savings generated through high vacancy rates. The pay plan has positively impacted vacancy rates both in terms of recruitment and retention; low vacancy rates reduces the funding available to cover other operating expenditures. According to the agencies, a shrinkage rate of 5.0 percent is a better representation of actual salary and wage savings realized through natural attrition.

The Governor does not recommend adoption of this request.

5. **COMMUNITY CORRECTIONS.** On behalf of the Community Corrections Advisory Committee (CCAC), KDOC is requesting \$5.0 million SGF. This includes \$1.5 million SGF for additional intensive supervision officers and \$3.5 million SGF for increased operating expenditures for FY 2025. The CCAC recommends adding a total of 51 intensive supervision officer positions phased in over three years. The CCAC recommends the \$3.5 million SGF to increase mental health, substance abuse, and behavior change interventions and assistance for people assigned to Community Corrections.

The Governor recommends adoption of this request in part at \$2.5 million.

6. **FOOD SERVICE CONTRACT.** Additional funding of \$4.3 million SGF is requested to fully fund the food service contract for FY 2025. The FY 2025 approved budget was based on a 2.0 percent increase in per-meal cost and an average daily population of 9,731. As part of the contract, an additional \$271,009 is requested for the replacement of food service equipment. The contract sets aside \$300,000 annually for equipment repair and replacement of food service equipment. That amount has remained flat since the start of the contract in 1997.

The Governor recommends adoption of this request at a recalculated lower amount of \$3.9 million.

7. **HEALTH SERVICE CONTRACT.** KDOC states an additional \$2.5 million SGF is required to fully fund the health care contract. The contract includes an annual escalator of 2.7 percent for FY 2025. The total increase has been partially offset through the reallocation of projected savings in hepatitis C treatment and the expected availability of federal State Criminal Alien Assistance Program funds.

The Governor recommends adoption of this request at a recalculated lower amount of \$2.3 million.

8. **CHILDREN'S DISCOVERY CENTER.** According to the KDOC, incarceration often takes a profound toll on families, especially the youngest and most vulnerable members. Play Free is a play-based education and exploration program for children with an incarcerated mother that was inspired by a similar program at the Children's Museum of Manhattan in partnership with Rikers Island that provides a supportive environment for educational play and family bonding. In 2018, KDOC and the Kansas Children's Discovery Center began a partnership to create the opportunity for the residents at TCF to bond with their children at one of six on-site events hosted each year at the Discover Center located in Topeka.

KDOC and the Discovery Center will pilot an expansion of this program, providing this same opportunity to one of the adult male facilities and the KJCC. This partnership will provide incarcerated fathers and their child(ren) the opportunity to participate in the Discover Center's Play Free Mobile Museum at a site in the community.

KDOC requests \$134,000 SGF to sustain the pilot sites and expand to three additional facilities. Six events would be held for residents of KJCC, four for fathers at HCF and ECF, and three for fathers at LCF and EDCF. The agency requests \$90,000 SGF in additional funding for visitation room improvements, including furniture and interactive toys and learning centers, to create a more supportive visitation environment at the three largest facilities: EDCF, HCF, and LCF.

The Governor recommends adoption of this request.

9. **REPLACE KCI FUNDING WITH SGF.** According to KDOC, since FY 2016, increases in the food service contract for population growth and the escalator clause have been financed by a transfer from the KCI. This annual transfer has grown from \$704,417 in FY 2026 to \$2.1 million in FY 2024. The agency requests that KCI be made whole from these transfers to pay the increased food service contract with a transfer of \$2.1 million to KCI. KCI is supported entirely by revenue generated through room and board payments made by residents working in private industry, the sale of manufactured goods, and commissions from the resident commissary.

The Governor does not recommend adoption of this request.

10. **PREMIUM PAY AND UNIFORM REPLACEMENT.** Due to a recently negotiated agreement with the Kansas Organization of State Employees, the agency requests \$3.3 million SGF for premium pay for bilingual officers assigned to restrictive housing units and special operations response teams, issuance of higher-quality and increased quantity of uniforms, and uniforms for non-security staff who work security posts.

The Governor recommends adoption of this request.

11. **JUSTICE ASSISTANCE GRANT OFFSET.** The agency requests \$218,239 SGF to replace Justice Assistance Grant funding that was not approved by the Kansas Criminal Justice Coordinating Council. According to the agency, this loss of funding will impact victim services liaison and batterers' intervention work performed by the Office of Victim Services.

Victim services liaisons provide safety planning, information, systems advocacy, family reintegration, and assistance for victims of crime. Each victim services liaison served an average of 275 victims in FY 2023. To ensure accessibility and cultural sensitivity, the Office of Victim Services strives to provide equitable services to Spanish-speaking victims as those provided to their English-speaking counterparts.

A Spanish-speaking victim services liaison is currently employed with the Office of Victim Services and providing interpretation services within the department. Additionally, this liaison carries a caseload of both English- and Spanish-speaking victims. If this position is not funded, the number of victims served by the Office of Victim Services in the Wichita region would decrease by 25.0 percent.

The Governor recommends adoption of this request.

12. **INMATE INCENTIVE PAY.** The agency is requesting \$1.5 million SGF for inmate incentive pay. KDOC residents are provided routine, regularly established work assignments, which are designed to occupy their time in a productive manner and, to the extent possible, provide opportunities to develop, maintain, and improve vocational skills, work habits, self confidence, and other job-related attitudes. The current incentive pay rates have remained unchanged since at least 1985.

KDOC is requesting funding to support an incentive pay tied to the change in the Consumer Price Index from January 1985 to January 2023. This will result in the following increases to resident pay:

- Level A from \$0.45 to \$1.28
- Level B from \$0.60 to \$1.70
- Level C from \$0.75 to \$2.13
- Level D from \$1.05 to \$2.98

The Governor recommends adoption of this request.

13. **MASTER LEASE PAYOFF.** The master lease payoff is for the Athena 2 information management system, which includes the Offender Management Information System and the Juvenile Correctional Facility System. Payments began in October 2021 and would conclude in October 2026. The \$6.7 million SGF additional payments would pay the remaining debt in FY 2025.

The Governor recommends adoption of this request.

14. **CAPITAL IMPROVEMENT - CIBF FUNDING TO INFLATION.** The CIBF was originally created in 1976. Receipts came from a mill levy that was intermittent until the creation of the State Gaming Revenue Fund in 1986. From 1986 to 1996, 10.0 percent of the Gaming Revenue receipts, not to exceed \$5.0 million, was split between CIBF and the Juvenile Detention Fund. From 1997 to 2000, 10.0 percent of receipts, not to exceed \$5.0 million, was credited solely to the CIBF annually. In 2001, the amount credited to the CIBF was decreased to \$4,992,000.

Using 1997 as a baseline, adjusted for inflation, the \$5.0 million from the Gaming Revenue would be \$9.5 million today. Assuming 2.5 percent inflation annually, if the transfer kept with inflation, the amount credited to the CIBF would be \$9.7 million in FY 2024 and \$10.0 million for FY 2025. The increase would be \$4.7 in FY 2024 and \$5.0 million for FY 2025.

The Governor does not recommend adoption of this request.

15. **CAPITAL IMPROVEMENT - CAREER CAMPUS.** See Item 3, above.

The Governor recommends adoption of this request at the full \$20.0 million SGF for FY 2025 instead of \$10.0 million in each year.

16. **CAPITAL IMPROVEMENT - DEMOLISH OLD LANSING FACILITY.** KDOC is requesting \$11.0 million SGF to demolish the old buildings within LCF maximum-security compound. As part of the demolition, the south wall of the facility, including the warehouse and engineering shops, would be removed. This space would be replaced by a 25,000-square-foot metal building. The west wall, which currently houses staff development and human resources, would remain intact. The Career Campus would be constructed within the demolished area.

The Governor does not recommend adoption of this request.

17. **CAPITAL IMPROVEMENT - TCF HEALTH BUILDING.** KDOC requests \$40.2 million SGF to construct a new Medical, Behavioral Health, and Support Building at TCF. According to the agency, this will improve access to behavioral health and health care services for residents while also centralizing staff and visitor check-in, resident admission and discharge functions, visitation, and the control center, each of which are duplicated currently because of the two separate compounds at the facility.

The Governor recommends adoption of this request.

18. **CAPITAL IMPROVEMENT - NEW FACILITY FOR HUTCHINSON CORRECTIONAL FACILITY.** The Governor recommends \$377.6 million SGF to construct a new facility at Hutchinson. This is a priority project in the agency's 5-year capital improvement plan. Construction of the current facility began in 1867. The cell sizes in A, B, and C cell houses are 42 square feet, which is well below the 80 square feet currently required by the court system for new construction. Many of the small cells are unable to meet ADA requirements for wheelchair access. The East and South Units are made of wood and are combustible, and they do not fire suppression sprinkler systems. The average lifespan of a facility is 75 years, and HCF is more than 150 years old.

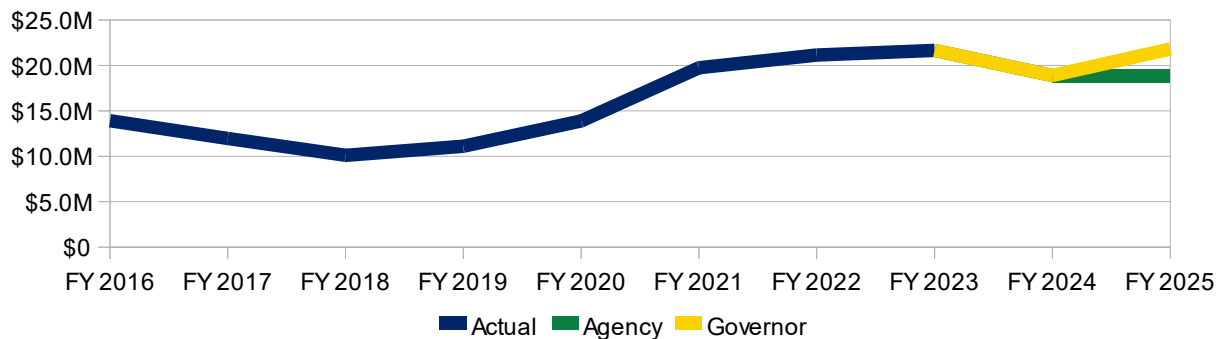
The Governor recommends adoption of this request.

PROGRAM MEASURES OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Central Office/KCI	\$ 267,321,564	\$ 322,293,621	\$ 311,926,922	\$ 380,308,375	\$ 758,653,477
Ellsworth CF	20,273,783	21,914,343	21,914,343	23,577,817	21,520,887
El Dorado CF	42,231,744	44,747,949	44,747,949	49,554,384	44,151,272
Hutchinson CF	46,447,562	47,359,234	47,359,234	47,763,607	47,356,490
Kansas Juvenile CC	23,975,984	27,079,962	27,079,962	29,647,489	25,614,107
Lansing CF	40,272,466	45,096,446	45,096,446	46,234,155	44,048,437
Larned State CF	16,163,160	17,847,346	17,847,346	18,414,126	17,198,424
Norton CF	23,072,264	23,962,130	23,962,130	26,899,778	23,776,817
Topeka CF	21,905,766	23,385,022	23,385,022	25,043,329	22,624,366
Winfield CF	21,816,280	24,863,448	24,863,448	24,498,974	24,498,974
TOTAL	\$ 523,480,573	\$ 598,549,501	\$ 588,182,802	\$ 671,942,034	\$ 1,029,443,251
FTE Positions:					
Central Office/KCI	527.1	555.0	555.0	555.0	555.0
Ellsworth CF	234.0	237.0	237.0	237.0	237.0
El Dorado CF	486.0	493.0	493.0	493.0	493.0
Hutchinson CF	507.0	505.0	505.0	505.0	505.0
Kansas Juvenile CC	266.0	266.5	266.5	266.5	266.5
Lansing CF	445.0	451.0	451.0	451.0	451.0
Larned State CF	189.0	192.0	192.0	192.0	192.0
Norton CF	265.0	265.0	265.0	265.0	265.0
Topeka CF	262.0	265.0	265.0	265.0	265.0
Winfield CF	257.0	259.0	259.0	259.0	259.0
TOTAL	3,438.1	3,488.5	3,488.5	3,488.5	3,488.5

ADMINISTRATION

FIGURE 11
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5201, 75-5204, 75-5205, 75-5251, 75-5257

PROGRAM GOALS: • Provide the administrative and staff services required for operation of the KDOC Central Office.
• Provide the leadership, support, and oversight necessary for the correctional system to meet its objectives.

The Administration program includes the activities of the Secretary of Corrections and other administrative and support personnel responsible for the management and oversight of correctional facilities and provision of services to inmates, parolees, and other offenders. The Administration program is composed of the following subprograms:

ADMINISTRATION

This subprogram provides agency administrative functions, such as legal services, fiscal management, contract oversight, human resources, public information, policy development, and centralized inmate banking.

INFORMATION SERVICES

This subprogram is responsible for the planning, operation, and support of all information technology functions and telecommunications.

ENFORCEMENTS, APPREHENSIONS, AND INVESTIGATIONS

Enforcements, Apprehensions, and Investigations (EAI) is a specialized unit responsible for investigating incidents involving inmates, staff, or individuals on the premises of correctional facilities. Further, EAI is involved with the apprehension of escapees and parole absconders, and is the agency's primary intelligence gathering and analysis entity.

FIGURE 12
ADMINISTRATION FINANCING, FY 2023 – FY 2025

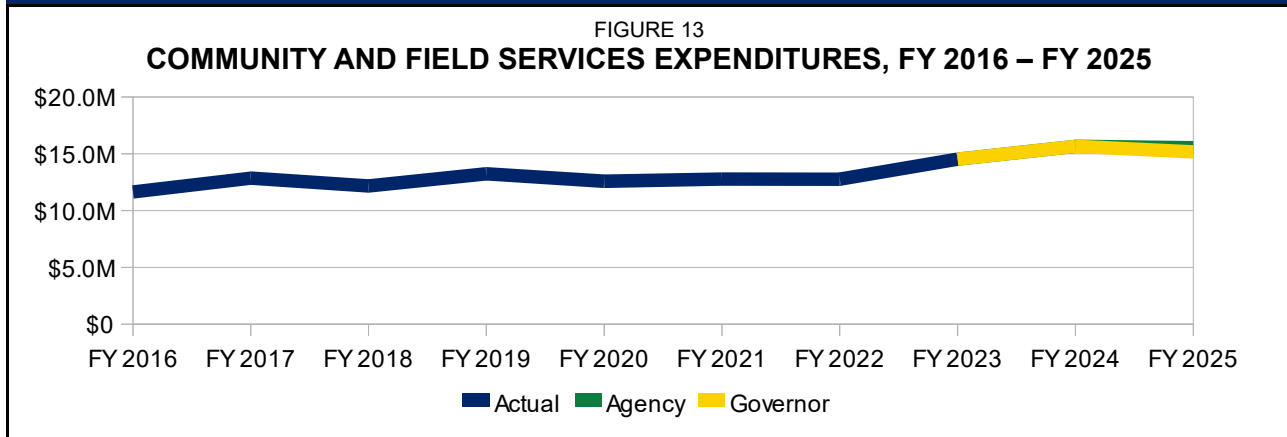
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 18,269,155	\$ 17,696,192	\$ 17,696,192	\$ 18,136,616	\$ 21,065,148
Federal Funds	338,838	343,446	343,446	41,651	41,651
All Other Funds	3,037,701	840,058	840,058	707,045	707,045
TOTAL	\$ 21,645,694	\$ 18,879,696	\$ 18,879,696	\$ 18,885,312	\$ 21,813,844
Percent Change:					
SGF	5.6 %	(3.1) %	-- %	2.5 %	16.1 %
All Funds	(33.7) %	(12.8) %	-- %	0.0 %	15.5 %
FTE Positions	112.6	112.6	112.6	112.6	112.6

BUDGET ANALYSIS

The Administration program expenditures are \$18.9 million, including \$18.1 million SGF, for FY 2025. This is an all funds increase of \$5,616, or less than 0.1 percent, and an SGF increase of \$440,424, or 2.5 percent, from the FY 2024 revised estimate. The decrease in all funds is primarily capital outlay expenditures, and the increase in SGF is primarily in salaries and wages for increased benefit costs.

The **Governor** recommends \$21.8 million, including \$21.1 million SGF, for FY 2025. This is an all funds increase of \$2.2 million, or 1.6 percent, and an SGF increase of \$2.9 million, or 1.6 percent, above the agency's request due to enhancement requests in the Governor's recommendation for pay and uniform replacement.

COMMUNITY AND FIELD SERVICES



STATUTORY BASIS: • KSA 75-5290 through 75-52,113

PROGRAM GOALS: • Provide offender supervision commensurate with the assessed risk level.
• Enhance public safety by increasing offender pro-social behavior.

The Community and Field Services 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 administers payments to residential facilities in Johnson and Sedgwick counties for adult felony probationers that are designed to increase accountability by helping offenders find employment and develop good work habits. The

Community and Field Services program is composed of the following subprograms:

PAROLE SUPERVISION

This subprogram is responsible for the community-based supervision of offenders who are released from correctional facilities on parole, post-release supervision, or conditional release but have not been discharged from their sentence.

INTERSTATE COMPACT UNIT

This unit is responsible for regulating the transfer and movement between states of adult parole and probation offenders under community supervision.

FIGURE 14
COMMUNITY AND FIELD SERVICES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 13,592,585	\$ 14,127,428	\$ 14,127,428	\$ 14,529,630	\$ 14,173,817
Federal Funds	200,166	544,008	544,008	-	-
All Other Funds	724,950	982,504	982,504	994,788	994,788
TOTAL	\$ 14,517,701	\$ 15,653,940	\$ 15,653,940	\$ 15,524,418	\$ 15,168,605
Percent Change:					
SGF	12.9 %	3.9 %	-- %	2.8 %	(2.4) %
All Funds	13.8 %	7.8 %	-- %	(0.8) %	(2.3) %
FTE Positions	154.5	154.5	154.5	154.5	154.5

BUDGET ANALYSIS

The Community and Field Services program million SGF, for FY 2025. This is an all funds expenditures are \$15.2 million, including \$14.2 decrease of \$129,522, or 0.8 percent, and an

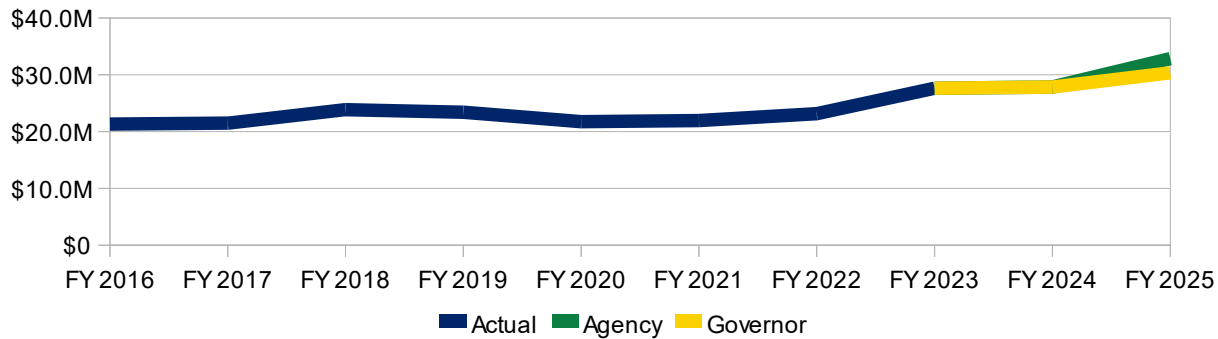
SGF increase of \$402,202, or 2.8 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for increased benefit costs and the enhancement request.

of \$355,813, or 2.3 percent, and an SGF decrease of \$355,813, or 2.4 percent, below the agency request due to the Governor not recommending the shrinkage enhancement request for FY 2025.

The **Governor** recommends \$15.2 million, including \$14.2 million SGF. This is a decrease

COMMUNITY CORRECTIONS

FIGURE 15
COMMUNITY CORRECTIONS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5290 *et seq.*, 75-52,111, 75-52,112

PROGRAM GOALS: • To increase the successful completion rate by 3.0 percent annually until a 75.0 percent successful completion rate has been achieved and maintained.
• Promote probationer accountability and responsibility to the community and to their victims.

The Community Corrections program provides operating grants to community corrections agencies administered by county governments for the supervision of adult felony probationers, pursuant to KSA 75-5291. This supervision includes assessment, individualized

case plans, rehabilitation programs, behavioral health services, and GPS monitoring. There are currently 31 community corrections agencies receiving grants. Some agencies serve a single county, while others are multi-county agencies.

FIGURE 16
COMMUNITY CORRECTIONS FINANCING, FY 2023 – FY 2025

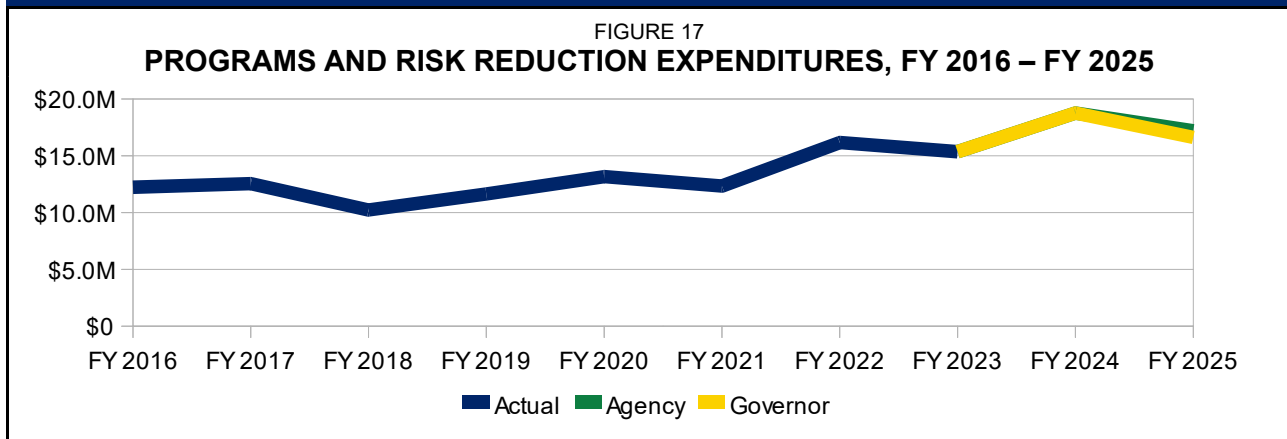
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 26,420,485	\$ 26,635,835	\$ 26,635,835	\$ 31,640,312	\$ 29,134,699
Federal Funds	-	-	-	-	-
All Other Funds	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
TOTAL	\$ 27,620,485	\$ 27,835,835	\$ 27,835,835	\$ 32,840,312	\$ 30,334,699
Percent Change:					
SGF	9.0 %	0.8 %	-- %	18.8 %	(7.9) %
All Funds	99.0 %	0.8 %	-- %	18.0 %	(7.6) %
FTE Positions	7.0	7.0	7.0	7.0	7.0

BUDGET ANALYSIS

The Community Corrections program expenditures are \$32.8 million, including \$31.6 million SGF, for FY 2025. This is an all funds increase of \$5.0 million, or 18.0 percent, and an SGF increase of \$5.0 million, or 18.8 percent, above the FY 2024 revised estimate. The increase is primarily in aid to local units due to an enhancement request for \$5.0 million additional intensive supervision officers.

The **Governor** recommends \$30.3 million, including \$29.1 million SGF. This is a decrease of \$2.5 million, or 7.6 percent, and an SGF decrease of \$2.5 million, or 7.9 percent, below the agency's request. The decrease is due to the Governor's recommendation being only half of the agency's request of \$5.0 million SGF for Community Corrections.

PROGRAMS AND RISK REDUCTION



STATUTORY BASIS: • KSA 75-5201, 75-5210, 75-5210a, 75-2511, 8-1567

PROGRAM GOALS:

- Increase successful program completions through readiness, responsiveness, and motivational enhancements, and providing programs in a dose that fits the risk levels.
- Provide quality release-planning services that address housing and connections to treatment and are volunteer-led.
- Increase employability and employment opportunities for residents.

The Programs and Risk Reduction program provides direct rehabilitative programs and reentry services to inmates and parolees. Offenders are assessed, and a case management plan is developed using evidence-based principles to reduce their risk of returning to the correctional system after release. The services and programs include:

- Special, career technical, and academic education;
- Substance abuse treatment;
- Community-based resources to assist offenders when they transition back into the community;
- Sex offender treatment services; and
- Other programs.

Programs and Risk Reduction program is composed of the following subprograms:

TRANSITIONAL HOUSING

This subprogram coordinates temporary housing for recently released offenders. Housing specialists in Kansas City, Olathe, Topeka, and Wichita work with landlords, property managers, public housing authorities, parole officers, and unit team counselors to

ensure offenders have safe and affordable housing opportunities.

MENTORING

This subprogram provides volunteer mentors to work with offenders pre- and post-release to address needs—such as employment, housing, and family issues—and provide positive social influencing and modeling.

MENTAL HEALTH

The Mental Health subprogram works with offenders with mental illness to provide discharge planning services at all facilities to ensure a continuum of care.

PROGRAM PROVIDERS

The Program Providers subprogram contains expenditures for various contracts that provide programming services to offenders during reintegration into the community.

REENTRY

This subprogram manages teams that work with offenders 18 months prior to release for high-risk/high-need offenders and several months pre-release in all cases. These teams prepare the offender and community for the offender's return.

FIGURE 18

PROGRAMS AND RISK REDUCTION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 7,748,558	\$ 11,705,164	\$ 11,705,164	\$ 12,210,951	\$ 11,629,345
Federal Funds	6,898,595	1,449,424	1,449,424	374,288	374,288
All Other Funds	704,573	5,598,187	5,598,187	4,614,982	4,614,982
TOTAL	\$ 15,351,726	\$ 18,752,775	\$ 18,752,775	\$ 17,200,221	\$ 16,618,615
Percent Change:					
SGF	8.5 %	51.1 %	-- %	4.3 %	(4.8) %
All Funds	(5.0) %	22.2 %	-- %	(8.3) %	(3.4) %
FTE Positions	114.0	131.0	131.0	131.0	131.0

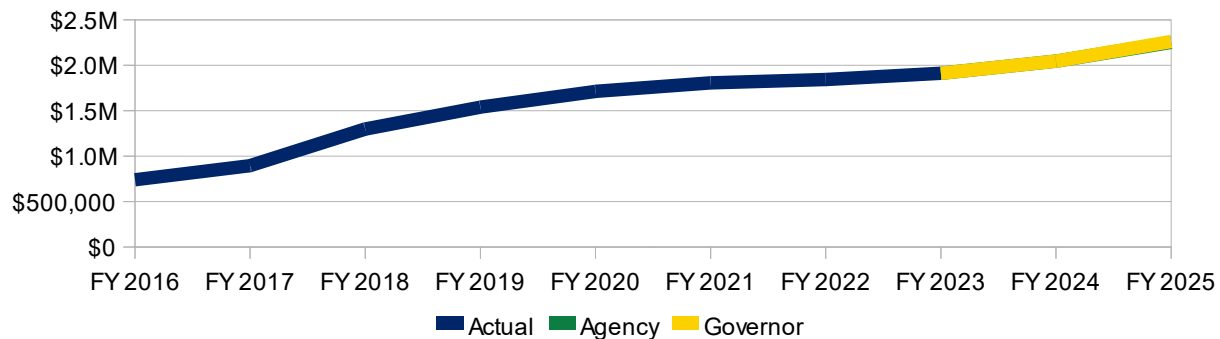
BUDGET ANALYSIS

The Programs and Risk Reduction program expenditures are \$17.2 million, including \$12.2 million SGF, for FY 2025. This is an all funds decrease of \$1.6 million, or 8.3 percent, and an SGF increase of \$505,787, or 4.3 percent, from the FY 2024 revised estimate. The decrease in other funds is in contractual services and capital outlay. The increase in SGF is primarily in salaries and wages for increased benefit costs.

The **Governor** recommends \$16.6 million, including \$11.6 million SGF. This is an all funds decrease of \$581,606, or 3.4 percent, and an SGF decrease of \$581,606, or 4.8 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's shrinkage enhancement request.

VICTIM SERVICES

FIGURE 19
VICTIM SERVICES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 22-3727

PROGRAM GOALS: • Serve as a liaison and service provider to crime victims.
• Provide quality, victim-centered Batterer Intervention Program (BIP) services.

The Victim Services program provides services to victims of crimes and offending 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. The Victim Services program is composed of the following subprograms:

VICTIM NOTIFICATION

Pursuant to KSA 22-3727, this office provides written notification of changes to an offender's status regarding release date, death, early discharge, and other listed changes.

VICTIM SERVICES LIAISON

This subprogram allows victims to coordinate with local law enforcement to develop a safety plan in response to an offender's pending release.

RESTORATIVE JUSTICE

This subprogram provides the opportunity for survivors of severe violence to dialogue with an offender under the guidance of trained professionals.

BATTERER INTERVENTION PROGRAMMING

Batterer Intervention Programming (BIP) is certified by the Kansas Office of the Attorney General to provide services to offenders in prison and on parole. BIP services are intended to hold persons convicted of domestic violence offenses accountable, create nonviolent behavior, and promote safety for victims.

FIGURE 20
VICTIM SERVICES FINANCING, FY 2023 – FY 2025

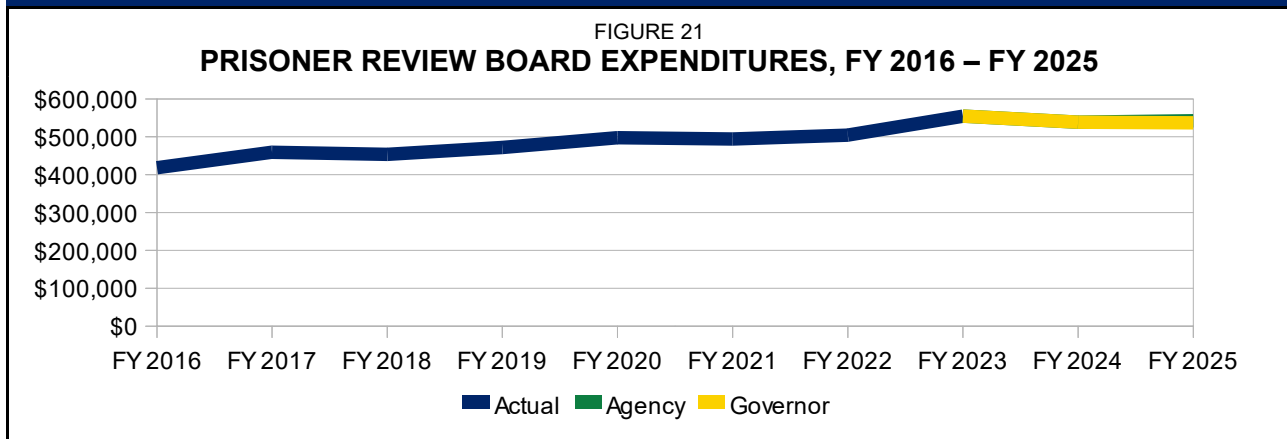
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,006,382	\$ 963,681	\$ 963,681	\$ 1,171,822	\$ 1,181,157
Federal Funds	906,056	1,081,911	1,081,911	1,080,336	1,080,336
All Other Funds	-	-	-	-	-
TOTAL	\$ 1,912,438	\$ 2,045,592	\$ 2,045,592	\$ 2,252,158	\$ 2,261,493
Percent Change:					
SGF	10.1 %	(4.2) %	-- %	21.6 %	0.8 %
All Funds	10.1 %	7.0 %	-- %	10.1 %	0.4 %
FTE Positions	29.0	29.0	29.0	29.0	29.0

BUDGET ANALYSIS

The Victim Services program expenditures are \$2.2 million, including \$1.2 million SGF, for FY 2025. This is an all funds increase of \$206,566, or 10.0 percent, and an SGF increase of \$208,141, or 21.6 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for increased benefit costs.

The **Governor** recommends \$2.3 million, including \$1.2 million SGF. This is an all funds increase of \$9,335, or 0.4 percent, and an SGF increase of \$9,335, or 0.8 percent, above the agency's request. The increase is due to the Governor's recommendation of the enhancement for the Justice Assistance Grant offset.

PRISONER REVIEW BOARD



STATUTORY BASIS: • KSA 22-3701, 22-3706, 22-3709, 75-52,153

PROGRAM GOALS: • Issue parole suitability decisions that promote the development of offenders and reduce the risk of offenders committing additional crimes.

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 KDOC. 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, and the program also has administrative and clerical staff. The Board reviews approximately 7,000 cases annually.

FIGURE 22
PRISONER REVIEW BOARD FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 521,780	\$ 538,643	\$ 538,643	\$ 542,410	\$ 536,846
Federal Funds	32,698	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 554,478	\$ 538,643	\$ 538,643	\$ 542,410	\$ 536,846
Percent Change:					
SGF	3.4 %	3.2 %	-- %	0.7 %	(1.0) %
All Funds	9.9 %	(2.9) %	-- %	0.7 %	(1.0) %
FTE Positions	6.0	6.0	6.0	6.0	6.0

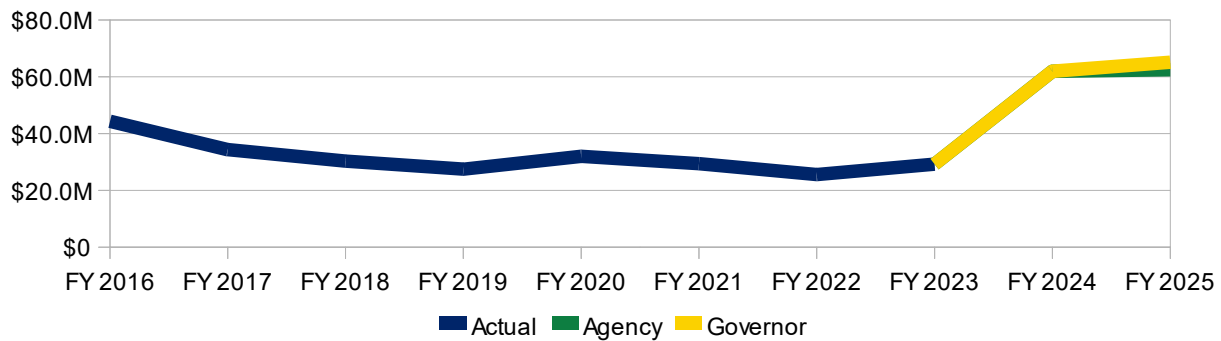
BUDGET ANALYSIS

The Prisoner Review Board program expenditures are \$542,410 SGF for FY 2025. This is an increase of \$3,767, or 0.7 percent. The increase is primarily in salaries and wages for increased benefit costs.

The **Governor** recommends \$536,846, all SGF. This is an all funds and SGF decrease of \$5,564, or 1.0 percent, below the agency's request due to the Governor not recommending the shrinkage enhancement request.

JUVENILE SERVICES

FIGURE 23
JUVENILE SERVICES EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-7001 through 7071, 75-52,162, 75-52,163, and 75-52,164

PROGRAM GOALS: • Reduce juvenile crime by offering community-based prevention and intervention programs.
• Provide oversight and maintain accountability of community case management, intensive supervision, intake and assessment, intervention, and prevention programs.

The Juvenile Services program was established within KDOC following a merger of the former Juvenile Justice Authority in FY 2014. The program is responsible for administering state and federal funds and coordinating with other agencies to provide a continuum of juvenile justice services statewide. Services are delivered through grants to local boards of county commissioners for the operation of community-based juvenile justice programs, contracts for community placements, and the Kansas Juvenile Correctional Complex (KJCC). The KJCC submits a separate agency budget.

SB 367 (2016) reformed the juvenile justice system in Kansas and increased investments in evidence-based programs and practices by reinvesting funds derived from a decreased reliance on the incarceration of juveniles.

The Juvenile Services program includes the following subprograms:

TECHNICAL ASSISTANCE AND OVERSIGHT

This subprogram provides support, consultation, oversight, data analysis, and resources to local stakeholders for the operation of various juvenile justice services across Kansas. These services include evidence-based programming, Prevention and Graduated Sanctions block grants, and Juvenile Alternatives to Detention Grants, which support juvenile intake and assessment services, intensive supervision, and community placements.

KANSAS ADVISORY GROUP

The Kansas Advisory Group is responsible for determining, advocating for, and promoting the best interests of juveniles in the state, pursuant to KSA 75-7007. The Kansas Advisory Group reviews juvenile justice policy and ensures compliance with the federal Juvenile Justice and Delinquency Prevention Act of 1974.

FIGURE 24 JUVENILE SERVICES FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 33,227,252	\$ 61,265,797	\$ 61,265,797	\$ 61,803,077	\$ 61,622,059
Federal Funds	421,729	362,397	362,397	362,634	362,634
All Other Funds	1,007,470	3,117,585	3,117,585	3,117,585	3,117,585
TOTAL	\$ 34,656,451	\$ 64,745,779	\$ 64,745,779	\$ 65,283,296	\$ 65,102,278
Percent Change:					
SGF	9.0 %	84.4 %	-- %	0.9 %	(0.3) %
All Funds	75.3 %	86.8 %	-- %	0.8 %	(0.3) %
FTE Positions	24.5	24.5	24.5	24.5	24.5

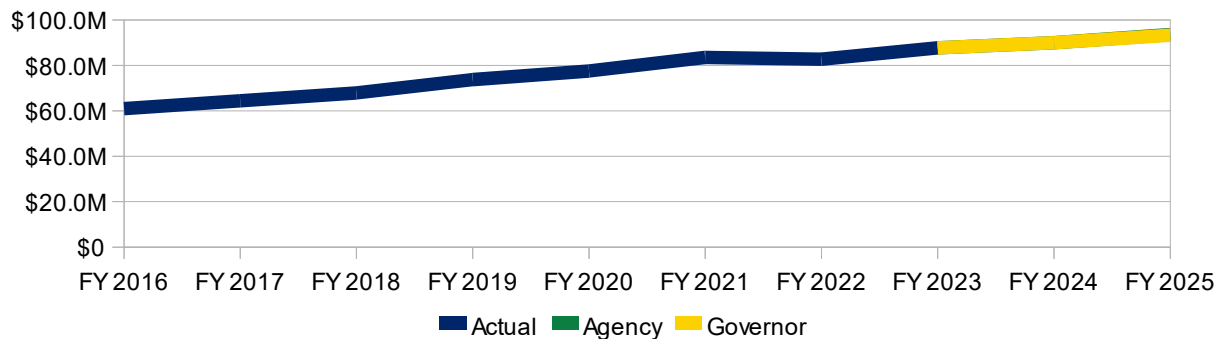
BUDGET ANALYSIS

The Juvenile Services program expenditures are \$65.3 million, including \$61.8 million SGF, for FY 2025. This is an all funds increase of \$537,517, or 0.9 percent, and an SGF increase of \$537,280, or 0.9 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for increased benefit costs.

The **Governor** recommends \$65.1 million, including \$61.6 million SGF. This is an all funds and SGF decrease of \$181,018, or 0.3 percent, below the agency's request. The decrease is due to the governor not recommending the shrinkage enhancement request.

INMATE HEALTH CARE

FIGURE 25
INMATE HEALTH CARE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5201, 75-5210, 75-5220, 75-5248, 75-5249, 429 US 97

PROGRAM GOALS:

- Provide for the delivery of appropriate medical care services in accordance with accreditation requirements of the National Commission on Correctional Health Care (NCCCHC), the American Correctional Association (ACA), and within the clinical guidelines of the American Academy of Family Physicians (AAFP) and Medicaid.
- Provide for the delivery of appropriate mental health services in compliance with ACA and within guidelines established by the Behavioral Sciences Regulatory Board.

The Inmate Health Care program is provided for by an all-inclusive contract with Centurion of Kansas, LLC. The contract covers medical, dental, and mental health services for all adult inmates and juveniles offenders. KDOC entered into a contract with Centurion on July 1, 2020. The contract allows for a two-year term with two additional two-year renewal options, which, if exercised, would extend the contract to June 2026. Included in the Inmate Health Care program are expenditures for Medicaid services, hepatitis C treatment, and COVID-19 medical response.

The program includes an agreement with the University of Kansas Medical Center to provide

clinical oversight and monitoring of the contracted health care provider.

The Inmate Health Care program is composed of the following subprograms:

ADULT HEALTH CARE SERVICES

This subprogram provides health care services for adult inmates and includes Medicaid inpatient hospitalization costs for inmates who are under 18, over 65, pregnant, or disabled.

JUVENILE HEALTH CARE SERVICES

This subprogram provides health care to youth housed at the KJCC.

FIGURE 26

INMATE HEALTH CARE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 86,589,245	\$ 89,154,615	\$ 89,154,615	\$ 92,510,415	\$ 92,266,277
Federal Funds	498,496	657,220	657,220	857,220	857,220
All Other Funds	665,342	145,519	145,519	145,519	145,519
TOTAL	\$ 87,753,083	\$ 89,957,354	\$ 89,957,354	\$ 93,513,154	\$ 93,269,016
Percent Change:					
SGF	6.5 %	3.0 %	-- %	3.8 %	(0.3) %
All Funds	6.7 %	2.5 %	-- %	4.0 %	(0.3) %
FTE Positions	2.0	2.0	2.0	2.0	2.0

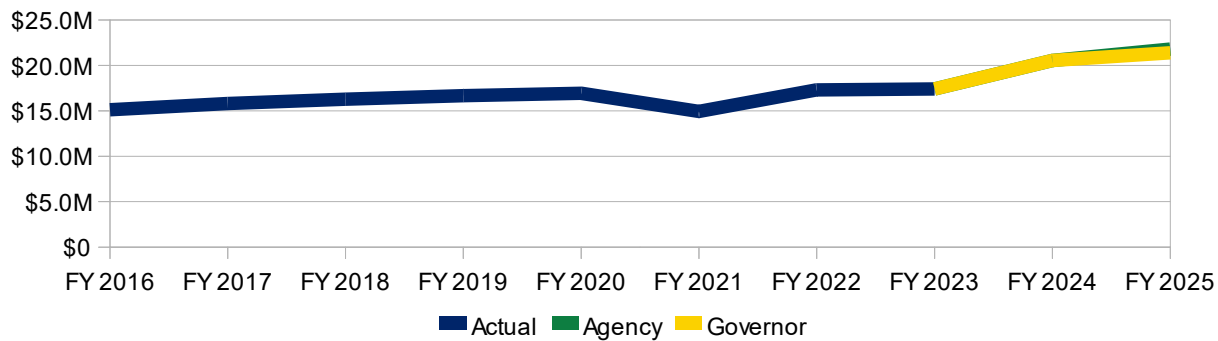
BUDGET ANALYSIS

The Inmate Health Care program expenditures are \$93.5 million, including \$92.5 million SGF, for FY 2025. This is an all funds increase of \$3.6 million, or 4.0 percent, and and SGF increase of \$3.3 million, or 3.8 percent, above the FY 2024 revised estimate. The increase is primarily due to increased population and inflationary costs.

The **Governor** recommends \$93.3 million, including \$92.3 million SGF. This is an all funds and SGF decrease of \$244,138, or 0.3 percent, due the recalculation of the inmate population after the agency's request was submitted for FY 2025.

FOOD SERVICE

FIGURE 27
FOOD SERVICE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5201

PROGRAM GOALS: • Provide appetizing meals to the inmate population that meet nutritional and daily caloric intake requirements, as well as special diets necessary to meet individual medical and religious needs.

The Food Service program includes expenditures for the provision of food services at adult correctional facilities. KDOC 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 adult correctional facilities. The current contract with Aramark was

amended in FY 2022, which resulted in extension of the contract through FY 2032. The KJCC 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 KLCC budget request. The contract is calculated based on average daily population (ADP).

FIGURE 28
FOOD SERVICE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 15,987,254	\$ 18,460,217	\$ 18,093,519	\$ 21,782,208	\$ 19,307,030
Federal Funds	-	-	-	-	-
All Other Funds	1,415,392	2,081,575	2,081,575	-	2,081,575
TOTAL	\$ 17,402,646	\$ 20,541,792	\$ 20,175,094	\$ 21,782,208	\$ 21,388,605
Percent Change:					
SGF	(6.0) %	15.5 %	(2.0) %	18.0 %	(11.4) %
All Funds	(4.1) %	18.0 %	(1.8) %	6.0 %	(1.8) %
FTE Positions	-	-	-	-	-

FY 2023 FOOD SERVICE CONTRACT - AGENCY ESTIMATE				
Facilities	9,327 ADP x 3 x 365 =	10,213,065 meals x \$1.97/meal	\$	19,884,837
Monitor Meals		36,500 meals x 1.25/meal		45,625
Equipment Maintenance and Replacement Fund				606,829
<i>Subtotal - Aramark</i>			\$	20,537,291
Dietician Services				4,500
TOTAL			\$	20,541,791

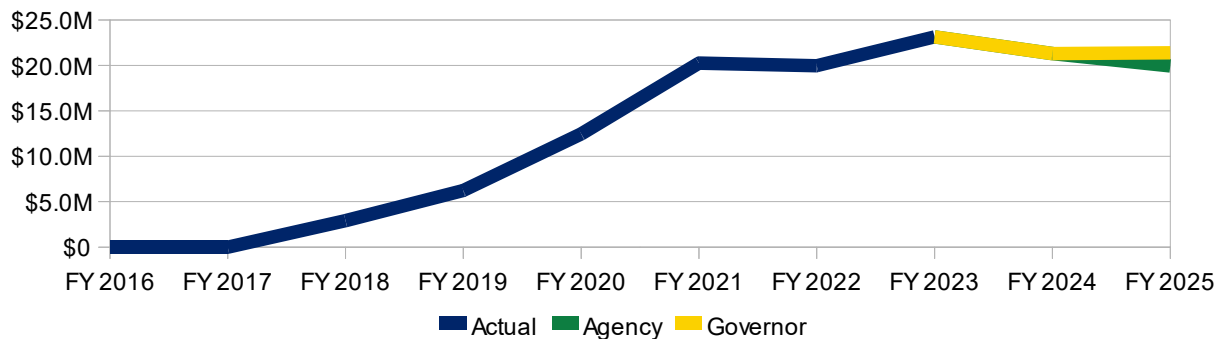
BUDGET ANALYSIS

The Food Service program expenditures are \$21.8 million, including \$21.8 million SGF, for FY 2025. This is an all funds increase of \$1.2 million, or 6.0 percent, and an SGF increase of \$3.3 million, or 18.0 percent, above the FY 2024 revised estimate. The increase is primarily due to a rise in the population and inflationary costs.

The **Governor** recommends \$21.4 million, including \$19.3 million SGF. This is an all funds decrease of \$393,603, or 1.8 percent, and an SGF decrease of 2.5 million, or 11.4 percent, below the agency's request. The decrease is due the recalculation of the inmate population after the agency's request was submitted for FY 2025. The SGF decrease is due to the Governor's recommendation expending \$2.1 million in special revenue funds instead of SGF.

FACILITIES MANAGEMENT

FIGURE 29
FACILITIES MANAGEMENT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5201 *et seq.*

PROGRAM GOALS: • Provide the leadership, support, and oversight necessary for safe operation of the correctional facilities.

The Facilities Management program manages the operations of all correctional facilities. This centralized management ensures uniformity and consistency among facilities. Functions of the program include:

- Infrastructure and capital improvements planning;
- Administration of security classification systems;

- Computation of inmate sentences;
- Conducting security and safety inspections;
- Oversight of volunteer and religious services;
- Processing inmate grievances; and
- Management of contracted beds.

FIGURE 30
FACILITIES MANAGEMENT FINANCING, FY 2023 – FY 2025

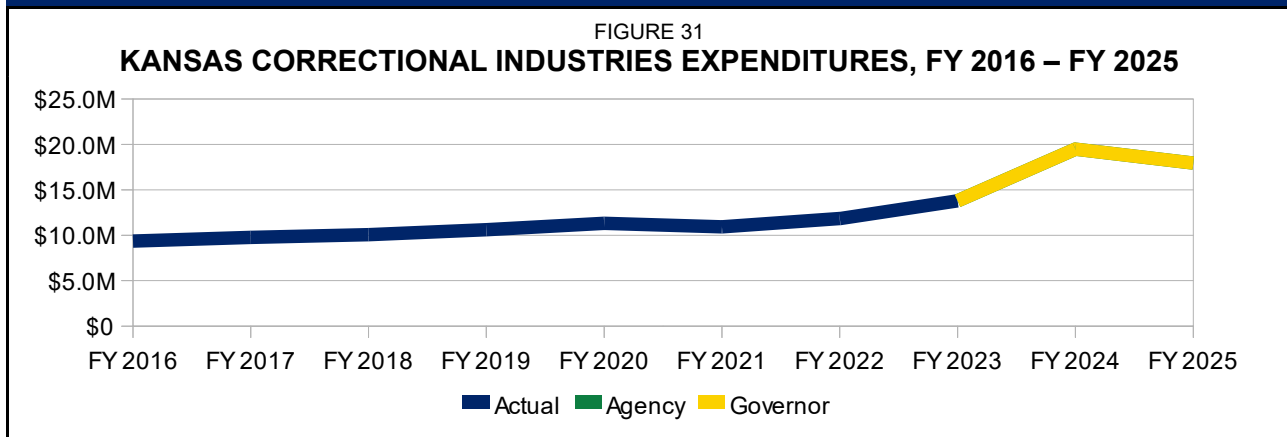
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 21,951,644	\$ 20,803,533	\$ 20,803,533	\$ 19,817,942	\$ 21,255,658
Federal Funds	627,287	425,509	425,509	50,000	50,000
All Other Funds	554,342	68,331	68,331	68,779	68,779
TOTAL	\$ 23,133,273	\$ 21,297,373	\$ 21,297,373	\$ 19,936,721	\$ 21,374,437
Percent Change:					
SGF	10.9 %	(5.2) %	-- %	(4.7) %	7.3 %
All Funds	10.8 %	(7.9) %	-- %	(6.4) %	7.2 %
FTE Positions	19.0	19.0	19.0	19.0	19.0

BUDGET ANALYSIS

The Facilities Management program expenditures are \$19.9 million, including \$19.8 million SGF, for FY 2025. This is an all funds decrease of \$1.4 million, or 6.4 percent, and an SGF decrease of \$985,591, or 4.7 percent, below the FY 2024 revised estimate. The decrease is in contractual services, commodities, and capital outlay.

The **Governor** recommends \$21.4 million, including \$21.3 million SGF. This is an all funds increase of \$1.4 million, or 7.2 percent, and an SGF increase of \$1.4 million, or 7.3 percent, above the agency's request. The increase is due to the Governor's recommendation including an enhancement.

KANSAS CORRECTIONAL INDUSTRIES



STATUTORY BASIS: • KSA 75-5273 through 75-5282

PROGRAM GOALS: • Provide inmates with training and work experience in the production of high-quality goods and services, while maintaining a financially sound condition.

The 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 provides work activities for 12.0 percent of the total inmate population. Approximately 90.0 percent of sales are to other state agencies, with the balance divided among other eligible organizations, state residents, and employees. Pursuant to KSA 75-5268, a portion of inmate earnings from private industry jobs may be collected by the agency to offset room and board costs. KCI is composed of the following subprograms:

ADMINISTRATION

This subprogram is responsible for the management and oversight of inmates, facilities, and product distribution of the goods made by KCI.

OTHER SUBPROGRAMS

KCI is composed of numerous divisions, including, but not limited to, service for private industries, metal products, signs and graphics, dental products, the farm division, textiles, canteen, sales and marketing, and warehouses.

FIGURE 32
KANSAS CORRECTIONAL INDUSTRIES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	13,782,548	19,471,937	19,471,937	17,936,770	17,936,770
TOTAL	\$ 13,782,548	\$ 19,471,937	\$ 19,471,937	\$ 17,936,770	\$ 17,936,770
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	38.4 %	41.3 %	-- %	(7.9) %	-- %
FTE Positions	60.2	60.2	60.2	60.2	60.2

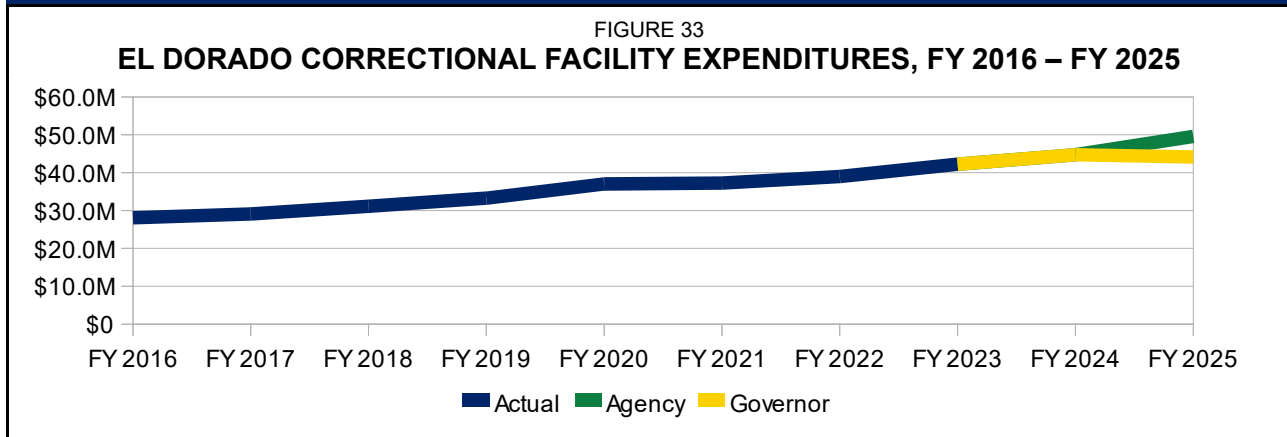
BUDGET ANALYSIS

The Kansas Correctional Industries program expenditures are \$17.9 million all funds for FY 2025. This is an all funds decrease of \$1.5 million, or 7.9 percent, below the FY 2024

revised estimate. The decrease is primarily in capital outlay in the metal products division.

The **Governor** concurs with the agency's request for FY 2025.

EL DORADO CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The 1989 Legislature authorized construction of the El Dorado Correctional Facility (EDCF) at a cost of \$58.0 million as a result of a class action lawsuit challenging prison conditions in Kansas. Initially built with a capacity of 640 beds, a dormitory was added in 1995 and two additional cell houses were added in 2001. The total operating capacity of EDCF in FY 2024 is 1,900.

EDCF houses special management and maximum-, medium-, and minimum-custody inmates in seven cell houses. Two cell houses are designated as Restrictive Housing units for inmates that cannot be maintained in the general population at any other correctional

facility. One cell house is designated as the Mental Health unit and three cells houses are designated for the general population. The final cell house serves has the infirmary.

EDCF also operates the Reception and Diagnostic Unit (RDU), the State's central intake point for all male offenders committed to the custody of the Secretary of Corrections. Inmates are processed, evaluated, classified, and designated to be delivered to one of the State's correctional facilities. The evaluation provides psychological, social, academic, vocational, and substance abuse assessments for each inmate. When necessary, a more detailed psychiatric evaluation is performed.

FIGURE 34
EL DORADO CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 41,414,868	\$ 43,973,000	\$ 43,973,000	\$ 49,534,384	\$ 44,131,272
Federal Funds	(52)	-	-	-	-
All Other Funds	816,928	774,949	774,949	20,000	20,000
TOTAL	\$ 42,231,744	\$ 44,747,949	\$ 44,747,949	\$ 49,554,384	\$ 44,151,272
Percent Change:					
SGF	17.8 %	6.2 %	-- %	12.6 %	(10.9) %
All Funds	8.4 %	6.0 %	-- %	10.7 %	(10.9) %
FTE Positions	486.0	493.0	493.0	493.0	493.0

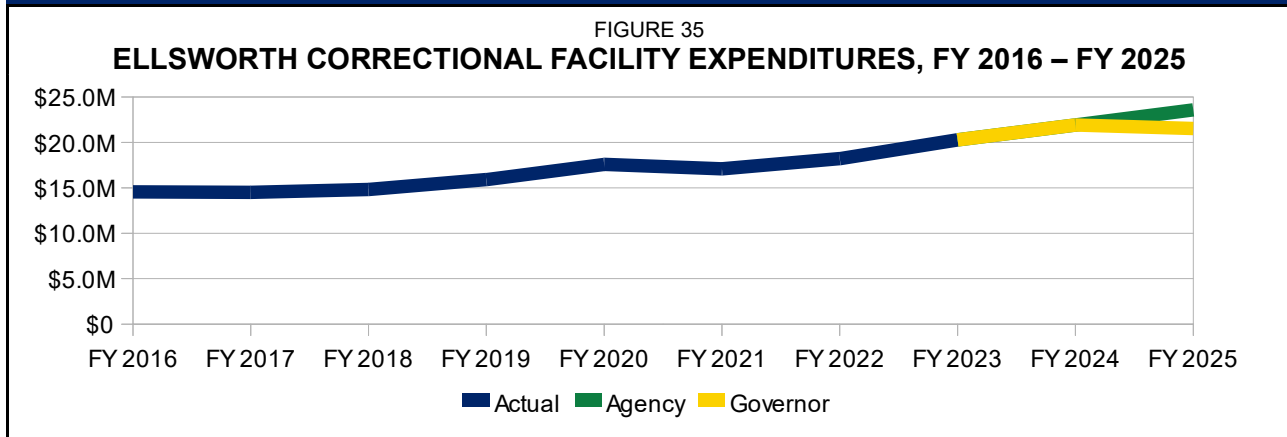
BUDGET ANALYSIS

The El Dorado Correctional Facility requests \$49.6 million, including \$49.5 million SGF, for FY 2025. This is an all funds increase of \$4.8 million, or 10.7 percent, and an SGF increase of

\$5.6 million, or 12.6 percent, from the FY 2024 revised estimate. The increase is primarily in salaries and wages for the enhancement for a reduced shrinkage rate.

The **Governor** recommends expenditures of \$44.2 million, including \$44.1 million SGF. This is an all funds and SGF decrease of \$5.4 million, or 10.9 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

ELLSWORTH CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

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 1995, which brought the total construction cost to \$19.7 million.

In July 2012, KDOC purchased the nearby former Saint Francis Boy's Home, which now serves as ECF's East Unit and provides 95 minimum-security beds.

The total operating capacity of ECF in FY 2024 is 899, which includes maximum-, medium-, and minimum-security-level inmates.

FIGURE 36
ELLSWORTH CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

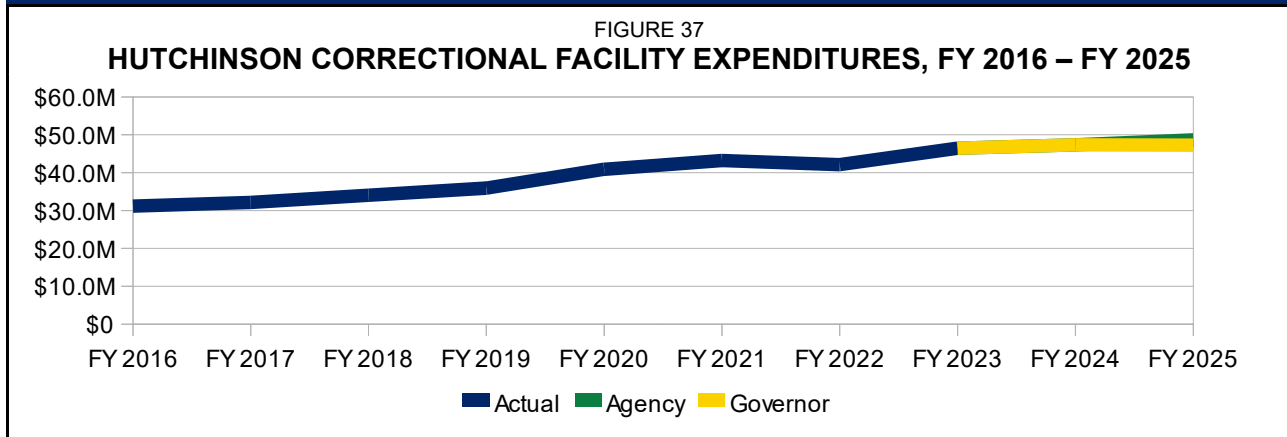
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 19,889,890	\$ 21,395,522	\$ 21,395,522	\$ 23,562,817	\$ 21,505,887
Federal Funds	(243)	-	-	-	-
All Other Funds	384,136	518,821	518,821	15,000	15,000
TOTAL	\$ 20,273,783	\$ 21,914,343	\$ 21,914,343	\$ 23,577,817	\$ 21,520,887
Percent Change:					
SGF	22.3 %	7.6 %	-- %	10.1 %	(8.7) %
All Funds	11.3 %	8.1 %	-- %	7.6 %	(8.7) %
FTE Positions	234.0	237.0	237.0	237.0	237.0

BUDGET ANALYSIS

The Ellsworth Correctional Facility requests \$23.6 million, including \$23.6 million SGF, for FY 2025. This is an all funds increase of \$1.7 million, or 7.6 percent, and an SGF increase of \$2.2 million, or 10.1 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$21.5 million, including \$21.5 million SGF. This is an all funds and SGF decrease of \$2.1 million, or 8.7 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

HUTCHINSON CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The Hutchinson Correctional Facility (HCF) dates back to 1885, when the Kansas Legislature appropriated \$1.0 million for the Kansas State Industrial Reformatory. The facility's first cell house was completed in 1898 and contained 200 single-occupancy cells, each 40 square feet in size.

Currently, HCF is 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, which 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. The purpose of the Work Release Unit, which opened in 1972 and is now contained in the South Unit, is to place inmates in a community job to facilitate their transitions from HCF to society.

The total operating capacity of HCF in FY 2024 is 1,788 beds.

FIGURE 38
HUTCHINSON CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 45,413,483	\$ 47,049,388	\$ 47,049,388	\$ 48,522,207	\$ 47,255,090
Federal Funds	(87)	2	2	-	-
All Other Funds	1,034,166	309,844	309,844	101,400	101,400
TOTAL	\$ 46,447,562	\$ 47,359,234	\$ 47,359,234	\$ 48,623,607	\$ 47,356,490
Percent Change:					
SGF	17.7 %	3.6 %	-- %	3.1 %	(2.6) %
All Funds	10.2 %	2.0 %	-- %	2.7 %	(2.6) %
FTE Positions	507.0	505.0	505.0	505.0	505.0

BUDGET ANALYSIS

The Hutchinson Correctional Facility requests \$48.6 million, including \$48.5 million SGF, for FY 2025. This is an all funds increase of \$1.3 million, or 2.7 percent, and an SGF increase of

\$1.5 million, or 3.1 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to

the enhancement request to reduce shrinkage and an increase in security personnel.

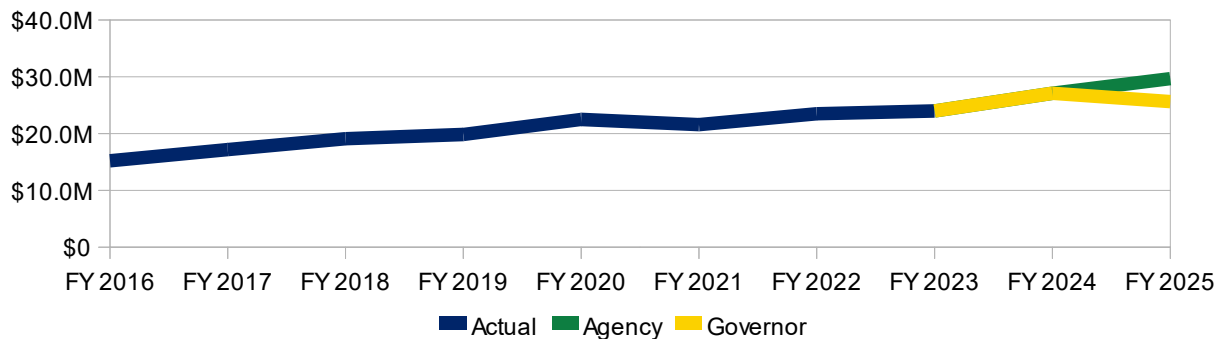
The **Governor** recommends expenditures of \$47.4 million, including \$47.3 million SGF. This

is an all funds and SGF decrease of \$407,117, or 2.6 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

KANSAS JUVENILE CORRECTIONAL COMPLEX

FIGURE 39

KANSAS JUVENILE CORRECTIONAL COMPLEX EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-7024, 76-2101, 76-2102, 76-2112, 76-2125, 76-,3205 and 75-7059

PROGRAM GOALS: • Maintain a high standard of professionalism in the provision of juvenile correctional services and programs so as to ensure a controlled, healthy, safe, and secure environment for the rehabilitation of offenders.
• Provide youth with the life and competency skills to function in society.

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. 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. Construction of the current Kansas Juvenile Correctional Complex (KJCC) on the site was completed in 2005. Vacated structures of the former facility remain on site.

Executive Reorganization Order No. 42, which became effective July 1, 2013, abolished the Juvenile Justice Authority and moved oversight of the facility to KDOC. In 2017, Larned Juvenile Correctional Facility closed, and all committed juvenile offenders in Kansas were moved to the KJCC.

The KJCC is the only juvenile correctional facility in Kansas and provides 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 ages of 10 and 23.

The KJCC facility is composed of five areas: the diagnostic/classification area, secure housing for male residents, secure housing for female residents, 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 150 beds in FY 2024 and 160 beds in FY 2025.

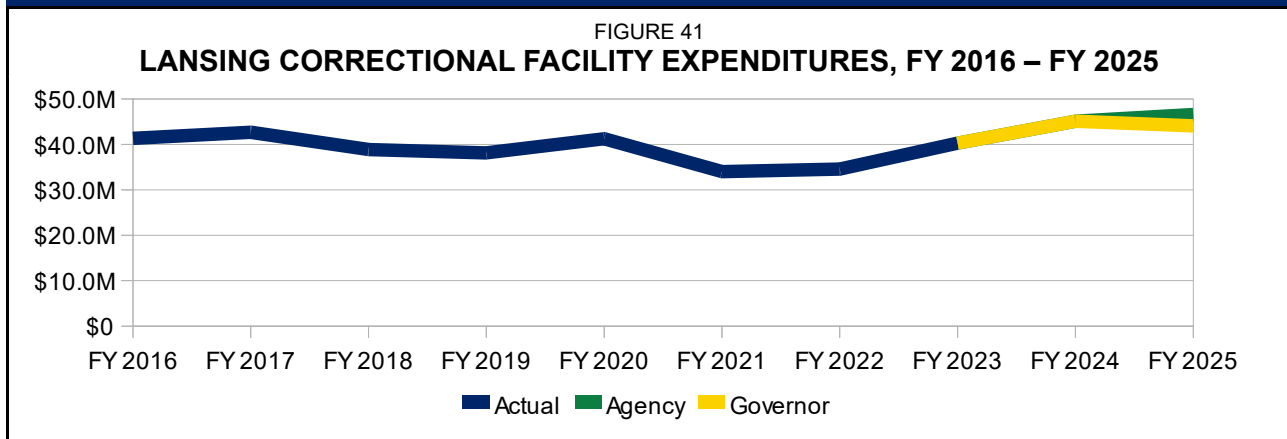
FIGURE 40 KANSAS JUVENILE CORRECTIONAL COMPLEX FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 23,475,305	\$ 25,027,895	\$ 25,027,895	\$ 29,184,237	\$ 25,150,855
Federal Funds	456,527	463,252	463,252	463,252	463,252
All Other Funds	44,152	1,588,815	1,588,815	-	-
TOTAL	\$ 23,975,984	\$ 27,079,962	\$ 27,079,962	\$ 29,647,489	\$ 25,614,107
Percent Change:					
SGF	13.3 %	6.6 %	-- %	16.6 %	(13.8) %
All Funds	2.1 %	12.9 %	-- %	9.5 %	(13.6) %
FTE Positions	266.0	266.5	266.5	266.5	266.5

BUDGET ANALYSIS

The Kansas Juvenile Correctional Complex requests \$29.6 million, including \$29.2 million SGF, for FY 2025. This is an all funds increase of \$2.6 million, or 9.5 percent, and an SGF increase of \$4.2 million, or 16.6 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$25.6 million, including \$25.2 million SGF. This is an all funds decrease of \$4.0 million, or 13.6 percent, and an SGF decrease of \$4.0 million, or 13.8 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

LANSING CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The 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 male offenders at the minimum-, medium-, and maximum-custody levels. In 1990, the name of the facility was changed to Lansing Correctional Facility.

The 2017 Legislature authorized construction of new units at LCF. Subsequently, the State Finance Council approved plans for a 20-year lease-purchase agreement totaling \$362.2 million for construction of a 1,920-bed medium- and maximum-security unit and a 512-bed minimum-security unit. Construction was completed in FY 2020 and the transition of inmates to these new units was accelerated in response to the COVID-19 pandemic, as the

new units offered more individualized cells, modern air circulating systems, and more adequate medical facilities. Vacated structures from the old facility remain on site.

Lansing also houses on its grounds the KCI headquarters, as well as many of the KCI manufacturing shops.

The 2020 Legislature appropriated funds to the KDOC Central Office for renovation of the former X-Unit building at Lansing into a 200-bed substance abuse treatment center. However, the project was delayed, primarily because of the COVID-19 pandemic.

The total operating capacity of Lansing in FY 2024 is 2,432 beds.

FIGURE 42
LANSING CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

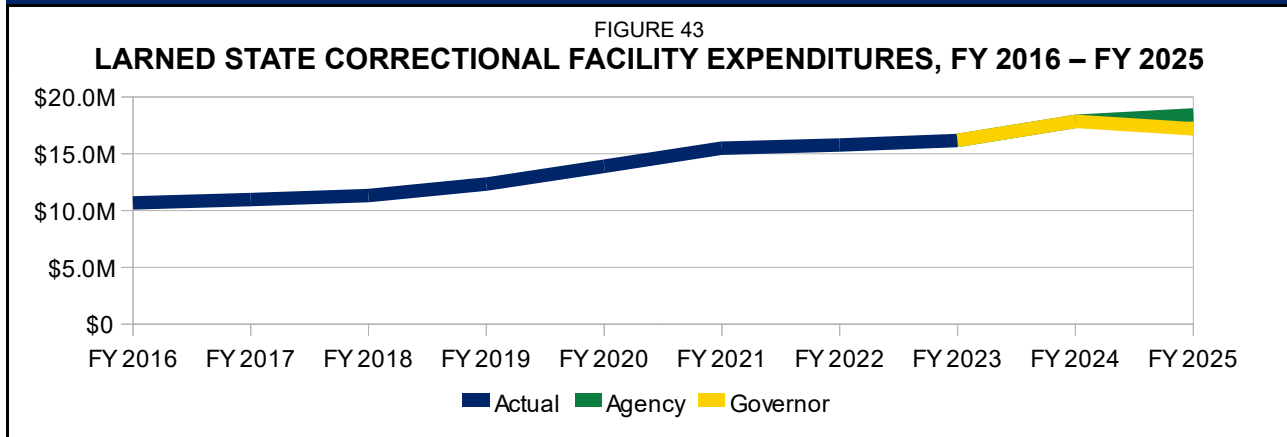
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 39,403,206	\$ 43,901,722	\$ 43,901,722	\$ 45,934,155	\$ 43,748,437
Federal Funds	-	-	-	-	-
All Other Funds	869,260	1,194,724	1,194,724	300,000	300,000
TOTAL	\$ 40,272,466	\$ 45,096,446	\$ 45,096,446	\$ 46,234,155	\$ 44,048,437
Percent Change:					
SGF	26.9 %	11.4 %	-- %	4.6 %	(4.8) %
All Funds	16.5 %	12.0 %	-- %	2.5 %	(4.7) %
FTE Positions	445.0	451.0	451.0	451.0	451.0

BUDGET ANALYSIS

The Lansing Correctional Facility requests \$46.2 million, including \$45.9 million SGF, for FY 2025. This is an all funds increase of \$1.4 million, or 3.2 percent, and an SGF increase of \$2.3 million, or 5.3 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$44.0 million, including \$43.7 million SGF. This is an all funds decrease of \$2.2 million, or 4.7 percent, and an SGF decrease of \$2.2 million, or 4.8 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

LARNED STATE CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The Larned State Correctional Facility (LSCF), once called the 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 inmates with mental health conditions. Currently, LSCF is a 614-bed facility, with the Central Unit housing medium-security male offenders and the South Unit housing minimum-security offenders. Inmates assigned to the South Unit provide work details to support the facility and the nearby Larned State Hospital, and work private industry jobs in the community.

In recent years, all mental health treatment capabilities were moved to EDCF, so during the 2023 Session, HB 2214 was passed to change the name to Larned State Correctional Facility.

In FY 2021, the facility managed the temporary activation of the nearby former Larned Juvenile Correctional Facility as a COVID-19 intake isolation unit for adult male offenders.

The 2021 Legislature approved a measure to shift expenditures from the Larned State Hospital to KDOC for the provision of food service at LCMHF. This measure eliminated a long-standing agreement among the agencies by which the state hospital provided food preparation for LCMHF in exchange for inmate labor. Food service for the correctional facility is now provided on-site as part of the KDOC system-wide food services contract with Aramark.

FIGURE 44
LARNED STATE CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

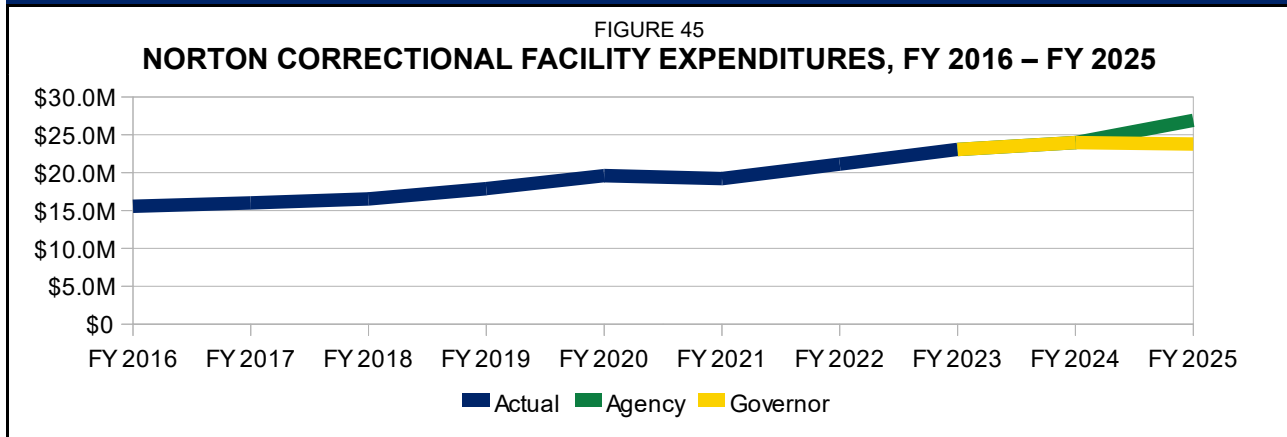
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 15,739,186	\$ 17,112,341	\$ 17,112,341	\$ 18,414,126	\$ 17,198,424
Federal Funds	-	-	-	-	-
All Other Funds	423,974	735,005	735,005	-	-
TOTAL	\$ 16,163,160	\$ 17,847,346	\$ 17,847,346	\$ 18,414,126	\$ 17,198,424
Percent Change:					
SGF	9.6 %	8.7 %	-- %	7.6 %	(6.6) %
All Funds	2.5 %	10.4 %	-- %	3.2 %	(6.6) %
FTE Positions	189.0	192.0	192.0	192.0	192.0

BUDGET ANALYSIS

The Larned State Correctional Facility requests \$18.4 million, including \$18.4 million SGF, for FY 2025. This is an all funds increase of \$421,780, or 2.4 percent, and an SGF increase of \$1.2 million, or 6.8 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$17.2 million, including \$17.2 million SGF. This is an all funds and SGF decrease of \$1.2 million, or 6.6 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

NORTON CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The Norton Correctional Facility (NCF) opened in 1987. NCF houses male offenders in the converted former Norton State Hospital and at a smaller satellite facility in Stockton. NCF currently houses medium- and minimum-

security inmates, with a total operating capacity of 977 beds.

KCI has partnered with four private industry employers in the region, where a total of 43 NCF offenders are employed.

FIGURE 46
NORTON CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

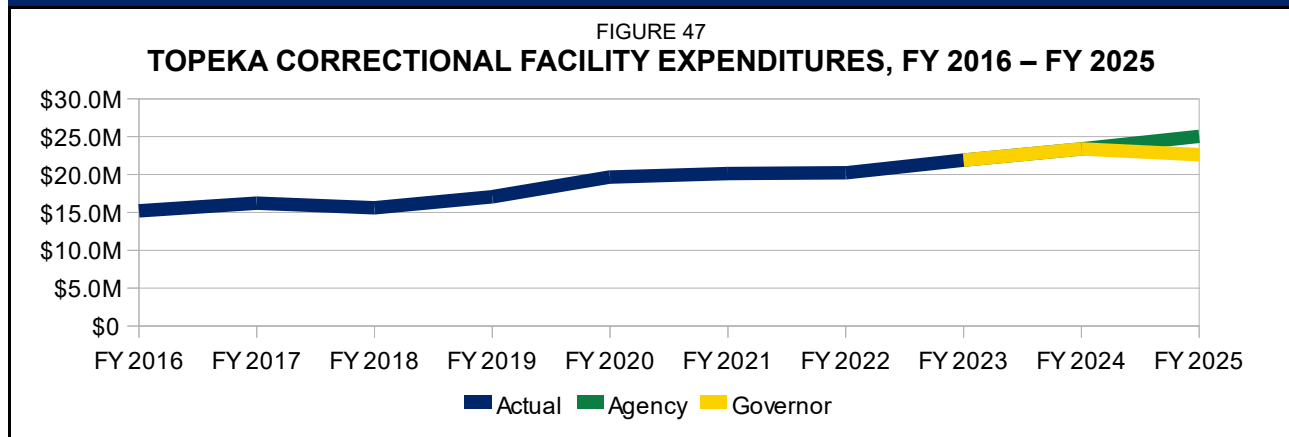
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 22,406,072	\$ 23,401,085	\$ 23,401,085	\$ 26,646,087	\$ 23,523,126
Federal Funds	(158)	-	-	-	-
All Other Funds	666,350	561,045	561,045	253,691	253,691
TOTAL	\$ 23,072,264	\$ 23,962,130	\$ 23,962,130	\$ 26,899,778	\$ 23,776,817
Percent Change:					
SGF	18.0 %	4.4 %	-- %	13.9 %	(11.7) %
All Funds	9.2 %	3.9 %	-- %	12.3 %	(11.6) %
FTE Positions	265.0	265.0	99.9	265.0	99.9

BUDGET ANALYSIS

The Norton Correctional Facility requests \$26.9 million, including \$26.6 million SGF, for FY 2025. This is an all funds increase of \$2.6 million, or 10.7 percent, and an SGF increase of \$2.9 million, or 12.3 percent, above the FY 2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$23.8 million, including \$23.5 million SGF. This is an all funds decrease of \$3.1 million, or 11.6 percent, and an SGF decrease of \$3.1 million, or 11.7 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

TOPEKA CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The Topeka Correctional Facility (TCF) is the state's sole female correctional facility. TCF dates back to 1961, when the former Topeka Technical College was converted into the State Reception and Diagnostic Center (SRDC) with the primary function of evaluating male and female offenders sentenced to the Kansas State Penitentiary in Lansing and the Kansas State Industrial Reformatory in Hutchinson.

Until March 2001, the SRDC also 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 SRDC functions for male offenders to EDCF. This relocation resulted in the TCF offender population being all female.

TCF is currently composed of two housing compounds. The A-G Compound, formerly the Topeka Technical College, consists of six minimum- and medium-security dormitories. The I-J Compound is a medium- and maximum-security compound located on the grounds of what was previously the SRDC. The total operating capacity of TCF in FY 2022 is 932 beds.

FIGURE 48
TOPEKA CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 21,228,433	\$ 22,125,718	\$ 22,125,718	\$ 24,644,718	\$ 22,225,755
Federal Funds	40,366	190,726	190,726	190,734	190,734
All Other Funds	636,967	1,068,578	1,068,578	207,877	207,877
TOTAL	\$ 21,905,766	\$ 23,385,022	\$ 23,385,022	\$ 25,043,329	\$ 22,624,366
Percent Change:					
SGF	15.2 %	4.2 %	-- %	11.4 %	(9.8) %
All Funds	8.3 %	6.8 %	-- %	7.1 %	(9.7) %
FTE Positions	262.0	265.0	265.0	265.0	265.0

BUDGET ANALYSIS

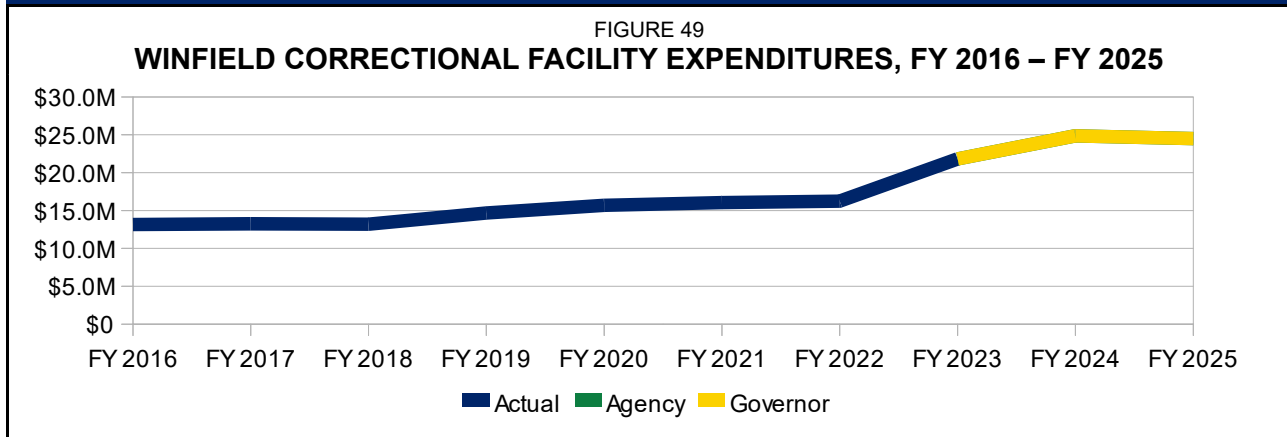
The Topeka Correctional Facility requests \$25.9 million, including \$25.5 million SGF, for FY 2025. This is an all funds increase of \$2.6 million, or 10.9 percent, and an SGF increase of \$3.4 million, or 15.5 percent, above the FY

2024 revised estimate. The increase is primarily in salaries and wages for FY 2025. This is due to the enhancement request to reduce shrinkage.

The **Governor** recommends expenditures of \$22.6 million, including \$22.2 million SGF. This is an all funds decrease of \$2.4 million, or 9.7 percent, and an SGF decrease of \$2.4 million,

or 9.8 percent. The decrease is due to the Governor's recommendation not including the reduction to the shrinkage rate for FY 2025.

WINFIELD CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for the public.

The Winfield Correctional Facility (WCF), established in 1984, is a minimum-security facility for male offenders. During the 1995 Session, funds were appropriated to renovate two buildings formerly used by the Winfield State Hospital. In September 1996, management of the Wichita Work Release Facility and its budget were shifted from the KDOC Central Office to the WCF office. The work release facility's 254-bed capacity increased the total capacity for the combined operations to 886 beds.

WCF maintains an interagency relationship with the nearby Kansas Veterans' Home (KVH), which became operational in 2000. WCF funds utility expenses and provides grounds maintenance and security services for KVH.

The 2020 Legislature appropriated funds to the KDOC Central Office for renovation of two vacated buildings at KVH into a 241-bed cognitive care and substance abuse treatment facility for inmates. However, the project was delayed, primarily because of to the COVID-19 pandemic.

FIGURE 50
WINFIELD CORRECTIONAL FACILITY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 21,541,458	\$ 23,847,141	\$ 23,847,141	\$ 23,954,881	\$ 23,954,881
Federal Funds	-	-	-	-	-
All Other Funds	274,822	1,016,307	1,016,307	544,093	544,093
TOTAL	\$ 21,816,280	\$ 24,863,448	\$ 24,863,448	\$ 24,498,974	\$ 24,498,974
Percent Change:					
SGF	42.6 %	10.7 %	-- %	0.5 %	-- %
All Funds	34.3 %	14.0 %	-- %	(1.5) %	-- %
FTE Positions	257.0	259.0	259.0	259.0	259.0

BUDGET ANALYSIS

The Winfield Correctional Facility requests \$24.5 million, including \$23.9 million SGF, for FY 2025. This is an all funds increase of \$535,526, or 2.2 percent, and an SGF increase of \$1.0 million, or 4.2 percent, above the FY 2024 revised estimate. The increased

expenditures are primarily in contractual services under other professional services.

The **Governor** concurs with the agency's request for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Department of Corrections is responsible for the upkeep of eight adult correctional facilities, a juvenile facility, and other sites across the state. In addition to the State General Fund, three special revenue funds are utilized:

- The **Correctional Institutions Build Fund** (CIBF) is dedicated to the upkeep of adult correctional facilities. The fund is financed from a 10.0 percent annual transfer from the first \$50.0 million credited to the State Gaming Revenue Fund.
- The **State Institutions Building Fund** (SIBF) is financed from a one-half mill tax levy on real property. Funds may be used for juvenile correctional facilities.
- The **Correctional Industries Fund** derives revenue from the Kansas Correctional Industries (KCI) program, which includes the sale of inmate-manufactured products. Most of the revenue is intended for program needs; however, funds may also be expended for capital improvements of KCI facilities.

FIGURE 51
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
DOC Central Office					
Rehabilitation and Repair	\$ 1,400,464	\$ 6,450,672	\$ 6,450,672	\$ 5,091,642	\$ 4,961,879
Demo old Lansing CF	-	-	-	10,952,325	-
Career Campus	-	10,000,000	-	10,000,000	20,000,000
Build New HCF	-	-	-	-	377,612,532
TCF Health Building	-	-	-	40,235,000	40,235,000
CIBF to Inflation	-	-	-	4,986,142	-
Correctional Industries	1,369,547	4,617,527	4,617,527	4,750,000	4,750,000
Debt Service - Principal	3,128,782	3,178,658	3,178,658	3,229,329	9,921,901
<i>Subtotal—Projects</i>	<i>\$ 5,898,793</i>	<i>\$ 24,246,857</i>	<i>\$ 14,246,857</i>	<i>\$ 79,244,438</i>	<i>\$ 457,481,312</i>
Facilities R&R:					
El Dorado CF	\$ 867,515	\$ 522,657	\$ 522,657	\$ -	\$ -
Ellsworth CF	262,832	503,821	503,821	-	-
Hutchinson CF	993,556	77,121	77,121	-	-
Kansas Juvenile CC	448,038	1,588,815	1,588,815	-	-
Lansing CF	939,322	837,640	837,640	-	-
Larned State CF	313,208	735,005	735,005	-	-
Norton CF	1,284,022	319,288	319,288	-	-
Topeka CF	382,293	860,611	860,611	-	-
Winfield CF	268,818	498,123	498,123	-	-
<i>Subtotal—Facilities</i>	<i>\$ 5,759,604</i>	<i>\$ 5,943,081</i>	<i>\$ 5,943,081</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 11,658,397	\$ 30,189,938	\$ 20,189,938	\$ 79,244,438	\$ 457,481,312
Financing:					
SGF	\$ 5,372,935	\$ 17,178,658	\$ 7,178,658	\$ 64,416,654	\$ 447,769,433
SIBF	44,152	1,739,635	1,739,635	685,144	685,144
CIBF	3,880,803	6,654,118	6,654,118	9,392,640	4,276,735
Correctional Industries	1,369,547	4,617,527	4,617,527	4,750,000	4,750,000
Federal Funds	977,864	-	-	-	-
All Other Funds	13,096	-	-	-	-
TOTAL	\$ 11,658,397	\$ 30,189,938	\$ 20,189,938	\$ 79,244,438	\$ 457,481,312

FY 2024 CAPITAL IMPROVEMENTS

The **agencies** request a revised estimate of \$30.2 million, including \$17.2 million SGF, for capital improvement expenditures throughout the KDOC system in FY 2024. This is an all funds increase of \$15.5 million, or 106.2 percent, including an SGF increase of \$10.0 million, or 139.3 percent, above the FY 2023 approved amount. The increase includes a supplemental request of \$10.0 million SGF for the Career Campus at Lansing Correctional

Facility (LCF). There are also increased expenditures in SIBF and the Correctional Institutions Building Fund (CIBF) in FY 2024.

The **Governor** recommends \$20.2 million, including \$7.2 million SGF. This is a decrease of \$10.0 million, or 33.1 percent. The Governor recommends the funding for the Career Campus be moved to FY 2025 and funded at \$20.0 million SGF.

FY 2025 CAPITAL IMPROVEMENTS

The **agencies** request \$79.2 million, including \$64.4 million SGF, for capital improvements for FY 2025. The request includes four capital improvement enhancements for FY 2025 totaling \$66.2 million. The following are the capital improvement enhancements:

- LCF Career Campus - \$10.0 million SGF;
- Raze old maximum-security building at LCF - \$11.0 million SGF;
- Topeka Correctional Facility (TCF) Medical and Support Building - \$40.2 million SGF; and

- Index CIBF to inflation - \$5.0 million CIBF.

The **Governor** recommends \$457.5 million, including \$447.8 million SGF. This is an all funds increase of \$378.2 million, or 477.3 percent, and an SGF increase of \$383.4 million, or 595.1 percent, above the agency's request. The Governor did not recommend the demolition of LCF or increasing the CIBF to inflation. The Governor recommended the \$10.0 million requested for the Career Campus in FY 2024 be added to FY 2025, the funding for a new TCF Health building, and building of a new Hutchinson Correctional Facility for FY 2025.

ADJUTANT GENERAL'S DEPARTMENT

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

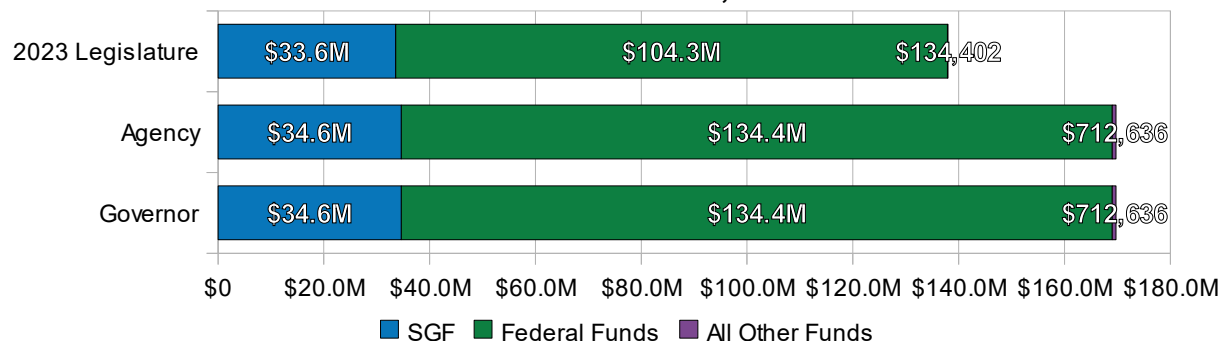
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 13,307,129	\$ 12,549,877	\$ 12,549,877	\$ 9,510,630	\$ 9,423,630
Federal Funds	85,352,836	90,876,466	90,876,466	62,575,707	62,575,707
All Other Funds	911,169	712,636	712,636	710,792	710,792
<i>Subtotal</i>	<i>\$ 99,571,134</i>	<i>\$ 104,138,979</i>	<i>\$ 104,138,979</i>	<i>\$ 72,797,129</i>	<i>\$ 72,710,129</i>
Capital Improvements:					
State General Fund	\$ 4,239,908	\$ 22,099,627	\$ 22,099,627	\$ 3,500,000	\$ 3,500,000
Federal Funds	29,181,195	43,522,470	43,522,470	16,500,000	16,500,000
All Other Funds	507,891	-	-	-	-
<i>Subtotal</i>	<i>\$ 33,928,994</i>	<i>\$ 65,622,097</i>	<i>\$ 65,622,097</i>	<i>\$ 20,000,000</i>	<i>\$ 20,000,000</i>
TOTAL	\$ 133,500,128	\$ 169,761,076	\$ 169,761,076	\$ 92,797,129	\$ 92,710,129
Percentage Change:					
State General Fund	68.8 %	97.5 %	97.5 %	(62.5) %	(62.7) %
All Funds	9.7 %	27.2 %	27.2 %	(45.3) %	(45.4) %
FTE Positions	296.6	296.6	296.6	299.6	299.6

The Adjutant General's Department provides for the organization and readiness 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 approximately 7,000 members across the state working in full-time civilian jobs and performing federal military duty during scheduled training weekends and other more prolonged periods. The agency assists Kansans during events such as winter storms, floods, tornadoes, wildfires, power outages, hazardous material incidents, droughts, dam failures, and more.

EXECUTIVE SUMMARY

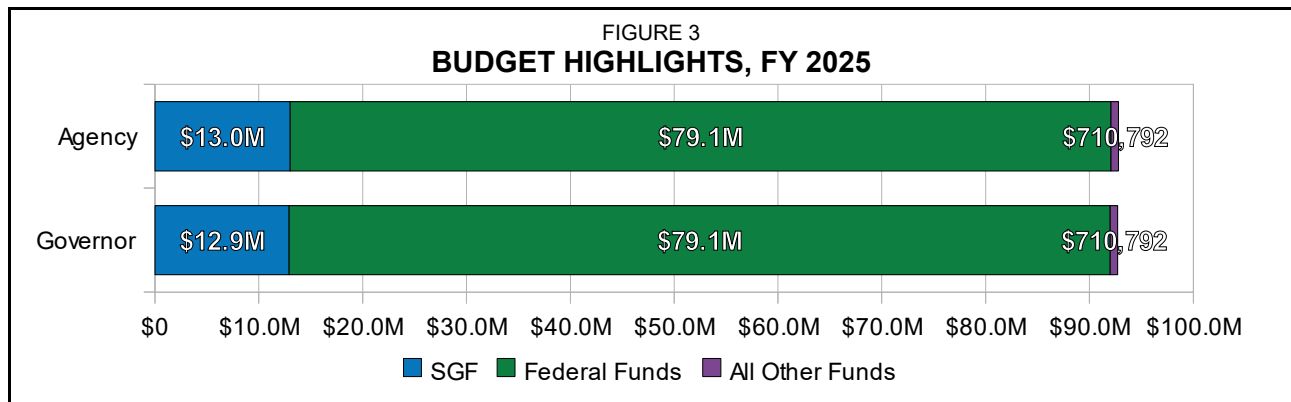
The 2023 Legislature approved a budget of \$118.8 million, including \$14.3 million from the State General Fund (SGF), for the Adjutant General's Department for FY 2024. Several adjustments have been made subsequently to that amount, which changes the current year approved amount without any legislative action required.

FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** submits a revised estimate of \$169.8 million, including \$34.6 million SGF, in expenditures in FY 2024. This is an all funds increase of \$31.8 million, or 23.0 percent, including an SGF increase of \$1.1 million, or 3.2 percent, above the FY 2024 approved amount. The increase is attributable to the agency's three supplemental requests totaling \$8.6 million, including \$1.1 million SGF. These supplemental requests include **increased disaster relief payments, coverage for the pay plan shortfall, and website hosting services**. The increase is also attributable to the addition of \$22.6 million, all from federal American Rescue Plan Act (ARPA) funds, in capital improvements for **remodel of the State Defense Building (SDB)**, which houses the Kansas Division of Emergency Management (KDEM) and the State Emergency Operations Center (SEOC). The revised estimate includes 296.6 FTE positions, which is an increase of 3.0 FTE positions above the FY 2024 approved number. The position increase includes 8.5 FTE positions at the Nickell Hall Barracks in Salina and 2.0 FTE positions for the STARBASE youth program, which is offset by a decrease of 7.5 FTE positions in the Emergency Management and Homeland Security program and the Infrastructure program.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$92.8 million, including \$13.0 million SGF, in expenditures for FY 2025. This is an all funds decrease of \$77.0 million, or 45.3 percent, including an SGF decrease of \$21.6 million, or 62.5 percent, below the FY 2024 revised estimate. The all funds decrease is primarily attributable to a **net decrease of federal funds for federally declared disasters and capital improvement expenditures for remodel of the SDB**, all from federal ARPA funds. The SGF decrease is primarily attributable to decreased capital improvement expenditures for construction of a new National Guard armory in Hays. The decrease is partially offset by the agency's five enhancement requests totaling \$8.9 million, including \$1.4 million SGF. These enhancement requests include **increased disaster relief payments, 2.0 FTE positions at the Kansas Intelligence Fusion Center (KIFC), 1.0 FTE Administrator position at the 190th Civil Engineering Squadron at Forbes Field Air National Guard Base, website hosting services, and SGF moneys for the Office of Emergency Communications to offset elimination of a transfer from the State Highway Fund**. The request includes 299.6 FTE positions, which is an increase of 3.0 FTE positions above the FY 2024 revised number. The position increase is attributable to the agency's enhancement requests.

The **Governor** recommends \$92.7 million, including \$12.9 million SGF, for FY 2025. This is a decrease of \$77,000, all SGF, or 0.1 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's supplemental request of \$127,000 SGF for the Office of Emergency Communications, partially offset by the Governor's recommendation to modify the agency's enhancement request of \$220,000 SGF for 2.0 FTE positions in the KIFC by adding \$40,000 SGF for operational expenditures associated with the positions. The recommendation includes 299.6 FTE positions, which is unchanged from the agency's request.

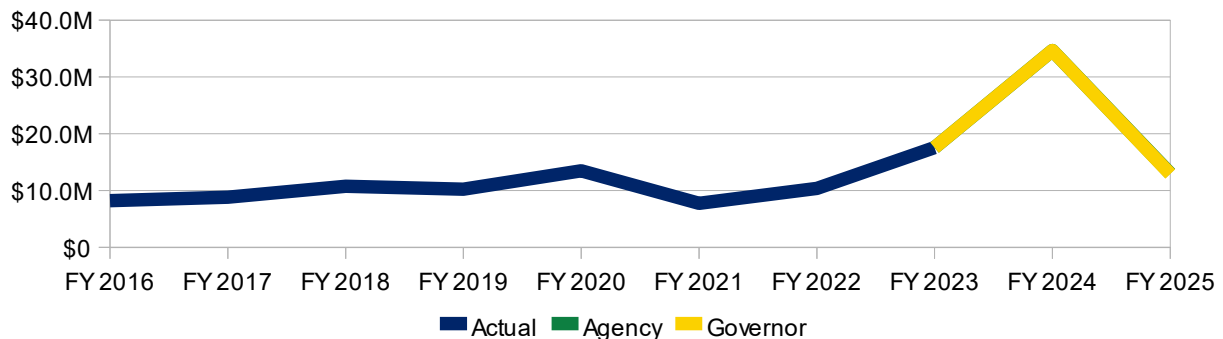
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 22,834,346	\$ 22,583,058	\$ 22,583,058	\$ 22,772,969	\$ 22,772,969
Contractual Services	23,160,885	15,392,772	15,392,772	15,368,655	15,241,655
Commodities	2,129,087	2,863,270	2,863,270	2,864,504	2,904,504
Capital Outlay	2,117,830	506,728	506,728	481,120	481,120
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 50,242,148</i>	<i>\$ 41,345,828</i>	<i>\$ 41,345,828</i>	<i>\$ 41,487,248</i>	<i>\$ 41,400,248</i>
Aid to Local Units	36,285,774	35,416,636	35,416,636	19,975,000	19,975,000
Other Assistance	13,043,212	27,376,515	27,376,515	11,334,881	11,334,881
<i>Subtotal—Operating</i>	<i>\$ 99,571,134</i>	<i>\$ 104,138,979</i>	<i>\$ 104,138,979</i>	<i>\$ 72,797,129</i>	<i>\$ 72,710,129</i>
Capital Improvements	33,928,994	65,622,097	65,622,097	20,000,000	20,000,000
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 133,500,128	\$ 169,761,076	\$ 169,761,076	\$ 92,797,129	\$ 92,710,129
Financing:					
State General Fund	\$ 17,547,037	\$ 34,649,504	\$ 34,649,504	\$ 13,010,630	\$ 12,923,630
COVID-19 Federal Relief Funds	11,763,499	22,628,000	22,628,000	-	-
Other Federal Funds	102,770,532	111,770,936	111,770,936	79,075,707	79,075,707
All Other Funds	1,419,060	712,636	712,636	710,792	710,792
TOTAL	\$ 133,500,128	\$ 169,761,076	\$ 169,761,076	\$ 92,797,129	\$ 92,710,129
FTE Positions	296.6	296.6	296.6	299.6	299.6

STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



For the Adjutant General's Department, SGF expenditures have traditionally been used primarily as state match for federally declared disaster relief payments and operations at National Guard facilities. Total SGF expenditures increased by \$9.3 million from FY 2016 to FY 2023. The most significant increases during that period occurred in the Disaster Payments Recovery Program (\$4.5 million) and Capital Improvements Program (\$3.0 million). Expenditures from the SGF decreased slightly in FY 2021 due to the availability of federal COVID-19 relief funds to cover certain costs. In FY 2024, there is a notable increase in expenditures, primarily for the construction of a new National Guard armory in Hays, which was approved by the 2022 Legislature.

FY 2024 ANALYSIS

FIGURE 6

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 14,343,907	\$ 118,759,147	293.6
1. SGF Reappropriation	19,244,594	19,244,594	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 33,588,501</i>	<i>\$ 138,003,741</i>	<i>293.6</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	\$ 38,288	\$ 38,288	--
3. Disaster Relief Payments	1,000,000	8,500,000	--
4. Kansastag.gov Website Hosting	22,715	22,715	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 1,061,003</i>	<i>\$ 8,561,003</i>	<i>--</i>
5. SDB Remodel	\$ -	\$ 22,628,000	--
6. Other Capital Projects	-	9,022,248	--
7. Nickell Hall Barracks Operations	-	556,339	8.5
8. Federal NGB Funding for Operations	-	540,577	--
9. Disaster Relief Payments	-	(9,143,925)	--
10. Federal EMPG Funding	-	(436,162)	--
11. All Other Adjustments	-	29,255	(5.5)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 34,649,504</i>	<i>\$ 169,761,076</i>	<i>296.6</i>
Governor's Recommendation:			
12. No Change	-	-	--
TOTAL	\$ 34,649,504	\$ 169,761,076	296.6

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$118.8 million, including \$14.3 million from the SGF, appropriated to the Adjutant General's Department for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** A total of \$19.2 million SGF was added in FY 2024 due to unspent funds that reappropriated from FY 2023. These SGF moneys primarily include \$17.1 million for construction of the new Hays Armory due to a delay in land procurement, \$1.3 million in disaster relief payments that shifted to FY 2024, \$474,730 for design work associated with remodeling the SDB, and \$302,956 for deferred maintenance and facilities rehabilitation projects rescheduled for FY 2024.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$169.8 million, including \$34.6 million SGF, in FY 2024. This is an all funds increase of \$31.8 million, or 23.0 percent, including an SGF increase of \$1.1 million, or 3.2 percent, above the FY 2024 approved amount. The revised estimate includes 296.6 FTE positions, which is an increase of 3.0 FTE positions above the FY 2024 approved amount. The position increase includes the addition of 8.5 FTE positions operating the Nickell Hall Barracks in Salina and 2.0 FTE positions in the STARBASE youth program, which is partially offset by a decrease of 7.5 FTE positions in the Emergency Management and Homeland Security program and the Infrastructure program.

The revised estimate includes \$8.6 million, including \$1.1 million SGF, for the following supplemental requests:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$38,288 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Adjutant General's Department, a supplemental appropriation of \$38,288 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.
3. **DISASTER RELIEF PAYMENTS.** The agency requests \$8.5 million, including \$1.0 million SGF, to reimburse eligible expenditures of state, local, and nonprofit entities for federally declared disasters. These payments require a 25.0 percent state matching rate, 10.0 percent of which is provided by the agency. An increase of \$1.0 million SGF would leverage an additional \$7.5 million in federal payments for infrastructure repairs related to severe winter storms in April 2017, which impacted 29 counties.
4. **KANSASTAG.GOV WEBSITE HOSTING.** The agency requests \$22,715 SGF for hosting services concerning websites for the Adjutant General's Department (kansastag.gov) and KDEM (ksready.gov). The contracted maintenance and hosting services would accommodate security features and local government interfaces integrated into the recently redesigned websites.

Absent the supplemental requests, the revised estimate includes an increase of \$23.2 million, all from special revenue funds, in expenditures. Significant adjustments are as follows:

5. **SDB REMODEL.** The revised estimate includes an increase of \$22.6 million, all from federal American Rescue Plan Act (ARPA) funds, for remodel of the SDB in Topeka, which houses KDEM and the SEOC. The project will expend KDEM offices, add classrooms and a Joint Information Center with press briefing facilities, as well as construct an addition for the SEOC built to Federal Emergency Management Agency (FEMA) storm shelter standards. This funding was approved by the State Finance Council on December 21, 2022, as part of the State Efficiency and Modernization Program.
6. **OTHER CAPITAL PROJECTS.** The revised estimate includes an increase of \$9.0 million, all from federal funds, for capital improvements. This includes \$9.0 million as federal match for deferred maintenance and rehabilitation projects among 39 National Guard armories and \$20,415 for the final phase in construction of the Joint Forces Headquarters (JFHQ) at Forbes Field in Topeka.
7. **NICKELL HALL BARRACKS OPERATIONS.** The revised estimate includes an increase of \$556,339, all from special revenue funds, and the addition of 8.5 FTE positions operating the Nickell Hall Barracks, which provides lodging for individuals and units training at the Great Plains Joint Regional Training Center in Salina. The agency notes difficulties with maintaining a contracted service to operate the barracks. Expenditures for these positions are reimbursed with income to the facility.
8. **FEDERAL NATIONAL GUARD BUREAU FUNDING.** The revised estimate includes an increase of \$540,577, all from federal funds, for operational expenditures, such as information technology consulting in the Administration program and building services in the Infrastructure program.

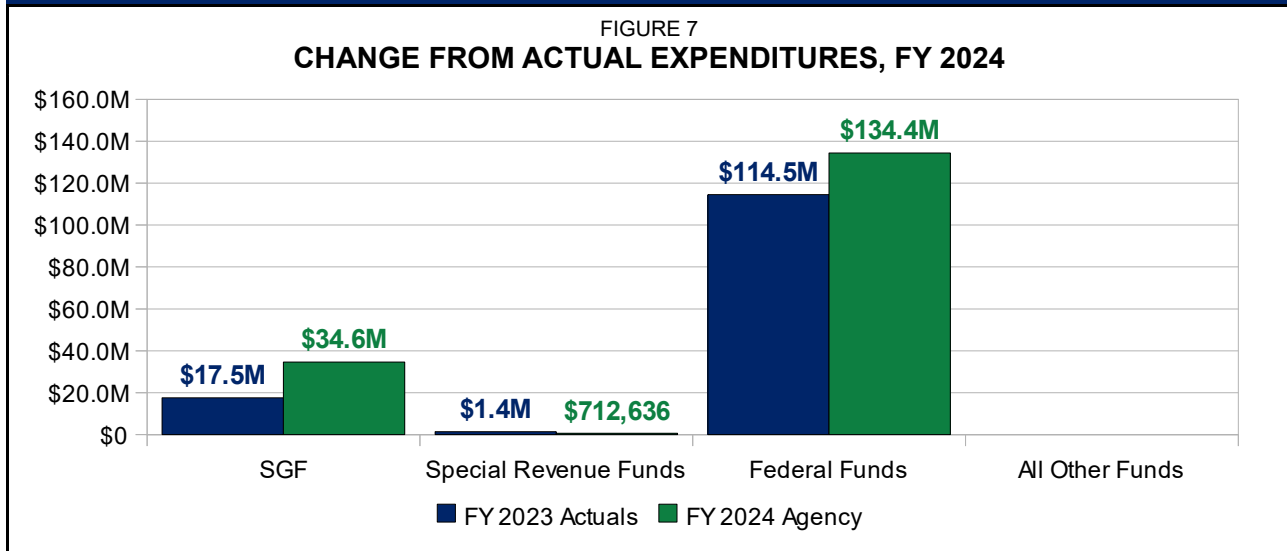
9. **DISASTER RELIEF PAYMENTS.** The revised estimate includes a decrease of \$9.1 million, all from FEMA funds, due to decreased reimbursement to state, local, and nonprofit entities for certain federally declared disasters. The decreased payments are primarily associated with severe storms, tornadoes, and flooding that occurred in spring 2019.
10. **FEDERAL EMPG FUNDING.** The revised estimate includes a decrease of \$436,162, all from a federal Emergency Management Performance Grant (EMPG), for consulting services related to disaster planning.
11. **ALL OTHER ADJUSTMENTS.** Other adjustments include increased salaries and wages expenditures for additional FTE positions in the STARBASE program and increased building supplies. The increase is partially offset by decreased expenditures for employee fringe benefits, utilities, engineering services, and office equipment. The increase is further offset by decreased salaries and wages expenditures in the Emergency Management and Homeland Security program and the Infrastructure program due to elimination of certain FTE positions.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$169.8 million, including \$34.6 million SGF, in expenditures and 296.6 FTE positions in FY 2024.

12. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$169.8 million, including \$34.6 million SGF, in FY 2024. This is an all funds increase of \$36.3 million, or 27.2 percent, including an SGF increase of \$17.1 million, or 97.5 percent, above the FY 2023 actual amount. The SGF increase is primarily attributable to the **reappropriation of \$17.1 million SGF for construction of a new National Guard armory in Hays**, which was approved by the 2022 Legislature. The all funds increase is primarily attributable to an increase of **\$22.6 million, all from federal ARPA funds, for remodel of the SDB in Topeka** and **\$9.7 million, all from FEMA funds, for disaster relief payments**. The increase is partially offset by a decrease of \$11.7 million, from nondiscretionary federal COVID-19 relief funds. The increase is further offset by a decrease of \$8.6 million, all from federal funds, for expenditures to construct a new JFHQ at Forbes Field in Topeka that occurred in FY 2023 but do not reoccur in FY 2024. The revised estimate includes 296.6 FTE positions, which is unchanged from the FY 2023 actual number.

FY 2025 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 34,432,701	\$ 169,468,113	293.6
Enhancement Requests:			
1. Disaster Relief Payments	\$ 1,000,000	\$ 8,500,000	--
2. KIFC Positions	220,000	220,000	2.0
3. 190th Civil Engineering Squadron Position	16,168	64,668	1.0
4. Kansasag.gov Website Hosting	22,715	22,715	--
5. Office of Emergency Communications	127,000	127,000	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 1,385,883</i>	<i>\$ 8,934,383</i>	<i>3.0</i>
6. SDB Remodel	\$ (474,730)	\$ (23,102,730)	--
7. New Hays Armory	(17,085,980)	(17,085,980)	--
8. Other Capital Projects	(1,038,917)	(5,433,387)	--
9. Disaster Relief Payments	(4,208,327)	(39,983,270)	--
<i>Subtotal—Agency Request</i>	<i>\$ 13,010,630</i>	<i>\$ 92,797,129</i>	<i>296.6</i>
Governor's Recommendation			
10. Office of Emergency Communications – Not Recommended	(127,000)	(127,000)	--
11. KIFC Positions	40,000	40,000	--
TOTAL	\$ 12,923,630	\$ 92,710,129	296.6

AGENCY REQUEST

The **agency** requests \$92.8 million, including \$13.0 million SGF, for FY 2025. This is an all funds decrease of \$77.0 million, or 45.3 percent, including an SGF decrease of \$21.6 million, or 62.5 percent, below the FY 2024 revised estimate. The request includes 299.6 FTE positions, which is an increase of 3.0 FTE positions above the FY 2024 revised estimate. The position increase is for 2.0 FTE positions in the KIFC and 1.0 FTE position in the Infrastructure program.

The request includes \$8.9 million, including \$1.4 million SGF, for the following enhancement requests:

- DISASTER RELIEF PAYMENTS.** The agency requests \$8.5 million, including \$1.0 million SGF, to reimburse eligible expenditures of state, local, and nonprofit entities for federally declared disasters. These payments require a 25.0 percent state matching rate, 10.0 percent of which is provided by the agency. An increase of \$1.0 million SGF would leverage an additional \$7.5 million in federal payments for infrastructure repairs related to severe winter storms in April 2017, which impacted 29 counties.
- KIFC POSITIONS.** The agency requests \$220,000 SGF and 2.0 FTE positions for the KIFC for FY 2025. The positions include a Deputy Director of Operations (\$115,000) and a Senior Analyst (\$105,000) to manage full-time staff and assigned law enforcement representatives and provide analysis of foreign malign activity.
- 190th CIVIL ENGINEERING SQUADRON POSITION.** The agency requests \$64,668, including \$16,168 SGF, and 1.0 FTE Administrator position for the 190th Civil Engineering Squadron in the Infrastructure program for FY 2025. The Squadron maintains facilities at the Forbes Field in Topeka. Duties would include supply and inventory management, procurement of material, tracking state assets, and custodial contract management.

4. **KANSASTAG.GOV WEBSITE HOSTING.** The agency requests \$22,715 SGF to continue hosting services concerning websites for the Adjutant General's Department (kansastag.gov) and KDEM (ksready.gov).
5. **OFFICE OF EMERGENCY COMMUNICATIONS.** The agency requests \$127,000 SGF for the Office of Emergency Communications, which maintains deployable interoperable communications equipment, to offset elimination of a transfer from the State Highway Fund for FY 2025.

Absent the enhancement requests, the request includes a decrease of \$77.3 million, including \$22.0 million SGF, in base expenditures. Significant adjustments are as follows:

6. **SDB REMODEL.** The request includes a decrease of \$23.1 million, including \$474,730 SGF, for expenditures associated with remodel of the SDB in Topeka in FY 2024 that do not reoccur for FY 2025. The SDB houses KDEM and the SEOC. The project is primarily supported with \$22.6 million from federal ARPA funds.
7. **NEW HAYS ARMORY.** The request includes a decrease of \$17.1 million SGF for expenditures associated with construction of a new National Guard armory in Hays in FY 2024 that do not reoccur for FY 2025. The project includes land purchase and construction of a 49,792-square-foot National Guard Readiness Center to replace the current armory, which is over 60 years old and located in a flood plain.
8. **OTHER CAPITAL PROJECTS.** The request includes a decrease of \$5.4 million, including \$1.0 million SGF, for capital improvements expenditures in FY 2024 that do not reoccur for FY 2025. This adjustment leaves a total of \$17.0 million, including \$3.5 million SGF, for maintenance and rehabilitation projects among 39 National Guard armories for FY 2025.
9. **DISASTER RELIEF PAYMENTS.** The request includes a decrease of \$40.0 million, including \$4.2 million SGF, due to decreased reimbursement to state, local, and nonprofit entities for certain federally declared disasters. The SGF decrease includes \$1.3 million in reappropriated funds available in FY 2024 but not available for FY 2025.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$92.7 million, including \$12.9 million SGF, for FY 2025. This is a decrease of \$87,000, all SGF, or 0.1 percent, below the agency's FY 2025 request. The recommendation includes 299.6 FTE positions, which is unchanged from the agency's request.

The **Governor's** recommendation includes the following adjustments:

10. **OFFICE OF EMERGENCY COMMUNICATIONS.** The Governor does not recommend the agency's enhancement request of \$127,000 SGF to offset elimination of a transfer from the State Highway Fund for FY 2025.
11. **KIFC POSITIONS.** The Governor recommends \$260,000 SGF for 2.0 FTE positions for the KIFC for FY 2025, which is an increase of \$40,000 above the agency's request. The increase accounts for operational expenditures associated with the positions, such as computers, cell phones, and training.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 9

SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025

Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	\$ 38,288	\$ 38,288	-	\$ 38,288	\$ 38,288	-
2. Disaster Relief Payments	1,000,000	8,500,000	-	1,000,000	8,500,000	-
3. Website Hosting Services	22,715	22,715	-	22,715	22,715	-
TOTAL	\$ 1,061,003	\$ 8,561,003	-	\$ 1,061,003	\$ 8,561,003	-
FY 2025 Enhancements:						
4. Disaster Relief Payments	\$ 1,000,000	\$ 8,500,000	-	\$ 1,000,000	\$ 8,500,000	-
5. KIFC Positions	220,000	220,000	2.0	260,000	260,000	2.0
6. 190th Civil Engineering Squadron Position	16,168	64,668	1.0	16,168	64,668	1.0
7. Kansastag.gov Website Hosting	22,715	22,715	-	22,715	22,715	-
8. Office of Emergency Communications	127,000	127,000	-	-	-	-
TOTAL	\$ 1,385,883	\$ 8,934,383	3.0	\$ 1,298,883	\$ 8,847,383	3.0

- PAY PLAN SHORTFALL.** The revised estimate includes \$38,288 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Adjutant General's Department, a supplemental appropriation of \$38,288 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- DISASTER RELIEF PAYMENTS.** The agency requests \$8.5 million, including \$1.0 million SGF, in FY 2024 to reimburse eligible expenses of state, local, and nonprofit entities for federally declared disasters. Payments for federally declared disasters require a 25.0 percent state matching rate. Of this, generally 15.0 percent is paid by local entities while 10.0 percent is provided by the agency. An increase of \$1.0 million SGF would leverage an additional \$7.5 million in federal payments for infrastructure repairs related to severe winter storms and straight-line winds that occurred in April 2017, which impacted 29 counties.

The Governor recommends adoption of this request.

- KANSASTAG.GOV WEBSITE HOSTING.** The agency requests \$22,715 SGF for website hosting services concerning the Adjutant General's Department's website (kansastag.gov) and the KDEM website (ksready.gov). The websites were recently redesigned after 15 years of utilizing legacy programming that became obsolete and presented security vulnerabilities. The new websites provide greater security and allow for interface with local emergency management entities. The agency notes it lacks staff capacity to maintain the sites and requests additional funding to support contracted hosting services.

The Governor recommends adoption of this request.

4. **DISASTER RELIEF PAYMENTS.** The agency requests \$8.5 million, including \$1.0 million SGF, for FY 2025 to reimburse eligible expenses of state, local, and nonprofit entities for federally declared disasters. Payments for federally declared disasters require a 25.0 percent state matching rate. Of this, generally 15.0 percent is paid by local entities while 10.0 percent is provided by the agency. An increase of \$1.0 million SGF would leverage an additional \$7.5 million in federal payments for infrastructure repairs related to severe winter storms and straight-line winds that occurred in April 2017, which impacted 29 counties.

The Governor recommends adoption of this request.

5. **KIFC POSITIONS.** The agency requests \$220,000 SGF and 2.0 FTE positions for the KIFC for FY 2025. The request includes the following:
- \$115,000 in salaries and wages expenditures for 1.0 FTE **Deputy Director of Operations** position to manage full-time staff and assigned law enforcement representatives in the KIFC. This position would liaison with federal agencies, coordinate with National Guard intelligence assets, and provide for training, scheduling, and performance evaluations of staff. This position would also develop continuity of operations plans;
 - \$105,000 in salaries and wages expenditures for 1.0 FTE **Senior Analyst** position to examine foreign malign activity against state and local entities. This position would analyze threats, such as intellectual property theft and predatory investments, directed at entities associated with law enforcement, critical infrastructure, agriculture, technology, research, and commerce.

The Governor recommends \$260,000 SGF for 2.0 FTE positions for the KIFC, which is an increase of \$40,000 above the agency's request. The increase accounts for operational expenditures associated with the positions, such as computers, cell phones, and training.

6. **190th CIVIL ENGINEERING SQUADRON POSITION.** The agency requests \$64,668, including \$16,168 SGF, and 1.0 FTE Administrator position for the 190th Civil Engineering Squadron for FY 2025. The Squadron maintains buildings and facilities at the Forbes Field in Topeka. Due to the frequent deployment of the Squadron's full-time National Guard personnel, expansion of square footage associated with construction of the new JFHQ, and a potential shift in mission for the 190th Air Refueling Wing to the KC-46 aircraft, the agency indicates an additional state employee position is necessary. Duties would include supply and inventory management, procurement of material, tracking state assets, and custodial contract management.

The Governor recommends adoption of this request.

7. **KANSASTAG.GOV WEBSITE HOSTING.** The agency requests \$22,715 SGF for continued website hosting services concerning the Adjutant General's Department's website (kansastag.gov) and the KDEM website (ksready.gov). The agency notes it lacks staff capacity to maintain the sites and requests additional funding to support contracted hosting services.

The Governor recommends adoption of this request.

8. **OFFICE OF EMERGENCY COMMUNICATIONS.** The agency requests \$127,000 SGF for the Office of Emergency Communications for FY 2025 to offset elimination of a transfer from the State Highway Fund. Until FY 2023, the program was supported with an annual transfer of \$320,000 from the State Highway Fund. This transfer was eliminated in FY 2023 and partially offset with \$307,537 SGF for FY 2024. With this enhancement, the agency indicates the program would be fully funded with \$434,537 SGF for FY 2025. The Office coordinates statewide public safety communications, serves as the communications lead in the SEOC, and manages two deployable Communications on Wheels (COW) systems that provide mobile interoperable communications capabilities.

The Governor does not recommend adoption of this request.

GOVERNOR'S WILDFIRE TASK FORCE

The Governor established a Wildfire Task Force in July 2022 to make recommendations for how Kansans can better mitigate and prevent, respond to, and recover from wildfires. The Task Force is chaired by the Secretary of Agriculture (Secretary) and includes representatives from KDEM, Office of the State Fire Marshal, Kansas Forest Service, Department of Wildlife and Parks, local fire departments, other stakeholders, and the Legislature.

In November 2023, the Task Force submitted a final report to the Governor. The report includes, but is not limited to, the following recommendations:

- The Kansas Legislature should create a dedicated fund that is available for matching grants or financial assistance for mitigation, prevention, and recovery from wildfires.
- The Task Force encourages Congress to amend the Fire Management Assistance Grant (FMAG) statute to allow applications immediately following the incident and to broaden the eligibility for use of FMAG funds for recovery and mitigation.
- The KDEM's Emergency Communications Section should update and redistribute printed copies of the Kansas Field Operations Guide to all users. The field guide provides information on radio communications.
- Establish a better system of collaboration between emergency managers and fire chiefs to input information into the Comprehensive Resources Management and Credentialing System (CRMCS) and keep it updated so the system is current and useful. The CRMCS, which is administered by KDEM, provides information on equipment and personnel availability during emergencies and tracks use of assets.

TREMBLY WHITE READINESS CENTER ACQUISITION

During the 2023 Interim, a representative from the Adjutant General's Department testified before the Joint Committee on Kansas Security, stating the agency recently acquired the Trembly White Readiness Center in Kansas City. The property includes a 28,000-square-foot armory, a separate building with a maintenance bay, and more than 50,000 square feet of green space. The federal property became available at no cost to the State due to it being vacated by a U.S. Army Reserve unit. Responsibility for the facility was transferred to the Kansas National Guard in July 2023.

The Trembly White Readiness Center is tentatively identified to house the 35th Infantry Division of Artillery, which is a new unit in the Kansas Army National Guard.

PROGRAM OVERVIEW

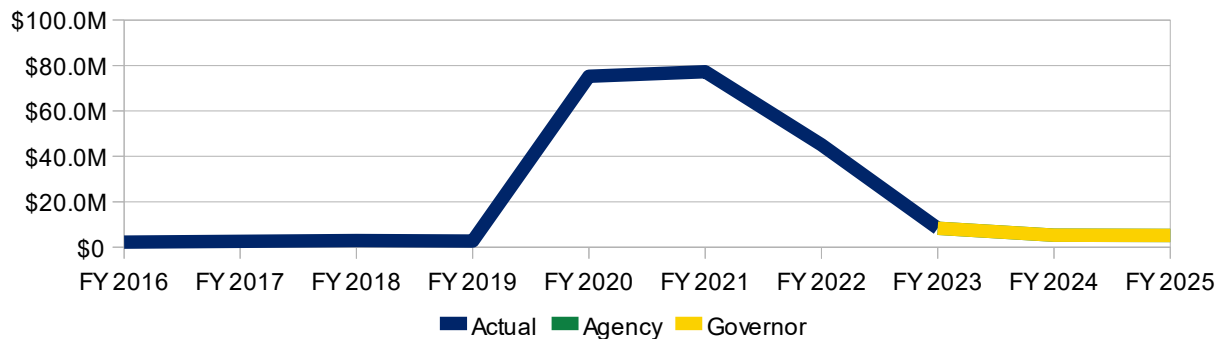
FIGURE 10

EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor - FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 8,359,768	\$ 5,362,159	\$ 5,362,159	\$ 5,245,933	\$ 5,245,933
Emergency Management and Homeland Security	8,332,847	7,778,731	7,778,731	8,064,984	7,977,984
Infrastructure	32,671,473	29,814,819	29,814,819	29,786,212	29,786,212
Disaster Recovery	50,207,046	61,183,270	61,183,270	29,700,000	29,700,000
Capital Improvements	33,928,994	65,622,097	65,622,097	20,000,000	20,000,000
TOTAL	\$ 133,500,128	\$ 169,761,076	\$ 169,761,076	\$ 92,797,129	\$ 92,710,129
FTE Positions:					
Administration	55.5	55.5	55.5	55.5	55.5
Emergency Management and Homeland Security	54.1	54.1	54.1	56.1	56.1
Infrastructure	187.0	187.0	187.0	188.0	188.0
Disaster Recovery	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	296.6	296.6	296.6	299.6	299.6

ADMINISTRATION

FIGURE 11
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



Staff Note: Significant increases from FY 2020 to FY 2022 reflect expenditures from federal COVID-19 relief funds.

STATUTORY BASIS: • *Kansas Constitution* Article 8, Section 2, KSA 48-201 through 48-206

PROGRAM GOALS:

- Ensure military forces in Kansas are trained and prepared to respond to state and federal missions.
- Ensure accounting of armory and station funds is of the highest standard and the audit reviews of these funds will find a low number of audit exceptions.
- Ensure critical information is provided to the public during emergencies or disasters.

The Administration program is responsible for the administrative functions of the agency. Sections include the Office of the Adjutant General, Comptroller's Office, Office of State Human Resources, Public Affairs Office, Information Technology Office, administration of the Military Bill of Rights, STARBASE, and other administrative 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.

COMPTROLLER

Funding provides for personnel and administrative costs of the State Comptroller, accounts, inventory control officer, budgeting functions, procurement officer, and travel officer. This office ensures compliance with state and federal laws, regulations and procedures relating to fiscal policy, accounting standards,

budget execution, procurement activities, and inventory management.

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 implementation of policies and procedures that meet the needs of the agency while complying with state and federal statutes, regulations, and best practices.

PUBLIC AFFAIRS OFFICE

Funding provides for pay and administrative costs associated with providing critical information to the public during emergencies or disasters and updates throughout the year regarding the actions of the Adjutant General's Department. The Director of the Public Affairs Office activates the Joint Information Center in conjunction with the SEOC during times of disasters, including those resulting from nuclear and biological threats. Additionally, the Public Affairs Office produces media campaigns to increase awareness of the activities of the Adjutant General's Department.

MILITARY BILL OF RIGHTS

Funding provides for pay differential, activation payments, and the Kansas Military Relief Fund. These funds are administered by the Comptroller's Office.

STARBASE

Kansas STARBASE, Inc, is a federal Department of Defense outreach program providing experiential learning to elementary students while supporting area schooling in meeting science, technology, engineering, and mathematics standards.

FIGURE 12 ADMINISTRATION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,696,786	\$ 1,672,649	\$ 1,672,649	\$ 1,624,773	\$ 1,624,773
COVID-19 Federal Relief Funds	11,597,723	-	-	-	-
Other Federal Funds	(4,984,441)	3,107,314	3,107,314	3,040,808	3,040,808
All Other Funds	49,700	582,196	582,196	580,352	580,352
TOTAL	\$ 8,359,768	\$ 5,362,159	\$ 5,362,159	\$ 5,245,933	\$ 5,245,933
Percent Change:					
SGF	16.4 %	(1.4) %	-- %	(2.9) %	-- %
All Funds	(81.5) %	(35.9) %	-- %	(2.2) %	-- %
FTE Positions	55.5	55.5	55.5	55.5	55.5

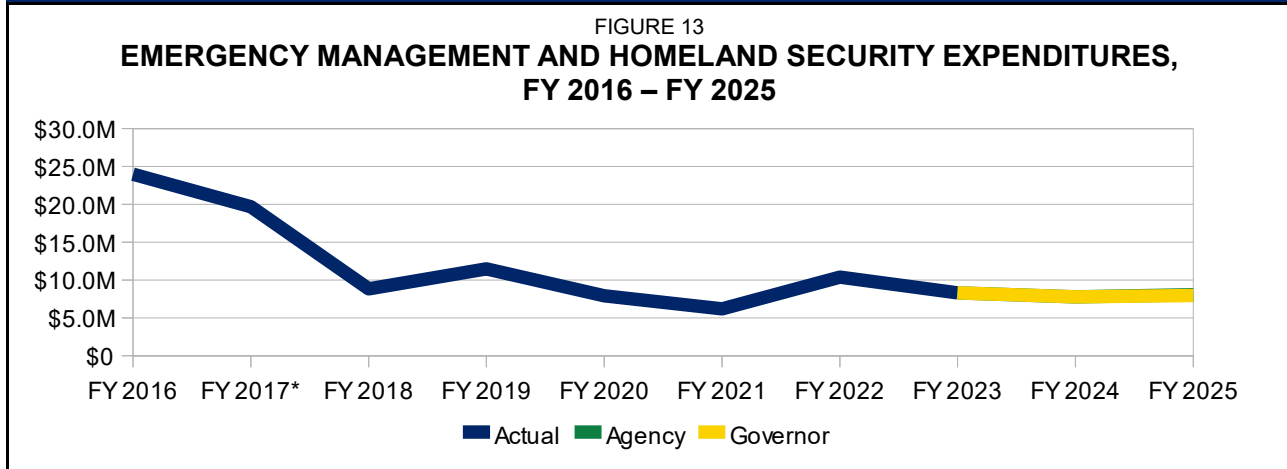
BUDGET ANALYSIS

The **agency** request \$5.2 million, including \$1.6 million SGF, in operating expenditures for the Administration program for FY 2025. This is an all funds decrease of \$116,226, or 2.2 percent, including an SGF decrease of \$47,876, or 2.9 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to decreased expenditures for IT consulting and

KPERS employer contributions. The agency submits an enhancement request of \$22,715 SGF for website hosting services.

The **Governor** concurs with the agency's request for the Administration program for FY 2024.

EMERGENCY MANAGEMENT AND HOMELAND SECURITY



* Staff Note: Expenditures for this program included Disaster Recovery Payments until FY 2017.

STATUTORY BASIS: • KSA 48-901 through 48-968

PROGRAM GOALS:

- Reduce vulnerability of people, the environment, and structures to natural and technological incidents and disasters by eliminating or reducing hazards.
- Enhance state and local emergency management organizational readiness.
- Respond to incidents and disasters promptly and effectively.
- Provide timely and effective assistance for recovery from incidents and disasters.
- Generate intelligence products to counter terrorism and transnational criminal threats, biological threats, and cyber-warfare threats to critical infrastructure.

Emergency Management and Homeland Security activities are composed of work with local communities, first responders, nongovernmental organizations, governmental entities, and owners of critical infrastructure and key resources to achieve disaster and terrorism preparedness.

MITIGATION, PREPAREDNESS, PREVENTION, RESPONSE, AND RECOVERY

This subprogram provides funding for KDEM personnel and administrative costs associated with planning, mitigation, response, recovery, training, and exercises.

KIFC

Funding provides for personnel and costs to produce high-value, all-source intelligence products to protect the life, freedoms, and property of Kansans. KIFC is focused on the three primary Kansas Homeland Security risk areas: (1) terrorism, asymmetric warfare, and transnational criminal organization threats; (2) biological threats; and (3) cyber-warfare and threats to critical infrastructure and key resources.

RADIOLOGICAL, BIOLOGICAL, AND NUCLEAR RESPONSIBILITIES

Funding for this subprogram provides for personnel, administrative, training, exercise activities, and technical assistance related to statewide emergencies. This subprogram also 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 Generating Station) and Cooper Nuclear Station in Nebraska.

KDEM HOMELAND SECURITY

Funding within this subprogram reflects federal grants received for the State Homeland Security Program, which supports the implementation of state homeland security strategies to address planning, organization, equipment, training, and exercises.

EMERGENCY MANAGEMENT ASSISTANCE COMPACT (EMAC)

KDEM is responsible for developing policies and procedures for Incident Management Teams (IMTs) and SEOC Support teams. Members participate in training and exercises annually to maintain readiness for deployment.

to emergencies and disasters. 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 group of volunteers that can provide cost-effective emergency services utilizing assets from the Kansas wing of the Civil Air Patrol.

STATE ACTIVE DUTY

Funds pay for National Guard personnel who are activated in a state active duty status by the Governor. Soldiers may be called to active duty for disasters or emergencies. The Governor has authority to call approximately 7,000 Kansas

National Guard citizen soldiers and airmen to leave full-time employment to serve on state active duty. 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.

EMERGENCY COMMUNICATIONS

Funding provides for the personnel and administrative costs of the Office of Emergency Communications, which supports outreach, training, and coordination of statewide public safety communications. The Office functions as the emergency communications lead for the SEOC and has operational responsibility for two deployable communications capabilities in support of the state public safety trunked radio system.

FIGURE 14

EMERGENCY MANAGEMENT AND HOMELAND SECURITY FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,280,152	\$ 2,350,249	\$ 2,350,249	\$ 2,636,502	\$ 2,549,502
COVID-19 Federal Relief Funds	-	-	-	-	-
Other Federal Funds	5,577,888	5,298,042	5,298,042	5,298,042	5,298,042
All Other Funds	474,807	130,440	130,440	130,440	130,440
TOTAL	\$ 8,332,847	\$ 7,778,731	\$ 7,778,731	\$ 8,064,984	\$ 7,977,984
Percent Change:					
SGF	41.0 %	3.1 %	-- %	12.2 %	(3.3) %
All Funds	(19.9) %	(6.6) %	-- %	3.7 %	(1.1) %
FTE Positions	54.1	54.1	54.1	56.1	56.1

BUDGET ANALYSIS

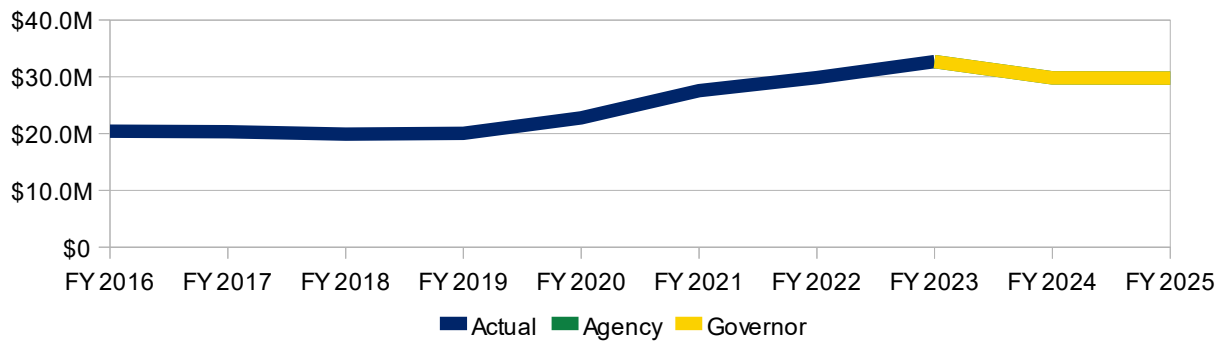
The **agency** requests \$8.1 million, including \$2.6 million SGF, in operating expenditures for the Emergency Management and Homeland Security program for FY 2025. This is an increase of \$286,255 SGF above the FY 2024 revised estimate. The increase is primarily attributable to the agency's enhancement request of \$220,000 SGF for 2.0 FTE positions in the KIFC. These positions include a Deputy Director of Operations (\$115,000) and a Senior Analyst (\$105,000) to manage internal staff and assigned law enforcement representatives and provide analysis of foreign malign activity. The increase is also attributable to the agency's enhancement request of \$127,000 for the Office of Emergency Communications, to offset elimination of a transfer from the State Highway Fund. The increase is partially offset by

decreased expenditures for communications equipment and employee fringe benefits.

The **Governor** recommends \$8.0 million, including \$2.5 million SGF, for the Emergency Management and Homeland Security program for FY 2025. This is a decrease of \$87,000 SGF below the agency's request, partially due to the Governor not recommending the agency's enhancement request of \$127,000 SGF for the Office of Emergency Communications. The decrease is partially offset by the Governor's recommendation to modify the agency's enhancement request of \$220,000 SGF for 2.0 FTE positions in the KIFC by adding \$40,000 SGF for operational expenditures associated with the positions.

INFRASTRUCTURE

FIGURE 15
INFRASTRUCTURE EXPENDITURES, FY FY 2016 – FY 2025



STATUTORY BASIS: • KSA 48-205, 48-301, 48-304, 48-313; 32 USC 702, 708, 314

PROGRAM GOALS: • Provide maintenance resources to keep the physical facilities of the Army and Air National Guard operable, which include 84 Readiness Centers and federal buildings, 103 training site facilities, and 28 logistical facilities.

Infrastructure activities provide KDEM and units of the Kansas Army and Air National Guard and the State at large 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 SDB, the Headquarters Complex, the Great Plains Joint Regional Training Center, and 39 Army National Guard armories, including one Armed Forces Reserve Center.

Of the armories, 35 are state-owned, one is leased, and three are federal property. Most of these armories were built in the 1950s and 1960s, but six armories were constructed between 1987 and 1997, and two were constructed in the 2000s. Additionally, 19 have been returned to their respective cities over the years. 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 in Salina.

This program also maintains facilities at Forbes Field in Topeka, McConnell Air Force Base (AFB) in Wichita, and the 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 Intelligence Wing, 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 Air Refueling Wing, 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, in Salina, allows for rescue training of first responders.

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.

This program includes expenditures for the maintenance and sustainment of the SEOC. The SEOC facility serves as the center for federal, state, and local coordination, and is necessary to ensure continuity of operations and government in major emergencies and disasters. 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.

FIGURE 16 INFRASTRUCTURE FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,836,261	\$ 2,818,652	\$ 2,818,652	\$ 2,749,355	\$ 2,749,355
COVID-19 Federal Relief Funds	-	-	-	-	-
Other Federal Funds	27,448,550	26,996,167	26,996,167	27,036,857	27,036,857
All Other Funds	386,662	-	-	-	-
TOTAL	\$ 32,671,473	\$ 29,814,819	\$ 29,814,819	\$ 29,786,212	\$ 29,786,212
Percent Change:					
SGF	88.1 %	(41.7) %	-- %	(2.5) %	-- %
All Funds	9.4 %	(8.7) %	-- %	(0.1) %	-- %
FTE Positions	187.0	187.0	187.0	188.0	188.0

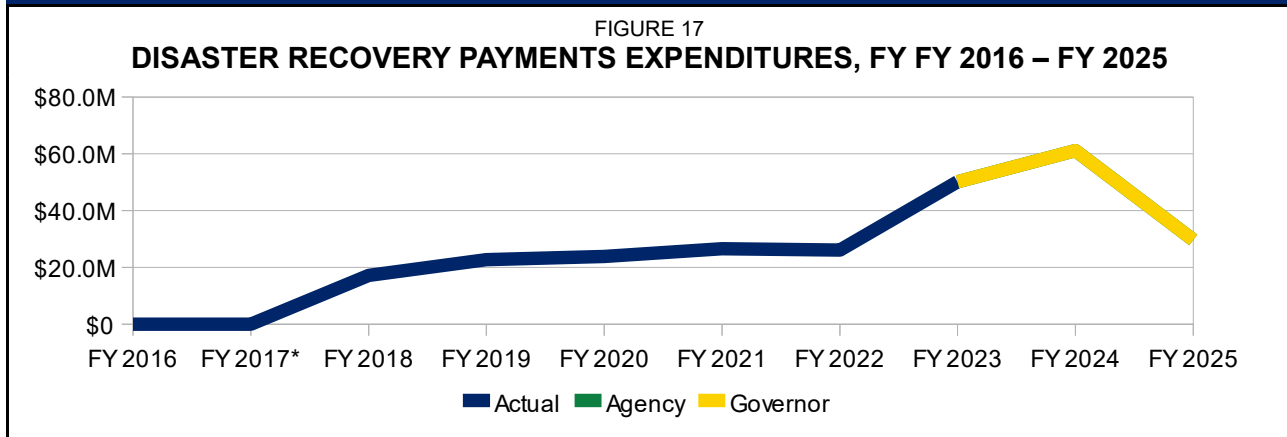
BUDGET ANALYSIS

The **agency** requests \$29.8 million, including \$2.7 million SGF, in operating expenditures for the Infrastructure program for FY 2025. This is an all funds decrease of \$28,607, or 0.1 percent, including an SGF decrease of \$69,297, or 2.5 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to decreased expenditures for building services. The decrease is partially offset by the agency's enhancement request of \$64,668, including

\$16,168 SGF, for 1.0 FTE Administrator position at the 190th Civil Engineering Squadron. The Squadron maintains facilities at the Forbes Field in Topeka; this position would provide inventory control and procurement services and manage custodial contracts.

The **Governor** concurs with the agency's request for the Infrastructure program for FY 2025.

DISASTER RECOVERY PAYMENTS



* *Staff Note:* Expenditures for this program were included with the Emergency Management and Homeland Security Program until FY 2017.

STATUTORY BASIS: • KSA 48-919, 48-924, 48-925, 48-926 through 48-933, 48-938, 48-943, 48-950

PROGRAM GOALS: • Finance response and recovery efforts for state or federally declared disasters.

The Disaster Recovery Payments program tracks expenditures for disaster relief payments. Expenditures include 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 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.

FIGURE 18
DISASTER RECOVERY PAYMENTS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,493,930	\$ 5,708,327	\$ 5,708,327	\$ 2,500,000	\$ 2,500,000
COVID-19 Federal Relief Funds	165,776	-	-	-	-
Other Federal Funds	45,547,340	55,474,943	55,474,943	27,200,000	27,200,000
All Other Funds	-	-	-	-	-
TOTAL	\$ 50,207,046	\$ 61,183,270	\$ 61,183,270	\$ 29,700,000	\$ 29,700,000
Percent Change:					
SGF	13.9 %	27.0 %	-- %	(56.2) %	-- %
All Funds	92.3 %	21.9 %	-- %	(51.5) %	-- %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

The **agency** requests \$29.7 million, including \$2.5 million SGF, for Disaster Recovery Payments program for FY 2025. This is an all funds decrease of \$31.5 million, or 51.5 percent, including an SGF decrease of \$3.2 million, or 56.2 percent, below the FY 2024 revised estimate. The decrease is attributable to decreased reimbursement to state, local, and nonprofit entities for certain federally declared disasters. The SGF decrease includes \$1.3 million in reappropriated funding available in FY 2024 but not available for FY 2025. The budgeted amount includes the agency's

enhancement request for \$8.5 million, including \$1.0 million SGF, for disaster relief payments. This enhancement request for \$1.0 million SGF would leverage an additional \$7.5 million in federal payments for infrastructure repairs related to severe winter storms and straight-line winds that occurred in April 2017, which impacted 29 counties.

The **Governor** concurs with the agency's request for the Disaster Recovery Payments program for FY 2025.

CAPITAL IMPROVEMENTS

The Adjutant General's Department is responsible for facilities that include National Guard Readiness Centers (armories), the State Defense Building (SDB) in Topeka, the Great Plains Joint Training Center in Salina, and Air National Guard facilities at McConnell Air Force Base in Wichita and Forbes Field in Topeka, and various other facilities.

A cooperative agreement between the agency and the federal National Guard Bureau generally requires 50.0 percent match with state funds, with some exceptions that allow a 25.0 percent match.

FIGURE 19
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
State General Fund Projects:					
Rehabilitation and Repair	\$ 877,565	\$ 2,315,510	\$ 2,315,510	\$ 2,000,000	\$ 3,500,000
Deferred Maintenance	1,196,933	2,223,407	2,223,407	1,500,000	-
New Hays Armory	1,041,320	17,085,980	17,085,980	-	-
SDB Design	1,124,090	474,730	474,730	-	-
<i>Subtotal–SGF</i>	<i>\$ 4,239,908</i>	<i>\$22,099,627</i>	<i>\$22,099,627</i>	<i>\$ 3,500,000</i>	<i>\$ 3,500,000</i>
Special Revenue Funds (SRF) / Federal Projects:					
Federal Match	\$ 16,833,255	\$ 17,874,055	\$ 17,874,055	\$ 13,500,000	\$ 13,500,000
JFHQ Construction	8,708,260	20,415	20,415	-	-
Great Bend FMS	496,160	3,000,000	3,000,000	3,000,000	3,000,000
Salina Solar Panels	3,651,411	-	-	-	-
SDB Remodel – ARPA	-	22,628,000	22,628,000	-	-
<i>Subtotal–SRF & Federal</i>	<i>\$ 29,689,086</i>	<i>\$43,522,470</i>	<i>\$43,522,470</i>	<i>\$ 16,500,000</i>	<i>\$ 16,500,000</i>
TOTAL	<u>\$ 33,928,994</u>	<u>\$ 65,622,097</u>	<u>\$ 65,622,097</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>
Financing:					
SGF	\$ 4,239,908	\$ 22,099,627	\$ 22,099,627	\$ 3,500,000	\$ 3,500,000
COVID-19 Federal Relief Funds	-	22,628,000	22,628,000	-	-
Other Federal Funds	29,181,195	20,894,470	20,894,470	16,500,000	16,500,000
All Other Funds	507,891	-	-	-	-
TOTAL	<u>\$ 33,928,994</u>	<u>\$ 65,622,097</u>	<u>\$ 65,622,097</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>

FY 2024 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$65.6 million, including \$22.1 million SGF, for capital improvements in FY 2024. This is an all funds increase of \$31.7 million, including an SGF increase of \$27,861, above the FY 2024 approved amount.

The all funds increase is primarily attributable to increased expenditures from federal ARPA funds for the remodel of the SDB. This increase is also attributable to increased federal match funding for rehabilitation and repair projects and deferred maintenance of armories.

REHABILITATION AND REPAIR

The revised estimate includes \$2.3 million SGF for rehabilitation and repair among 39

armories and other National Guard facilities. Projects include physical security upgrades, code compliance, and utility infrastructure replacement less than \$25,000.

DEFERRED MAINTENANCE

The revised estimate includes \$2.2 million SGF for renovation and modernization of 39 armories and other National Guard facilities. Expenditures include large restoration projects, HVAC replacement, roof replacement, energy efficiency measures, and exterior improvements. Armories scheduled for deferred maintenance in FY 2024 include:

- Concordia, Great Bend, Lenexa, Leavenworth, Liberal, Pratt, and Topeka; and

- Flood damage repair at the Kansas City Armory and upgrades to the recently acquired Trembly White Readiness Center in Kansas City.

NEW HAYS ARMORY

The revised estimate includes \$17.1 million SGF for a new armory in Hays. Expenditures include land purchase, site development, and construction of a 49,792-square-foot National Guard Readiness Center. The current armory is more than 60 years old, located in a flood plain, and lacks adequate capacity to house modern military vehicles.

This project was approved by the 2022 Legislature. The agency reports that sites were reviewed, with consideration given to federal requirements, residential congestion, and distance from utilities and road networks. A tentative offer was recently presented to a seller, and land appraisals are in progress as required by KSA 76-147. Plans for utilizing or repurposing the current armory are in development.

SDB DESIGN

The revised estimate includes \$474,730 SGF for continued design work concerning the remodel of the SDB in Topeka, which houses the Kansas Division of Emergency Management (KDEM) and the State Emergency Operations Center (SEOC). Built in 1973, the current structure lacks capabilities to support sustained operations during emergencies, sufficient technology, and office and training space.

FEDERAL MATCH

The revised estimate includes \$17.9 million, all from federal funds, which is provided through the federal National Guard Bureau as match for rehabilitation and repair projects and deferred maintenance of armories and other National Guard facilities.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$20.0 million, including \$3.5 million SGF, for capital improvements for FY 2025. This is an all funds decrease of \$45.6 million, including an SGF decrease of \$18.6 million, below the FY 2023 revised estimate.

JFHQ CONSTRUCTION

The revised estimate includes \$20,415 to complete construction of a 59,005-square-foot Joint Forces Headquarters (JFHQ) on federal property on Forbes Field in Topeka. Total construction costs are estimated at \$16.5 million, entirely from federal funds.

GREAT BEND FMS

The revised estimate includes \$3.0 million, all from federal funds, to remodel the Field Maintenance Shop (FMS) at the Great Bend Armory. The project includes construction of a maintenance bay and alliterations to existing bays that previously stored mobile radar systems. The shop provides maintenance services for 115 vehicles assigned to units in western Kansas. Total project cost is estimated at \$6.5 million, with completion in FY 2025.

SDB REMODEL—ARPA

The revised estimate includes \$22.6 million, all from federal American Rescue Plan Act (ARPA) funds, to remodel the SDB. This funding was approved by the State Finance Council on December 21, 2022, as part of the State Efficiency and Modernization Program. KDEM will be moved to the main level, with expanded offices, a Joint Information Center with press briefing facilities, planning space, and classrooms. The SEOC and data centers will be housed in a new construction addition built to Federal Emergency Management Agency (FEMA) storm shelter standards, capable of withstanding 250 mph winds. Pursuant to federal ARPA guidelines, this project is categorized under the provision of government services and funds must be expended by December 2026.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2024.

The SGF decrease is primarily attributable to expenditures for construction of a new National Guard armory in Hays that occurred in FY 2024 but do not reoccur for FY 2025. The all funds decrease is primarily attributable to

expenditures from federal ARPA funds for the SDB remodel that occur in FY 2024 but do not reoccur for FY 2025.

REHABILITATION AND REPAIR

The request includes \$2.0 million SGF for rehabilitation and repair among 39 armories and other National Guard facilities. Projects include physical security upgrades, code compliance, and utility infrastructure replacement less than \$25,000.

DEFERRED MAINTENANCE

The request includes \$1.5 million SGF for renovation and modernization of 39 armories and other National Guard facilities. Expenditures include large restoration projects, HVAC replacement, roof replacement, energy efficiency measures, and exterior improvements.

FEDERAL MATCH

The request includes \$13.5 million, all from federal funds, which is provided through the

federal National Guard Bureau as match for rehabilitation and repair projects and deferred maintenance of armories and other National Guard facilities.

GREAT BEND FMS

The request includes \$3.0 million, all from federal funds, for the final phase in remodeling the Field Maintenance Shop (FMS) at the Great Bend Armory. The project includes construction of a maintenance bay and alliterations to existing bays. The shop provides maintenance services for 115 vehicles assigned to units in western Kansas.

The **Governor** concurs with the agency's request for capital improvements for FY 2025. However, the Governor recommends merging expenditures for deferred maintenance with expenditures for rehabilitation and repair. This adjustment provides a total of \$3.5 million SGF for rehabilitation and repair, which includes projects requested under both categories for FY 2025.

KANSAS BUREAU OF INVESTIGATION

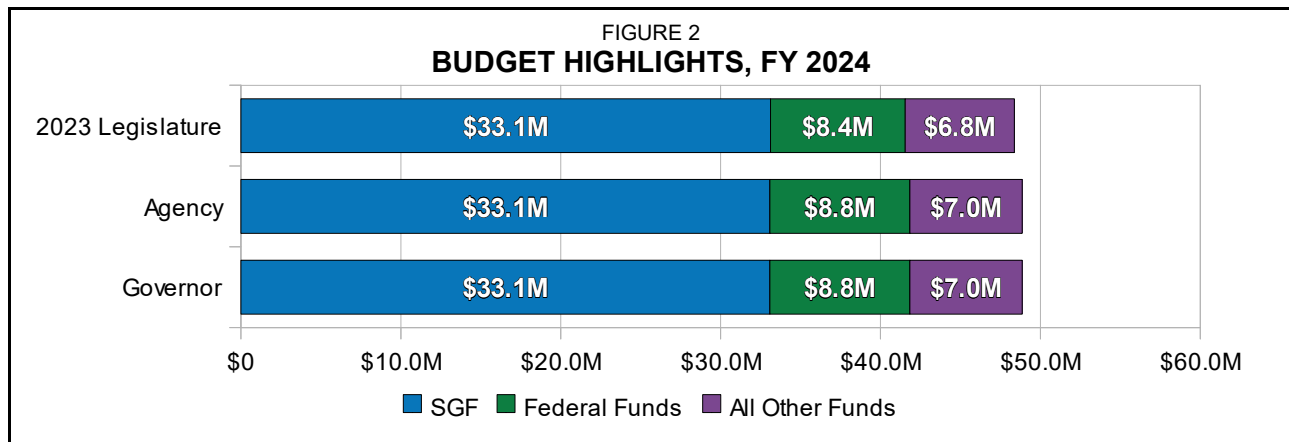
FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 28,285,163	\$ 32,781,247	\$ 32,781,247	\$ 45,681,042	\$ 38,436,527
Federal Funds	5,994,095	7,847,771	7,847,771	6,320,064	6,320,064
All Other Funds	6,482,436	7,017,951	7,017,951	7,336,036	7,336,036
<i>Subtotal</i>	<i>\$ 40,761,694</i>	<i>\$ 47,646,969</i>	<i>\$ 47,646,969</i>	<i>\$ 59,337,142</i>	<i>\$ 52,092,627</i>
Capital Improvements:					
State General Fund	\$ 16,023	\$ 300,000	\$ 300,000	\$ 3,350,000	\$ 300,000
Federal Funds	16,579	910,000	910,000	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 32,602</i>	<i>\$ 1,210,000</i>	<i>\$ 1,210,000</i>	<i>\$ 3,350,000</i>	<i>\$ 300,000</i>
TOTAL	\$ 40,794,296	\$ 48,856,969	\$ 48,856,969	\$ 62,687,142	\$ 52,392,627
Percentage Change:					
State General Fund	(59.0) %	16.9 %	16.9 %	48.2 %	17.1 %
All Funds	(50.5) %	19.8 %	19.8 %	28.3 %	7.2 %
FTE Positions	355.5	366.5	366.5	411.5	380.5

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 the agency has regional offices in Garden City, Great Bend, Lenexa, Pittsburg, and Wichita. Laboratory facilities are located in Great Bend, Kansas City, Pittsburg, and Topeka.

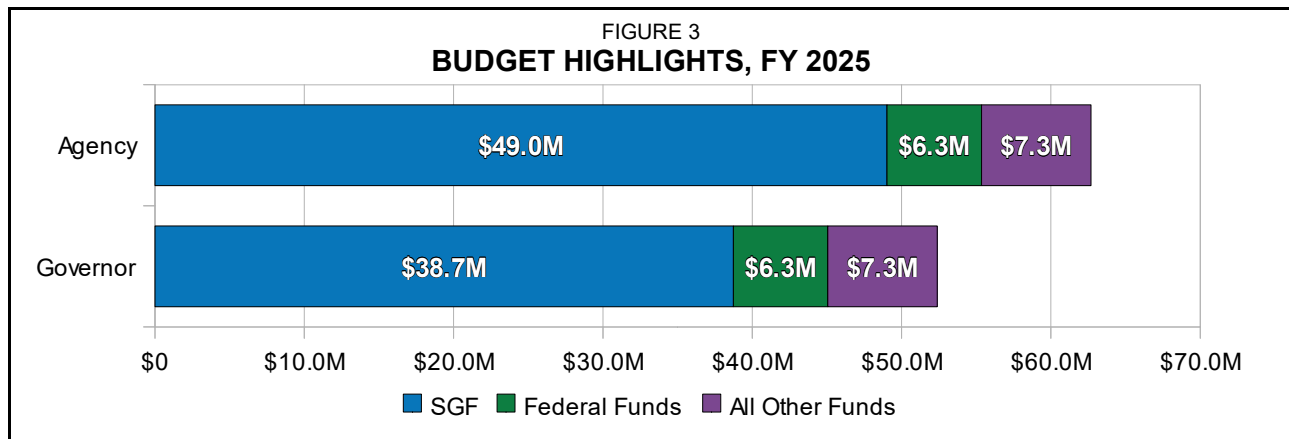
EXECUTIVE SUMMARY

Subsequent to the 2023 Session, one adjustment was made to the \$48.4 million, including \$33.1 million from the State General Fund (SGF), appropriated to the Kansas Bureau of Investigation for FY 2024, which changes the current year approved amount without any legislative action required. A total of \$14,020 SGF in unspent funds from FY 2023 reappropriated to FY 2024.



The **agency** submits a revised estimate of \$48.9 million, including \$33.1 million SGF, in FY 2024. This is an all funds increase of \$491,438, or 1.0 percent, including an SGF decrease of \$41,140, or 0.1 percent, from the FY 2024 approved amount. The increase is partially attributable to the agency's enhancement request of \$141,040 SGF to cover the pay plan shortfall. The increase is also attributable to increased funding, all from federal American Rescue Plan Act (ARPA) funds, to purchase encrypted radios. The agency requests a lapse of \$182,180 SGF, which was provided for a jailhouse witness database required in a proposed 2023 HB 2010; however an amended version of the bill passed without requirements for the database. The revised estimate includes 366.5 FTE positions, which is an increase of 10.0 FTE positions above the FY 2024 approved number. The position increase is attributable to implementation of funding approved by the 2023 Legislature for the Surge Initiative and agency operational needs. These funded positions include 5.0 FTE positions for a Joint Fentanyl Impact Taskforce, 3.0 FTE positions for a West Child Victim Task Force (WCVTF), and 2.0 FTE positions for operational support.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$62.7 million, including \$49.0 million SGF, for FY 2025. This is an all funds increase of \$13.8 million, or 28.3 percent, including an SGF increase of \$15.9 million, or 48.2 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the agency's six enhancement requests totaling \$16.1 million SGF. These enhancement requests include:

- \$2.5 million SGF for Career Progression Plans (CPPs) involving commissioned officers and forensic scientists;
- \$6.9 million SGF and 30.0 FTE positions for the Fight Against Fentanyl effort involving special agents, forensic scientists, analysts, support staff, and a new laboratory data system;
- \$1.1 million SGF for replacement of the Kansas Criminal Justice Information System (KCJIS) Central Messaging Switch;
- \$1.8 million SGF and 11.0 FTE positions for a Child Protection Initiative involving a Southeast Child Victim Task Force, child victim services, and Amber Alert support;
- \$850,000 SGF and 4.0 FTE positions for a KCJIS Support Center to address cybersecurity vulnerabilities; and
- \$3.1 million SGF for the initial debt service payment on bonds supporting construction of a proposed Regional Crime Center and Laboratory in Pittsburg, which has a total construction cost of \$40.0 million.

The increase is partially offset by decreased expenditures from federal ARPA funds for encrypted radios, laboratory equipment, and a heating, ventilation, and air conditioning (HVAC) system. The revised estimate includes 411.5 FTE positions, which is an increase of 45.0 FTE positions above the FY 2024 revised numbers. The position increase is attributable to the agency's enhancement requests.

The **Governor** recommends \$52.4 million, including \$38.7 million SGF, for FY 2025. This is a decrease of \$10.3 million, all SGF, or 16.4 percent, below the agency's FY 2025 requested amount. The decrease is due to the Governor not recommending or only partially recommending

the agency's enhancement requests. The recommendation includes: \$253,385 SGF for CPPs to continue step and merit increases for commissioned officers and forensic scientists; \$3.8 million SGF and 9.0 FTE positions for the Fight Against Fentanyl effort, which includes a new laboratory data system; \$711,999 SGF and 5.0 FTE positions for a Child Protection Initiative; and \$1.1 million SGF for a KCJIS Central Messaging Switch. The Governor does not recommend funding for: an overall increase to CPPs, a KCJIS Support Center, and the Pittsburg Regional Crime Center and Laboratory.

The recommendation includes 380.5 FTE positions, which is a decrease of 31.0 FTE positions below the FY 2025 requested number. The position decrease is due to the Governor's adjustments concerning the agency's enhancement requests.

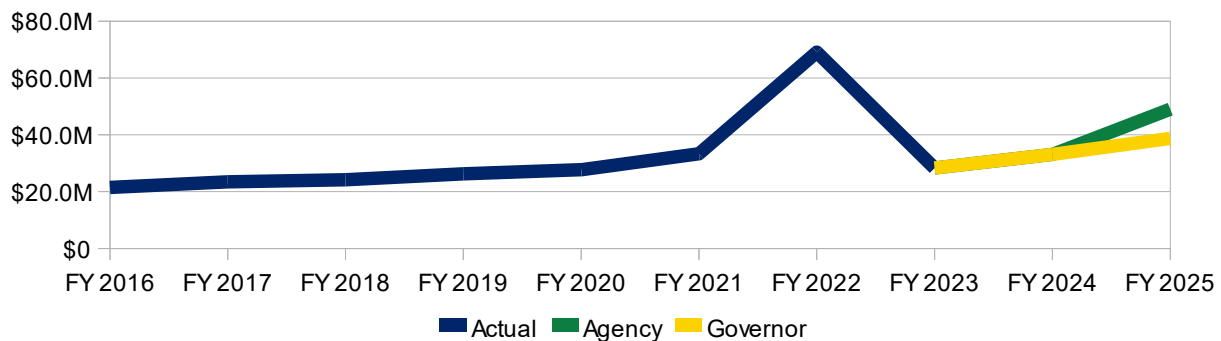
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 27,476,650	\$ 30,526,433	\$ 30,526,433	\$ 38,836,261	\$ 33,425,998
Contractual Services	8,508,974	9,155,088	9,155,088	9,795,961	9,073,858
Commodities	1,613,818	1,893,970	1,893,970	2,084,070	1,860,140
Capital Outlay	1,864,265	4,902,178	4,902,178	7,451,550	6,563,331
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 39,463,707</i>	<i>\$ 46,477,669</i>	<i>\$ 46,477,669</i>	<i>\$ 58,167,842</i>	<i>\$ 50,923,327</i>
Aid to Local Units	1,295,361	1,169,300	1,169,300	1,169,300	1,169,300
Other Assistance	2,626	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 40,761,694</i>	<i>\$ 47,646,969</i>	<i>\$ 47,646,969</i>	<i>\$ 59,337,142</i>	<i>\$ 52,092,627</i>
Capital Improvements	32,602	1,210,000	1,210,000	3,350,000	300,000
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 40,794,296	\$ 48,856,969	\$ 48,856,969	\$ 62,687,142	\$ 52,392,627
Financing:					
State General Fund	\$ 28,301,186	\$ 33,081,247	\$ 33,081,247	\$ 49,031,042	\$ 38,736,527
Record Check Fee Fund	2,849,503	3,349,825	3,349,825	3,292,996	3,292,996
Kansas Criminal Justice Information System (KCJIS)	531,460	692,215	692,215	1,052,740	1,052,740
Forensic Laboratory and Materials Fee Fund	1,682,423	1,989,269	1,989,269	2,006,375	2,006,375
Federal Funds	6,010,674	8,757,771	8,757,771	6,320,064	6,320,064
All Other Funds	1,419,050	986,642	986,642	983,925	983,925
TOTAL	\$ 40,794,296	\$ 48,856,969	\$ 48,856,969	\$ 62,687,142	\$ 52,392,627
FTE Positions	355.5	366.5	366.5	411.5	380.5

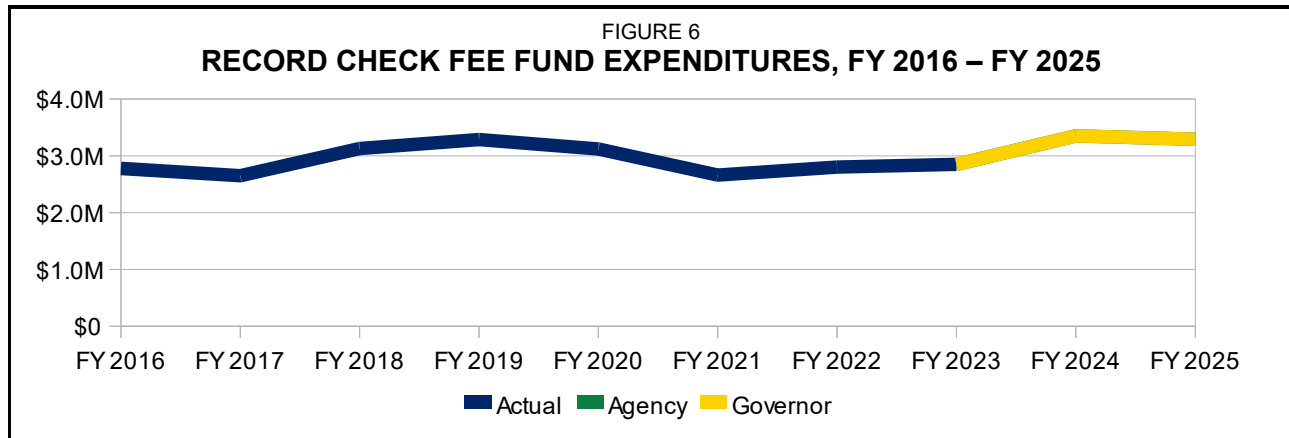
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



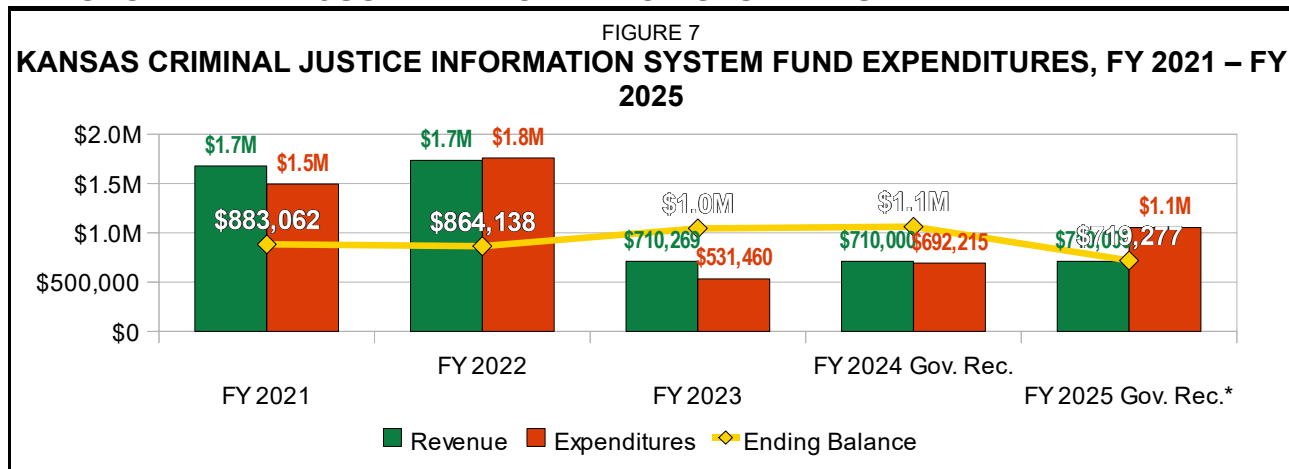
For the Kansas Bureau of Investigation, SGF expenditures increased by \$47.7 million, or 295.7 percent, from FY 2016 to FY 2022. There was a significant increase in SGF expenditures in FY 2022 due to a debt service payment totaling \$45.6 million SGF for the early payoff of the Forensic Science Center in Topeka. The agency primarily utilizes SGF moneys for salaries and wages expenditures, information technology, and capital improvements involving rehabilitation and repair of agency facilities.

RECORD CHECK FEE FUND



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.

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM FUND



* For FY 2025, the lowest month ending balance for the Kansas Criminal Justice Information System Fund will occur in May, with a balance of \$403,761.

The Kansas Criminal Justice Information System Fund receives remittances of district court fines, penalties, and forfeitures pursuant to KSA 74-7336. Moneys in this fund are used to offset the costs of maintaining the KCJIS pursuant to KSA 74-5707. The FY 2022 Legislature eliminated language requiring \$1 of each Division of Vehicles modernization surcharge be remitted to this fund, which resulted in a decrease of \$943,925 in revenue in FY 2023. The decrease was offset by an increase of the same amount from the SGF for those expenditures.

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 33,108,367	\$ 48,351,511	356.5
1. SGF Reappropriation	14,020	14,020	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 33,122,387</i>	<i>\$ 48,365,531</i>	<i>356.5</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan Shortfall	141,040	141,040	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ 141,040</i>	<i>\$ 141,040</i>	<i>--</i>
3. SGF Lapse - Jailhouse Witness Testimony	\$ (182,180)	\$ (182,180)	--
4. Communications Equipment - ARPA	-	771,151	--
5. Forensic Laboratory Fee Fund	-	129,315	--
6. National Criminal History Improvement Program	-	(310,324)	--
7. Surge Initiative and Operational Support FTE Positions	-	-	10.0
8. All Other Adjustments	-	(57,564)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 33,081,247</i>	<i>\$ 48,856,969</i>	<i>366.5</i>
Governor's Recommendation:			
9. No Change	-	-	--
TOTAL	\$ 33,081,247	\$ 48,856,969	366.5

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$48.4 million, including \$33.1 million SGF, appropriated to the Kansas Bureau of Investigation for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** A total of \$14,020 SGF was added in FY 2024 due to unspent funds that reappropriated from FY 2023 for illegal methamphetamine disposal.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$48.9 million, including \$33.1 million SGF, in expenditures in FY 2024. This is an all funds increase of \$491,438, or 1.0 percent, including an SGF decrease of \$41,140, or 0.1 percent, from the FY 2024 approved amount. The revised estimate includes 366.5 FTE positions, which is an increase of 10.0 FTE positions above the FY 2024 approved number. The position increase is mainly in the Special Operations and Field Investigations programs and supported with funding approved by the 2023 Legislature for the Surge Initiative and operational needs.

The revised estimate includes \$141,040 SGF for the following supplemental request:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$141,040 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State

Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Bureau of Investigation, a supplemental appropriation of \$141,040 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental requests, the revised estimate includes an increase of \$350,398 in base budget expenditures. Significant adjustments are as follows:

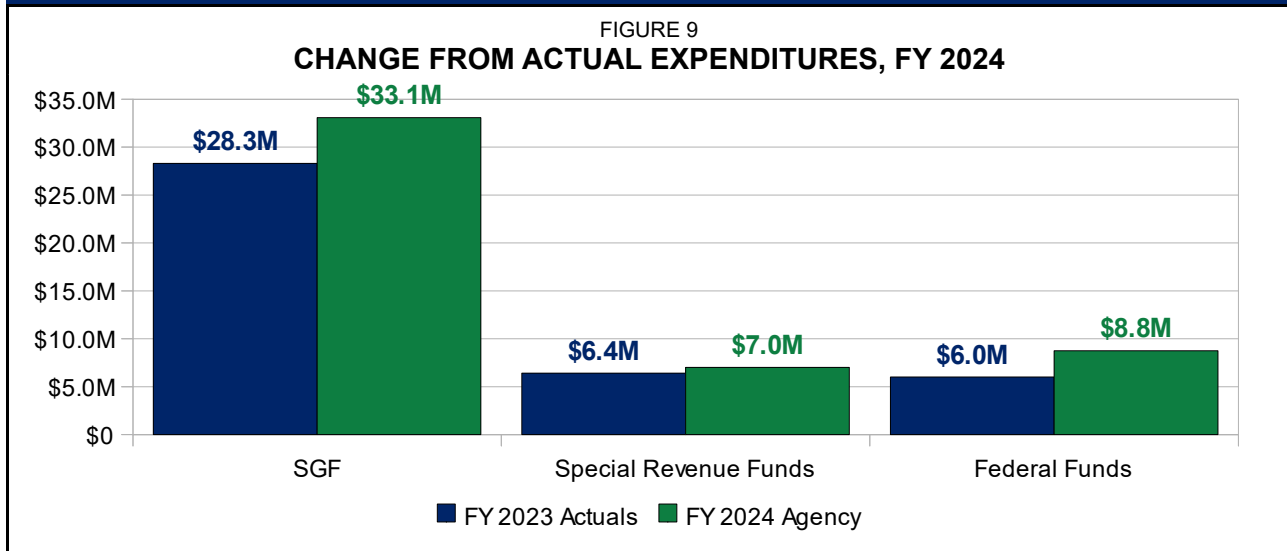
3. **SGF LAPSE - JAILHOUSE WITNESS TESTIMONY.** The agency requests a lapse of \$182,180 SGF for integration of a jailhouse witness testimony database in FY 2024. The 2023 Legislature added this funding to align with provisions of proposed Senate Sub. for HB 2010, which required the agency to maintain a confidential database of jailhouse witness information, contingent upon passage of the bill. The bill passed, but was amended in conference to remove provisions concerning jailhouse witness testimony. Without provisions requiring local prosecutors to submit information on jailhouse witnesses, the agency is unable to maintain a database of such information.
4. **COMMUNICATIONS EQUIPMENT - ARPA.** The revised estimate includes an increase of \$771,151, all from federal ARPA funds, to purchase vehicle-mounted radios that comply with federal encryption standards in FY 2024.
5. **FORENSIC LABORATORY FEE FUND.** The revised estimate includes an increase of \$129,315, all from the Forensic Laboratory and Materials Fee Fund, primarily to repair laboratory equipment in FY 2024.
6. **NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM.** The revised estimate includes a decrease of \$310,324, all from federal funding, for the Information Services program in FY 2024. These funds are sub-granted through the Governor's Grants Office, and expenditures support data entry involving court records, arrest reports, and imaging of criminal history records.
7. **SURGE INITIATIVE AND OPERATIONAL SUPPORT FTE POSITIONS.** The revised estimate includes the addition of 10.0 FTE positions. The 2023 Legislature approved funding for the Surge Initiative and agency operational needs in FY 2024. To implement the Surge Initiative funding, the agency added 5.0 FTE positions (4 special agents, 1 security analyst) for the Joint Fentanyl Impact Taskforce, and 3.0 FTE positions (1 special agent, 1 security analyst, 1 IT technician) for the West Child Victim Task Force (WCVTF). Further, the agency added 2.0 FTE positions (1 recruiter, 1 background investigator) for operational support.
8. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased salaries and wages expenditures, partially offset by increased expenditures for travel and the purchase of vehicles.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$48.9 million, including \$33.1 million SGF, in expenditures and 366.5 FTE positions in FY 2024.

9. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** submits a revised estimate of \$48.9 million, including \$33.1 million SGF, in expenditures in FY 2024. This is an all funds increase of \$8.1 million, or 19.8 percent, and an SGF increase of \$4.8 million, or 16.9 percent, above the FY 2023 actual budget. The increase is primarily due to increased expenditures approved by the 2023 Legislature for the following items:

- \$2.9 million for the Surge Initiative, which supports the addition of 3.0 FTE positions for the West Child Victim Task Force, 5.0 FTE positions for the Joint Fentanyl Impact Task Force, and 2.0 FTE positions that serve as recruiter and background investigators in FY 2024;
- \$519,947 for operational needs, which includes the inflated cost of laboratory supplies, increased capital improvement expenditures for rehabilitation and repair of facilities, and 1.0 FTE position for Reception;
- \$250,266 for CPPs to support step and merit increases for commissioned officers and forensic scientists; and
- \$772,504, including \$581,005 SGF, for a statewide Market Survey salary for most employees and a 2.5 percent increase of individuals in CPPs.

The increase is also partially attributable to increased expenditures from federal ARPA funds for the purchase of encrypted radios, laboratory equipment, and an HVAC system, and increased expenditures from a federal Justice Assistance Grant for replacement of the Kansas Incident Based Reporting System (KIBRS). The request includes 366.5 FTE positions, which is an increase of 11.0 FTE positions above the FY 2023 actual amount. The position increase is attributed to the adjustments approved by the 2023 Legislature.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 33,081,247	\$ 48,856,969	366.5
Enhancement Requests:			
1. Career Progression Plans	\$ 2,509,148	\$ 2,509,148	--
2. Fight Against Fentanyl	6,902,777	6,902,777	30.0
3. Central Message Switch Replacement	1,050,000	1,050,000	--
4. Child Protection Initiative	1,769,853	1,769,853	11.0
5. KCJIS Support Center	850,000	850,000	4.0
6. Pittsburg Regional Crime Center and Laboratory	3,050,000	3,050,000	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 16,131,778</i>	<i>\$ 16,131,778</i>	<i>45.0</i>
7. KCJIS Fund	\$ -	\$ 360,525	--
8. Federal ARPA Funding	-	(2,191,151)	--
9. National Criminal History Improvement Program	-	(107,850)	--
10. All Other Adjustments	(181,983)	(363,129)	--
<i>Subtotal—Agency Request</i>	<i>\$ 49,031,042</i>	<i>\$ 62,687,142</i>	<i>411.5</i>
Governor's Recommendation:			
11. Career Progression Plans - Partial Adoption	\$ (2,255,763)	\$ (2,255,763)	--
12. Fight Against Fentanyl - Partial Adoption	(3,080,898)	(3,080,898)	(21.0)
13. Child Protection Initiative - Partial Adoption	(1,057,854)	(1,057,854)	(6.0)
14. KCJIS Support Center - Not Recommended	(850,000)	(850,000)	(4.0)
15. Pittsburg Regional Crime Center and Laboratory - Not Recommended	(3,050,000)	(3,050,000)	--
TOTAL	\$ 38,736,527	\$ 52,392,627	380.5

AGENCY REQUEST

The **agency** requests \$62.7 million, including \$49.0 million SGF, in expenditures for FY 2025. This is an all funds increase of \$13.8 million, or 28.3 percent, including an SGF increase of \$15.9 million, or 48.2 percent, above the FY 2024 revised estimate. The revised estimate includes 411.5 FTE positions, which is an increase of 45.0 FTE positions above the FY 2024 revised number. The position increase is mainly in the Special Operations Forensic Laboratory and Field Investigations programs and is attributable to the agency's enhancement requests.

The request includes \$16.1 million SGF for the following enhancement requests:

- CAREER PROGRESSION PLANS.** The agency requests \$2.5 million SGF in salaries and wages expenditures for CPPs involving commissioned officers and forensic scientists for FY 2024. The requests includes:
 - \$253,385 to continue step increases for 34 commissioned officers and merit increases for 18 forensic scientists eligible for progression for FY 2025, which is based on years of service, years in discipline, advanced certifications, and technical leadership; and
 - \$2.3 million to implement a 10.0 percent overall increase to the CPPs. The agency notes continued difficulty recruiting these positions due the necessary qualifications and competition with other law enforcement entities and private forensic employers. According to a study conducted by the agency, the starting salary for a KBI

Detective is less than those of six municipal law enforcement agencies in Kansas. This adjustment would impact 98 commissioned officers and 84 forensic scientists in their respective plans.

2. **FIGHT AGAINST FENTANYL.** The agency requests \$6.9 million SGF and 30.0 FTE positions for the Fight Against Fentanyl effort for FY 2024. The request includes:
 - \$1.7 million for 8.0 FTE Special Agent positions with assigned equipment to conduct criminal investigations that disrupt the distribution of fentanyl and other narcotics;
 - \$3.6 million to purchase a new Laboratory Information Management System (LIMS) (\$2.5 million) and add 5.0 FTE Forensic Scientist positions with equipment (\$1.1 million). The current LIMS, which is used to process evidence, is 20 years old and no longer supports system upgrades. The new LIMS provides better evidence tracking, improved security, and statistical analysis for reporting on fentanyl and opioid trends. The FTE positions will address increased evidence submissions and examination requests;
 - \$617,690 for 7.0 FTE positions to address the use of technology by drug trafficking organizations that enable drug couriers and illicit financial transactions. The positions, which includes crime analysts, research analysts, and an administrative assistant, would collect evidence on narcotic distribution and money laundering; and
 - \$1.1 million for 10.0 FTE positions to provide support services for the Fight Against Fentanyl effort, such as information technology, background investigation, public information, and fiscal management.
3. **CENTRAL MESSAGE SWITCH REPLACEMENT.** The agency requests \$1.1 million SGF to replace the KCJIS Central Messaging Switch, which is a communication system that provides public safety agencies with immediate access to criminal justice information at roadside or during other public safety-related procedures, for FY 2025. The current Central Messaging Switch dates from 2011 and no longer meets security and interoperability standards.
4. **CHILD PROTECTION INITIATIVE.** The agency requests \$1.8 million SGF and 11.0 FTE positions to establish a Southeast Child Victim Task Force in Pittsburg and enhance statewide child victim and Amber Alert services for FY 2025. The task force would investigate cases of child sexual assault and child pornography in southeast Kansas. The positions include special agents, victim coordinators, and Amber Alert technicians.
5. **KCJIS SUPPORT CENTER.** The agency requests \$850,000 SGF and 4.0 FTE Security Analyst positions for a Support Center to address cybersecurity vulnerabilities among local public safety agencies that access the KCJIS for FY 2025.
6. **PITTSBURG REGIONAL CRIME CENTER AND LABORATORY.** The agency requests \$3.1 million SGF for an initial debt service payment on proposed bonds supporting construction of a KBI Regional Crime Center and Laboratory in Pittsburg. The current laboratory, located in downtown Pittsburg, was first leased in 1999 and exhibits persistent maintenance issues that pose health and safety concerns. The agency proposes construction of a Regional Crime Center and Laboratory, which is a collaborative effort with Pittsburg State University (PSU). The facility would be located on Pittsburg Research Park near main campus, and include:

- Joint space for representatives from state and federal law enforcement agencies, such as the Kansas Highway Patrol and Federal Bureau of Investigation, as well as the PSU Police Department;
- Regional KBI assets, such as laboratory services, investigative functions, and child victim services; and
- Medical examiner space, an indoor firing range, and classrooms for PSU students.

The total construction cost is estimated at \$40.0 million. To finance the project, the agency requests:

- Authorization for issuance of 20-year bonds; and
- \$3.1 million SGF for the initial debt service payment in FY 2025. With such annual payment for the lifetime of the bond, the total project cost is estimated at \$61.0 million.

Absent the enhancement requests, the request includes a decrease of \$2.3 million in base budget expenditures. Significant adjustments are as follows:

7. **KCJIS FUND.** The request includes an increase of \$360,525, all from the Kansas Criminal Justice Information (KCJIS) Fund, for the purchase of information processing equipment for FY 2025.
8. **FEDERAL ARPA FUNDING.** The request includes decreases totaling \$2.2 million, all from federal ARPA funds, for one-time expenditures that occur in FY 2024 but do not reoccur for FY 2025. These include:
 - \$910,000, all from federal ARPA funds, for replacement of an HVAC system at the Great Bend laboratory;
 - \$510,000, all from federal ARPA funds, for the purchase of advanced laboratory equipment; and
 - \$771,151, all from federal ARPA funds, for the purchase of encrypted communications equipment.
9. **NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM.** The request includes a decrease of \$107,850, all from federal funding, for data entry involving court records, arrest reports, and imaging of criminal history records for FY 2025.
10. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased expenditures for the purchase of vehicles, laboratory equipment, and expenditures for information consulting services. The decrease is partially offset by increased salaries and wages expenditures.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$52.4 million, including \$38.7 million SGF, in expenditures for FY 2025. This is a decrease of \$10.3 million, all SGF, or 16.4 percent, below the agency's FY 2025 requested amount. The recommendation includes 380.5 FTE positions, which is a decrease of 31.0

FTE positions below the FY 2025 requested number.

The **Governor's** recommendation includes the following adjustments:

11. **CAREER PROGRESSION PLAN - PARTIAL ADOPTION.** The Governor recommends \$253,385 SGF to continue step and merit increases for CPPs involving commissioned officers and forensic scientists for FY 2025. The recommendation does not include \$2.3 million SGF for a 10.0 percent overall increase to CPPs.
12. **FIGHT AGAINST FENTANYL - PARTIAL ADOPTION.** The Governor recommends \$3.8 million SGF and 9.0 FTE positions for the Fight Against Fentanyl effort for FY 2025, which is a decrease of \$3.1 million SGF and 21.0 FTE positions below the agency's enhancement request. This adjustment provides the following:
 - \$2.7 million SGF for the purchase of the LIMS (\$2.5 million) and 1.0 FTE Forensic Scientist position with assigned equipment;
 - \$1.1 million SGF and 8.0 FTE positions, which include special agents, crime analysts, a research analyst, and information technology specialists.
13. **CHILD PROTECTION INITIATIVE - PARTIAL ADOPTION.** The Governor recommends \$711,999 SGF and 5.0 FTE positions for the Child Protection Initiative for FY 2025, which is a decrease of \$1.1 million SGF and 6.0 FTE positions below the agency's enhancement request. The adjustment provides funding for two special agents assigned to the Southeast Child Victim Task Force and three positions for child victim and Amber Alert services.
14. **KCJIS SUPPORT CENTER - NOT RECOMMENDED.** The Governor does not recommend \$850,000 SGF for the KCJIS Support Center for FY 2025.
15. **PITTSBURG REGIONAL CRIME CENTER AND LABORATORY - NOT RECOMMENDED.** The Governor does not recommend \$3.1 million SGF for the initial debt service payment on the Regional Crime Center and Laboratory for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. Pay Plan Shortfall	141,040	141,040	-	141,040	141,040	-
TOTAL	\$ 141,040	\$ 141,040	-	\$ 141,040	\$ 141,040	-
FY 2025 Enhancements:						
2. Career Progression Plans	\$ 2,509,148	\$ 2,509,148	-	\$ 253,385	\$ 253,385	-
3. Fight Against Fentanyl	6,902,777	6,902,777	30.0	3,821,879	3,821,879	9.0
4. Central Message Switch Replacement	1,050,000	1,050,000	-	1,050,000	1,050,000	-
5. Child Protection Initiative	1,769,853	1,769,853	11.0	771,999	711,999	5.0
6. KCJIS Support Center	850,000	850,000	4.0	-	-	-
7. Pittsburg Regional Crime Center and Laboratory	3,050,000	3,050,000	-	-	-	-
TOTAL	\$ 16,131,778	\$ 16,131,778	45.0	\$ 5,897,263	\$ 5,837,263	14.0

- PAY PLAN SHORTFALL.** The revised estimate includes \$141,040 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the KBI, a supplemental appropriation of \$141.040 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

- CAREER PROGRESSION PLANS.** The agency requests \$2.5 million SGF for CPPs involving commissioned officers and forensic scientists for FY 2025.

The 2022 Legislature approved an agency pay plan for FY 2023, which established CPPs for commissioned officers and forensic scientists. The 2023 Legislature excluded individuals on CPPs from the statewide Market Survey salary adjustment for FY 2024 and provided a 2.5 percent increase instead.

The request includes the following:

- \$253,385 to continue step increases for commissioned officers (\$138,336) and merit increases for forensic scientists (\$115,049). The agency notes that 34 Special Agents will see salary increases, based on years in rank, that average \$1.56 per hour. Additionally, 18 forensic scientists will see salary increases, based on years in discipline, advanced certifications, or technical leadership, that average \$1.42 per hour.
- \$2.3 million to implement a 10.0 percent overall increase to the CPPs for commissioned officers (\$1.4 million) and forensic scientists (\$877,806). The agency notes continued difficulty recruiting these positions and indicates this 10.0 percent adjustment will provide better incentive to recruits with minimum preferred

qualifications. The preferred Special Agent candidate possess a college degree and six years of felony investigation experience, and forensic scientists possess technical skills highly sought by private entities. This adjustment would impact 98 commissioned officers and 84 forensic scientists in their respective plans.

A recent salary study conducted by the agency found that the starting salary of \$64,900 for a KBI Detective is less than those at the following entities:

- Kansas City, Kansas, Police Department - \$91,800
- Sedgwick County Sheriff's Office, Wichita - \$77,300
- Riley County Police Department, Manhattan - \$74,700
- Lawrence Police Department - \$69,500
- Johnson County Sheriff's Office, Olathe - \$66,000
- Topeka Police Department - \$65,500

The Governor recommends partial adoption of this request. The Governor recommends \$253,385 SGF to continue step and merit increases for CPPs. However, the recommendation does not include \$2.3 million SGF for a 10.0 percent overall increase to CPPs.

3. **FIGHT AGAINST FENTANYL.** The agency requests \$6.9 million SGF for the Fight Against Fentanyl effort for FY 2025, which is the second phase in the agency's five-year Surge Initiative to address growing threats in the areas of violent crimes, crimes against children, and criminal and drug trafficking organizations.

The agency has observed a 3,076.7 percent increase in positive fentanyl findings since 2018. The Midwest High Intensity Drug Trafficking Area now ranks fentanyl as the greatest drug threat to Kansas and the region. To address this, the agency requests the following:

- \$1.7 million and 8.0 FTE Special Agent positions to conduct criminal investigations that disrupt the distribution of fentanyl and other narcotics. Expenditures include salaries and wages, training, equipment, and vehicles;
- \$3.6 million to purchase a new LIMS (\$2.5 million) and add of 5.0 FTE Forensic Scientist positions with equipment (\$1.1 million). The Forensic Laboratory processes 27,700 assignments and receives 3,500 subpoenas annually, which is projected to increase due to the presence of fentanyl. The current LIMS, which facilitates evidence examinations, is more than 20 years old, which is 10 years beyond expected service limit, and no longer supports system or security updates. The new LIMS includes a web-based interface, better evidence and sexual assault kit tracking capabilities, and improved security through multi-factor identification. New statistical data storage capabilities will enable reporting on fentanyl and opioid trends. The additional FTE positions will address the growing number of evidence submission and examination requests;
- \$617,690 to address drug trafficking organizations' (DTOs) use of technology with the addition of 7.0 FTE positions. According to the agency, DTOs use technology,

such as encrypted messaging, social media, and portable GPS devices, to monitor drug couriers and obtain payment. These positions, which include 2.0 FTE Crime Analysts, 4.0 FTE Research Analysts, and 1.0 FTE Asset Forfeiture Administrative Assistant, would collect evidence of crimes such as narcotics distribution and money laundering. Their efforts would support the Joint Fentanyl Impact Taskforce; and

- \$1.1 million for services supporting the Fight Against Fentanyl effort, which includes the addition of 10.0 FTE positions for the following:
 - 6.0 FTE positions to provide IT support for the effort. The agency notes the current IT staffing is at a critical level addressing other significant technology endeavors, such as installation of the Automated Biometric Identification Systems and replacement of KIBRS;
 - 2.0 FTE positions to conduct background investigation on individuals hired and part of the effort to assist with investigations of gubernatorial appointments required by statute. According to the agency, many background investigations are currently conducted by special agents, which diverts time from criminal investigations;
 - 1.0 FTE Assistant Public Information Officer position to manage education and outreach regarding fentanyl. Additionally, this position would assist with media updates on ongoing investigations, public alerts, and open records requests; and
 - 1.0 FTE Fiscal Analyst position to manage procurement and accounting associated with the acquisition of data systems and onboarding of agents, scientists, and analysts involved in the effort.

The Governor recommends partial adoption of this request. The Governor recommends a total of \$3.8 million SGF and 9.0 FTE positions for the Fight Against Fentanyl effort for FY 2024. This includes 3.0 FTE Special Agent positions, 2.0 FTE Crime Analyst positions, 1.0 Research Analyst position, 2.0 FTE IT Support positions, and 1.0 FTE Forensic Scientist position. The recommendation also includes \$2.5 million for the LIMS.

4. **CENTRAL MESSAGE SWITCH REPLACEMENT.** The agency requests \$1.1 million SGF to replace the KCJIS Central Messaging Switch, which is a communication system that provides public safety agencies with immediate access to criminal justice information at roadside or during other safety-related procedures, for FY 2025. The Central Messaging Switch allows law enforcement, prosecutors, courts, and the correctional system in Kansas to access to state, interstate, national, and international crime repositories for aspects such as traffic stops and investigations. The system also provides an alternative means of communication for emergency medical and firefighting services during critical events when phone and radio communications are unavailable.

First operational in 2011, the current Central Messaging Switch no longer meets accepted security and interoperability standards, including those required by the Federal Bureau of Investigation. The Central Messaging Switch would be replaced with enhanced functionality on the existing KCJIS platform, which requires additional internal support to implement and maintain.

The Governor recommends adoption of this request.

5. **CHILD PROTECTION INITIATIVE.** The agency requests \$1.8 million SGF and 11.0 FTE positions to establish a Southeast Child Victim Task Force and enhance statewide child victim services and Amber Alert capabilities for FY 2025. The Southeast Child Victim Task Force would replicate the work of the Northeast Child Victim Task Force in Topeka, established in 2019, and the West Child Victim Task Force in Garden City, approved by the 2023 Legislature. These task forces investigate cases of child sexual assault and child pornography. The agency indicates more than 200 tips are pending investigation, and establishment of the Southeast Child Victim Task Force would complete plans to address this. The request includes:
- 6.0 FTE Special Agent positions assigned to a newly established Southeast Child Victim Task Force in Pittsburg;
 - 3.0 FTE Victim Coordinator positions, with one assigned to each of the three child victim task forces. These positions would provide victim's rights information and assist victims with navigating the criminal justice system;
 - 2.0 FTE positions that include 1.0 FTE Amber Alert Coordinator position and 1.0 FTE Technical Support position to assist state and local entities with developing alert plans and facilitate use of the Amber Alert network.

The Governor recommends partial adoption of this request. The Governor recommends \$711,999 SGF and 5.0 FTE positions for the Child Protection Initiative for FY 2025. This includes 2.0 FTE Special Agent positions and 1.0 FTE Victim Coordinator position for the Southeast Child Victim Task Force, 1.0 FTE Amber Alert Coordinator position, and 1.0 FTE Technical Support position.

6. **KCJIS SUPPORT CENTER.** The agency requests \$850,000 SGF and 4.0 FTE Security Analyst positions for a KCJIS Support Center to address cybersecurity concerns in FY 2025. The KCJIS provides sharing of information between local, state, tribal, and national public safety agencies. Users of the system, which includes law enforcement, prosecutors, courts, correctional facilities, and first responders, connect to KCJIS from their community and they are increasingly vulnerable to cyberattacks, which places the entire system at risk. The current response to a compromise is disconnection of the local agency until the matter is resolved, which leads to prolonged periods of limited or no access to critical information.

The KCJIS Support Center would provide dedicated cybersecurity operations center to protect users in the KCJIS community with services such as continuous network monitoring, email security analysis, penetration and threat emulation testing, and development of security procedures.

The Governor does not recommend adoption of this request.

7. **PITTSBURG REGIONAL CRIME CENTER AND LABORATORY.** The agency requests \$3.1 million SGF for an initial debt service payment on proposed bonds supporting construction of a KBI Regional Crime Center and Laboratory in Pittsburg. The current regional laboratory, located in downtown Pittsburg, was first leased in 1999. The laboratory accepts submissions from 19 nearby counties and assists local agencies in preparing evidence for transport to the Forensic Science Center in Topeka, when necessary.

The agency notes persistent maintenance with the current laboratory that poses health and safety concerns, including intermittent HVAC system failures since 2013. In 2023, temperatures in the building exceeded 80 degrees with poor airflow in areas with toxic chemicals. The current lease terminates in June 2024.

The agency recently entered into discussion with Pittsburg State University (PSU) exploring collaborative solutions. In the short-term, the KBI will temporarily occupy space in Yates Hall at PSU retrofitted for Bureau purposes.

In the long-term, the agency proposes construction of the Regional Crime Center and Laboratory, which is a collaborative effort with PSU. The concept is based on a similar effort in 2015, involving construction of the Forensic Science Center on the campus of Washburn University. The regional lab would be located on the Pittsburg Research Park, which houses research and testing laboratories for PSU near the main campus. The land is currently owned by the City of Pittsburg, with discussions regarding transfer to PSU. In December 2023, the City obligated funding for preliminary planing on the project. The proposed facility would provide:

- Joint space for representatives from Kansas Highway Patrol, Office of the Kansas Attorney General, Federal Bureau of Investigation, U.S. Marshals Services, and the PSU Police Department;
- Regional KBI assets, such as laboratory services, investigative functions, and child victim services;
- Classrooms for PSU courses in forensic science and criminology; and
- Medical examiner space, an indoor firing range, and use of force simulation systems, which were identified as gaps in the region.

Total construction costs are estimated at \$40.0 million, with completion anticipated for FY 2026. The agency notes that federal funds would be utilized to offset SGF moneys, should such federal funding become available. To finance the project, the agency requests:

- Authorization for issuance of 20-year bonds;
- \$3.1 million SGF for the initial debt service payment in FY 2025. With such annual payment for lifetime of the bond, the total project cost is estimated at \$61.0 million.

The Governor does not recommend adoption of this request.

INTERIM COMMITTEE RECOMMENDATIONS

Several interim committees made recommendations to the 2024 Legislature concerning the KBI. These recommendations include:

- J. Russell (Russ) Jennings Joint Committee on Corrections and Juvenile Justice Oversight supports the Kansas Bureau of Investigation's budget enhancement requests for FY 2025. These requests include:
 - \$2.5 million from the SGF for Career Progression Plan adjustments;
 - \$6.9 million SGF and 30.0 FTE positions for the Fight Against Fentanyl effort;
 - \$1.1 million SGF for information technology;
 - \$1.8 million SGF and 11.0 FTE positions to establish a Southeast Child Victim Task Force;
 - \$850,000 SGF and 4.0 FTE positions for a Kansas Criminal Justice Information System Support Center; and
 - \$3.1 million SGF to support construction of the Pittsburg Regional Crime Center and Laboratory.
- The Joint Committee on State Building Construction approves the agency's five-year capital improvement plan, which includes construction of the Regional Crime Center and Laboratory in Pittsburg. The Committee commended the agency for its collaboration with Pittsburg State University regarding the Center.

WHITE POWDER THREAT LETTER EVENT

The white powder threat letter incident in June 2023 involved the mailing of threatening letters containing an unknown white powder to more than 100 state legislators in Kansas and other states. The response in Kansas was led by the KBI until the matter was identified as a multi-state incident, at which time the Federal Bureau of Investigation (FBI) assumed lead. The response involved multiple state and local agencies, including the Office of State Fire Marshal, Kansas Highway Patrol, and the Adjutant General's Department. The incident remains under federal investigation as of January 1, 2024.

On October 13, 2023, the KBI reported to the Joint Committee on Kansas Security that the agency utilized approximately \$575,000 in resources during the initial 96-hour period, with nearly all special agents and laboratory services dedicated to the response. The agency expressed concerns regarding its capacity to respond with given resources to a similar event in the future should it occur simultaneously with other incidents.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

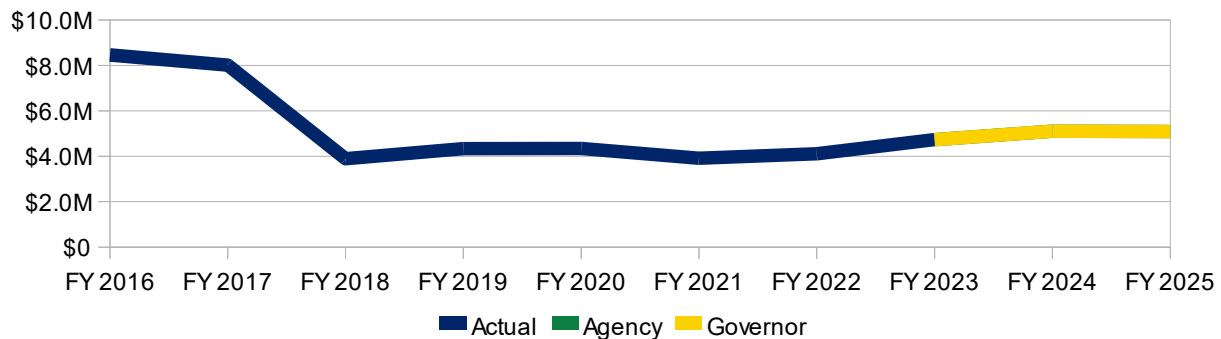
FIGURE 12

EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
General Services	\$ 4,733,292	\$ 5,100,937	\$ 5,100,937	\$ 5,090,033	\$ 5,090,033
Field Investigations	8,030,856	9,506,478	9,506,478	13,438,775	10,010,109
Forensic Laboratory	12,246,711	13,494,696	13,494,696	16,623,982	15,883,903
KCJIS and IT	5,137,164	5,795,875	5,795,875	8,139,889	7,289,889
Information Services	919,026	2,672,253	2,672,253	2,415,054	2,415,054
Special Operations	9,694,645	11,076,730	11,076,730	13,629,409	11,403,639
Debt Service Interest	-	-	-	-	-
Capital Improvements	32,602	1,210,000	1,210,000	3,350,000	300,000
TOTAL	\$ 40,794,296	\$ 48,856,969	\$ 48,856,969	\$ 62,687,142	\$ 52,392,627
FTE Positions:					
General Services	27.0	29.0	29.0	29.0	29.0
Field Investigations	72.0	74.0	74.0	85.0	79.0
Forensic Laboratory	93.5	93.5	93.5	98.5	94.5
KCJIS and IT	36.0	38.0	38.0	42.0	38.0
Information Services	18.0	18.0	18.0	18.0	18.0
Special Operations	58.0	63.0	63.0	88.0	71.0
Debt Service Interest	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Off Budget	51.0	51.0	51.0	51.0	51.0
TOTAL	355.5	366.5	366.5	411.5	380.5

GENERAL SERVICES

FIGURE 13
GENERAL SERVICES EXPENDITURES, FY 2016 – FY 2025



Staff Note: This program included the KCJIS and IT and Information Services programs until FY 2018.

STATUTORY BASIS: • KSA 75-711 through 75-712

PROGRAM GOALS: • Maintain a well-trained, fairly compensated, highly motivated and ethical work force at optimal staff levels.
• Maintain a vacancy level below 5.0 percent as compared to established staffing levels. This includes both FTE and non-FTE positions.

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 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. The KBI Director is appointed by the Kansas Attorney General

OFFICE OF GOVERNMENTAL AFFAIRS. The Office of Governmental Affairs is responsible for coordinating activities regarding intergovernmental relations to ensure the effective and accurate representation of the KBI in governmental affairs. The Executive Officer is the principal adviser to the Director and the 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 legal counsel 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 responding to media inquiries. This office 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 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 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, 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 the accounting system and the financial records of the agency. It 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 14 state or federal grants used to fund programs that enhance the criminal justice system or generally improve public safety in Kansas.

FACILITIES OPERATIONS. The Facilities Operations subprogram provides 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.

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 3,675,815	\$ 4,556,270	\$ 4,556,270	\$ 4,504,010	\$ 4,504,010
Federal Funds	343,875	24,975	24,975	-	-
All Other Funds	713,602	519,692	519,692	586,023	586,023
TOTAL	\$ 4,733,292	\$ 5,100,937	\$ 5,100,937	\$ 5,090,033	\$ 5,090,033
Percent Change:					
SGF	2.7 %	24.0 %	-- %	(1.1) %	-- %
All Funds	15.2 %	7.8 %	-- %	(0.2) %	-- %
FTE Positions	27.0	29.0	29.0	29.0	29.0

BUDGET ANALYSIS

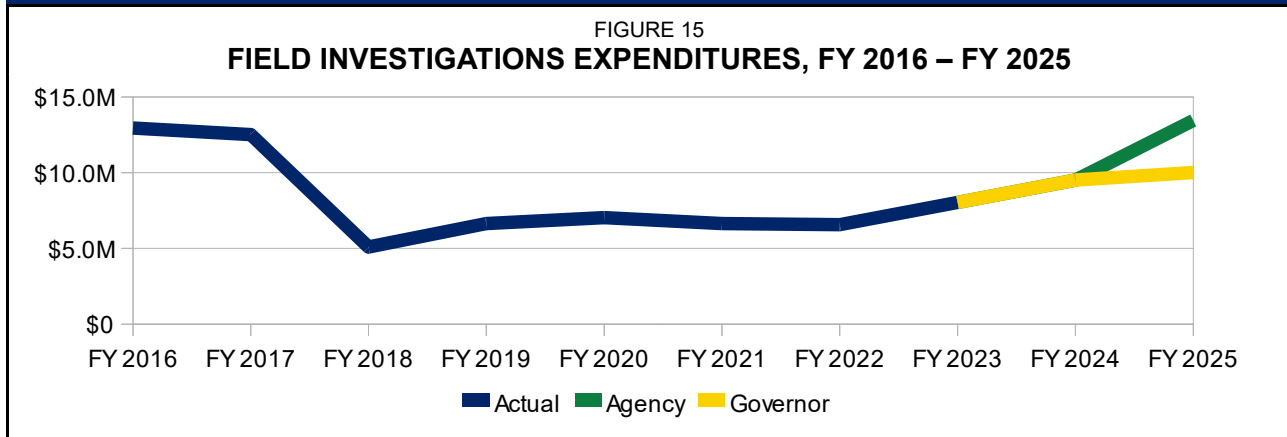
FY 2025

The **agency** requests \$5.1 million, including \$4.6 million SGF, for the General Services program for FY 2025. This is an all funds decrease of \$10,904, or 0.2 percent, including an SGF decrease of \$52,260, or 1.1 percent, below the FY 2024 revised estimate. The decrease is attributable to decreased contractual services expenditures, such as building maintenance at the headquarters in

Topeka, and capital outlay expenditures for computers. The decrease is partially offset by increased salaries and wages expenditures, primarily to fill temporarily vacant positions. The request includes 29.0 FTE positions, which is unchanged from the FY 2024 revised number.

The **Governor** concurs with the agency's request for the General Services program for FY 2025.

FIELD INVESTIGATIONS



Staff Note: This program included the Special Operations program until FY 2018.

STATUTORY BASIS: • KSA 75-712(a), 75-111, 74-5607(a), 75-712(b-d), 75-4315(d), 74-8705, 74-8805, and 74-9804

PROGRAM GOALS: • Provide professional investigative assistance to local, state, and federal law enforcement agencies in response to all requests for assistance relating to the agency's priorities.

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 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 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, police use of deadly force incidents, 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 included in this program.

CHILD VICTIMS UNIT. The Child Victims Unit (CVU) investigates the most 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. The CVU conducts an average of 35 investigations per year. The CVU also investigate 65.0 percent of the cases involving child victims; the remaining 35.0 percent of these cases are worked by other Special Agents who normally work cases referred to the General Investigative Operations Unit. Additionally, Special Agents are assigned to the Northeast Child Victims Task Force, which was established in FY 2019 to address regional crime against children. A similar West Child Victim Task Force will be implemented in FY 2024.

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 are typically related to homicide, law enforcement uses of deadly force, and violent sexual assaults. The CSRT is supervised full-time by one Assistant Special Agent in Charge and four Special Agents. The team also utilizes Special Agents and Forensic Scientists whose part-time participation is a collateral duty to their full-time assignments. The CSRT occasionally supports larger agencies that lack 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 electronic Investigative Case Management System and supports investigative personnel who are required to document case-related activities.

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. This unit also supports the agency's investigative divisions through the management, appropriate retention,

and legal disposal of evidence seized during the course of an investigation.

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 certain positions 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, the Investigations Division has three special agents assigned to a federal task force. As a part of the implementation of a cybercrimes unit, an agreement was established with the FBI and the U.S. Secret Service to assign one special agent to the respective agencies' cybercrimes task forces. The agency notes these state-federal relationships improve information sharing and collaboration on matters of enforcement, which, in turn, enhance public safety.

CYBER CRIMES UNIT. The Cyber Crimes Unit was established in FY 2021 and conducts cyber-related investigations on network intrusions, denial of service attacks, ransomware occurrences, and email account compromise.

FIGURE 16 FIELD INVESTIGATIONS FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 7,760,409	\$ 9,330,367	\$ 9,330,367	\$ 13,273,064	\$ 9,844,398
Federal Funds	115,609	92,312	92,312	82,338	82,338
All Other Funds	154,838	83,799	83,799	83,373	83,373
TOTAL	\$ 8,030,856	\$ 9,506,478	\$ 9,506,478	\$ 13,438,775	\$ 10,010,109
Percent Change:					
SGF	21.5 %	20.2 %	-- %	42.3 %	(25.8) %
All Funds	22.3 %	18.4 %	-- %	41.4 %	(25.5) %
FTE Positions	72.0	74.0	74.0	85.0	79.0

BUDGET ANALYSIS

FY 2025

The **agency** requests \$13.4 million, including \$13.3 million SGF, in expenditures for the Field Investigations program for FY 2025. This is an all funds increase of \$3.9 million, or 41.4 percent, including an SGF increase of \$3.9 million, or 42.3 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the agency's enhancement request of \$2.5 million SGF for CPPs involving commissioned officers and forensic scientists, which includes increased salaries and wages expenditures (\$253,385) to continue step increases for 34 special agents and merit increases for 18 forensic scientists. This enhancement request also includes a 10.0 percent overall increase for the CPPs (\$2.3 million), which would impact the 182 individuals in these plans. The increase is also attributable to the agency's enhancement request of \$1.8 million SGF and 11.0 FTE positions for a Child Protection Initiative, which includes 6.0 FTE Special Agent positions and assigned equipment for a Southwest Child Victim Task Force, 3.0 FTE Victim Coordinator positions, with one assigned to each of the three regional child victim task forces, and 2.0 FTE positions to facilitate statewide Amber Alert services. The increase is partially offset by decreased expenditures for the purchase of vehicles. The request includes 85.0 FTE positions for FY 2025, which is an increase of 11.0 FTE positions above the FY 2024 revised number.

The position increase is attributable to the agency's enhancement requests.

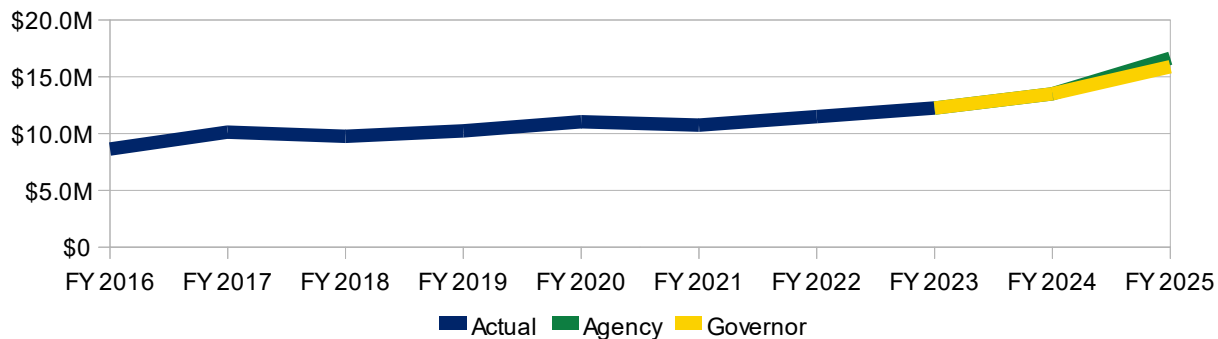
The **Governor** recommends \$10.0 million, including \$9.8 million SGF, for the Field Investigations program for FY 2025. This is a decrease of \$3.4 million SGF below the requested amount. The recommendation includes the following adjustments

- Decrease of \$2.3 million SGF to not recommend the agency's enhancement request for a 10.0 percent overall increase to CPPs;
- Decrease of \$115,049 SGF to adopt the agency's enhancement request for CPP step and merit increases, but shift expenditures for forensic scientists to the Forensic Laboratory program from the Field Investigations program; and
- Decrease of \$1.1 million SGF and 6.0 FTE positions to partially adopt the agency's enhancement request for a Child Protection Initiative, which leaves \$711,999 for 5.0 FTE positions for this purpose.

The recommendation includes 79.0 FTE positions, which is a decrease of 6.0 FTE positions below the requested number.

FORENSIC LABORATROY

FIGURE 17
FORENSIC LABORATROY EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 65-448, 65-67a09, 22-2902(c), and 21-2511

PROGRAM GOALS:

- Provide professional, timely, and meaningful forensic science services to the criminal justice system regarding the interpretation of evidentiary materials.
- Provide expert courtroom testimony on forensic examinations conducted by KBI personnel.
- Maintain technical proficiency through training and a quality assurance program.
- Provide leadership in the field of forensic science by introducing the latest, proven technology.

The Forensic Laboratory program is responsible for providing timely forensic services to the Kansas public safety community. The Forensic Laboratory System consists of laboratories located in Topeka, Great Bend, Kansas City, and Pittsburgh that involve 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 (LIMS) 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 3,300 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 agency notes that the potential for

developing a suspect or providing investigative leads make DNA a significant tool for law enforcement.

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 variety of electronic devices, including 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. The unit also handles evidence where drug product tampering, drug facilitated sexual assault, or poisoning is suspected.

EVIDENCE CONTROL CENTERS. The Evidence Control Centers subprogram is responsible for the safekeeping of all evidence submitted from 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. Staff compare latent prints removed from evidence with 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.

TOXICOLOGY UNIT. The Toxicology Unit is responsible for the analysis of human biological materials for the presence of alcohol, drugs, or other toxic compounds. Case types examined include driving under the influence (DUI), 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, physical fit, and fire debris testing. This unit is in the process of developing capabilities in the trace disciplines of fiber and paint analysis.

FIGURE 18
FORENSIC LABORATORY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 9,033,843	\$ 9,778,990	\$ 9,778,990	\$ 13,467,914	\$ 12,727,835
Federal Funds	585,477	767,295	767,295	193,268	193,268
All Other Funds	2,627,391	2,948,411	2,948,411	2,962,800	2,962,800
TOTAL	\$ 12,246,711	\$ 13,494,696	\$ 13,494,696	\$ 16,623,982	\$ 15,883,903
Percent Change:					
SGF	11.7 %	8.2 %	-- %	37.7 %	(5.5) %
All Funds	6.6 %	10.2 %	-- %	23.2 %	(4.5) %
FTE Positions	93.5	93.5	93.5	98.5	94.5

BUDGET ANALYSIS

FY 2025

The **agency** requests \$16.6 million, including \$13.5 million SGF, in expenditures for the Forensic Laboratory program for FY 2025. This is an all funds increase of \$3.1 million, or 23.2 percent, including an SGF increase of \$3.7 million, or 37.7 percent, above the FY 2024 revised estimate. The increase is attributable to the agency's enhancement request for the Fight Against Fentanyl effort, which includes the purchase of a new LIMS (\$2.5 million SGF) and the addition of 5.0 FTE Forensic Scientist positions with equipment (\$1.1 million SGF). The current LIMS, which is used to process evidence submissions, is over 20 years old and no longer supports system upgrades. The additional FTE positions will address increased evidence submissions. The increase is partially offset by a decrease of \$510,000, all from

federal ARPA funds, for expenditures to replace advanced laboratory equipment that occurred in FY 2024 but do not reoccur for FY 2025. The request includes 98.5 FTE positions, which is an increase of 5.0 FTE positions above the FY 2024 revised number. The position increase is due to the agency's enhancement requests.

The **Governor** recommends \$15.9 million, including \$12.7 million SGF, for the Forensic Laboratory program for FY 2025. This is a decrease of \$740,079 SGF below the requested amount. The recommendation includes the following adjustments:

- Decrease of \$855,128 SGF and 4.0 FTE positions to partially adopt the agency's enhancement request for the Fight Against Fentanyl effort, which leave \$2.7

million for the purchase of LIMS and 1.0 FTE Forensic Scientist position; and

Field Investigation program to the Forensic Laboratory program.

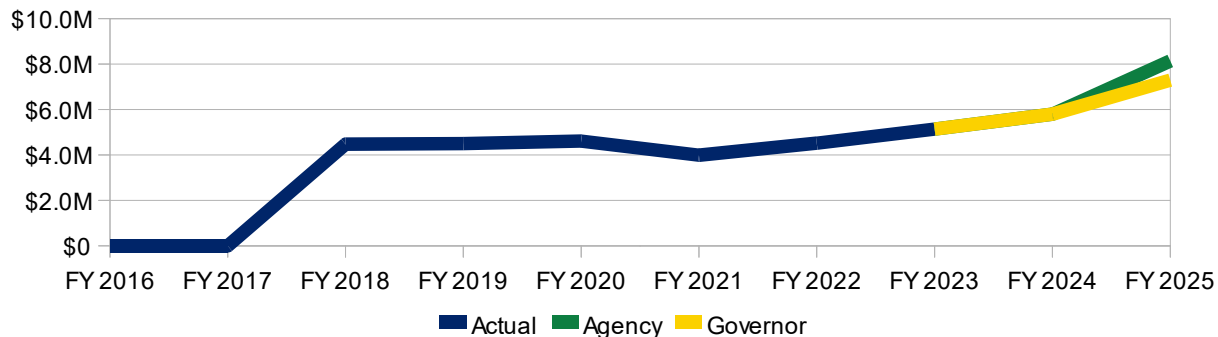
- Increase of \$115,049 SGF to adopt the agency's enhancement request for CPP merit increases for forensic scientists, but shift those expenditures from the

The recommendation includes 94.5 FTE positions, which is a decrease of 4.0 FTE positions below the requested number.

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION TECHNOLOGY

FIGURE 19

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION TECHNOLOGY EXPENDITURES, FY 2016 – FY 2025



Staff Note: The KCJIS and IT program was not established as a separate program until FY 2018.

STATUTORY BASIS: • KSA 74-5702(d) and KSA 74-5707

PROGRAM GOALS: • Maintain a secure, highly available, and responsive network capable of transporting criminal justice and related information to and from public and private agencies for the purpose of promoting public safety and the prevention of crime in Kansas.
• Develop, deploy, and maintain high-availability solutions for critical systems.

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 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, training, travel, scheduling, purchasing, reporting, and other administrative needs of the Division. In addition, the group provides IT purchasing and data risk management for the entire agency, manages the statewide KCJIS user group community, and assists with the yearly KCJIS conference.

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 in which KCJIS operates. The program serves as the central review and purchasing point for all IT resources at the agency and for KCJIS and provides 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.

IT SERVICE DESK. The Service Desk Unit provides a single point of contact for agency users for all IT systems, as well as first-line support for the nearly 12,000 external KCJIS users. This unit is responsible for monitoring and managing physical security systems for the KBI, assisting in the issuance of Amber Alerts and other critical communications, managing the onboarding of agency users, and support of mobile solutions utilized by staff. The agency indicates KCJIS relies heavily on this unit, as they provide a means of communication to other state and national partners when local agency systems fail.

IT SECURITY AND NETWORKING. The IT Security and Networking Unit is responsible for installing and administering security hardware and software for the agency and for KCJIS. This includes the core firewalls, mobile firewalls, vulnerability scanning, internet and email 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, and secure mobile access.

PROJECT MANAGEMENT. The Project Management Unit is responsible for overseeing IT projects specialized to the criminal justice community, governance, and business processes. Development of project plans, scheduling 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 involved in IT projects, and reviews 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. 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.

FIGURE 20

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION TECHNOLOGY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,259,019	\$ 2,394,698	\$ 2,394,698	\$ 4,392,590	\$ 3,542,590
Federal Funds	167,611	288,668	288,668	231,510	231,510
All Other Funds	2,710,534	3,112,509	3,112,509	3,515,789	3,515,789
TOTAL	\$ 5,137,164	\$ 5,795,875	\$ 5,795,875	\$ 8,139,889	\$ 7,289,889
Percent Change:					
SGF	343.9 %	6.0 %	-- %	83.4 %	(19.4) %
All Funds	13.7 %	12.8 %	-- %	40.4 %	(10.4) %
FTE Positions	36.0	38.0	38.0	42.0	38.0

BUDGET ANALYSIS

FY 2025

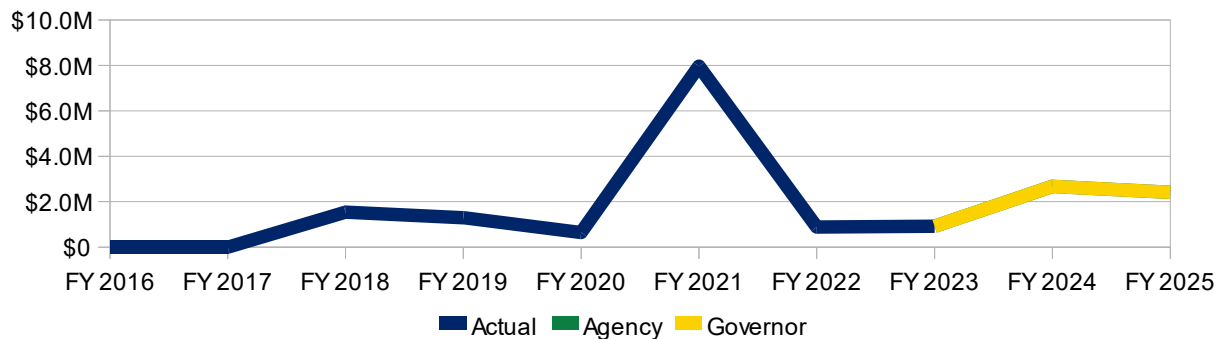
The agency requests \$8.1 million, including \$4.4 million SGF, in expenditures for the Kansas Criminal Justice Information System and Information Technology program for FY 2025. This is an all funds increase of \$2.3 million, or 40.4 percent, including an SGF increase of \$2.0 million, or 83.4 percent, above the FY 2024 revised estimate. The increase is attributable to the agency's enhancement request of \$1.1 million SGF for replacement of the Central Message Switch. The current Central Messaging Switch, which is a communication system that provides public safety agencies with immediate access to criminal justice information at roadside or during other public safety procedures, is outdated and no longer meets accepted security and interoperability standards. The increase is also attributable to the agency's enhancement request of \$850,000 SGF and 4.0 FTE Security Analyst positions for a KCJIS Support Center to address cybersecurity vulnerabilities among

local public safety agencies that access KCJIS. The increase is further attributable to an increase of \$360,525, all from the Criminal Justice Information Line Fund, primarily for information processing equipment. The request includes 42.0 FTE positions, which is an increase of 4.0 FTE positions above the FY 2024 revised number. The position increase is due to the agency's enhancement requests.

The **Governor** recommends \$7.3 million, including \$3.5 million SGF, for the Kansas Criminal Justice Information System and Information Technology program for FY 2025. This is a decrease of \$850,000 SGF below the requested amount. The decrease is due to the Governor not recommending the agency's enhancement request of \$850,000 and 4.0 FTE positions for a KCJIS Support Center. The recommendation includes 38.0 FTE positions, which is 4.0 FTE positions below the requested number.

INFORMATION SERVICES

FIGURE 21
INFORMATION SERVICES EXPENDITURES, FY 2016 – FY 2025



Staff Note: The Information Services program was not established as a separate program until FY 2018.

STATUTORY BASIS: • KSA 12-4516, 17-2234, 19-826, 21-2501a, 21-4619, 22-2410, 22-4618, 39-970, 40-5504, 41-2610, 41-311b, 46-1103, 50-1128, 58-3039, 58-4127, 65-516, 65-1120, 65-1505, 65-1696, 65-2402, 73-1210a, 74-4905, 74-8705, 74-8763, 74-1112, 74-2113, 74-4905, 74-8705, 74-8763, 74-8769, 74-8803, 74-8805 and 8806, 74-8816, 74-9804, 75-4315d, 75-712, 75-7b04, 75-7b21, 75-7c05, 75-3707e, 75-5156, 75-5609a, and various federal laws

PROGRAM GOALS: • Promote public safety and crime prevention in Kansas through the collection and dissemination of criminal justice information including: incident and arrest data, adult and juvenile criminal history, asset seizure and forfeiture, and Kansas convicted offender registrations.

The Information Services Division 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 enables the agency to develop a picture of crime problems in Kansas, but its functionality is limited. The final phase in updating KIBRS is anticipated for FY 2025. The unit also maintains the Kansas

Asset Seizure and Forfeiture Repository based on data submitted by law enforcement agencies.

OFFENDER REGISTRATION UNIT.

Pursuant to KSA 22-4901, *et seq.*, the KBI is required to maintain the offender registration repository for sex, violent, and drug offenders in the Kansas. Registrations are submitted quarterly from sheriffs' offices for each offender based upon the offender's birth month. An electronic submission interface allows for timely processing of offender registrations.

The KBI manages offender registrations with a system called KsORT (Kansas Offender Registration Tool). KsORT is also offered, at no charge, to local law enforcement to submit registrations electronically. Across the state, 79 agencies use KsORT to submit registrations.

In 2016, the registry began accepting electronic submissions for registrations through an interface with a third-party vendor. Currently, there are 101 agencies in 22 counties using the interface. The combined use of KsORT and the interface with the third-party vendor allow more

than 70,000 registrations to be submitted annually.

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 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. The 2021 Legislature approved \$6.9 million SGF for a new Automated Biometric Identification System to replace AFIS.

The Division also maintains the Scrap Metal Data Repository, pursuant to KSA 50-6,109a, which makes certain data available to law enforcement regarding the theft of scrap metal.

FIGURE 22
INFORMATION SERVICES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 233,021	\$ 203,824	\$ 203,824	\$ 196,103	\$ 196,103
Federal Funds	449,675	2,114,889	2,114,889	2,030,900	2,030,900
All Other Funds	236,330	353,540	353,540	188,051	188,051
TOTAL	\$ 919,026	\$ 2,672,253	\$ 2,672,253	\$ 2,415,054	\$ 2,415,054
Percent Change:					
SGF	83.6 %	(12.5) %	-- %	(3.8) %	-- %
All Funds	3.7 %	190.8 %	-- %	(9.6) %	-- %
FTE Positions	18.0	18.0	18.0	18.0	18.0

BUDGET ANALYSIS

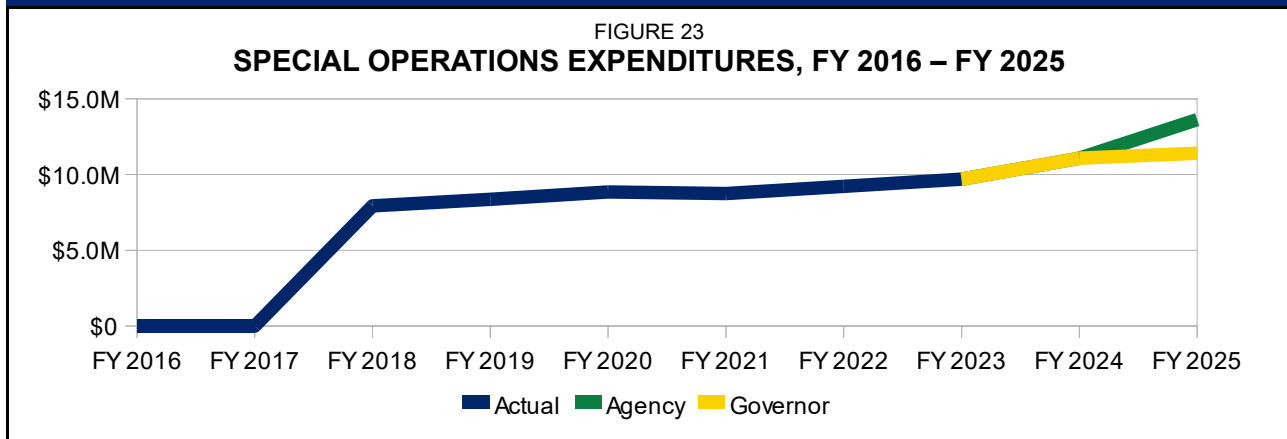
FY 2025

The **agency** requests \$2.4 million, including \$196,103 SGF, in expenditures for the Information Services program for FY 2025. This is an all funds decrease of \$257,199, or 9.6 percent, including an SGF decrease of \$7,721, or 3.8 percent, below the FY 2024 revised estimate. The decrease is attributable to decreased expenditures from the Records Check Fee Fund, primarily for information system consulting services. The decrease is

also attributable to decreased expenditures from the National Criminal History Improvement Program Fund for salaries and wages supporting the entry of data from court records and arrest reports. The request includes 18.0 FTE positions, which is unchanged from the FY 2024 revised number.

The **Governor** concurs with the agency's request for the Information Services program for FY 2025.

SPECIAL OPERATIONS



Staff Note: The Special Operations program was not established as a separate program until FY 2018.

STATUTORY BASIS: • KSA 75-711, 74-5607(a), and 75-712(a)

PROGRAM GOALS:

- Enhance public safety in Kansas by providing proactive investigative, technical, and tactical services to the criminal justice community.
- Prioritize investigations toward organized criminal groups and career criminal offenders, especially those engaged in drug manufacture and distribution, weapons offenses, and other acts of violence.
- Provide an efficient response for criminal investigations and assist in the timely arrest or charging of any suspect of a criminal act, and endeavor to substantially complete every investigation within 90 days.

The Special Operations Division 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 priority on identifying and targeting the most serious violent criminal offenders and organized criminal enterprises. 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 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 engaged in the

trafficking of persons, illegal substances, and weapons. This unit also manages the Technical Services Unit, High Risk Warrant Team, and the Asset Forfeiture Program.

In January 2023, the Division engaged state, local, and federal law enforcement partners to develop a strategy to address rising illegal fentanyl use in Kansas. This includes:

- Education programs with civic organizations, medical examiners, and schools;
- Overdoes mapping;
- Investigations of fentanyl movement through traditional shipping means, such as parcel, aviation, and railway; and
- Enhanced K-9 teams

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 support decision-making in the law enforcement community. This unit also fulfills various collateral duty responsibilities in support of the agency's mission and statutory mandates, such as management of the Missing Persons Clearinghouse.

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 act as a liaison among 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. The agency notes the KIS provides a necessary balance between preventing and controlling crime while protecting the privacy and constitutional rights of citizens.

CLANDESTINE LABORATORY RESPONSE AND METH WASTE DISPOSAL. 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 drug manufacturing sites. In partnership with the federal Drug Enforcement Administration, the Special Operations Division 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 the U.S. Secret Service's Task Force, Joint Terrorism Task Force, and the Department of Homeland Security's Homeland Security Investigations Task Force.

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. The agency indicates HIDTA provides drug enforcement resources 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.

FACILITIES SECURITY AND CONTINUITY OF OPERATIONS PLANNING. The Division maintains oversight of physical security at agency facilities statewide and is responsible for developing continuity of operations plans.

FIGURE 24 SPECIAL OPERATIONS FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 5,323,056	\$ 6,517,098	\$ 6,517,098	\$ 9,847,361	\$ 7,621,591
Federal Funds	4,331,848	4,559,632	4,559,632	3,782,048	3,782,048
All Other Funds	39,741	-	-	-	-
TOTAL	\$ 9,694,645	\$ 11,076,730	\$ 11,076,730	\$ 13,629,409	\$ 11,403,639
Percent Change:					
SGF	12.4 %	22.4 %	-- %	51.1 %	(22.6) %
All Funds	5.1 %	14.3 %	-- %	23.0 %	(16.3) %
FTE Positions	58.0	63.0	63.0	88.0	71.0

BUDGET ANALYSIS

FY 2025

The agency requests \$13.6 million, including \$9.8 million SGF, in expenditures for the Special Operations program for FY 2025. This is an all funds increase of \$2.6 million, or 23.0 percent, including an SGF increase of \$3.3 million, or 51.1 percent, above the FY 2024 revised estimate. The increase is attributable to the agency's enhancement request for the Fight Against Fentanyl effort, which includes \$3.3 million SGF for the following:

- \$1.7 million SGF and 8.0 FTE Special Agent positions with assigned equipment to conduct criminal investigations regarding fentanyl and other narcotics;
- \$617,690 SGF, and 7.0 FTE positions to address the use of technology by drug trafficking organizations. The positions includes crime analysts, research analysts, and an administrative assistant to monitor drug courier activity and illicit financial transactions; and
- \$1.1 million SGF and 10.0 FTE positions to provide support services for the effort, such as information technology, background investigations, public information, and fiscal management.

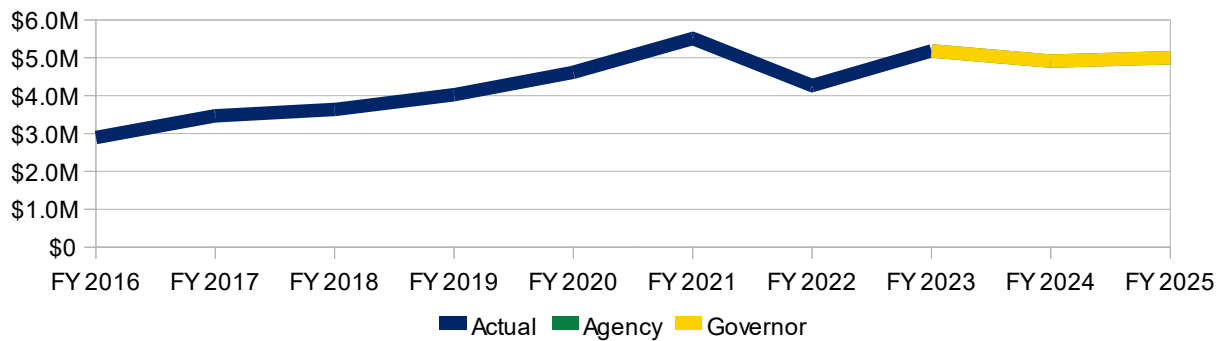
The increase is primarily offset by a decrease of \$771,151, all from federal ARPA funds, for expenditures to purchase encrypted radios that occur in FY 2024 but do not reoccur for FY 2025.

The request includes 88.0 FTE positions, which is an increase of 25.0 FTE positions above the FY 2024 revised number. The position increase is due to the agency's enhancement request.

The **Governor** recommends \$11.4 million, including \$7.6 million SGF, for the Special Operations program for FY 2025. This is a decrease of \$2.2 million, all SGF, below the requested amount. The decrease is due to the Governor partially adopting the agency's enhancement request for the Fight Against Fentanyl effort. This adjustment leaves \$1.1 million SGF and 8.0 FTE positions, including 3.0 FTE Special Agent positions, 2.0 FTE Crime Analyst positions, 1.0 FTE Research Analyst position, and 2.0 FTE IT support positions. The recommendation includes 71.0 FTE positions, which is a decrease of 17.0 FTE positions below the requested number.

OFF-BUDGET

FIGURE 25
OFF-BUDGET EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • N/A

PROGRAM GOALS: • There were no goals submitted for this program.

This section is included for informational purposes only, and the expenditures for this program are not included in other parts of this budget analysis. Funding for the agency's off-budget program primarily 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.

FIGURE 26 OFF-BUDGET FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	5,182,580	4,912,524	4,912,524	4,999,535	4,999,535
TOTAL	\$ 5,182,580	\$ 4,912,524	\$ 4,912,524	\$ 4,999,535	\$ 4,999,535
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	21.6 %	(5.2) %	-- %	1.8 %	-- %
FTE Positions	51.0	51.0	51.0	51.0	51.0

BUDGET ANALYSIS

FY 2025

The agency requests \$5.0 million, all from special revenue funds, for off-budget expenditures for FY 2025. This is an increase of \$87,011, or 1.8 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased regular pay for classified and unclassified employees. The

increase is partially offset by decreased expenditures for office furniture. The request includes 51.0 FTE positions, which is unchanged from the FY 2024 revised number.

The **Governor** concurs with the agency's request for off-budget expenditures for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Bureau of Investigation owns four facilities totaling 193,600 square feet and leases six facilities totaling 35,500 square feet. Owned facilities includes a headquarters, annex, and forensic laboratory in Topeka, as

well as a laboratory in Great Bend. Leased facilities include offices, laboratories, and storage in Garden City, Kechi, Kansas City, Lenexa, Pittsburg, and Topeka.

FIGURE 27
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Projects:					
Rehabilitation and Repair	\$ 36,602	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Great Bend Laboratory	-	910,000	910,000	-	-
HVAC Replacement - ARPA					
Pittsburg Regional Crime Center and Laboratory	-	-	-	3,050,000	-
TOTAL	\$ 36,602	\$ 1,210,000	\$ 1,210,000	\$ 3,350,000	\$ 300,000
Financing:					
SGF	\$ 16,023	\$ 300,000	\$ 300,000	\$ 3,350,000	\$ 300,000
Federal Funds	16,579	910,000	910,000	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 32,602	\$ 1,210,000	\$ 1,210,000	\$ 3,350,000	\$ 300,000

FY 2024 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$1.2 million, including \$300,000 SGF, for capital improvements in FY 2024. This is no change from the FY 2024 approved amount.

Funding in FY 2024 is requested for the following projects:

REHABILITATION AND REPAIR. The revised estimate includes \$300,000 SGF for rehabilitation and repair projects in FY 2024. These expenditures include repair of HVAC systems, security improvements, and general upkeep at the headquarters, annex, and forensic laboratories in Topeka and Great Bend.

GREAT BEND LABORATORY HVAC REPLACEMENT - ARPA. The revised estimate include \$910,000, all from federal American Rescue Plan Act (ARPA) funds, to purchase and install a new single-pass HVAC system at the Great Bend forensic laboratory in FY 2024. The project involves demolition of two existing air handling units, rerouting of plumbing and electrical systems to accommodate the reconfigured space, and installation of energy-efficient LED lighting.

The **Governor** concurs with the agency's capital improvement revised estimate in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$3.4 million, all SGF, for capital improvements for FY 2025. This is an all funds increase of \$2.1 million, including an SGF increase of \$3.1 million, above the FY 2024 revised estimate. The increase is attributable to the proposed construction of the

Pittsburg Regional Crime Center and Laboratory.

Funding for FY 2025 is requested for the following projects.

REHABILITATION AND REPAIR. The request includes \$300,000 SGF for rehabilitation and repair projects for FY 2025. These expenditures include repair of HVAC systems, security improvements, and general upkeep at the headquarters, annex, and forensic laboratories in Topeka and Great Bend.

PITTSBURG REGIONAL CRIME CENTER AND LABORATORY. The agency submits an enhancement request of \$3.1 million SGF for an initial debt service payment on proposed bonds to support construction of a KBI Regional Crime Center and Laboratory for FY 2025.

The current laboratory, located in downtown Pittsburg, was first leased in 1999. The agency notes persistent maintenance issues with health and safety concerns, including HVAC system failures in areas with toxic chemicals. The current lease terminates in June 2024.

The agency proposes construction of a Regional Crime Center and Laboratory, which is a collaborative effort with Pittsburg State University (PSU). The concept is based on a similar effort in 2015 involving construction of the Forensic Science Center on the campus of Washburn University. The facility would be located on the Pittsburg Research Park, which is city-owned land that houses research and testing laboratories for PSU near the main campus.

The proposed facility would provide:

- Joint space for representatives from state and federal law enforcement agencies, as well as the PSU Police Department;
- Regional KBI assets, such as laboratory services, investigative functions, and child victim services; and
- Medical examiner space, an indoor firing range, and classrooms for PSU courses in forensic science and criminology.

The total construction cost are estimated at \$40.0 million, with completion anticipated for FY 2026. To finance the project, the agency requests:

- Authorization for issuance of 20-year bonds; and
- \$3.1 million SGF for the initial debt service payment in FY 2025. With such annual payment for the lifetime of the bond, the total project cost is estimated at \$61.0 million.

The **Governor** recommends \$300,000 SGF for capital improvements for FY 2025. This is a decrease of \$3.1 million SGF below the agency's FY 2025 request. The recommendation does not include \$3.1 million SGF for an initial debt service payment on a proposed Pittsburg Regional Crime Center and Laboratory.

KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	50,695	-	-	-	-
All Other Funds	952,238	1,106,100	1,106,100	1,040,692	1,040,692
Subtotal	\$ 1,002,933	\$ 1,106,100	\$ 1,106,100	\$ 1,040,692	\$ 1,040,692
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,002,933	\$ 1,106,100	\$ 1,106,100	\$ 1,040,692	\$ 1,040,692
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	9.9 %	10.3 %	10.3 %	(5.9) %	(5.9) %
FTE Positions	6.0	6.0	6.0	6.0	6.0

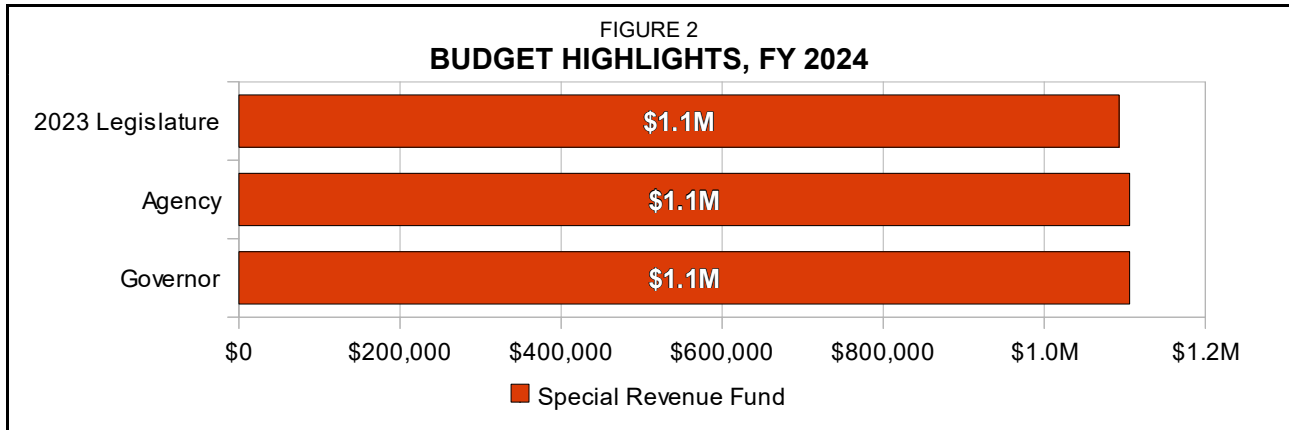
The Kansas Commission on Peace Officers' Standards and Training (KS CPOST), located in Wichita, Kansas, is a regulatory body that provides the citizens of Kansas with qualified, trained, and professional peace officers. It is also dedicated to adopting and enforcing professional standards for certification of peace officers to promote public safety and preserve public trust. The KS CPOST maintains a central registry of law enforcement officers' demographics, qualifications, and employment history, which is made available to agencies when reviewing employment applications. KS CPOST conducts criminal and administrative investigations related to violations of the Kansas Law Enforcement Training Act, KSA 74-5601 *et seq.*, and may suspend, revoke, or deny certification of a law enforcement officer.

STATUTORY BASIS: • KSA 74-5607, KSA 74-5611, KSA 74-5620

PROGRAM GOALS: • Provide the citizens of Kansas with qualified, trained, ethical, competent, and professional peace officers.
• Adopt and enforce professional standards for certification of peace officers to promote public safety and preserve public trust and confidence.

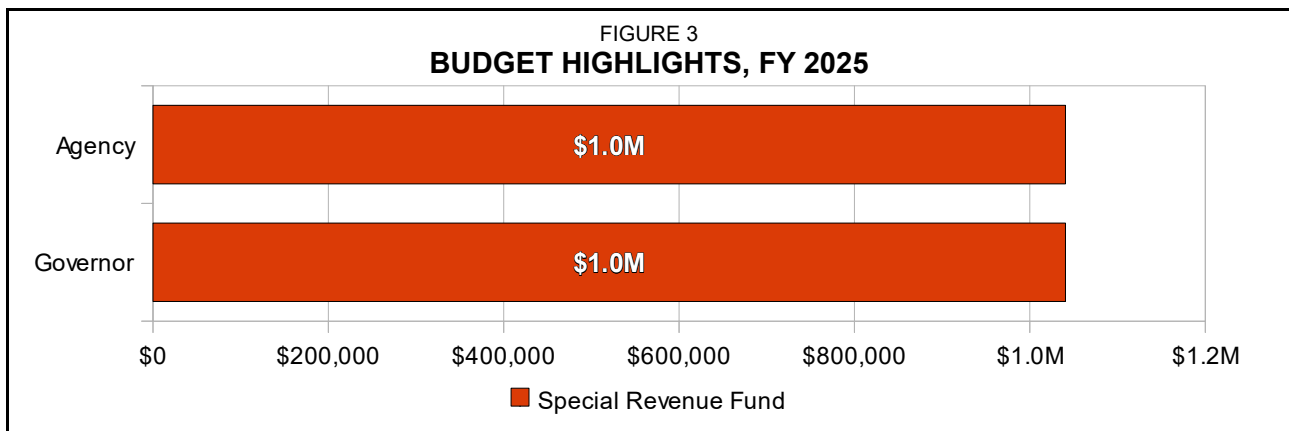
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$1.1 million for the Kansas Commission on Peace Officers' Standards and Training for FY 2024. No adjustments have been made subsequently to that amount.



The **agency** requests a revised estimate of \$1.1 million, all from special revenue funds, in expenditures and 6.0 FTE positions in FY 2024. This is an increase of \$13,049, or 1.2 percent, above the approved amount. This is for approved increases of salaries and wages in FY 2024. The FTE positions remain the same.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$1.0 million, all from special revenue funds, in expenditures and 6.0 FTE positions for FY 2025. This is a decrease of \$65,408, or 5.9 percent, below the revised estimate in FY 2024. The decrease is in capital outlay due to no additional expenditures for safety and security, which was appropriated in FY 2024. The FTE positions remain the same.

The **Governor** concurs with the agency's request for FY 2025.

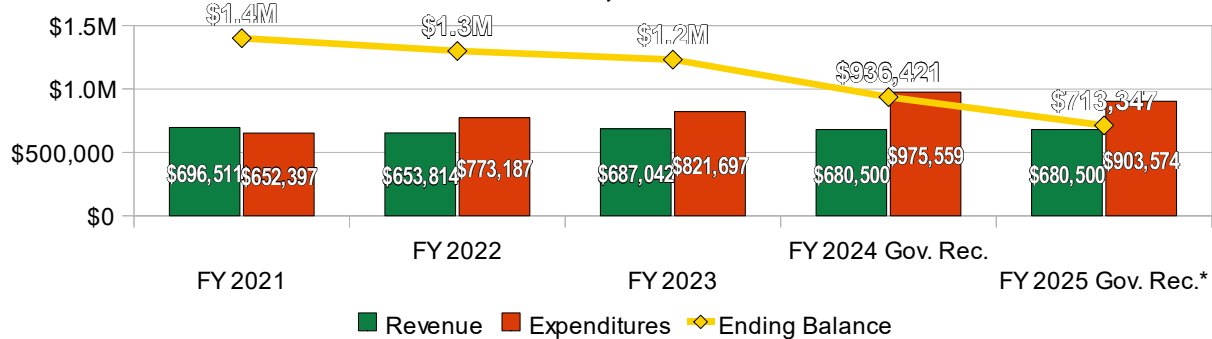
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 564,545	\$ 607,009	\$ 607,009	\$ 624,124	\$ 624,124
Contractual Services	206,690	209,350	209,350	213,450	213,450
Commodities	12,653	21,200	21,200	21,500	21,500
Capital Outlay	88,504	138,000	138,000	44,500	44,500
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 872,392</i>	<i>\$ 975,559</i>	<i>\$ 975,559</i>	<i>\$ 903,574</i>	<i>\$ 903,574</i>
Aid to Local Units	130,541	130,541	130,541	137,118	137,118
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 1,002,933</i>	<i>\$ 1,106,100</i>	<i>\$ 1,106,100</i>	<i>\$ 1,040,692</i>	<i>\$ 1,040,692</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 1,002,933	\$ 1,106,100	\$ 1,106,100	\$ 1,040,692	\$ 1,040,692
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
CPOST Fund	821,697	975,559	975,559	903,574	903,574
Law Enforcement Training Fund	130,541	130,541	130,541	137,118	137,118
Federal Funds	50,695	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 1,002,933	\$ 1,106,100	\$ 1,106,100	\$ 1,040,692	\$ 1,040,692
FTE Positions	6.0	6.0	6.0	6.0	6.0

KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING FUND

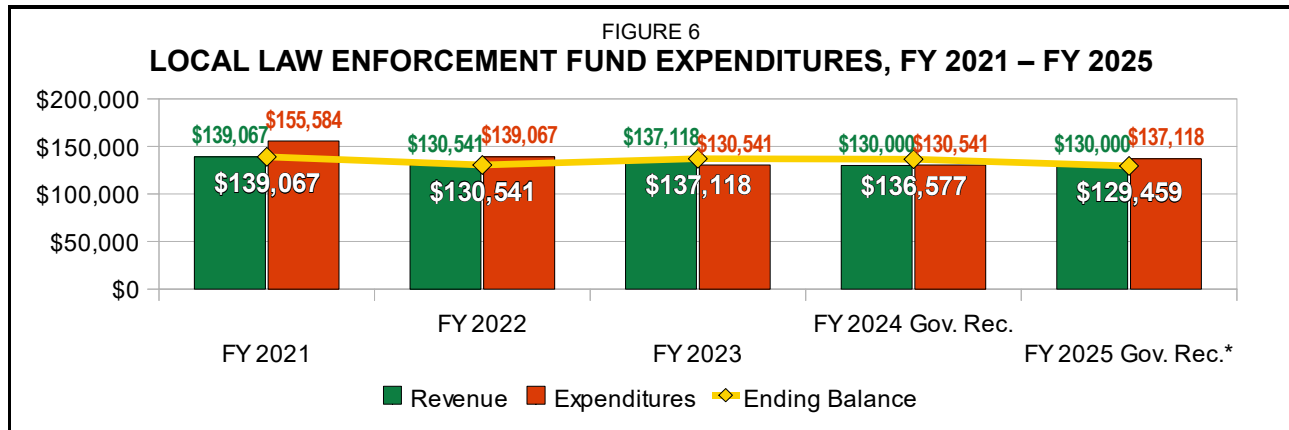
FIGURE 5
KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING FUND
EXPENDITURES, FY 2021 – FY 2025



* For FY 2025, the lowest month ending balance for the Kansas Commission on Peace Officers' Standards and Training Fund will occur in June, with a balance of \$713,000.

The Kansas Commission on Peace Officers' Standards and Training 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 non-moving traffic violations, 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 Kansas Commission on Peace Officers' Standards and Training Fund. In addition, KSA 74-5619 allows the agency to deposit into the Fund any grants or donations.

LOCAL LAW ENFORCEMENT FUND EXPENDITURES



* For FY 2025, the lowest month ending balance for the Local Law Enforcement Fund Expenditures will occur in October, with a balance of \$25,000.

The Local Law Enforcement Fund Expenditures is used to reimburse municipalities for officers participating in local law enforcement training programs. Of the \$22.50 assessed to cases filed in municipal court, \$1.00 is deposited in this fund pursuant to KSA 12-4117. Expenditures from this fund may only be used as reimbursement to municipalities for law enforcement training, pursuant to KSA 74-5620, and cannot be used for agency operations.

The agency notes that revenue to this fund has declined in recent years due to a decrease in the number of municipal court cases, which is a result of court closures in response to the COVID-19 pandemic.

FY 2024 ANALYSIS

FIGURE 7

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 1,093,051	6.0
1. No Changes	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 1,093,051</i>	<i>6.0</i>
Agency Revised Estimate:			
2. Salary Adjustments	-	13,049	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 1,106,100</i>	<i>6.0</i>
Governor's Recommendation:			
3. No Changes	-	-	--
TOTAL	\$ -	\$ 1,106,100	6.0

LEGISLATIVE APPROVED

1. **NO CHANGES.** Subsequent to the 2023 Session, no adjustments were made to the \$1.1 million appropriated to the Kansas Commission on Peace Officers' Standards and Training for FY 2024.

AGENCY ESTIMATE

The **agency** requests \$1.1 million, all from special revenue funds. This is an increase of \$13,049, or 1.2 percent, above the 2023 Legislative approved amount for salary adjustments made during FY 2024.

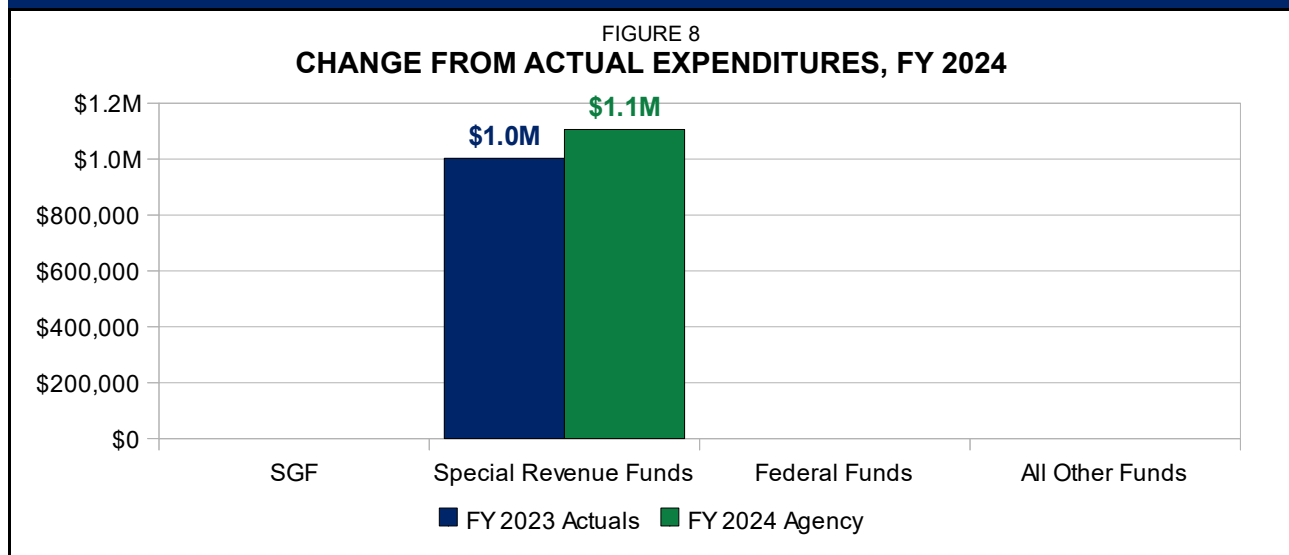
2. **SALARY ADJUSTMENTS.** There is an increase of \$13,049, all from special revenue funds, for salary adjustments and fringe benefits in FY 2024. This is the only adjustment from the 2023 Legislative approved amount.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2024.

3. **NO CHANGES.**

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$1.1 million in FY 2024. This is an increase of \$103,167, or 10.3 percent, all from special revenue funds, above the actual expenditures in FY 2023. Major increases include commodities (gasoline and supplies) and capital outlay (physical security and safety measures).

FY 2025 ANALYSIS

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ -	\$ 1,106,100	6.0
1. Reduction of Last Session's Enhancement	-	(65,408)	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 1,040,692	6.0
Governor's Recommendation:			
2. No Changes	-	-	--
TOTAL	\$ -	\$ 1,040,692	6.0

AGENCY REQUEST

The **agency** requests \$1.0 million, all from special revenue funds. This is a decrease of \$65,408, or 5.9 percent, below the revised estimate in FY 2024. The major decrease is in capital outlay and is due to the increased expenditures in FY 2024 for security and safety not being included in FY 2025.

1. **LAST SESSION'S ENHANCEMENT.** There is a decrease of \$65,408 due to a reduction of the enhancement request in the FY 2024 budget.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2025.

2. **NO CHANGES.**

EMERGENCY MEDICAL SERVICES BOARD

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	2,170,408	2,805,398	2,805,398	3,052,071	2,831,147
<i>Subtotal</i>	<i>\$ 2,170,408</i>	<i>\$ 2,805,398</i>	<i>\$ 2,805,398</i>	<i>\$ 3,052,071</i>	<i>\$ 2,831,147</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 2,170,408	\$ 2,805,398	\$ 2,805,398	\$ 3,052,071	\$ 2,831,147
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	(3.5) %	29.3 %	29.3 %	8.8 %	0.9 %
FTE Positions	14.0	14.0	14.0	14.0	14.0

The mission of the Emergency Medical Services Board is to promote emergency medical services (EMS) through consistent application of laws: to provide support for the ambulance services, EMS professionals, and EMS education organizations in maintaining statutory and regulatory compliance, and to enhance out-of-hospital patient care through evidence-based practices.

The agency certifies EMS professionals, licenses emergency equipment, and permits ambulance services. Professionals certified and trained by the agency include emergency medical technicians and paramedics. The agency is organized into the following subprograms:

COMPLIANCE SUBPROGRAM

Compliance ensures that ambulance services, vehicles, and providers maintain the standards established by the Board to safely and appropriately provide EMS to the public upon request.

ISSUANCES SUBPROGRAM

Issuances oversees the issuance of certificates for providers, permits for operators, and licenses for vehicles. Additionally, the subprogram administers the Education Incentive Grant program, which provides funding for the education of individuals and ambulance services to address the shortage of EMS services in rural Kansas, and the EMS Revolving Grant Fund, which provides financial assistance to local EMS agencies for the purchase of patient care equipment.

RESEARCH AND ANALYSIS SUBPROGRAM

Research and Analysis collects and utilizes the data submitted to the Board's databases to assist in evidence-based decisions on process and clinical oversight.

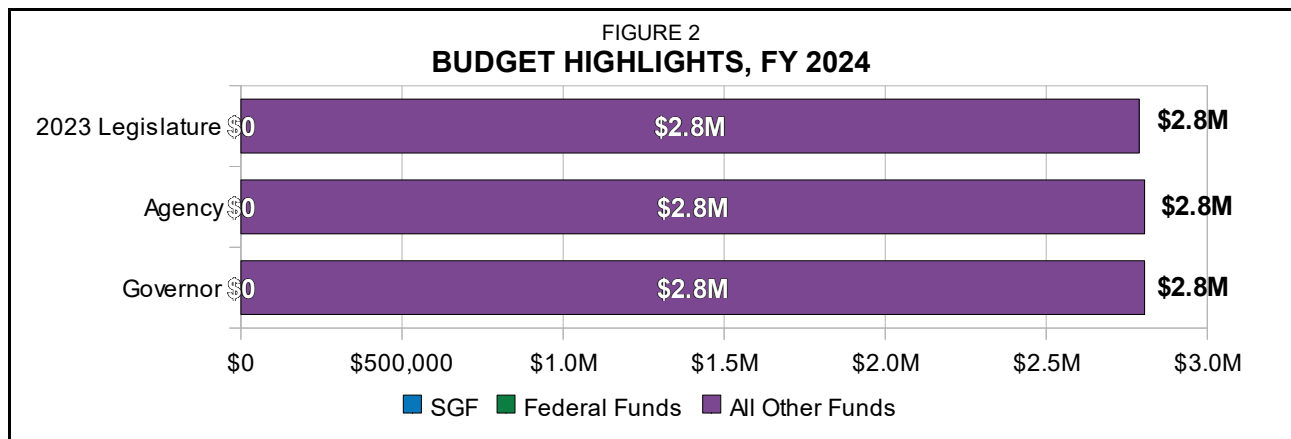
STATUTORY BASIS: • KSA 65-6101 through KSA 65-6160

PROGRAM GOALS:

- Promote EMS through the consistent application of the law.
- Provide support for the ambulance services, EMS providers, and EMS educational organizations in maintaining statutory and regulatory compliance.
- Enhance patient care through evidence-based practice.

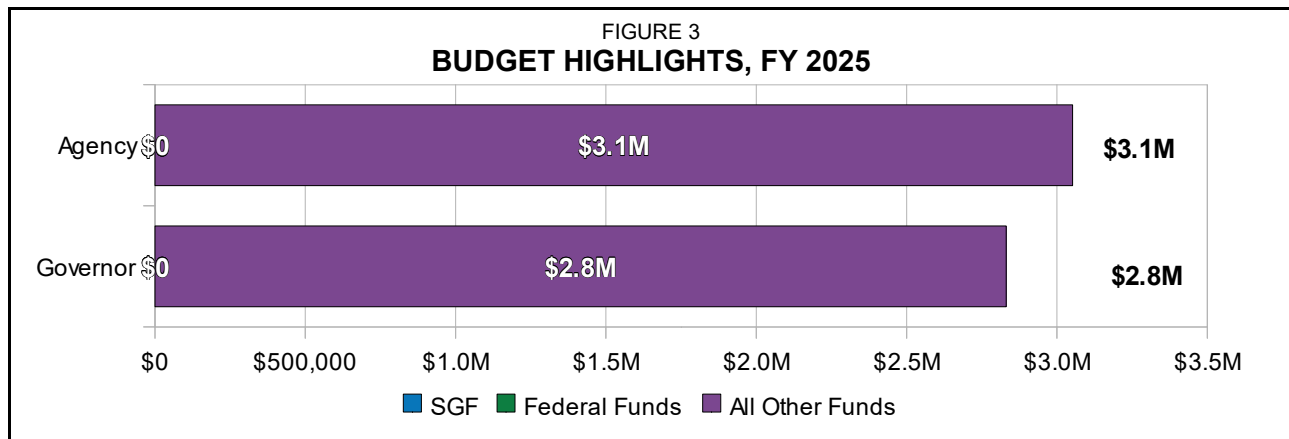
EXECUTIVE SUMMARY

Subsequent to the 2023 Session, no adjustments were made to the \$2.8 million approved for the Emergency Medical Services Board for FY 2024.



The **agency** submits a revised estimate of \$2.8 million, all from special revenue funds, in expenditures in FY 2024. This is an increase of \$16,668, or 0.6 percent, above the FY 2024 approved amount. The increase is attributable to increased expenditures for criminal background checks on EMS certification applicants; and information technology consulting services, primarily for the Kansas Emergency Medical Services Information System (KEMSIS), which enables EMS responders to report data regarding ambulance calls. The increase is partially offset by decreased legal fees for administrative hearings. The revised estimates includes 14.0 FTE positions, which is unchanged from the FY 2024 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$3.1 million, all from special revenue funds, in expenditures for FY 2025. This is an increase of \$246,673, or 8.8 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the agency's enhancement request of \$220,924 in salary and wages expenditures for a salary realignment among all positions to address recruiting and retention challenges. The increase is also attributable to legal fees associated with an anticipated increase in administrative hearings, increased IT consulting services to support the KEMSIS, and travel expenditures. The increase is partially offset by decreased expenditures from the EMS Revolving Grant Fund for aid to local EMS agencies to support the purchase of patient care equipment, which is due to carryover funding available in FY 2024 that is not available for FY 2025. The request includes 14.0 FTE positions, which is unchanged from the FY 2024 revised number.

The **Governor** recommends \$2.8 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$220,924, or 7.2 percent, below the FY 2024 requested amount. The decrease is due to the Governor not recommending the agency's enhancement request for a salary realignment. The recommendation includes 14.0 FTE positions, which is unchanged from the FY 2024 requested number.

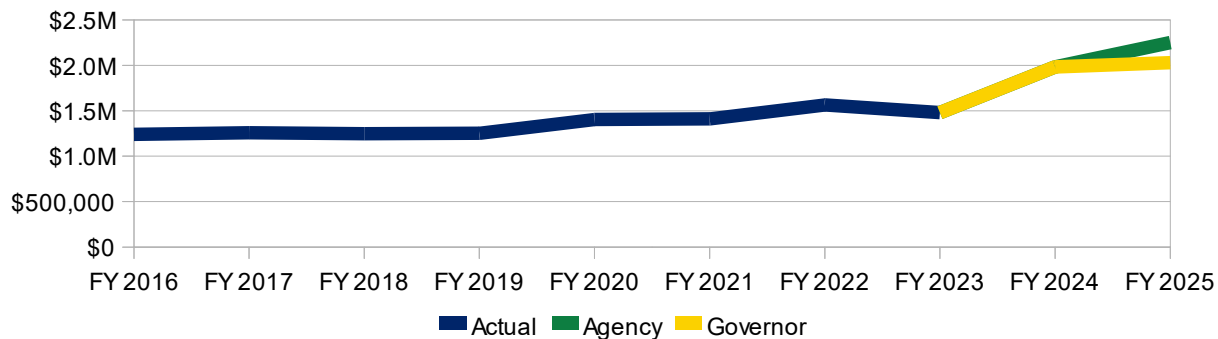
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 813,825	\$ 1,068,829	\$ 1,068,829	\$ 1,289,214	\$ 1,068,290
Contractual Services	566,580	771,129	771,129	830,148	830,148
Commodities	21,693	59,283	59,283	61,178	61,178
Capital Outlay	4,555	35,496	35,496	25,281	25,281
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,406,653</i>	<i>\$ 1,934,737</i>	<i>\$ 1,934,737</i>	<i>\$ 2,205,821</i>	<i>\$ 1,984,897</i>
Aid to Local Units	613,755	720,661	720,661	696,250	696,250
Other Assistance	150,000	150,000	150,000	150,000	150,000
<i>Subtotal—Operating</i>	<i>\$ 2,170,408</i>	<i>\$ 2,805,398</i>	<i>\$ 2,805,398</i>	<i>\$ 3,052,071</i>	<i>\$ 2,831,147</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 2,170,408	\$ 2,805,398	\$ 2,805,398	\$ 3,052,071	\$ 2,831,147
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	2,170,408	2,805,398	2,805,398	3,052,071	2,831,147
TOTAL	\$ 2,170,408	\$ 2,805,398	\$ 2,805,398	\$ 3,052,071	\$ 2,831,147
FTE Positions	14.0	14.0	14.0	14.0	14.0

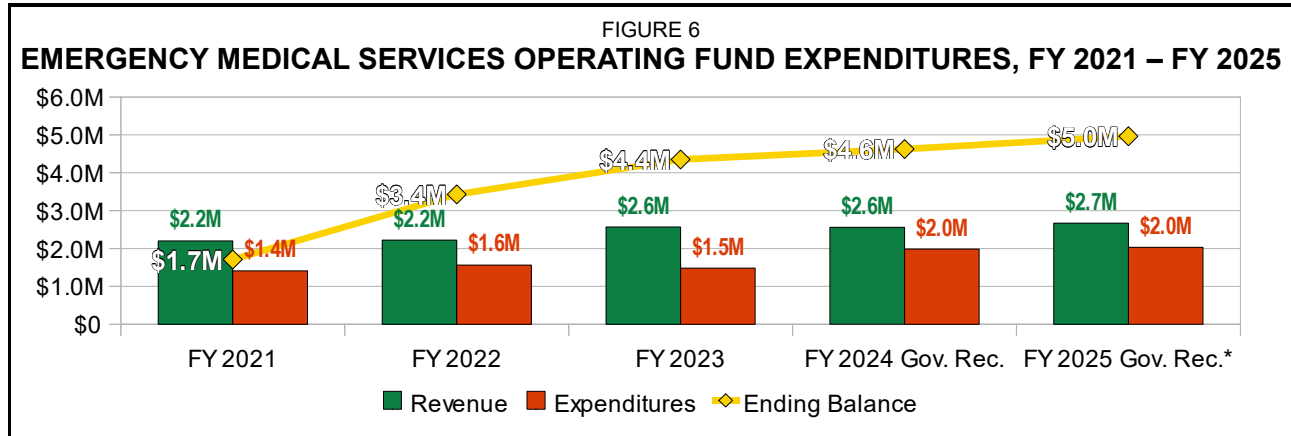
EMERGENCY MEDICAL SERVICES OPERATING FUND

FIGURE 5
EMERGENCY MEDICAL SERVICES OPERATING FUND EXPENDITURES, FY 2016 – FY 2025



The Emergency Medical Services Operating Fund functions as the agency's primary operating fund. It derives revenue from regulatory fees and a levy on fire insurance premiums (KSA 75-1508). Expenditures from this fund have increased by \$238,529 from FY 2016 to FY 2023, primarily to support salaries and wages expenditures for employees and board members, information technology, and aid to local units of government through grant programs.

EMERGENCY MEDICAL SERVICES OPERATING FUND



* For FY 2025, the lowest month ending balance for the Emergency Medical Services Operating Fund will occur in October, with a balance of \$3.5 million.

The Emergency Medical Services Operating Fund, which was established by the 1992 Legislature, is the primary source of funding for the agency. The majority of revenue to this fund is derived from a levy on fire insurance premiums. Pursuant to KSA 75-1508, each insurance company doing business in Kansas is required to pay a levy, not to exceed a total of 1.25 percent, on fire insurance premiums sold in Kansas. This levy supports the operations of the State Fire Marshal, Emergency Medical Services Board, and the Fire Service Training Program at the University of Kansas.

Of the moneys generated from this levy, KSA 75-1514 (2021 HB 2270) provides that \$100,000 must be transferred to the State General Fund (SGF), with the balance distributed to the State Fire Marshal (64.0 percent), Emergency Medical Services Board (20.0 percent), and the Fire Services Training Program at the University of Kansas (16.0 percent).

Additionally, fees collected by the agency for ambulance licenses, ambulance service permits, and EMS professional certifications and renewals are deposited in the fund.

FIGURE 7
LICENSE FEES, FY 2024

License	Current Fee	Statutory Limit	Authority
Emergency Medical Responder application for certification fee	\$ 15	\$ 15	KSA 65-6111
Certification renewal prior to expiration	20	20	
Certification renewal within 31 days after expiration	40	40	
Certification renewal 32 days or later after expiration	80	80	
Paramedic application for certification	65	65	KSA 65-6111
Certification renewal prior to expiration	50	50	
Certification renewal within 31 days after expiration	100	100	
Certification renewal 32 day or later after expiration	200	200	
Emergency Medical Technician application for certification fee	50	50	KSA 65-6111
Certification renewal prior to expiration	30	30	
Certification renewal within 31 days after expiration	60	60	
Certification renewal 32 days or later after expiration	120	120	
Application for Inactive certification fee	10	10	KSA 65-6111
Certification renewal prior to expiration	25	25	
Certification for renewal after expiration	20	20	
Ambulance service permit application fee	100	100	KSA 65-6111
Certification renewal prior to expiration	100	100	
Certification renewal within 31 days after expiration	200	200	
Vehicle license application fee	40	40	
Temporary license for an ambulance	10	10	

* *Staff Note:* Fee schedule and references to applicable authorizing statutes may be found in KAR 109-7-1

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 2,788,730	14.0
1. No Change	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 2,788,730</i>	<i>14.0</i>
Agency Revised Estimate:			
2. Criminal History and Fingerprinting Fund	\$ -	\$ 16,700	--
3. Information Technology Services	-	13,234	--
4. Computers and Radios	-	12,926	--
5. Legal Fees	-	(29,007)	--
6. All Other Adjustments	-	2,815	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 2,805,398</i>	<i>14.0</i>
Governor's Recommendation:			
7. No Change	-	-	--
TOTAL	\$ -	\$ 2,805,398	14.0

LEGISLATIVE APPROVED

1. **NO CHANGE.** Subsequent to the 2023 Session, no adjustments were made to the \$2.8 million approved for the Emergency Medical Services Board for FY 2024.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$2.8 million, all from special revenue funds, in expenditures in FY 2024. This is an increase of \$16,668, or 0.6 percent, above the FY 2024 approved amount. The revised estimates includes 14.0 FTE positions, which is unchanged from the FY 2024 approved number.

The revised estimate includes the following adjustments:

2. **CRIMINAL HISTORY AND FINGERPRINTING FUND.** The revised estimate includes an increase of \$16,700, all from the Criminal History and Fingerprinting Fund, to continue conducting background checks on applicants for EMS provider certification, pursuant to KSA 61-6129. Revenue to the fund is derived from fees paid by the applicants, and the agency notes an increase in the cost for conducting such background checks.
3. **INFORMATION TECHNOLOGY SERVICES.** The revised estimate includes an increase of \$13,234 for IT consulting and computer services that support the following:
 - Increased vendor fees for operation of KEMSIS, which allows EMS responders to report on the number and nature of ambulance calls. In FY 2023, the agency achieved full participation of all ambulance services in Kansas, which results in the submission of approximately 430,000 records annually.
 - A new data firewall administered by the Kansas Information Security Office.
4. **COMPUTERS AND RADIOS.** The revised estimate includes an increase of \$12,926 in capital outlay expenditures that primarily include the replacement of computers and

interoperable two-way radios as part of the agency's three-year IT management plan. The agency indicates that replacement of radios is necessary to meet new encryption standards, which allows for communication with other public safety entities during emergencies.

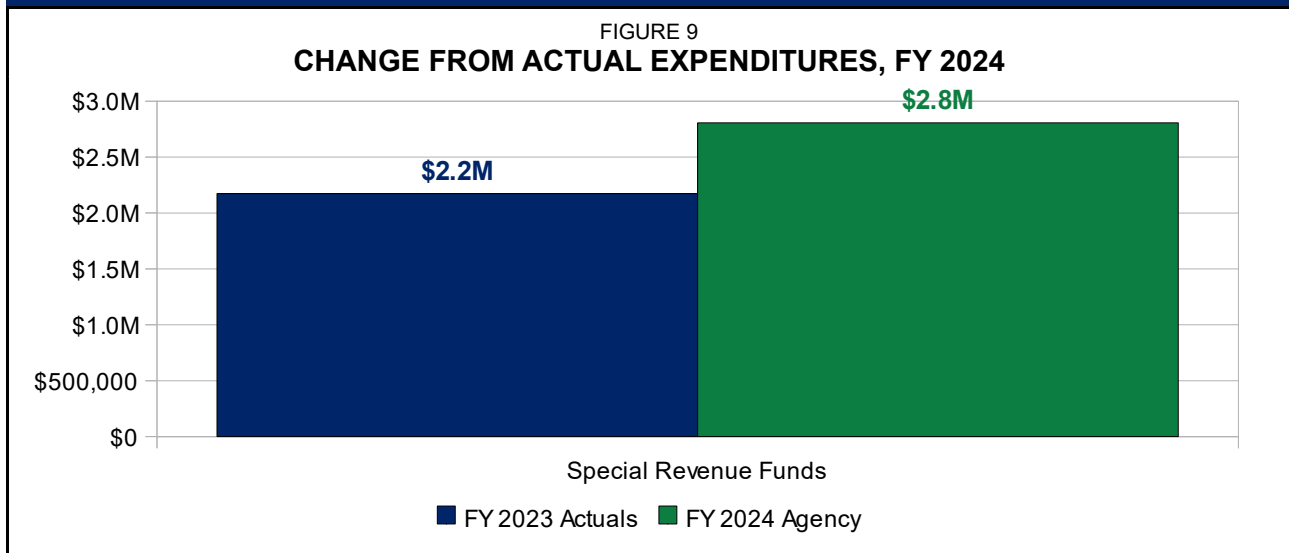
5. **LEGAL FEES.** The revised estimate includes a decrease of \$29,007 for legal fees associated with administrative disciplinary hearings in FY 2024. The agency conducts administrative hearings on regulatory matters concerning ambulance services and EMS providers pursuant to KSA 65-6111.
6. **ALL OTHER ADJUSTMENTS.** Other adjustments include increased expenditures for salaries and wages, which includes increased employer contributions for fringe benefits. This is partially offset by decreased travel expenditures.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$2.8 million, all from special revenue funds, in expenditures and 14.0 FTE positions in FY 2024.

7. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$2.8 million, all from special revenue funds, in FY 2024. This is an increase of \$634,990, or 29.3 percent, above the FY 2023 actual budget. The increase is primarily due to an increase of \$255,004 in salaries and wages expenditures that include a statewide market survey adjustment approved by the 2023 Legislature, increased employer contributions for fringe benefits, and accounts for previously unfilled positions for FY 2024. The increase is also attributable to an increase of \$107,877, all from the Education Incentive Grant Fund, to provide aid to local governments for the education of EMS providers.

Other significant increases include travel; IT consulting services, primarily for KEMSIS; members' fees for a multi-state EMS Compact that enables reciprocal licensing recognition; background checks; legal fees for administrative hearings; and the purchase of computing equipment. The agency's revised estimate include 14.0 FTE positions, which is unchanged from the FY 2023 actual number.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ -	\$ 2,805,398	14.0
Enhancement Requests:			
1. Salary Realignment	\$ -	\$ 220,924	--
<i>Subtotal—Enhancement Requests Only</i>	\$ -	\$ 3,026,322	14.0
2. Legal Fees	\$ -	\$ 18,975	--
3. Travel	-	15,617	--
4. KEMSIS	-	9,656	--
5. State Building Charges	-	6,410	--
6. EMS Revolving Fund	-	(24,411)	--
7. All Other Adjustments	-	(498)	--
<i>Subtotal—Agency Request</i>	\$ -	\$ 3,052,071	14.0
Governor's Recommendation:			
8. Salary Realignment - Not Recommended	-	(220,924)	--
TOTAL	\$ -	\$ 2,831,147	14.0

AGENCY REQUEST

The **agency** requests \$3.1 million, all from special revenue funds, in expenditures for FY 2025. This is an increase of \$246,673, or 8.8 percent, above the FY 2024 revised estimate. The request includes 14.0 FTE positions, which is unchanged from the FY 2024 revised number.

The request includes \$220,924 for the following enhancement request:

1. **SALARY REALIGNMENT.** The agency requests \$220,924, all from special revenue funds, in salaries and wages expenditures for a salary realignment effort to address recruiting and retention challenges for FY 2025. The agency reports difficulty filling positions, which generally require emergency medicine expertise that is often better compensated in the private sector. This agency pay plan would apply to nearly all positions, including compliance officers, investigators, and administrative staff.

Absent the enhancement requests, the request includes an increase of \$25,749 in base budget expenditures. Significant adjustments are as follows:

2. **LEGAL FEES.** The request includes an increase of \$18,975 for legal fees associated with administrative disciplinary hearings for FY 2025. The agency conducts administrative hearings on regulatory matters concerning ambulance services and EMS providers, pursuant to KSA 65-6111, and anticipates an increase in the volume of such hearings for FY 2025.
3. **TRAVEL.** The request includes an increase of \$15,617 in travel expenditures for FY 2025. The agency notes this increased travel supports training, investigations, inspections, technical assistance, and assessments of local government EMS services.
4. **KEMSIS.** The request includes an increase of \$9,656 for IT consulting services that include increased vendor fees for operation of KEMSIS, which allows EMS responders to report on the number and nature of ambulance calls.

5. **STATE BUILDING CHARGES.** The request includes an increase of \$6,410 for compulsory state building charges, which covers the basic operating costs and capital improvements for the agency's offices in the Landon State Office Building, for FY 2025. Capital improvement projects in the Landon State Office Building are shown in the Department of Administration's budget and are funded by building charges to resident agencies, including the Emergency Medical Services Board.
6. **EMS REVOLVING GRANT FUND.** The request includes a decrease of \$24,411, all from the EMS Revolving Grant Fund, which provides financial assistance, based on demonstrated need, to local EMS agencies for the purchase of patient care equipment. Revenue to the fund is derived from court fines, penalties, and forfeitures associated with KSA 74-7336. A total of \$355,000 is budgeted for this purpose for FY 2025, and the decrease is attributable to carryover funding available in FY 2024 that is not available for FY 2025.
7. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased capital outlay expenditures for the replacement of computers and radios that occur in FY 2024 but do not reoccur for FY 2025, offset by increased expenditures for IT programming and criminal background checks on EMS provider certification applicants.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$2.8 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$220,924, or 7.2 percent, below the FY 2024 requested amount. The recommendation includes 14.0 FTE positions, which is unchanged from the FY 2024 requested number.

The **Governor's** recommendation includes the following adjustments:

8. **SALARY REALIGNMENT - NOT RECOMMENDED.** The recommendation includes a decrease of \$220,924, all from special revenue funds, due to the Governor not recommending the agency's enhancement for a salary realignment for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2025 Enhancements:						
1. Salary Realignment	\$ 220,924	\$ 220,924	-	-	-	-

1. **Salary Realignment.** The agency requests \$220,924, all from special revenue funds, in salaries and wages expenditures for a salary realignment effort to address recruiting and retention challenges for FY 2025. The agency reports significant challenges regarding recent efforts to fill vacant positions, as candidates often accept higher-paying positions among commercial ambulance services or hospitals. The agency currently operates with 4.0 FTE unfilled positions and anticipates two retirements in FY 2024.

This realignment effort would redistribute the agency's 14.0 FTE positions among the Compliance, Issuance, and Research programs and redefine job duties to establish consistency and allow for career progression. This agency pay plan would provide increases to nearly all positions, ranging from 10.3 percent for Information Technology staff to 58.8 percent for administrative specialists.

The 2023 Legislature approved a Legislative Pay Plan for FY 2024 that included \$29,261 for the agency based on the Department of Administration Market Survey. The agency states that many positions remain below market value. Without this enhancement, the agency anticipates difficulties maintaining a sufficient workforce, which may result in reduced services and poor outcomes due to overburdened staff.

The Governor does not recommend adoption of this request.

STATE FIRE MARSHAL

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Federal Funds	1,443,478	-	-	-	-
All Other Funds	6,862,183	8,321,091	8,321,091	9,050,980	9,050,980
<i>Subtotal</i>	<i>\$ 8,305,661</i>	<i>\$ 8,321,091</i>	<i>\$ 8,321,091</i>	<i>\$ 9,050,980</i>	<i>\$ 9,300,980</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 8,305,661	\$ 8,321,091	\$ 8,321,091	\$ 9,050,980	\$ 9,300,980
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	49.6 %	0.2 %	0.2 %	8.8 %	11.8 %
FTE Positions	70.3	70.3	70.3	72.5	73.5

The Office of the State Fire Marshal was originally established in 1913, abolished in 1933, and reestablished 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. The agency operates four divisions, which include:

ADMINISTRATION DIVISION

The Administration Division provides support services, such as fiscal management, personnel, education training, and legal services. It also provides publication of press releases, maintenance of the information technology services, and continuity of operations planning. Expenditures for the Division include the Kansas Firefighter Recruitment and Safety Grant (KFRSG) Program, which provides no-match funding to local fire departments, primarily for personal protective equipment (PPE).

INVESTIGATION DIVISION

The Investigation Division provides fire origin and cause investigation, criminal investigation, explosives investigation and permits, fireworks permits, fire investigation, and explosives training and education. The Division also operates the Fire Safety Cigarette program, which certifies all cigarette brands sold in Kansas.

FIRE PREVENTION DIVISION

The Fire Prevention Division provides fire and life safety code rules and regulations, fire and safety inspection and enforcement functions, facility plan reviews and code enforcement, boiler inspection and certifications, and elevator safety programs. 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 collaborates with the Kansas Department of Health and Environment to conduct fire and life safety surveys of Medicare and Medicaid medical facilities and child care facilities.

EMERGENCY RESPONSE DIVISION

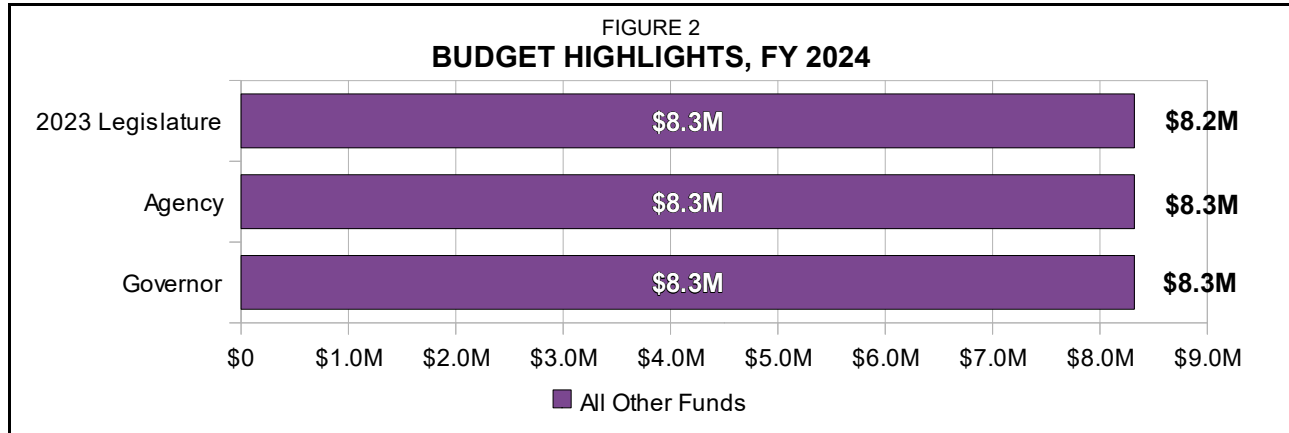
The Emergency Response Division provides hazardous material response and training and search and rescue response and training.

STATUTORY BASIS: • KSA-75-1503, 75 15-5, 75-1510, 75-1513, and 17-3136 established the office of the State Fire Marshal. Other statutes that guide the State Fire Marshal include KSA 31-133, 134, 136, 137, 138, 143, 144, 146, 148, 149, 150, 157, 401-406, 501-506, 601-613, 39-928, 40-2,110, 44-1801-1820, 55-1807-1813, 65-34,105 and 34,136, 65-508, 75-1515, 1518, 1519, 3137, and 6102. KSA 2-3901-3910 regulates commercial hemp.

- AGENCY GOALS:**
- Increase the number of persons arrested and convicted of arson and other related crimes while decreasing the number of incendiary fires through public education.
 - Inspect all necessary facilities to ensure compliance with fire prevention standards.
 - Provide oversight of explosive users, manufacturers, and distributors. Reduce the number of fires caused by cigarette misuse and ensure compliance by cigarette vendors.
 - Inspect and certify water heating and high-pressure steam boiler systems.
 - Locate and certify all elevators, review inspection records, and identify hazards and code violations.
 - Maintain the skills of nine regional hazmat response teams.
 - Train and equip search and rescue teams.

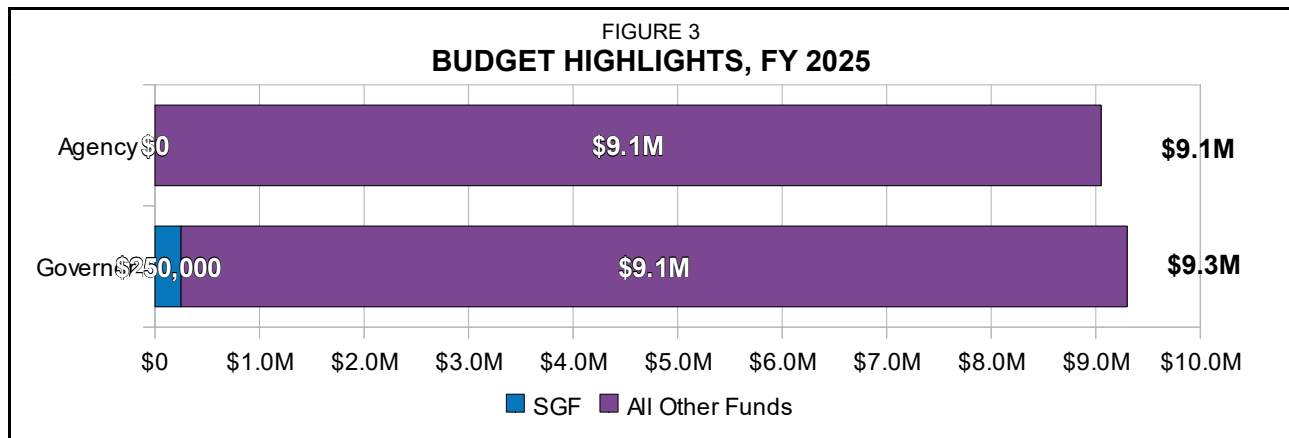
EXECUTIVE SUMMARY

Subsequent to the 2023 Session, no adjustments were made to the \$8.3 million approved for the State Fire Marshal for FY 2024.



The **agency** submits a revised estimate of \$8.3 million, all from special revenue funds, in FY 2024. This is a decrease \$1, or less than 0.1 percent, below the FY 2024 approved amount. The revised estimate includes a shift of expenditures totaling \$321,369 from the Elevator Safety Fee Fund to the Fire Marshal Fee Fund to cover startup costs associated with implementing the Elevator Safety Act of 2022. The Act assigns the agency with licensing elevator inspectors, contractors, and mechanics. The revised estimate includes 70.3 FTE positions, which is unchanged from the FY 2024 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$9.1 million, all from special revenue funds, for FY 2025. This is an increase of \$729,889, or 8.8 percent, above the FY 2024 revised estimate. The increase is attributable to increased salaries and wages expenditures, primarily due to increased employer contributions for fringe benefits and the addition of 2.2 FTE positions. These positions primarily include an Assistant Attorney General for the State Fire Marshal, which was previously located in the Office of the Attorney General, and an Administrative Specialist in the Fire Prevention Division. The increase is also attributable to increased expenditures for specialized equipment, such as hazardous material detection equipment. The increase is offset by decreased expenditures for computer programming services in the Elevator Safety program and attorney fees previously paid to the Office of the Attorney General. The request includes 72.5 FTE positions, which is an increase of 2.2 FTE positions above the FY 2024 revised number. The position increases are mainly in the Administration and Fire Prevention divisions.

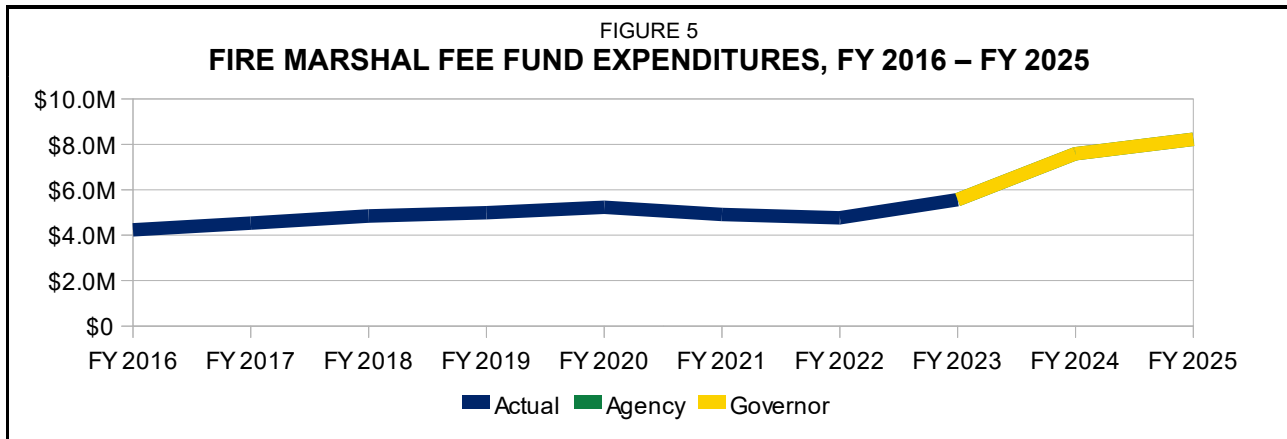
The **Governor** recommends \$9.3 million, including \$250,000 SGF, in expenditures for FY 2025. This is an increase of \$250,000, all SGF, above the agency's FY 2025 requested amount. The increase is due to the Governor adding \$100,000 SGF for 1.0 FTE position for a Childcare Inspection Specialist to provide outreach and \$150,000 SGF for a Volunteer Firefighter Workforce Study. The recommendation includes 73.5 FTE positions, which is an increase of 1.0 FTE position above the requested number. The position increase is in the Investigation Division and accounts for the Governor's addition of the inspector position.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 4,465,926	\$ 5,577,551	\$ 5,577,551	\$ 5,958,915	\$ 6,058,915
Contractual Services	1,522,026	1,420,590	1,420,590	1,401,865	1,551,865
Commodities	337,348	458,750	458,750	392,750	392,750
Capital Outlay	496,232	464,200	464,200	897,450	897,450
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 6,821,532</i>	<i>\$ 7,921,091</i>	<i>\$ 7,921,091</i>	<i>\$ 8,650,980</i>	<i>\$ 8,900,980</i>
Aid to Local Units	1,390,329	400,000	400,000	400,000	400,000
Other Assistance	93,800	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 8,305,661</i>	<i>\$ 8,321,091</i>	<i>\$ 8,321,091</i>	<i>\$ 9,050,980</i>	<i>\$ 9,300,980</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 8,305,661	\$ 8,321,091	\$ 8,321,091	\$ 9,050,980	\$ 9,300,980
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Federal Funds	1,443,478	-	-	-	-
All Other Funds	6,862,183	8,321,091	8,321,091	9,050,980	9,050,980
TOTAL	\$ 8,305,661	\$ 8,321,091	\$ 8,321,091	\$ 9,050,980	\$ 9,300,980
FTE Positions	70.3	70.3	70.3	72.5	73.5

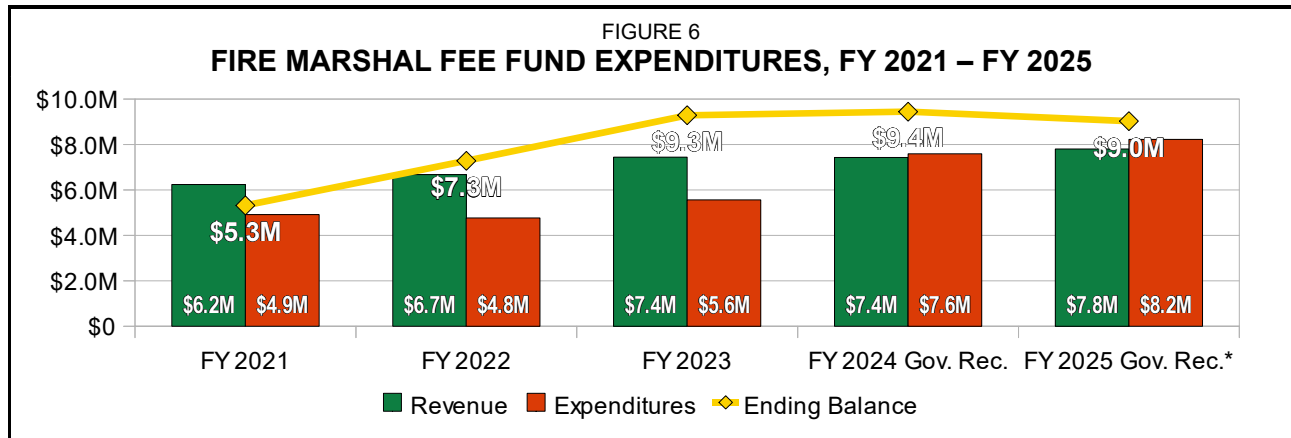
FIRE MARSHAL FEE FUND



The Fire Marshal Fee Fund is the primary source of funding for the agency. The majority of revenue to this fund is derived from a levy on fire insurance premiums. Pursuant to KSA 75-1508, each insurance company doing business in Kansas is required to pay a levy, not to exceed a total of 1.25 percent, on fire insurance premiums sold in Kansas. This levy supports the operations of the State Fire Marshal, Emergency Medical Services Board, and the Fire Service Training Program at the University of Kansas.

Of the moneys generated from this levy, KSA 75-1514 (2021 HB 2270) provides that \$100,000 must be transferred to the SGF, with the balance distributed to the State Fire Marshal (64.0 percent), Emergency Medical Services Board (20.0 percent), and the Fire Services Training Program at the University of Kansas (16.0 percent).

FIRE MARSHAL FEE FUND



* For FY 2025, the lowest month ending balance for the Fire Marshal Fee Fund will occur in November, with a balance of \$6.3 million.

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. In addition to operating expenditures, this fund is used for the KFRSG program. The grant provides no-match funds to volunteer and part-time departments across the state for PPE, physicals not covered by insurance, and support of junior firefighter programs.

FIGURE 7
ELEVATOR LICENSE FEES, FY 2024

License	Current Fee	Statutory Limit	Authority
Elevator Contractor License Fee	\$ 500	\$ 500	KSA 44-1807
Elevator Mechanic License Fee	150	150	KSA 44-1807
Elevator Inspector License Fee	250	250	KSA 44-1807

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 8,321,092	70.3
1. No Change	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 8,321,092	70.3
Agency Revised Estimate:			
2. Fire Marshal Fee Fund	\$ -	\$ 321,368	--
3. Elevator Safety Fee Fund	-	(321,367)	--
4. All Other Adjustments	-	(2)	--
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 8,321,091	70.3
Governor's Recommendation:			
5. No Change	-	-	--
TOTAL	\$ -	\$ 8,321,091	70.3

LEGISLATIVE APPROVED

1. **NO CHANGE.** Subsequent to the 2023 Session, no adjustments were made to the \$8.3 million approved for the State Fire Marshal for FY 2024.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$8.3 million, all from special revenue funds, in FY 2024. This is a decrease of \$1, or less than 0.1 percent, below the FY 2024 approved amount. The revised estimate include 70.3 FTE positions, which is unchanged from the FY 2024 approved number.

The revised estimate includes the following adjustments:

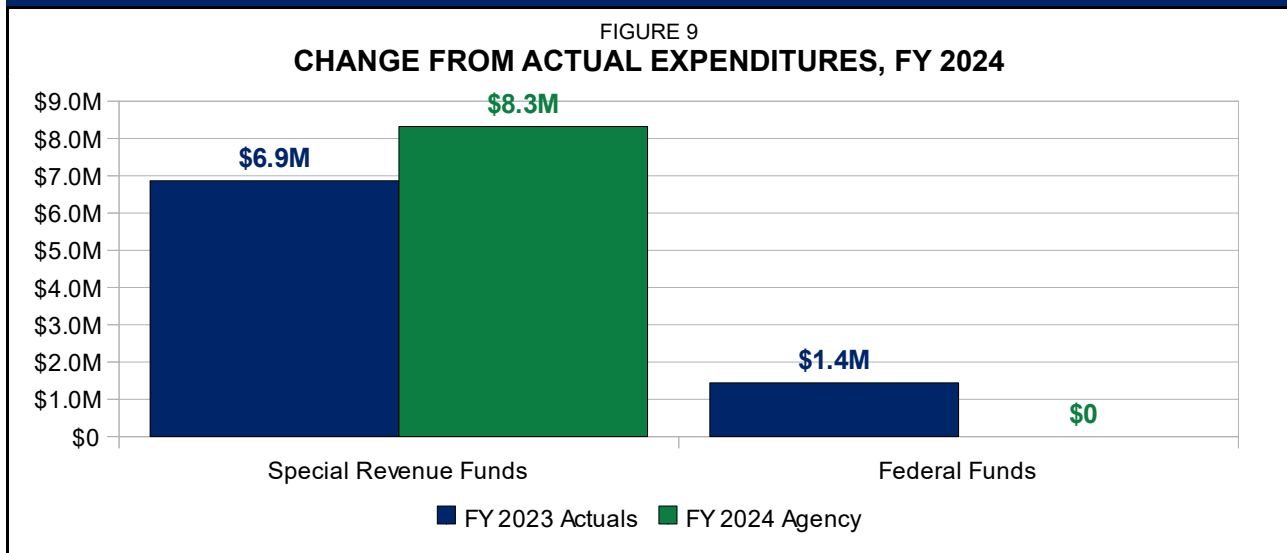
2. **FIRE MARSHAL FEE FUND.** The revised estimate includes an increase of \$321,368, all from the Fire Marshal Fee Fund, for the Elevator Safety Program in FY 2024. These expenditures are startup costs associated with implementing the Elevator Safety Act of 2022, which assigns the agency with licensing elevator inspectors, contractors, and mechanics, and issuing permits for elevators.
3. **ELEVATOR SAFETY FEE FUND.** The revised estimate includes a decrease of \$321,367, all from the Elevator Safety Fee Fund, for the Elevator Safety Program in FY 2024. Revenue to this fund is derived from licensing fees, with collection beginning in January 2023. This adjustment shifts expenditures for the program from the Elevator Safety Fee Fund to the Fire Marshal Fee Fund until a sufficient balance is established in the elevator fund.
4. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased salaries and wages expenditures for employer contributions for fringe benefits, which is almost entirely offset by increased pay for unclassified employees.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$8.3 million, all from special revenue funds, in expenditures and 70.3 FTE positions in FY 2024.

5. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$8.3 million, all from special revenue funds, in FY 2024. This is an increase of \$15,430, or 0.2 percent, above the FY 2023 actual budget. The increase is primarily due to an increase of \$1.1 million in salaries and wages expenditures that include a statewide market survey adjustment approved by the 2023 Legislature for FY 2024, increased employer contributions for fringe benefits in FY 2024, and accounts for unfilled positions in FY 2023. The increase is offset by a decrease of \$1.4 million, all from federal American Rescue Plan Act (ARPA) funds, for aid and assistance to local fire departments through the KFRSG program in FY 2024. These federal ARPA funds were provided as a one-time supplement to the grant program in FY 2023. The increase is further offset by decreased expenditures from the Emergency Response Fund, which is partially due to activation of Hazardous Materials Response Teams in response to the white powder threat letter incident in June 2023. The revised estimate includes 70.3 FTE positions, which is unchanged from the FY 2023 actual number.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ -	\$ 8,321,091	70.3
1. Salaries and Wages	\$ -	\$ 381,364	2.2
2. Specialized Equipment	-	293,000	--
3. Information Technology	-	209,400	--
4. Emergency Response Training	-	70,750	--
5. Elevator Safety Program	-	(149,000)	--
6. Attorney Fees	-	(61,000)	--
7. All Other Adjustments	-	(14,625)	--
<i>Subtotal—Agency Request</i>	<i>\$ -</i>	<i>\$ 9,050,980</i>	<i>72.5</i>
Governor's Recommendation:			
8. Childcare inspection Position	\$ 100,000	\$ 100,000	1.0
9. Volunteer Firefighter Workforce Study	150,000	150,000	--
TOTAL	\$ 250,000	\$ 9,300,980	73.5

AGENCY REQUEST

The **agency** requests \$9.1 million, all from special revenue funds, in expenditures for FY 2025. This is an increase of \$729,889, or 8.8 percent, above the FY 2024 revised estimate. The request includes 72.5 FTE positions, which is an increase of 2.2 positions above the FY 2024 revised number. The position increases are mainly in the Administration and Fire Prevention divisions.

The request includes the following adjustments:

- SALARIES AND WAGES.** The request includes an increase of \$381,364, all from special revenue funds, in salaries and wages expenditures for FY 2025. In addition to increased employer contributions for fringe benefits, this adjustment includes the additional 2.2 FTE positions for the following:
 - 1.0 FTE position for an Assistant Attorney General for the State Fire Marshal, which is required pursuant to KSA 75-1515. This position was previously located in the Office of the Attorney General and provided fee-based legal services. Due to an increased workload related to inspections of child care facilities and drafting rules and regulations concerning the Elevator Safety Act, the agencies agreed to assign this position full-time to the State Fire Marshal.
 - 1.0 FTE position for an Administrative Specialist in the Fire Prevention Division to facilitate increased fire and life safety inspections, primarily among child care and nursing facilities. The agency notes recent changes to federal Centers for Medicare and Medicaid Services policies that now require review of emergency preparedness plans for all nursing homes.
 - 0.2 FTE position to transition an Investigator to full-time in the Investigation Division.
- SPECIALIZED EQUIPMENT.** The request includes an increase of \$293,000, all from special revenue funds, for specialized equipment for FY 2025. These expenditures include the procurement of sensitive detection equipment for Hazardous Materials Response Teams and the purchase of an arson investigation laser scanner and flashing lights, sirens, and radios for vehicles in the Investigation Division.

3. **INFORMATION TECHNOLOGY.** The request includes an increase of \$209,000, all from special revenue funds, to purchase information technology for FY 2025. These expenditures include replacement of a storage area network — which provides secure storage of information such as building floor plans, inspection records, and proprietary information related to manufacturing facilities — and upgrades to inspection software. This also includes the purchase of laptop computers as part of the agency's three-year replacement cycle.
4. **EMERGENCY RESPONSE TRAINING.** The request includes an increase of \$70,750, all from special revenue funds, for the Emergency Response Division, primarily to provide specialized medical technician and K-9 handler training to search and rescue teams throughout the state.
5. **ELEVATOR SAFETY PROGRAM.** The request includes a decrease of \$149,000, all from special revenue funds, for computer programming services for the Elevator Safety Program for FY 2025, which is attributable to the agency contracting with a service provider at a reduced cost for the collection of elevator licensing fees.
6. **ATTORNEY FEES.** The request includes a decrease of \$61,000, all from special revenue funds, in attorney fees previously paid to the Office of the Attorney General for legal services. This decrease partially offsets the addition of an Assistant Attorney General position for the State Fire Marshal. Those legal services will now be handled in-house for FY 2025 with the addition of an Assistant Attorney General position within the Office of the State Fire Marshal.
7. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased expenditures for the replacement of cars in the Fire Prevention Division. The decrease is partially offset by increased expenditures for the replacement of a Dodge Ram truck in the Investigation Division and increased office space rental.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$9.3 million, including \$250,000 SGF, in expenditures for FY 2025. This is an increase of \$250,000, all SGF, or 2.8 percent, above the agency's FY 2024 requested amount. The recommendation includes 73.5 FTE positions, which is an increase of 1.0 FTE position above the requested number.

The **Governor's** recommendation includes the following adjustments:

8. **CHILDCARE INSPECTION POSITION.** The Governor recommends the addition of \$100,000 SGF for 1.0 FTE position for a Childcare Inspection Specialist in the Investigation Division for FY 2025. The agency provides fire and safety code inspections of child care facilities, which is part of the child day care licensing process. The position will oversee inspections of child care facilities and provide outreach and consistent guidance to aspiring providers and other state agencies.
9. **VOLUNTEER FIREFIGHTER WORKFORCE STUDY.** The Governor recommends the addition of \$150,000 SGF for a volunteer firefighter workforce study for FY 2025. Such a study was recommended by the Governor's Wildfire Task Force in November 2023 to explore trends, incentives, and training among the volunteer firefighter service in Kansas.

GOVERNOR'S WILDFIRE TASK FORCE

The Governor established a Wildfire Task Force in July 2022 to make recommendations for how Kansans can better mitigate and prevent, respond to, and recover from wildfires. The Task Force is chaired by the Secretary of Agriculture and includes representatives from the Kansas Division of Emergency Management, Office of the State Fire Marshal, Kansas Forest Service, Department of Wildlife and Parks, local fire departments, other stakeholders, and the Legislature.

In November 2023, the Task Force submitted a final report to the Governor. The report includes, but is not limited to, the following recommendations:

- The Task Force encourages the Kansas Legislature to support and fund a study (up to \$250,000) of strategies concerning the volunteer firefighter workforce that the Governor and Legislature could consider offering, including:
 - Data related to the capacity, motivation, and roadblocks of current and future trends of the volunteer firefighter service across Kansas;
 - Incentives for volunteer firefighters, as well as their employers, to encourage volunteer firefighting;
 - Impact of standards and training for volunteer firefighters.
- Local fire departments should annually update current local mutual aid agreements and contact information with neighboring departments. In addition, the State Fire Marshal is encouraged to keep a current statewide list of local fire department contacts; and
- State officials should continue to seek other opportunities to utilize federal grant funds to support equipment for public safety assistance, including communications or other needs.

WHITE POWDER THREAT LETTER EVENT

The white powder threat letter incident in June 2023 involved the mailing of threatening letters containing an unknown white powder to more than 100 state legislators in Kansas and other states. The response involved multiple state and local agencies, including regional Hazardous Material Response Teams administered by the Office of the State Fire Marshal. The incident remains under federal investigation as of January 1, 2024.

On October 13, 2023, the Office of the State Fire Marshal reported to the Joint Committee on Kansas Security (Joint Committee) that the agency expended \$170,000, all from the Emergency Response Fund, to activate eight of the nine regional Hazardous Material Response Teams, which was the first activation of such magnitude in program history. Due to the extraordinary fiscal effect to the Office of the State Fire Marshal, the State Finance Council approved these additional expenditures from the Emergency Response Fund in FY 2023.

The **Joint Committee** made the following recommendation:

- The House Committee on Appropriations and the Senate Committee on Ways and Means consider transferring \$170,000 from the SGF to the Emergency Response Fund at the Office of the State Fire Marshal to replenish moneys expended in response to the white powder threat letter incident in June 2023.

KANSAS FIREFIGHTER RECRUITMENT AND SAFETY GRANTS

The agency requests \$400,000, all from the Fire Marshal Fee Fund, as aid to local fire departments through the KFRSG program in FY 2024 and for FY 2025. The program provides no-match grants to volunteer or part-time fire departments for PPE, firefighter physicals not covered by insurance, and support of junior firefighter programs.

There are 650 fire departments in Kansas, of which 80.0 percent are volunteer-operated. The agency indicates these fire departments, especially rural volunteer departments, struggle with recruitment and retention of firefighters due to lack of adequate local funding for safety equipment. A full set of bunker gear, which is PPE for firefighters, is estimated to cost \$3,000 per person. Funds may also be used for extractor washing machines, which are designed for cleaning bunker gear to mitigate exposure to carcinogenic residue.

The KFRSG program was established in FY 2017 with \$200,000 from the Fire Marshal Fee Fund. The amount increased to \$400,000 in FY 2019; however, the program was suspended for one year in FY 2021. The agency budgeted for \$1.3 million, including \$1.2 million from federal ARPA funds, for the program in FY 2023. These federal ARPA funds are one-time moneys not available beyond FY 2023.

	KFRSG PROGRAM				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Budgeted					
Fire Marshal Fee Fund	\$ -	\$ 100,000	\$ 100,000	\$ 400,000	\$ 400,000
Federal ARPA Funds	-	-	1,200,000 *	-	-
TOTAL	\$ -	\$ 100,000	\$ 1,300,000	\$ 400,000	\$ 400,000
Number of Fire Department Requests	-	42	96	78	-
Total Amount Requested	\$ -	\$ 434,990	\$ 2,637,835	\$ 1,368,787	\$ -
Amount Awarded	\$ -	\$ 99,906	\$ 1,383,529	\$ 401,315	\$ -

*These one-time federal ARPA funds are not available beyond FY 2023.

KANSAS HIGHWAY PATROL

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

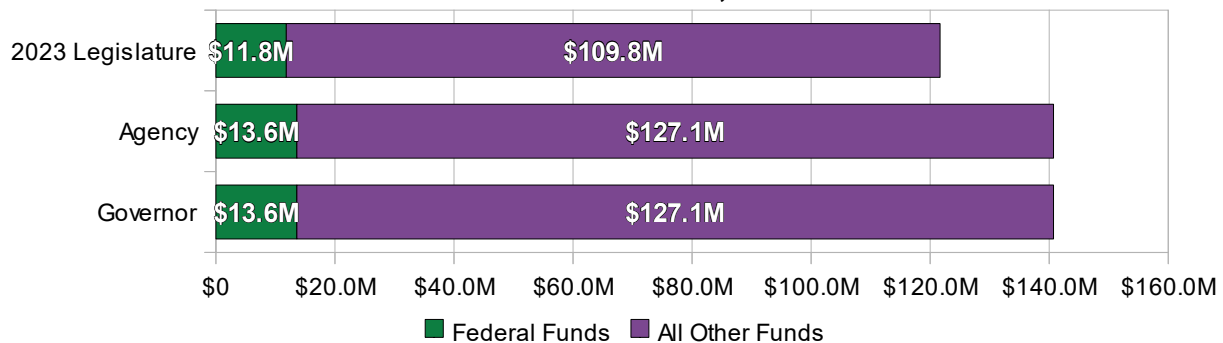
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	32,676,839	13,210,539	13,210,539	12,749,335	12,749,335
All Other Funds	115,096,559	107,063,095	107,063,095	101,584,607	101,709,607
<i>Subtotal</i>	<i>\$ 147,773,398</i>	<i>\$ 120,273,634</i>	<i>\$ 120,273,634</i>	<i>\$ 114,333,942</i>	<i>\$ 114,458,942</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	3,344	400,000	400,000	-	-
All Other Funds	382,773	20,054,363	20,054,363	5,770,820	3,470,820
<i>Subtotal</i>	<i>\$ 386,117</i>	<i>\$ 20,454,363</i>	<i>\$ 20,454,363</i>	<i>\$ 5,770,820</i>	<i>\$ 3,470,820</i>
TOTAL	\$ 148,159,515	\$ 140,727,997	\$ 140,727,997	\$ 120,104,762	\$ 117,929,762
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	54.1 %	(5.0) %	(5.0) %	(14.7) %	(16.2) %
FTE Positions	880.0	880.0	880.0	880.0	880.0

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 support of 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.

EXECUTIVE SUMMARY

Subsequent to the 2023 Legislature, no adjustments were made to the \$121.7 million approved for the Kansas Highway Patrol for FY 2024.

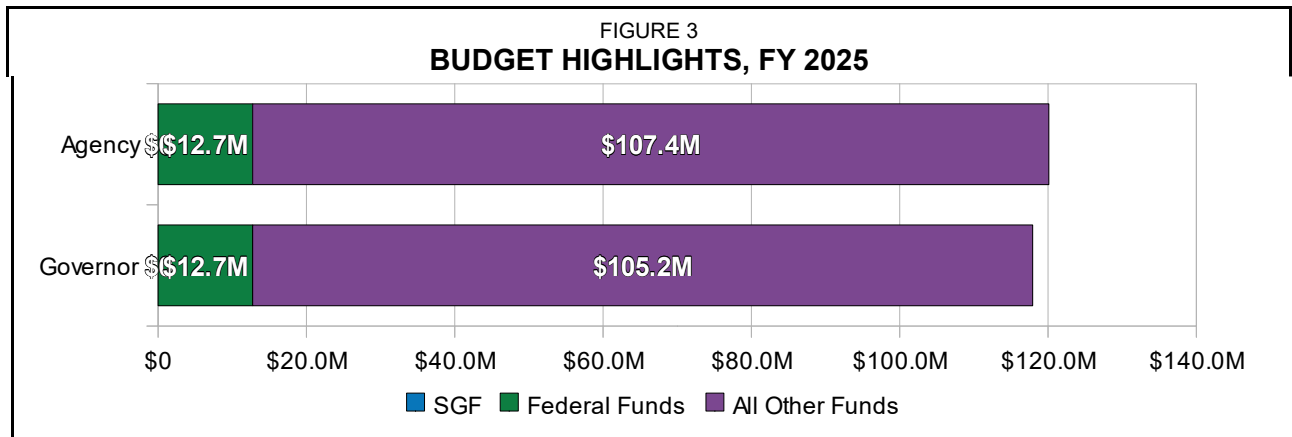
FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** submits a revised estimate of \$140.7 million, all from special revenue funds, in expenditures in FY 2024. This is an increase of \$19.1 million, or 15.7 percent, above the FY 2024 approved amount. The increase is primarily attributable to the agency's two supplemental requests

totaling \$17.2 million, all from special revenue funds. The requests include \$7.2 million for major improvements to the KHP Training Academy facility in Salina, which the agency indicates is necessary to decrease operating costs and increase safety, and \$10.0 million to construct and equip a new Central Dispatch facility in Salina to provide improved working conditions for dispatchers and meet disaster preparedness standards. The revised estimate includes 880.0 FTE positions, which is unchanged from the approved number.

The **Governor** concurs with the agency's revised estimate in FY 2024. The recommendation includes funding for the agency's two supplemental requests concerning major improvements to the KHP Training Academy and construction of a new Central Dispatch facility.



The agency requests \$120.1 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$20.6 million, or 14.7 percent, below the FY 2024 revised estimate. The decrease is primarily attributable decreased expenditures for major improvements to the KHP Training Academy facility and construction of a new Central Dispatch facility occurring in FY 2024 but not reoccurring for FY 2025. The decrease is also attributable to decreased expenditures for aircraft operations, primarily due to the one-time purchase of an additional law enforcement helicopter in FY 2024, which was approved by the 2023 Legislature. The decrease is partially offset by increased expenditures for the agency's three enhancements requests totaling \$4.6 million, all from special revenue funds. These requests include \$312,172 for differential and premium pay for sworn officers and dispatchers, \$2.3 million to purchase the previously-leased Troop B Headquarters building in Shawnee County, and \$2.0 million for the procurement of body-worn cameras. The increase is also attributable to the replacement of an aircraft hangar in Hays. The request includes 880.0 FTE positions, which is unchanged from the FY 2024 revised number.

The **Governor** recommends \$117.9 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$2.2 million, or 1.8 percent, below the agency's FY 2025 requested amount. The decrease is due to the Governor not recommending the agency's enhancement request of \$2.3 million to purchase the Troop B Headquarters building in Shawnee County. The decrease is partially offset by an increase of \$125,000, which the Governor recommends adding to provide sworn officers with an annual boot allowance. The recommendation includes funding for the agency's remaining enhancements concerning premium pay and body-worn cameras.

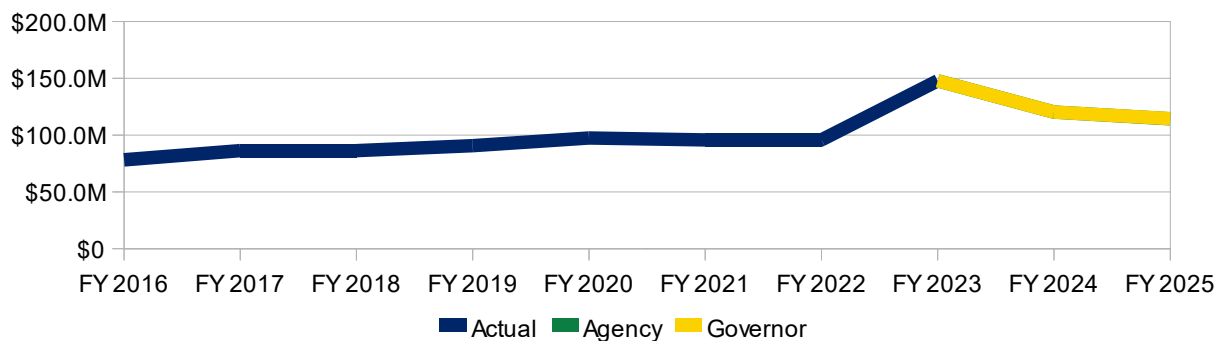
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 72,125,821	\$ 78,851,255	\$ 78,851,255	\$ 79,744,161	\$ 79,744,161
Contractual Services	12,903,001	11,469,436	11,469,436	9,360,548	9,360,548
Commodities	7,220,738	6,755,604	6,755,604	6,916,043	7,041,043
Capital Outlay	50,294,129	19,530,204	19,530,204	14,646,055	14,646,055
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 142,543,689</i>	<i>\$ 116,606,499</i>	<i>\$ 116,606,499</i>	<i>\$ 110,666,807</i>	<i>\$ 110,791,807</i>
Aid to Local Units	3,546,062	3,667,135	3,667,135	3,667,135	3,667,135
Other Assistance	1,683,647	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 147,773,398</i>	<i>\$ 120,273,634</i>	<i>\$ 120,273,634</i>	<i>\$ 114,333,942</i>	<i>\$ 114,458,942</i>
Capital Improvements	386,117	20,454,363	20,454,363	5,770,820	3,470,820
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 148,159,515	\$ 140,727,997	\$ 140,727,997	\$ 120,104,762	\$ 117,929,762
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
KHP Operations	63,287,942	76,140,855	76,140,855	70,624,611	68,449,611
KHP Staffing & Training	4,689,260	10,533,002	10,533,002	10,592,095	10,592,095
VIN Fee Fund	3,593,358	4,867,933	4,867,933	4,029,740	4,029,740
KHP Motor Vehicle	9,856,255	7,466,659	7,466,659	7,685,064	7,685,064
Patrol of Kansas Turnpike	5,250,945	4,787,921	4,787,921	4,797,581	4,797,581
Federal Funds	32,680,183	13,610,539	13,610,539	12,749,335	12,749,335
All Other Funds	28,801,572	23,321,088	23,321,088	9,626,336	9,626,336
TOTAL	\$ 148,159,515	\$ 140,727,997	\$ 140,727,997	\$ 120,104,762	\$ 117,929,762
FTE Positions	880.0	880.0	880.0	880.0	880.0

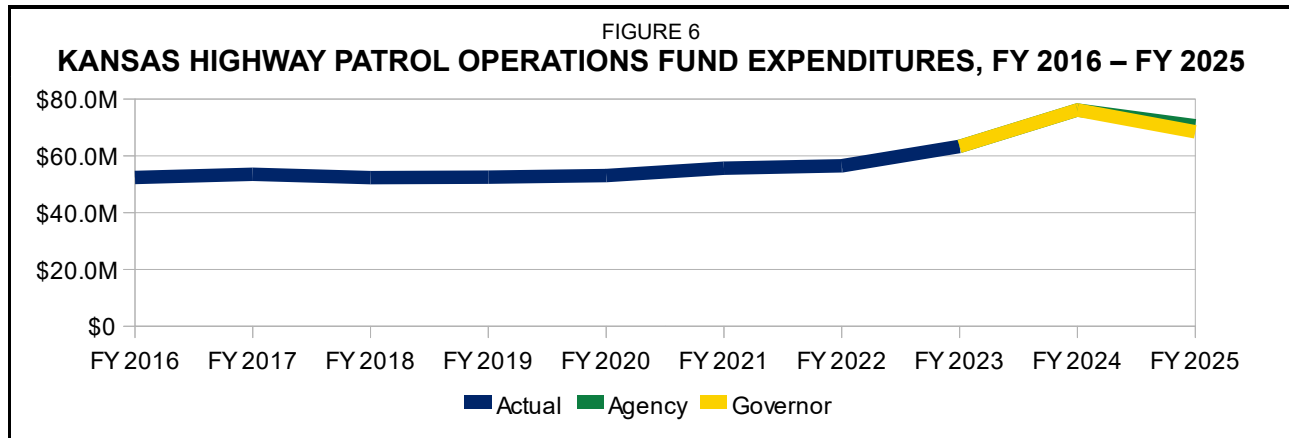
OPERATING EXPENDITURES

FIGURE 5
OPERATING EXPENDITURES, FY 2016 – FY 2025



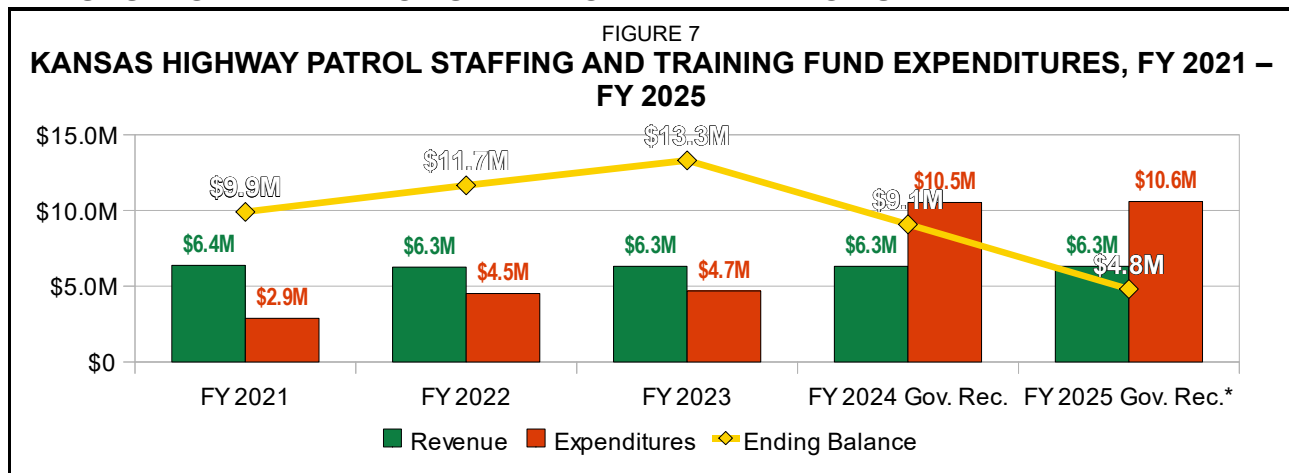
For the Kansas Highway Patrol, operating expenditures primarily support salaries and wages, largely for Troopers in the Operations Support program. Other significant expenditures include contractual services, primarily for vehicle maintenance, information technology services, and communications equipment, and capital outlay, primarily for the purchase of law enforcement ground vehicles and aircraft assets. The increase in FY 2023 is primarily due to the replacement and equipping of two law enforcement aircraft and an executive aircraft and one-time expenditures from federal American Rescue Plan (ARPA) funds for the purchase of encrypted radios.

KANSAS HIGHWAY PATROL OPERATIONS FUND



The Kansas Highway Patrol Operations Fund (KHP Operations Fund) received its funding primarily from the State General Fund (SGF) prior to FY 2013. Since then, the agency's primary source of funding is the KHP Operations Fund, which receives transfers from the State Highway Fund. KHP Operations Fund expenditures remained fairly consistent from FY 2016 to FY 2022, with expenditures ranging between \$52.3 million and \$56.5 million during that period. The 2022 Legislature added \$5.0 million in salaries and wages expenditures from the fund in FY 2023 to enhance the Career Progression Plan for troopers and law enforcement officers, including the Capitol Police.

KANSAS HIGHWAY PATROL STAFFING AND TRAINING FUND



* For FY 2025, the lowest month ending balance for the Kansas Highway Patrol Staffing and Training Fund will occur in November, with a balance of \$4.8 million.

The Kansas Highway Patrol Staffing and Training Fund was established in 2017. Revenue to the fund is derived from a \$2.00 nonrefundable surcharge to each vehicle registration pursuant to KSA 8-145. Expenditures from the fund must be used for increasing employment and retaining personnel at KHP pursuant to KSA 74-2139.

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 121,666,319	880.0
1. No Change	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 121,666,319	880.0
Agency Revised Estimate:			
Supplemental Requests:			
2. KHP Training Academy Improvements	\$ -	\$ 7,228,517	--
3. New Central Dispatch Facility	-	10,000,000	--
<i>Subtotal—Supplemental Requests Only</i>	\$ -	\$ 17,228,517	--
4. National Motor Carrier Safety Assistance Program Fund	\$ -	\$ 1,663,927	--
5. Salaries and Wages	-	579,433	--
6. Other Capital Improvements	-	431,488	--
7. Law Enforcement Equipment	-	(748,988)	--
8. All Other Adjustments	-	(92,699)	--
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 140,727,997	880.0
Governor's Recommendation:			
9. No Change	-	-	--
TOTAL	\$ -	\$ 140,727,997	880.0

LEGISLATIVE APPROVED

1. **NO CHANGE.** Subsequent to the 2023 Legislature, no adjustments were made to the \$121.7 million approved for the Kansas Highway Patrol for FY 2024.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$140.7 million, all from special revenue funds, in expenditures in FY 2024. This is an increase of \$19.1 million, or 15.7 percent, above the FY 2024 approved amount. The revised estimate includes 880.0 FTE positions, which is unchanged from the approved number.

The revised estimate includes \$17.2 million for the following supplemental requests:

2. **KHP TRAINING ACADEMY IMPROVEMENTS.** The agency requests. \$7.2 million, all from the Highway Patrol Training Center Fund, for major capital improvements to the Training Academy facility in Salina. The site, which is a former college, was acquired by the agency in 1992 and includes buildings that currently house regional KHP offices, Central Dispatch, Central Supply, and training facilities for trooper cadets. The agency notes significant improvements are necessary to decrease operating costs and increase safety. The request supports 20 projects, which primarily include:
 - Replacement of outdated water, plumbing, and electrical lines;
 - Modernization of bathrooms; heating, ventilation, and air condition (HVAC) systems; and elevators; and
 - Replacement of deteriorating concrete caps covering the facility power plant and utility tunnels.

3. **NEW CENTRAL DISPATCH FACILITY.** The agency requests \$10.0 million, all from the KHP Operations Fund, to construct and equip a new Central Dispatch Facility in FY 2024. Dispatch services are currently located in the basement of a building at the KHP Training Academy facility, which the agency indicates is insufficient to house modern dispatching equipment and support 24-hour operations. The new facility would be constructed off-site on property owned by the Kansas Department of Transportation and would include:
 - A structure with disaster preparedness design and construction able to withstand disruptions caused by severe weather, such as tornadoes;
 - Dispatch consoles and work stations with redundant data and communications systems providing immediate backup capabilities; and
 - Safety and security measures that include improved working conditions for dispatchers.

Absent the supplemental requests, the revised estimate includes an increase of \$1.8 million, all from special revenue funds, in base budget expenditures. Significant adjustments are as follows:

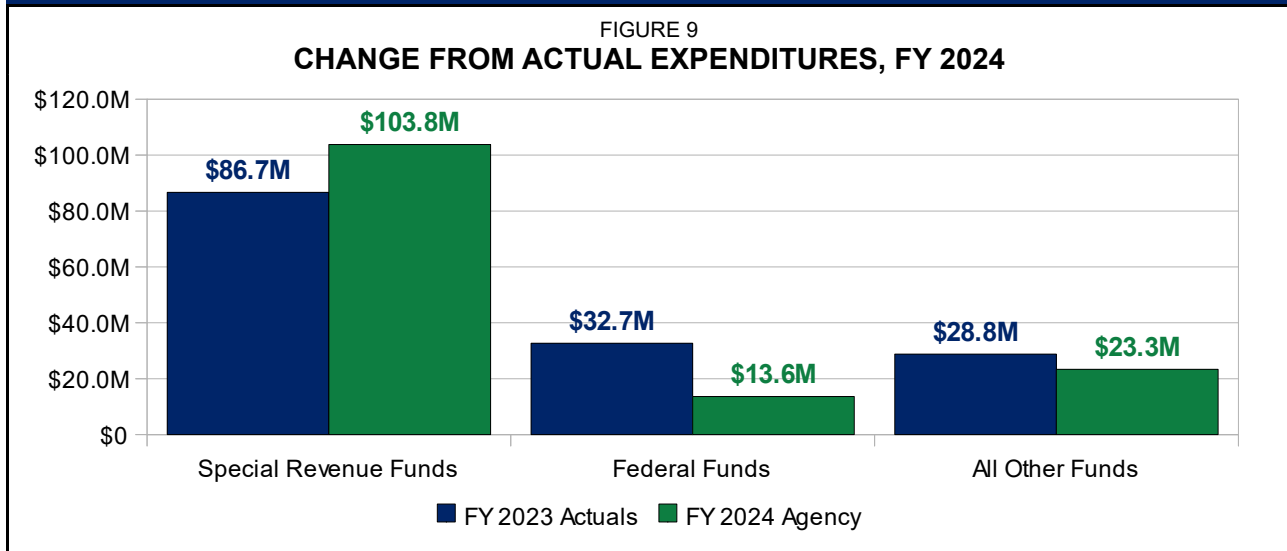
4. **NATIONAL MOTOR CARRIER SAFETY ASSISTANCE PROGRAM FUND.** The revised estimate includes an increase of \$1.7 million, all from the federal funds, for the National Motor Carrier Safety Assistance Program in FY 2024. This federal grant program provides financial assistance to reduce accidents involving commercial motor vehicles. The agency notes recent changes to federal policy increased the federal portion of this grant program from 85.0 percent to 95.0 percent. The state portion is provided through a transfer from the Kansas Corporation Commission.
5. **SALARIES AND WAGES.** The revised estimate includes an increase of \$579,433, all from special revenue funds, for salaries and wages expenditures in the Turnpike Patrol and Homeland Security programs. Expenditures for the Turnpike Patrol program are reimbursed by the Kansas Turnpike Authority, and the Homeland Security program is primarily supported with federal funding.
6. **OTHER CAPITAL IMPROVEMENTS.** The revised estimate includes an increase of \$431,488 for other capital improvements. This adjustment primarily includes \$400,000, all from federal funds, to construct a storage facility at Troop E in Garden City for storing Special Response Team equipment and groundskeeping items.
7. **LAW ENFORCEMENT EQUIPMENT.** The revised estimate includes a decrease of \$748,988 for the purchase of specialized equipment for Troopers, including Special Response Teams and investigative units. The decrease is primarily attributable to the purchase of radios utilizing one-time federal ARPA funds in FY 2023, which reduces the need in FY 2024.
8. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased expenditures for clothing, building repair services, equipment rental, and parts and supplies, partially offset by increased expenditures for IT equipment.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$140.7 million, all from special revenue funds, in expenditures and 880.0 FTE positions in FY 2024. The recommendation includes funding for the agency's two supplemental requests concerning major improvements to the KHP Training Academy and construction of a new Central Dispatch facility

9. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$140.7 million, all from special revenue funds, in FY 2024. This is a decrease of \$7.4 million, or 5.0 percent, below the FY 2023 actual expenditures. The decrease is primarily attributable to a decrease of \$15.0 million, all from federal ARPA funds, for the one-time purchase of encrypted radios in FY 2023 to meet federal requirements concerning the transmission of criminal justice information. This funding was approved by the State Finance Council in December 2021. The decrease is also attributable to a decrease of \$14.5 million, including \$8.9 million from the Executive Aircraft Fund and \$5.6 million from the Aircraft Fund, primarily for the purchase and equipping of a Cessna Caravan law enforcement airplane and Cessna CJ3 executive jet occurring in FY 2023 but not reoccurring in FY 2024. The decrease is further attributable to decreased expenditures for the purchase of law enforcement vehicles in FY 2024, which reflects a large delivery of such vehicles in FY 2023 due to delays in previous years associated with the COVID-19 pandemic.

The decrease is partially offset primarily by an increase of \$20.1 million in expenditures for capital improvements, which includes the agency's enhancement requests for major improvements to the KHP Training Academy facility (\$7.2 million) and construction of a new Central Dispatch Facility in Salina (\$10.0 million), as well as increased funding for scale house replacement efforts. The increase is further offset by an increase of \$6.7 million for salaries and wages expenditures, which includes implementation of a pay plan approved by the 2023 Legislature, a larger-than-anticipated trooper cadet class, funding to fill vacant positions, and adjustments to employer contributions for fringe benefits.

The revised estimate includes 880.0 FTE positions, which is unchanged from the FY 2023 actual number.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ -	\$ 140,727,997	880.0
Enhancement Requests:			
1. Premium Pay	\$ -	\$ 312,172	--
2. Troop B Headquarters Building	-	2,300,000	--
3. Body-worn Cameras	-	2,000,000	--
<i>Subtotal—Enhancement Requests Only</i>	\$ -	\$ 4,612,172	--
4. Salaries and Wages	\$ -	\$ 580,734	--
5. Hays Aircraft Hangar	-	1,280,000	--
6. Aircraft Operations	-	(7,960,877)	--
7. Other Capital Improvements	-	(18,263,543)	--
8. Law Enforcement Equipment	-	(416,759)	--
9. All Other Adjustments	-	(454,962)	--
<i>Subtotal—Agency Request</i>	\$ -	\$ 120,104,762	880.0
Governor's Recommendation:			
10. Troop B Headquarters Building - Not Recommended	\$ -	\$ (2,300,000)	--
11. Boot Allowance	-	125,000	--
TOTAL	\$ -	\$ 117,929,762	880.0

AGENCY REQUEST

The **agency** requests \$120.1 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$20.6 million, or 14.7 percent, below the FY 2024 revised estimate. The request includes 880.0 FTE positions, which is unchanged from the FY 2024 revised number.

The request includes \$4.6 million, all from special revenue funds, for the following enhancement requests:

- 1. PREMIUM PAY.** The agency requests \$312,172, all from the KHP Operations Fund, for increased differential pay and to establish weekend premium pay for sworn officers and dispatchers for FY 2025. The request includes \$155,969 for differential pay and \$156,203 to establish weekend premium pay.
- 2. TROOP B HEADQUARTERS BUILDING.** The agency requests \$2.3 million, all from the KHP Operating Fund, to purchase the Troop B Headquarters facility in Shawnee County for FY 2025. The Troop is responsible for highway law enforcement among 12 counties in northeast Kansas. The lease on the facility expires soon, with an optional five-year extension. Should the agency extend the lease through 2030, it estimates expenditures totaling \$3.5 million. The agency proposes to purchase the facility for a lesser amount of \$2.3 million, which is the appraised value.
- 3. BODY-WORN CAMERAS.** The agency requests \$2.0 million, all from the KHP Operations Fund, to purchase body-worn cameras for law enforcement officers for FY 2025. This funding would provide a 50.0 percent match for a prospective federal grant supporting procurement of 475 cameras.

Absent the enhancement requests, the agency's request includes a decrease of \$25.2 million, all from special revenue funds, in base budget expenditures. Significant adjustments are as follows:

4. **SALARIES AND WAGES.** The request includes an increase of \$580,734 for increased salaries and wages expenditures for FY 2025. This increase is partially attributable to increased employer contributions for fringe benefits, including those for the Kansas Police and Firemen's (KP&F) retirement plan. The increase is also attributable to filling vacant positions and advancement in career progression plans in the Vehicle Identification Number (VIN) program.
5. **HAYS AIRCRAFT HANGAR.** The request includes \$1.3 million, all from the Executive Aircraft Fund, to purchase a newly constructed aircraft hangar at the Hays Regional Airport (HRA). The current hangar is leased at a rate of \$13,500 per year and offers limited space to store two law enforcement aircraft, which runs the risk of damage. The HRA offers to assume the cost of constructing a new hangar, should the agency provide \$1.3 million for certain aspects. The agency would own the hangar and lease the airport property at an initial rate of \$6,773 per year and \$8,837 in later years. The new hangar would provide additional space and flight crew offices, and serve as an alternative location for storage of the executive aircraft.
6. **AIRCRAFT OPERATIONS.** The request includes a decrease of \$8.0 million for aircraft operations for FY 2025. The decrease is primarily attributable to the one-time purchase of an additional Airbus H125 law enforcement helicopter (\$7.0 million) in FY 2024, which was approved by the 2023 Legislature. The decrease is also attributable to decreased contractual services associated with outfitting the executive aircraft, which was purchased in FY 2023.
7. **OTHER CAPITAL IMPROVEMENTS.** The request includes a decrease of \$18.3 million in capital improvement expenditures for FY 2025. The decrease is attributable to expenditures for major improvements to the KHP Training Academy and construction of a new Central Dispatch Facility in Salina occurring in FY 2024 but not reoccurring for FY 2025.
8. **LAW ENFORCEMENT EQUIPMENT.** The request includes a decrease of \$416,759 for the purchase of specialized equipment for Troopers. The decrease is primarily attributable to the purchase of radios utilizing one-time federal ARPA funds in FY 2023, which reduces the need for FY 2024.
9. **ALL OTHER ADJUSTMENTS.** Other adjustments include decreased expenditures for contractual services fees, partially offset by increased expenditures for the purchase of law enforcement vehicles in the Fleet program, gasoline, building space rent, and IT services.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$117.9 million, all from special revenue funds, in expenditures for FY 2025. This is a decrease of \$2.2 million, or 1.8 percent, below the FY 2025 requested amount. The recommendation includes funding for the agency's enhancement requests concerning premium pay and body-worn cameras, but does not include funding for the purchase of the Troop B Headquarters facility. The recommendation includes 880.0 FTE positions, which is unchanged from the requested number.

The **Governor's** recommendation includes the following adjustments:

10. **TROOP B HEADQUARTERS BUILDING - NOT RECOMMENDED.** The Governor does not recommend the agency's enhancement request of \$2.3 million, all from the KHP

Operations Fund, for purchase of the Troop B Headquarters facility in Shawnee County for FY 2025.

11. **BOOT ALLOWANCE.** The Governor recommends the addition of \$125,000, all from the KHP Operations Fund, to provide sworn officers with an annual boot allowance of \$250 for FY 2025.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 11 SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025						
Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2024 Supplementals:						
1. KHP Training Academy Improvements	\$ -	\$ 7,228,517	-	\$ -	\$ 7,228,517	-
2. New Central Dispatch Facility	-	10,000,000	-	-	10,000,000	-
TOTAL	\$ -	\$ 17,228,517	-	\$ -	\$ 17,228,517	-
FY 2025 Enhancements:						
3. Premium Pay	\$ -	\$ 312,172	-	\$ -	\$ 312,172	-
4. Troop B Headquarters Building	-	2,300,000	-	-	-	-
5. Body-worn Cameras	-	2,000,000	-	-	2,000,000	-
6. Boot Allowance	-	-	-	-	125,000	-
TOTAL	\$ -	\$ 4,612,172	-	\$ -	\$ 2,437,172	-

- KHP TRAINING ACADEMY IMPROVEMENTS.** The agency requests \$7.2 million, all from the Highway Patrol Training Center Fund, for major capital improvements to the KHP Training Academy facility in Salina in FY 2024. Acquired by the agency in 1992, the 17-acre property is the site of the former Marymount College and includes five buildings totaling 170,000 square feet, which were largely constructed in the 1960s. The space includes classrooms, auditoriums, a cafeteria, a dormitory, and a gymnasium, which are used for training trooper cadets and continuing education courses for troopers and dispatchers, and are made available to outside agencies. The facility currently houses regional Troop offices, Central Dispatch, and Central Supply.

Due to the age of the facility, the agency notes significant improvements are necessary to decrease operating costs and increase safety and reliability. The request supports 20 capital projects, which primarily include:

- \$2.2 million to fully replace water, plumbing, and electrical lines that largely date from the 1960s that frequently fail;
- \$1.2 million to upgrade and reconfigure bathrooms;
- \$872,850 to replace deteriorating concrete caps covering portions of the facility power plant and utility tunnels. The agency notes portions of the caps have previously collapsed, creating safety concerns;
- \$681,089 to replace windows on the dormitory and gymnasium; and
- Other projects that include installation of efficient LED lighting, HVAC system upgrades, elevator replacement, and enhanced security features.

The Governor recommends adoption of this request.

- NEW CENTRAL DISPATCH FACILITY.** The agency requests \$10.0 million, all from the KHP Operations Fund, to construct a new Central Dispatch Facility in FY 2024. Dispatch services are currently located in the basement of a building on the grounds of the KHP Training Academy in Salina. The unit provides 24-hour radio dispatching for troopers statewide, coordinates emergency medical relays using aircraft and ground units, and monitors alarms and warning systems.

The agency states that personnel and equipment exceed the capacity of the current space and the configuration does not meet the federal Americans with Disabilities Act recommendations concerning workspace.

The proposed Central Dispatch Facility would be located off-site on property owned by the Department of Transportation. The request includes:

- \$5.0 million for construction of a structure that integrates disaster preparedness design able to withstand disruptions caused by severe weather, such as tornadoes;
- \$4.6 million for dispatch consoles and works stations with redundant data and communications systems providing immediate backup capabilities; and
- Safety and security measures that provide improved working conditions for the well-being of dispatchers.

The Governor recommends adoption of this request.

3. **PREMIUM PAY.** The agency requests \$312,172, all from the KHP Operations Fund, for increased differential pay and to establish weekend premium pay for sworn officers and dispatchers for FY 2025, as negotiated in a recent memorandum of agreement with the State Trooper Association. The request includes:

- \$155,969 to increase differential pay from \$0.75 per hour to \$1 per hour; and
- \$156,203 to establish weekend premium pay of \$1 per hour.

The Governor recommends adoption of this request.

4. **TROOP B HEADQUARTERS BUILDING.** The agency requests \$2.3 million, all from the KHP Operations Fund, to purchase the Troop B Headquarters facility in Shawnee County for FY 2025. Troop B, which is headquartered in Topeka, is responsible for highway law enforcement among 12 counties in northeast Kansas. The facility, which includes offices, storage space, and four warehouses, was first leased in December 2010. The lease expires soon, with an optional five-year extension. Should the agency extend the lease through 2030, it estimates rent expenditures would total \$3.5 million, not including escalator charges and insurance. The agency proposes to purchase the facility for a lesser amount of \$2.3 million, which is the current appraised value.

The Governor does not recommend adoption of this request.

5. **BODY-WORN CAMERAS.** The agency requests \$2.0 million, all from the KHP Operations Fund, to purchase body-worn cameras for law enforcement officers for FY 2025. The agency notes such cameras provide real-time information on law enforcement conduct and add a surveillance tool contributing to officer safety. This funding would provide a 50.0 percent match for a prospective federal grant supporting procurement of body cameras. With the grant funding, the enhancement would support:

- Purchase of 475 body worn cameras; and
- Data storage for five years.

The Governor recommends adoption of this request.

6. **BOOT ALLOWANCE.** The Governor recommends the addition of \$125,000, all from the KHP Operations Fund, to provide sworn officers with an annual boot allowance of \$250 for FY 2025.

SPECIAL TOPICS

INTERIM COMMITTEE RECOMMENDATIONS

Several interim committees made recommendations to the 2024 Legislature concerning the Kansas Highway Patrol (KHP). These recommendations include:

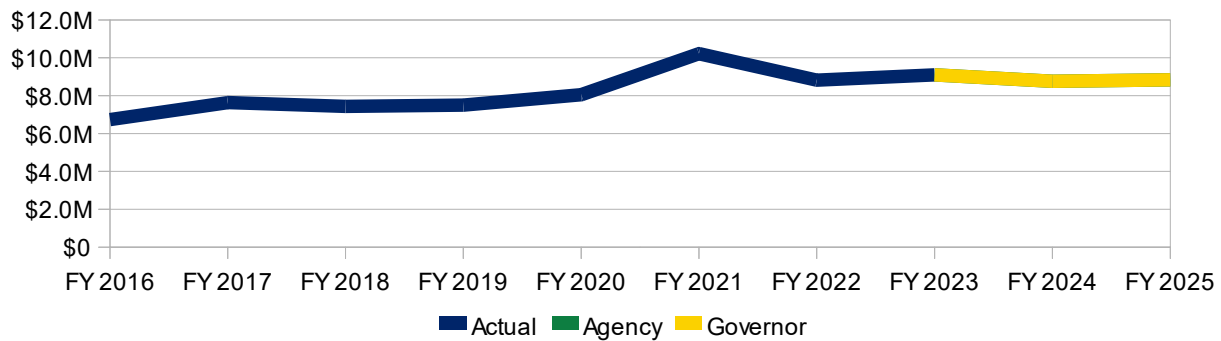
- J. Russell (Russ) Jennings Joint Committee on Corrections and Juvenile Justice Oversight supports KHP's budget enhancement requests in FY 2024 and for FY 2025. These requests include:
 - Funding for upgrades to the Training Academy campus in Salina;
 - Funding for construction of a new communications and dispatch center in Salina;
 - Approximately \$300,000 for shift differential pay among state troopers;
 - \$3.0 million to purchase the previously leased Troop B Headquarters facility in Topeka; and
 - \$2.0 million to provide a State match for a federal grant supporting procurement of body-worn cameras.
- The Joint Committee on State Building Construction approves the agency's five-year capital improvement plan. The plan includes, but is not limited to, the following projects:
 - Enhanced funding for major improvements to the KHP Training Academy facility in Salina;
 - Purchase of a new aircraft hangar in Hays, resulting from a collaboration with the Hays Regional Airport;
 - Construction of a new Central Dispatch facility in Salina;
 - Scale house replacement efforts; and
 - Construction of a storage facility at Troop E in Garden City.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 9,098,112	\$ 8,757,689	\$ 8,757,689	\$ 8,836,340	\$ 8,836,340
Operations Support	78,308,784	70,296,687	70,296,687	71,648,505	71,773,505
Capitol Police	1,506,744	1,476,023	1,476,023	1,479,760	1,479,760
Aircraft Operations	26,339,715	11,641,113	11,641,113	3,689,072	3,689,072
Fleet Operations	12,542,451	9,259,988	9,259,988	9,498,419	9,498,419
Homeland Security	6,554,933	4,530,086	4,530,086	4,536,725	4,536,725
Vehicles ID Number	3,581,968	3,514,714	3,514,714	3,838,127	3,838,127
Motor Carrier	2,928,011	4,434,601	4,434,601	4,434,601	4,434,601
Inspection					
Motorist Assistance	1,640,389	1,574,812	1,574,812	1,574,812	1,574,812
Turnpike Patrol	5,272,291	4,787,921	4,787,921	4,797,581	4,797,581
Capital Improvements	386,117	20,454,363	20,454,363	5,770,820	3,470,820
TOTAL	\$ 148,159,515	\$ 140,727,997	\$ 140,727,997	\$ 120,104,762	\$ 117,929,762
FTE Positions:					
Administration	75.5	75.5	75.5	75.5	75.5
Operations Support	583.5	583.5	583.5	583.5	583.5
Capitol Police	21.0	21.0	21.0	21.0	21.0
Aircraft Operations	17.0	17.0	17.0	17.0	17.0
Fleet Operations	13.0	13.0	13.0	13.0	13.0
Homeland Security	4.0	4.0	4.0	4.0	4.0
Vehicles ID Number	41.0	41.0	41.0	41.0	41.0
Motor Carrier	53.0	53.0	53.0	53.0	53.0
Inspection					
Motorist Assistance	19.0	19.0	19.0	19.0	19.0
Turnpike Patrol	53.0	53.0	53.0	53.0	53.0
TOTAL	880.0	880.0	880.0	880.0	880.0

ADMINISTRATION

FIGURE 13
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-2113 (Administration), 45-215 through 45-223 (Records Unit)

PROGRAM GOALS: • Improve the function, operation, and cohesiveness of KHP programs; and maintain or improve the consistency of agency management and operations.

The Administration program provides leadership and support for the successful operation of KHP law enforcement. This program includes the Superintendent's Office, the Professional Standards Unit, Fiscal, and legal, records, information technology, public and government affairs, and human resources services. The agency's information technology function was combined with this program beginning in FY 2018.

INFORMATION TECHNOLOGY

This subprogram covers 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.

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	238,749	137,705	137,705	137,272	137,272
All Other Funds	8,859,363	8,619,984	8,619,984	8,699,068	8,699,068
TOTAL	\$ 9,098,112	\$ 8,757,689	\$ 8,757,689	\$ 8,836,340	\$ 8,836,340
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	3.2 %	(3.7) %	-- %	0.9 %	-- %
FTE Positions	75.5	75.5	75.5	75.5	75.5

BUDGET ANALYSIS

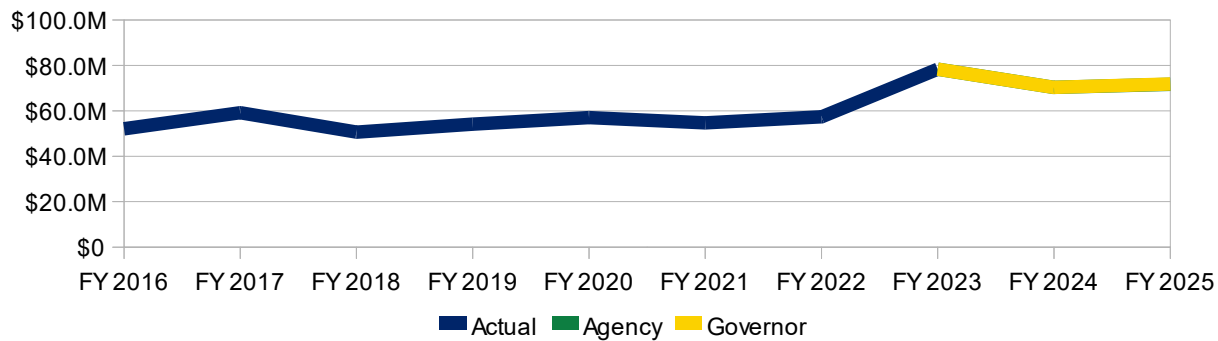
The **agency** requests \$8.8 million, all from special revenue funds, in expenditures for the Administration program for FY 2025. This is an increase of \$78,651, or 0.9 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased expenditures for information technology services. The increase is also attributable to increased

building space rental at various locations across the state and at General Headquarters facilities in Topeka.

The **Governor** concurs with the agency's request for the Administration program for FY 2025

OPERATIONS SUPPORT

FIGURE 15
OPERATIONS SUPPORT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-2105 and 74-2108

PROGRAM GOALS:

- Enforce the laws of the State relating to public and private motor carriers of passengers or property. Maximize public presence and road patrol by troopers.
- Reduce the number and severity of traffic crashes through the enforcement of impaired driving and occupant protection laws.
- Reduce the number of impaired drivers operating vehicles on Kansas roadways.
- Deter motorists from driving impaired and arrest impaired drivers through proven DUI countermeasures, such as selective enforcement efforts and sobriety check lanes.
- Pursue, apprehend, and prosecute those who utilize Kansas highways for criminal activities.
- Promote the use of child restraints and safety belts through aggressive enforcement and educational programs.

The 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 to enhance the detection and apprehension 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 40 hours of continuing education

for each KHP sworn officer required by KSA 74-2607a. The Training Academy is also 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. The KCC assesses 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.

FIGURE 16
OPERATIONS SUPPORT FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	25,368,328	8,444,346	8,444,346	8,106,005	8,106,005
All Other Funds	52,940,456	61,852,341	61,852,341	63,542,500	63,667,500
TOTAL	\$ 78,308,784	\$ 70,296,687	\$ 70,296,687	\$ 71,648,505	\$ 71,773,505
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	36.6 %	(10.2) %	-- %	1.9 %	0.2 %
FTE Positions	583.5	583.5	583.5	583.5	583.5

BUDGET ANALYSIS

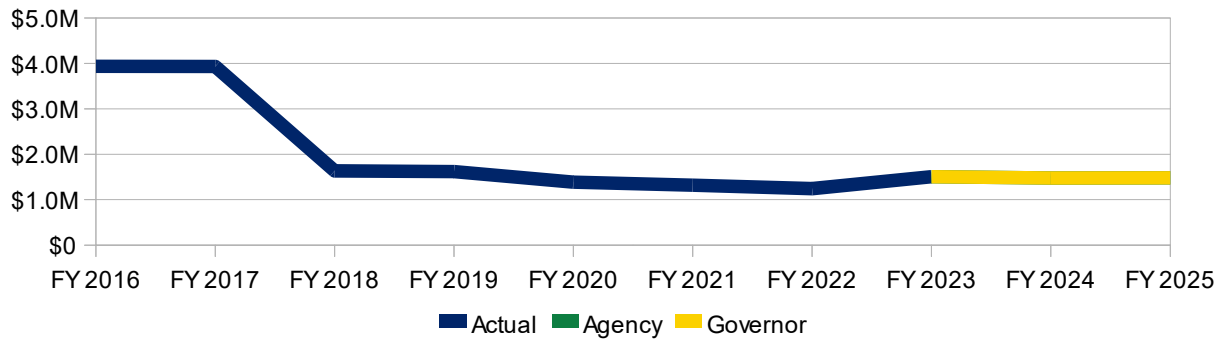
The **agency** requests \$71.6 million, all from special revenue funds, in expenditures for the Operations Support program for FY 2025. This is an increase of \$1.4 million, or 1.9 percent, above the FY 2024 revised estimate. The increase is attributable to the agency's two enhancement requests, which includes \$2.0 million for the purchase of body-worn cameras and \$312,172 for increased differential and premium pay for law enforcement officers and dispatchers. The increase is also attributable to increased employer contributions for fringe benefits, such as the KP&F retirement plan. The increase is partially offset primarily by

decreased expenditures for contractual services and the purchase of law enforcement life and safety equipment, including radios.

The **Governor** recommends \$71.8 million, all from special revenue funds, in expenditures for the Operations Support program for FY 2025. This is an increase of \$125,000, all from the KHP Operations Fund, above the requested amount. The increase is due to the Governor recommending the addition of \$125,000 to provide sworn officers with an annual boot allowance of \$250.

CAPITOL POLICE

FIGURE 17
CAPITOL POLICE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-2108, 74-2105, 75-4503

PROGRAM GOALS:

- Provide for the proactive safety of persons and the protection of property within the Capitol Complex and on other state-owned or state-leased property within Shawnee County.
- Decrease the damage and losses suffered by employees, and by the State, for property located within the Capitol Security's area of operation.
- Increase the proactive safety of persons and property to include State parking lots located within the respective area of operations.

The Capitol Police 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.

FIGURE 18 CAPITOL POLICE FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,506,744	1,476,023	1,476,023	1,479,760	1,479,760
TOTAL	\$ 1,506,744	\$ 1,476,023	\$ 1,476,023	\$ 1,479,760	\$ 1,479,760
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	21.2 %	(2.0) %	-- %	0.3 %	-- %
FTE Positions	21.0	21.0	21.0	21.0	21.0

BUDGET ANALYSIS

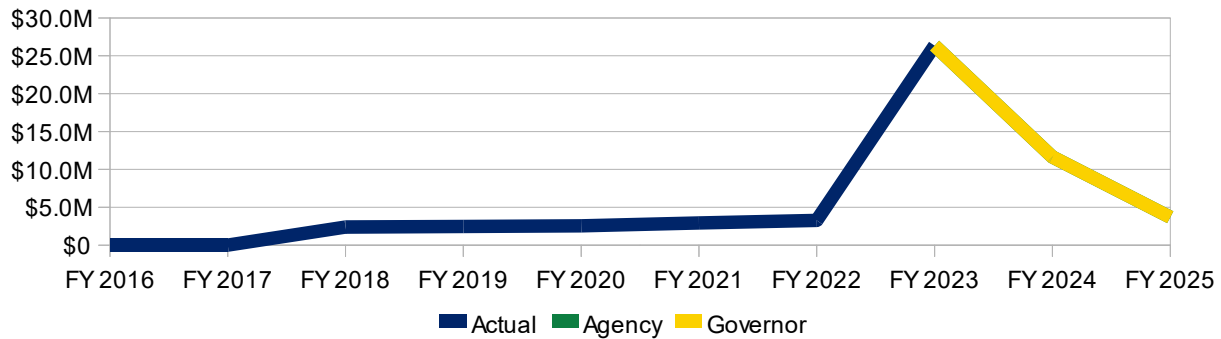
The **agency** requests \$1.5 million, all from special revenue funds, in expenditures for the Capitol Police program for FY 2025. This is an increase of \$3,737, or 0.3 percent, above the FY 2024 revised estimate. The increase is

primarily attributable to increased employer contributions for fringe benefits.

The **Governor** concurs with the agency's request for the Capitol Police program for FY 2025.

AIRCRAFT OPERATIONS

FIGURE 19
AIRCRAFT OPERATIONS EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-2105

PROGRAM GOALS: • The KHP is the only statewide law enforcement agency that provides airborne services to local, state, and federal agencies. In addition to the KHP aircraft fleet, the agency also manages the executive aircraft, which provides secure transportation services to the Governor and other state agencies.

The Aircraft Operations program was created in 2018 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 Wichita and Hays. Beginning in FY 2006, \$400,000 was transferred from the Kansas

Highway Patrol Motor Vehicle Fund to the Aircraft Fund to subsidize aircraft operations and maintenance. The transfer was increased to \$600,000 in FY 2014. Beginning in FY 2023, this transfer was replaced with transfers from the State Highway Fund of \$1.3 million for law enforcement aircraft operations and \$1.5 million for executive aircraft operations.

FIGURE 20
AIRCRAFT OPERATIONS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	6,938	-	-	-	-
All Other Funds	26,332,777	11,641,113	11,641,113	3,689,072	3,689,072
TOTAL	\$ 26,339,715	\$ 11,641,113	\$ 11,641,113	\$ 3,689,072	\$ 3,689,072
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	705.5 %	(55.8) %	-- %	(68.3) %	-- %
FTE Positions	17.0	17.0	17.0	17.0	17.0

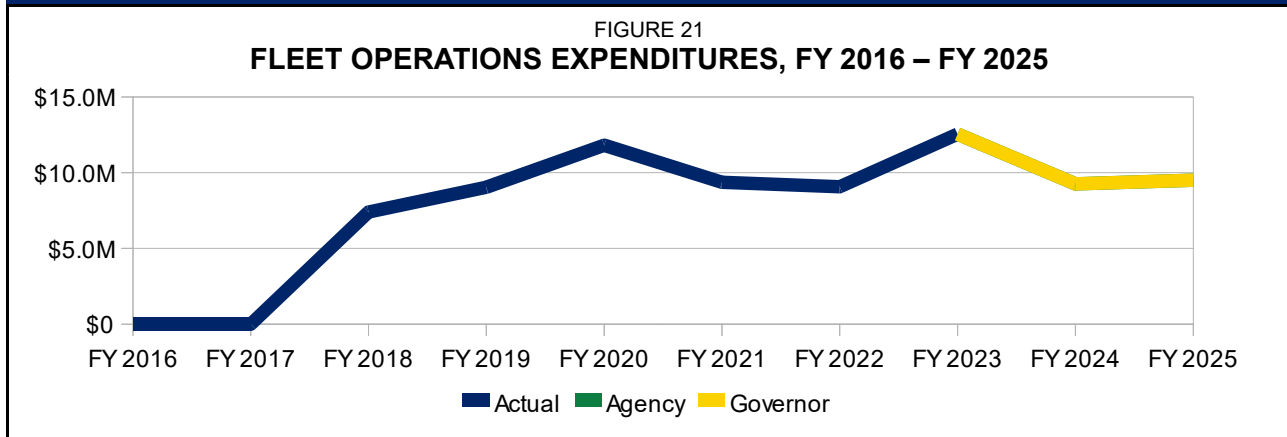
BUDGET ANALYSIS

The **agency** requests \$3.7 million, all from special revenue funds, in expenditures for the Aircraft Operations program for FY 2025. This is a decrease of \$8.0 million, or 68.3 percent, below the FY 2024 revised estimate. The decrease is primarily attributable a decrease of \$7.0 million, all from the Aircraft Fund, for the one-time purchase of an additional Airbus H125

law enforcement helicopter that occurred in FY 2024, which was approved by the 2023 Legislature. The decrease is also attributable to decreased contractual services for outfitting the recently-acquired Cessna CJ3 executive jet.

The **Governor** concurs with the agency's request for the Aircraft Operations program for FY 2025.

FLEET OPERATIONS



STATUTORY BASIS: • KSA 74-2124 and 74-2136

PROGRAM GOALS: • Maintain a vehicle replacement program that will provide safer, better-quality vehicles for the KHP, and provide low-mileage vehicles for sale to local law enforcement and other state and local agencies.

The Fleet Operations program was established in FY 1997 to capture all costs associated with the agency's vehicle fleet operations. Expenditures 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). Since FY 2018, these expenditures have been separate from the Operations Support program. Beginning in FY 2019, trooper recruit expenses related to vehicles were made from the Staffing and Training Fund.

FIGURE 22
FLEET OPERATIONS FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	12,542,451	9,259,988	9,259,988	9,498,419	9,498,419
TOTAL	\$ 12,542,451	\$ 9,259,988	\$ 9,259,988	\$ 9,498,419	\$ 9,498,419
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	38.3 %	(26.2) %	-- %	2.6 %	-- %
FTE Positions	13.0	13.0	13.0	13.0	13.0

BUDGET ANALYSIS

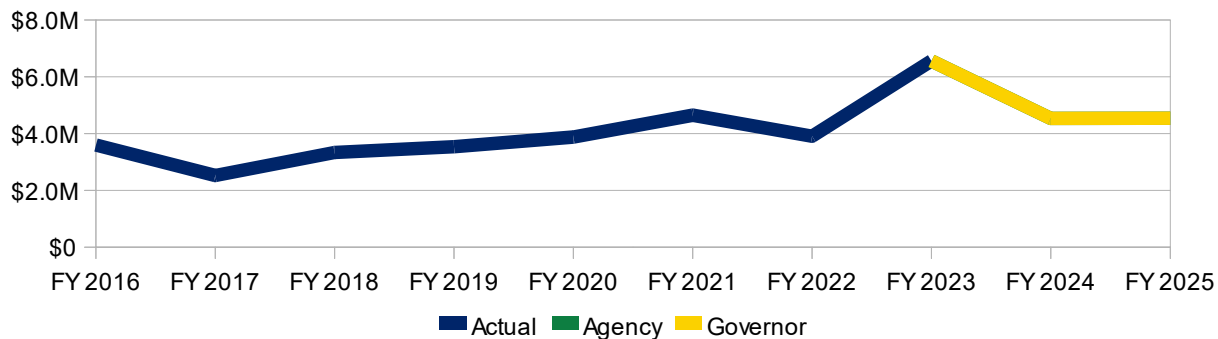
The **agency** requests \$9.5 million, all from special revenue funds, in expenditures for the Fleet Operations program for FY 2025. This is an increase of \$238,431, or 2.6 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased costs for the

purchase of law enforcement vehicles and parts.

The **Governor** concurs with the agency's request for the Fleet Operations program for FY 2025.

HOMELAND SECURITY

FIGURE 23
HOMELAND SECURITY EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Public Law 111-83, Public Law 110-53, 6 U.S.C. §101 *et seq.*

PROGRAM GOALS: • Support state, local, and tribal efforts to prevent terrorism and other catastrophic events, and help to prepare the nation for the threats and hazards that pose the greatest risk to the security of the United States.

The KHP is the state-designated 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 to, and recover from acts of terrorism and other catastrophic events.

FIGURE 24
HOMELAND SECURITY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	5,723,519	3,806,155	3,806,155	3,699,255	3,699,255
All Other Funds	831,414	723,931	723,931	837,470	837,470
TOTAL	\$ 6,554,933	\$ 4,530,086	\$ 4,530,086	\$ 4,536,725	\$ 4,536,725
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	67.8 %	(30.9) %	-- %	0.1 %	-- %
FTE Positions	4.0	4.0	4.0	4.0	4.0

BUDGET ANALYSIS

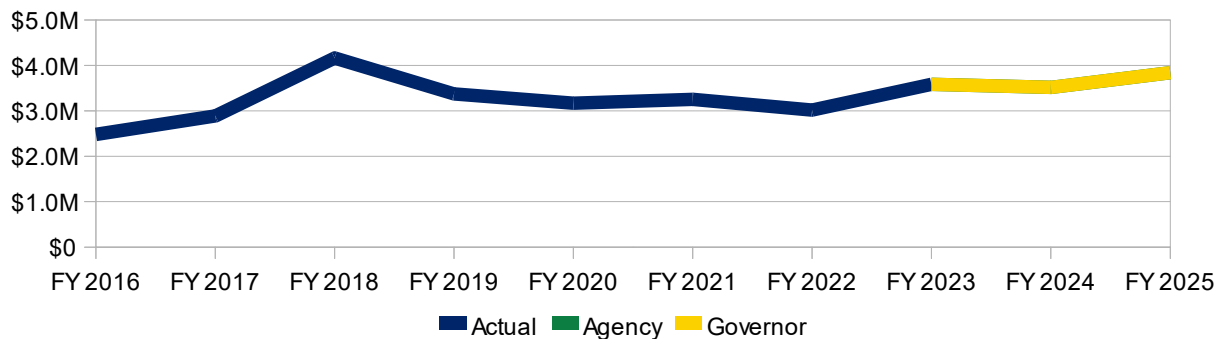
The **agency** requests \$4.5 million, all from special revenue funds, in expenditures for the Homeland Security program for FY 2025. This is an increase of \$6,639, or 0.1 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased employer contributions for fringe benefits. The increase is

also attributable to increased expenditures for gasoline and building space rental.

The **Governor** concurs with the agency's request for the Homeland Security program for FY 2025.

VEHICLE ID NUMBER

FIGURE 25
VEHICLE ID NUMBER EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 8-116a, 74-2135

PROGRAM GOALS: • Preserve the integrity of Kansas motor vehicle titles and provide prompt and courteous service to customers by increasing the detection and recovery of stolen vehicles and/or component parts; train other law enforcement agencies in auto theft and vehicle inspections; and work closely with the Kansas Department of Revenue in titling and registering vehicles.

The Vehicle ID Number (VIN) program is responsible for the inspection of the VIN 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 \$15.00 per inspection (an increase of

\$5.00 over the previous inspection fee of \$10.00), which is deposited into the VIN Fund. This fee was then increased to \$20.00 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 the increased inspection fee has allowed the program to be self-supporting since FY 2013.

FIGURE 26 VEHICLE ID NUMBER FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	7,264	-	-	-	-
All Other Funds	3,574,704	3,514,714	3,514,714	3,838,127	3,838,127
TOTAL	\$ 3,581,968	\$ 3,514,714	\$ 3,514,714	\$ 3,838,127	\$ 3,838,127
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	18.8 %	(1.9) %	-- %	9.2 %	-- %
FTE Positions	41.0	41.0	41.0	41.0	41.0

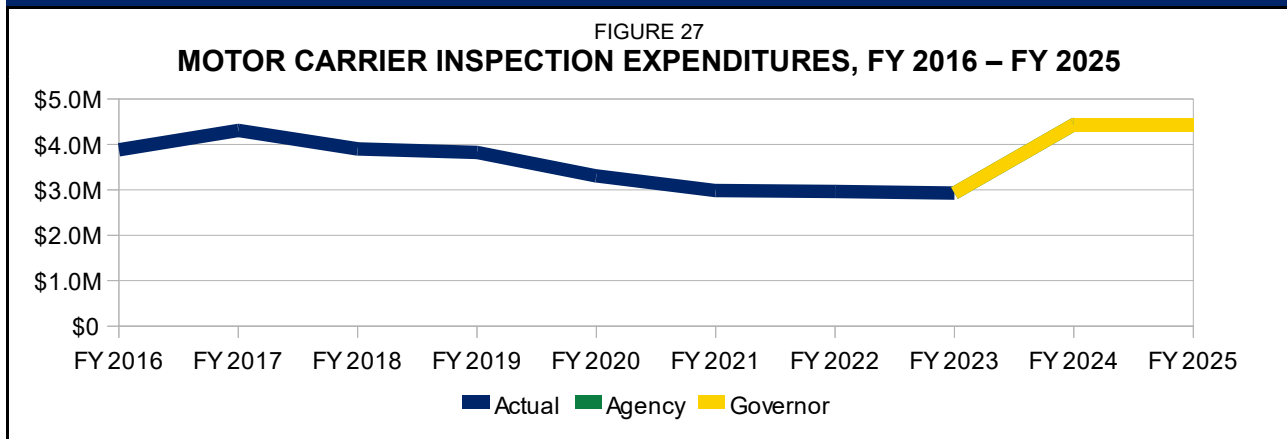
BUDGET ANALYSIS

The **agency** requests \$3.8 million, all from special revenue funds, in expenditures for the Vehicle ID Number program for FY 2025. This is an increase of \$323,413, or 9.2 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased salaries and wages expenditures due to filling vacant

positions and advancement in career progression plans.

The **Governor** concurs with the agency's request for the Vehicle ID Number program for FY 2025.

MOTOR CARRIER INSPECTION



STATUTORY BASIS: • KSA 66-1302, 66-1318, and 74-2108

PROGRAM GOALS: • Protect the infrastructure of highways in Kansas and enhance the safety of motorists on Kansas roads by eliminating the operation of overweight and unsafe commercial motor vehicles in Kansas.

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 Kansas 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 related facilities located throughout the state.

FIGURE 28
MOTOR CARRIER INSPECTION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	2,928,011	4,434,601	4,434,601	4,434,601	4,434,601
TOTAL	\$ 2,928,011	\$ 4,434,601	\$ 4,434,601	\$ 4,434,601	\$ 4,434,601
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(1.2) %	51.5 %	-- %	-- %	-- %
FTE Positions	53.0	53.0	53.0	53.0	53.0

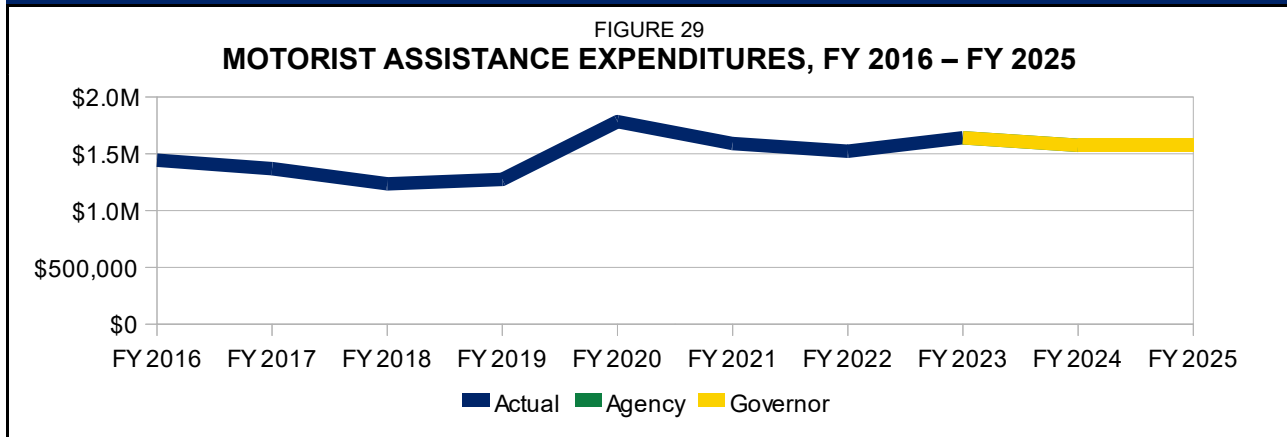
BUDGET ANALYSIS

The **agency** requests \$4.4 million, all from special revenue funds, in expenditures for the Motor Carrier Inspection program for FY 2025. This is the same amount requested in the FY 2024 revised estimate. Adjustments primarily include increased expenditures for employer contributions for fringe benefits and vehicle

parts, partially offset by decreased expenditures for regular pay and building maintenance services.

The **Governor** concurs with the agency's request for the Motor Carrier Inspection program for FY 2025.

MOTORIST ASSISTANCE



STATUTORY BASIS: • N/A

- PROGRAM GOALS:**
- Protect and assist stranded motorists by reducing safety risks created by themselves and other drivers.
 - Reduce congestion in the metropolitan areas during peak traffic hours by removal of disabled vehicles from traffic lanes.
 - Assist state and local law enforcement agencies in the prevention of incidents that endanger motorists and disrupt traffic flow.
 - Free road patrol troopers to perform duties requiring law enforcement powers through the cost-effective employment of non-sworn motorist assist technicians.

The Motorist Assistance Program (MAP) was established with the Kansas Department of Transportation to patrol major urban interstate highways to assist stranded motorists. The program provides assistance to motorists in urban and metropolitan areas, increasing the safety of all travelers and easing traffic congestion. The program is staffed by non-FTE unclassified employees who patrol major interstates, which allows KHP troopers to

concentrate on law enforcement duties rather than assisting stranded individuals. The cost of this program is shared with the Kansas Department of Transportation with funding provided through federal funds (80.0 percent) and a state match through the Highway Safety Fund (20.0 percent). [Staff Note: the Highway Safety Fund receives a transfer from the State Highway Fund.]

FIGURE 30
MOTORIST ASSISTANCE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,311,054	822,333	822,333	806,803	806,803
All Other Funds	329,335	752,479	752,479	768,009	768,009
TOTAL	\$ 1,640,389	\$ 1,574,812	\$ 1,574,812	\$ 1,574,812	\$ 1,574,812
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	7.8 %	(4.0) %	-- %	-- %	-- %
FTE Positions	19.0	19.0	19.0	19.0	19.0

BUDGET ANALYSIS

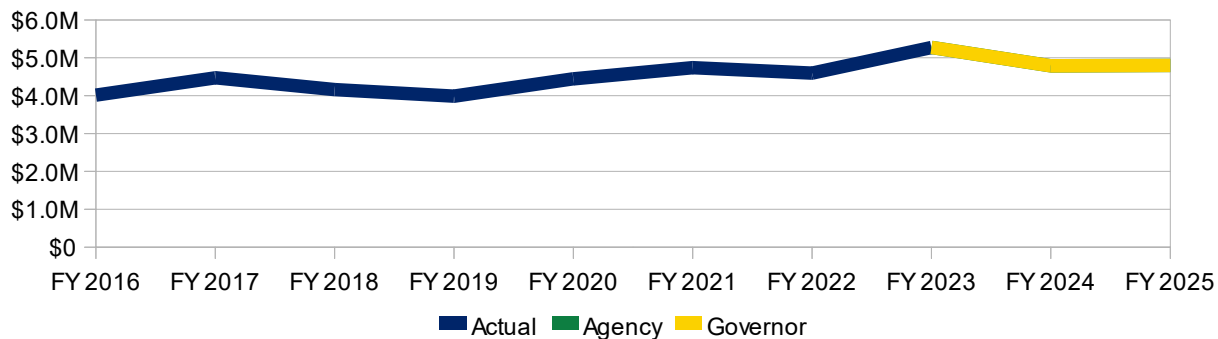
The **agency** requests \$1.6 million, all from special revenue funds, in expenditures for the Motorist Assistance program for FY 2025. This is the same amount requested in the FY 2024 revised estimate. Adjustments primarily include decreased expenditures for cell phone services and vehicle parts, partially offset by increased

expenditures for gasoline and rising costs associated with the purchase of a Ford F-350 truck.

The **Governor** concurs with the agency's request for the Motorist Assistance program for FY 2025.

TURNPIKE PATROL

FIGURE 31
TURNPIKE PATROL EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 68-2025

PROGRAM GOALS:

- Reduce fatality and serious injury accidents occurring on the Kansas Turnpike.
- Enhance the safety of persons traveling on Kansas roads by removing the criminal element from the Kansas Turnpike.
- Service motorists needing assistance on the Kansas Turnpike.

The Turnpike Patrol program, which began in 1956, 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 Kansas Turnpike Authority (KTA) property. The agency notes the KTA reimburses the KHP for all expenditures related to patrol of the Turnpike.

FIGURE 32
TURNPIKE PATROL FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	20,987	-	-	-	-
All Other Funds	5,251,304	4,787,921	4,787,921	4,797,581	4,797,581
TOTAL	\$ 5,272,291	\$ 4,787,921	\$ 4,787,921	\$ 4,797,581	\$ 4,797,581
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	14.7 %	(9.2) %	-- %	0.2 %	-- %
FTE Positions	53.0	53.0	53.0	53.0	53.0

BUDGET ANALYSIS

The **agency** requests \$4.8 million, all from special revenue funds, in expenditures for the Turnpike Patrol program for FY 2025. This is an increase of \$9,660, or 0.2 percent, above the FY 2024 revised estimate. The increase is primarily attributable to increased employer

contributions for fringe benefits, including those for the KP&F retirement plan.

The **Governor** concurs with the agency's request for the Turnpike Patrol program for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Highway Patrol is responsible for maintaining the Training Academy campus (Troop J), as well as various Troop headquarters facilities across Kansas. These structures include a 70,000-square-foot vehicle fleet storage facility at Billard Airport in Topeka,

and multiple motor carrier inspection stations with scales that were constructed beginning in 1950. The Training Academy, located at the former Marymount College in Salina, includes five buildings totaling 170,000 square feet, which were largely constructed in the 1960s.

FIGURE 33
CAPITAL IMPROVEMENTS, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Troop J - Training Academy Major Projects	\$ 182,915	\$ 8,167,490	\$ 8,167,490	\$ -	\$ -
Troop J - Training Academy Maintenance	-	117,634	117,634	-	-
Troop Facility - Major Projects	171,765	927,776	927,776	948,750	948,750
Troop Facility - Maintenance and Repair	3,935	46,122	46,122	34,960	34,960
Troop I - Scale House Repair and Replacement	-	1,186,000	1,186,000	1,197,500	1,197,500
Fleet Program Repair	27,502	9,339	9,339	9,610	9,610
Central Dispatch Facility	-	10,000,000	10,000,000	-	-
Troop B Headquarters	-	-	-	2,300,000	-
Hays Aircraft Hangar	-	-	-	1,280,000	1,280,000
TOTAL	\$ 386,117	\$ 20,454,361	\$ 20,454,361	\$ 5,770,820	\$ 3,470,820
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	3,344	400,000	400,000	-	-
All Other Funds	382,773	20,054,363	20,054,363	5,770,820	3,470,820
TOTAL	\$ 386,117	\$ 20,454,363	\$ 20,454,363	\$ 5,770,820	\$ 3,470,820

FY 2024 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$20.5 million, all from special revenue funds, for capital improvements in FY 2024. This is an increase of \$17.7 million, or 632.0 percent, above the FY 2024 approved amount.

The increase is primarily attributable to the agency's two supplemental requests totaling \$17.2 million, which includes major improvements to the Troop J Training Academy and construction of a new Central Dispatch Facility in Salina.

TROOP J TRAINING ACADEMY MAJOR PROJECTS (PROJECTS GREATER THAN \$50,000)

The agency requests \$8.2 million for major projects at the Training Academy in Salina. This

includes a supplemental request of \$7.2 million. The facility, which is the site of a former college, was acquired by the agency in 1992 and includes five buildings containing classrooms, auditoriums, a cafeteria, a dormitory, and a gymnasium. In addition to training trooper cadets, the facility currently houses regional Troop offices, Central Dispatch, and Central Supply. The facility is also used for trooper and dispatcher continuing education courses, and is made available to other organizations.

The agency notes significant improvements are necessary to decrease operating costs and increase safety. The supplemental request supports 20 projects, which primarily include:

- \$2.2 million to replace water, plumbing

and electrical lines largely dating from the 1960s;

- \$1.2 million to upgrade bathrooms;
- \$872,850 to replace deteriorating concrete caps covering the facility power plant and utility tunnels; and
- Installation of efficient lighting, HVAC system upgrades, and elevator replacement.

TROOP J TRAINING ACADEMY MAINTENANCE (PROJECTS LESS THAN \$50,000)

The agency requests \$117,634 to update Wi-Fi systems, repair kitchen flooring, and replace walk-in freezer components.

TROOP FACILITY MAJOR PROJECTS (PROJECTS MORE THAN \$50,000)

The agency requests \$927,776 for major projects at various Troop facilities in FY 2024. This includes \$400,000 for construction of a storage facility at Troop E in Garden City to house Special Response Team equipment. Other expenditures include elevator replacement.

TROOP FACILITY MAINTENANCE (PROJECTS LESS THAN \$50,000)

The agency requests \$46,122 to replace the front gate at the Fleet storage facility in Topeka and add security cameras to the Troop A headquarters in Olathe.

TROOP I SCALE HOUSE REPAIR AND REPLACEMENT

The agency requests \$1.2 million, all from the Motor Carrier Assistance Fund, for scale house repair and replacement. A 2008 review recommended replacement of eight motor

carrier inspection stations, including scale houses, to comply with federal requirements. For FY 2024, the agency will replace the North Olathe station (\$920,000). Expenditures also include replacement and maintenance of various scales across the state, as needs arise.

NEW CENTRAL DISPATCH FACILITY

The agency submits a supplemental request of \$10.0 million to construct a new Central Dispatch Facility in FY 2024. Dispatch services are currently located in the basement of a building on the grounds of the KHP Training Academy. This unit provides 24-hour radio dispatching and coordinates emergency medical relays through aircraft and ground assets. The agency notes that the current location is insufficient to house modern dispatching systems while supporting personnel working under intense conditions.

The proposed Central Dispatch Facility would be constructed off-site on property owned by the Kansas Department of Transportation in Salina. The request includes:

- \$5.0 million for construction of a structure that integrates disaster preparedness design able to withstand disruptions caused by severe, such as tornadoes;
- \$4.6 million for dispatch consoles and works stations with redundant data and communications systems providing immediate backup capabilities; and
- Safety and security measures that provide improved working conditions for the well-being of dispatchers.

The **Governor** concurs with the agency's capital improvements revised estimate in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$5.7 million, all from special revenue funds, for capital improvements for FY 2025. This is a decrease of \$14.7 million, or 71.8 percent, below the FY 2024 revised estimate.

The decrease is attributable to decreased expenditures for major improvements to the Troop J Training Academy and construction of a new Central Dispatch Facility occurring in FY 2024 but not reoccurring for FY 2025. The decrease is partially offset by increased

expenditures for the acquisition of the Troop B Headquarters in Shawnee County and an aircraft hangar in Hays.

TROOP FACILITY MAJOR PROJECTS (PROJECTS MORE THAN \$50,000)

The agency requests \$948,750 to replace windows and flooring at Troop C and update an HVAC system at the Fleet facility.

TROOP FACILITY MAINTENANCE (PROJECTS LESS THAN \$50,000)

The agency requests \$34,960 to update lighting with LED fixtures.

TROOP I SCALE HOUSE REPAIR AND REPLACEMENT

The agency requests \$1.2 million, all from the Motor Carrier Assistance Fund, for scale house repair and replacement. For FY 2025, the agency will replace South Olathe station (\$920,000). Expenditures also include replacement and maintenance of various scales across the state as needs arise.

TROOP B HEADQUARTERS BUILDING.

The agency submits an enhancement request of \$2.3 million, all from special revenue funds, to purchase the Troop B Headquarters facility in Shawnee County for FY 2025. The Troop is responsible for highway law enforcement among 12 counties in northeast Kansas.

The current facility, which includes offices, storage space, and warehouses, was first leased in December 2010. The lease expires soon, with an optional five-year extension. Should the agency extend the lease through 2030, it estimates rent expenditures totaling \$3.5 million, not including escalator charges and insurance. The agency proposes to purchase the facility for a lesser amount of \$2.3 million, which is the current appraised value.

HAYS AIRCRAFT HANGAR

The request includes \$1.3 million, all from special revenue funds, to purchase a newly constructed aircraft hangar at the Hays Regional Airport (HRA). The agency currently leases a small hangar at HRA at a rate of \$13,500 per year. Due to limited space, law enforcement aircraft must be stored in stacked configuration, which increases response time when departing and runs the risk of damage. The City of Hays and HRA have offered to assume the cost of constructing a new hangar while ensuring compliance with Federal Aviation Administration requirements.

The new facility includes additional hangar space and flight crew offices, which are not available with the current facility. The new hangar would also provide an alternate location for storage of the executive aircraft.

The expenditure of \$1.3 million by the agency supports:

- Project management and inspection;
- Removal of the existing hangar structure and foundation; and
- Utilities connections.

State funds would not be used for construction. Upon payments totaling \$1.3 million, the agency would own the hangar and lease the airport property. The proposed lease would start at a rate of \$6,773 in the initial year and increase to \$8,837 in later years.

The **Governor** recommends \$3.5 million, all from special revenue funds, in capital improvements expenditures for FY 2025. This is a decrease of \$2.3 million below the FY 2025 request. The decrease is due to the Governor not recommending purchase of the Troop B Headquarters facility in Shawnee County for FY 2025.

KANSAS SENTENCING COMMISSION

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

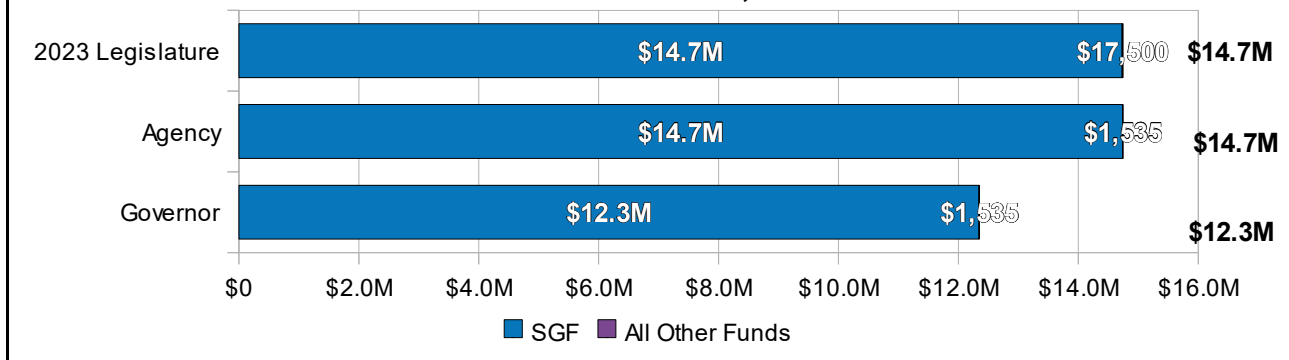
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 9,878,241	\$ 14,740,644	\$ 12,345,143	\$ 16,923,365	\$ 12,219,003
Federal Funds	276,000	-	-	3,684	3,684
All Other Funds	2,735	1,535	1,535	64,195	40,585
<i>Subtotal</i>	<i>\$ 10,156,976</i>	<i>\$ 14,742,179</i>	<i>\$ 12,346,678</i>	<i>\$ 16,991,244</i>	<i>\$ 12,263,272</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 10,156,976	\$ 14,742,179	\$ 12,346,678	\$ 16,991,244	\$ 12,263,272
Percentage Change:					
State General Fund	38.7 %	49.2 %	25.0 %	14.8 %	(1.0) %
All Funds	41.9 %	45.1 %	21.6 %	15.3 %	(0.7) %
FTE Positions	15.0	15.0	15.0	15.0	15.0

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 (KDOC), 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.

EXECUTIVE SUMMARY

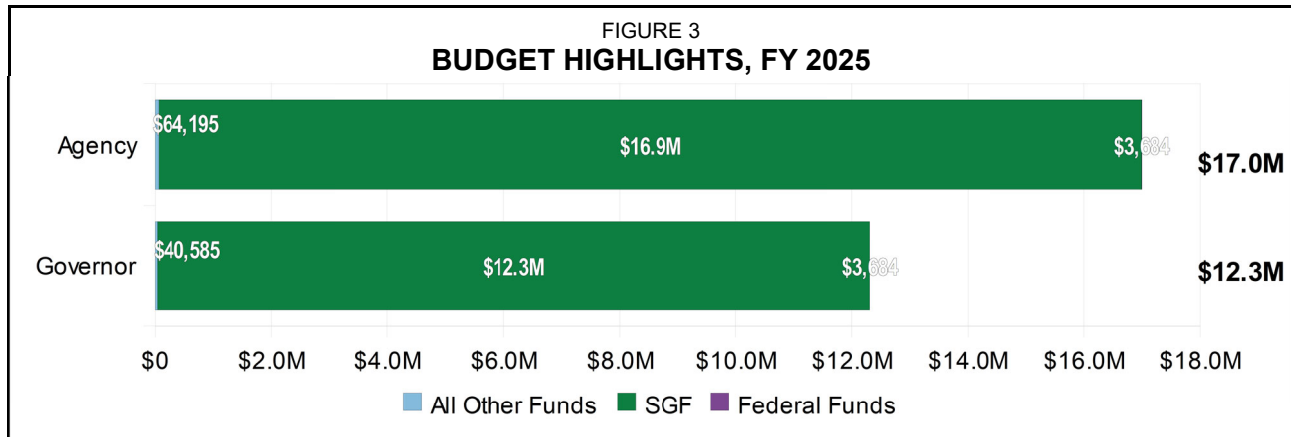
The 2023 Legislature approved a budget of \$12.0 million, including \$12.0 million from the State General Fund (SGF), for the Kansas Sentencing Commission for FY 2024. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. A total of \$2.7 million SGF reappropriated, including \$131,825 in the Administration program and \$2.6 million SGF in the Substance Abuse Treatment Program, in FY 2024.

FIGURE 2
BUDGET HIGHLIGHTS, FY 2024



The **agency** requests a revised estimate of \$14.7 million, including \$14.7 million SGF, in FY 2024. This is an all funds decrease of \$4,472, or less than 0.1 percent, and an SGF increase of \$11,493, or 0.1 percent, from the approved amount in FY 2024.

The **Governor** recommends a revised estimate of \$12.3 million, including \$12.3 million SGF, in FY 2024. This is a **decrease** of \$2.4 million, or 16.2 percent, all funds and \$2.4 million, or 16.3 percent, SGF from the agency's revised estimate in FY 2024. There was a correction to the agency's budget for \$2,627 and a lapse of \$2.4 million from the SB 123 Substance Abuse Treatment Program.



The **agency** requests \$17.0 million all funds, including \$16.9 million SGF. This is an increase of \$2.2 million, or 15.3 percent, above the FY 2024 revised request. The increase is due to the three enhancement requests of \$2.3 million SGF. Minus the enhancements, the FY 2025 request is \$78,198 SGF below the FY 2024 revised request.

The **Governor** recommends \$12.3 million, including \$12.2 million SGF. This is an all funds decrease of \$4.7 million, or 27.8 percent, and an SGF decrease of \$4.7 million, or 27.8 percent, below the agency's request for FY 2024. The reductions are mainly due to corrections in the agency's budget request and a lapse of the SB 123 Substance Abuse Treatment Program for FY 2025.

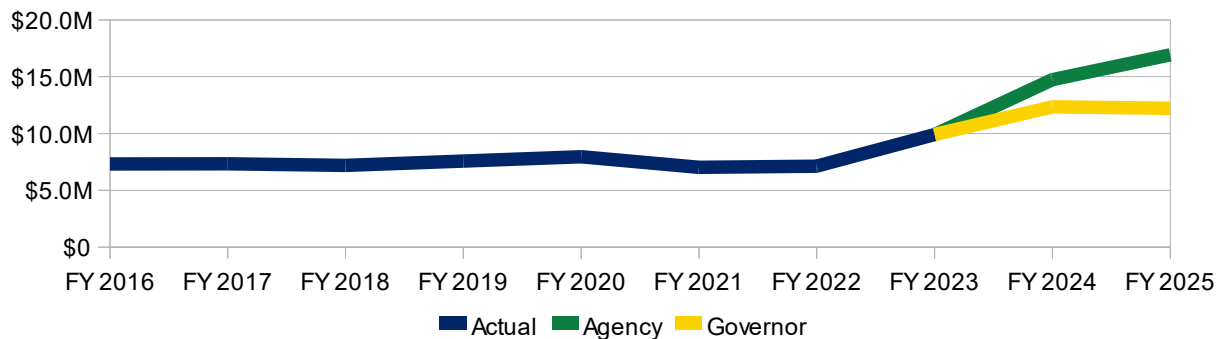
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 1,050,300	\$ 1,269,395	\$ 1,269,395	\$ 1,269,145	\$ 1,269,145
Contractual Services	887,541	772,152	769,525	833,944	735,561
Commodities	12,395	17,371	17,371	14,379	14,379
Capital Outlay	59,839	56,080	56,080	9,880	9,880
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 2,010,075</i>	<i>\$ 2,114,998</i>	<i>\$ 2,112,371</i>	<i>\$ 2,127,348</i>	<i>\$ 2,028,965</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	8,146,901	12,627,181	10,234,307	14,863,896	10,234,307
<i>Subtotal—Operating</i>	<i>\$ 10,156,976</i>	<i>\$ 14,742,179</i>	<i>\$ 12,346,678</i>	<i>\$ 16,991,244</i>	<i>\$ 12,263,272</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 10,156,976	\$ 14,742,179	\$ 12,346,678	\$ 16,991,244	\$ 12,263,272
Financing:					
State General Fund	\$ 9,878,241	\$ 14,740,644	\$ 12,345,143	\$ 16,923,365	\$ 12,219,003
Federal Funds	276,000	-	-	3,684	3,684
All Other Funds	2,735	1,535	1,535	64,195	40,585
TOTAL	\$ 10,156,976	\$ 14,742,179	\$ 12,346,678	\$ 16,991,244	\$ 12,263,272
FTE Positions	15.0	15.0	15.0	15.0	15.0

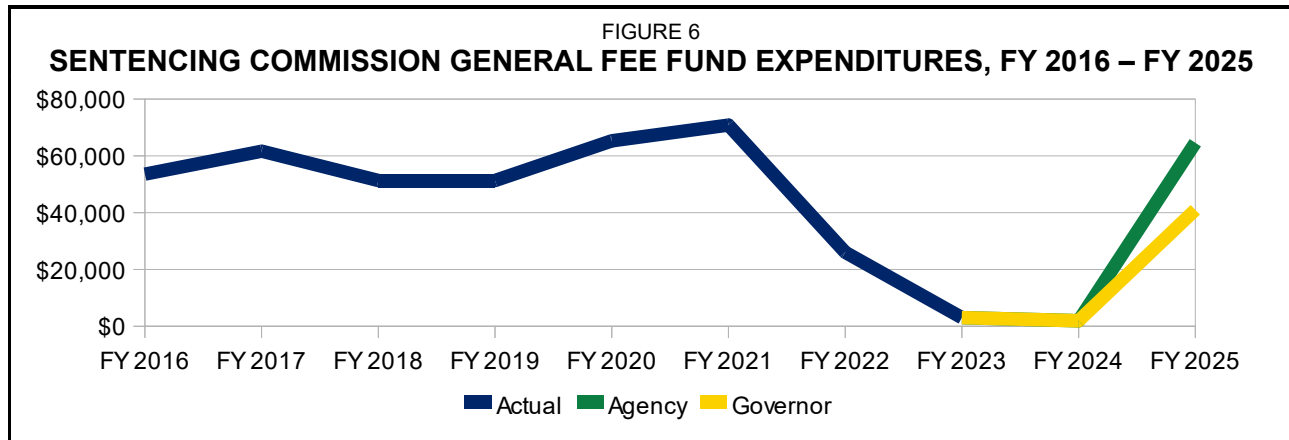
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025

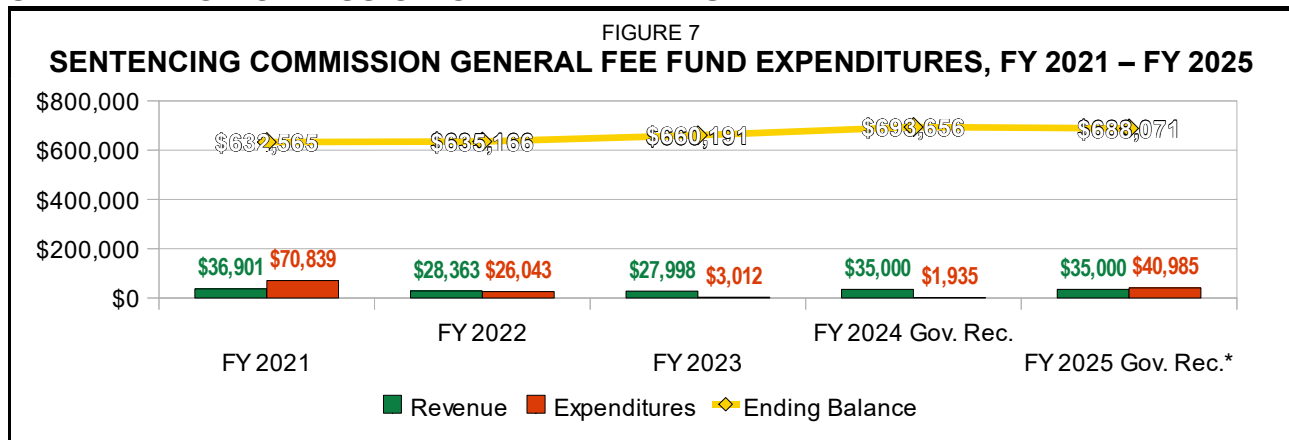


For the Kansas Sentencing Commission, SGF expenditures have averaged \$9.2 million annually since FY 2016. These expenditures are primarily utilized for the 2003 SB 123 Drug Treatment Program, which average \$7.8 million annually, and operating expenditures in the Administration program, which average \$1.4 million annually. Salaries and wages typically compose 65.0 percent of the SGF expenditures in the Administration program. The increase in expenditures in FY 2024 includes \$2.7 million in reappropriations primarily from FY 2023 from the Drug Treatment Program, which the agency anticipates expending in FY 2024. The reduction of SGF for FY 2025 is due to an adjustment by the Governor's recommendation to reduce the 2003 SB 123 program funding due to a technical error.

SENTENCING COMMISSION GENERAL FEE FUND



SENTENCING COMMISSION GENERAL FEE FUND



* For FY 2025, the lowest month ending balance for the Sentencing Commission General Fee Fund will occur in June, with a balance of \$221,000.

The Sentencing Commission General Fee Fund receives moneys from the sale of publications and fees associated with data requests. The Fund previously received moneys from offender reimbursement for the SB 123 Drug Treatment Program, but those funds are now treated as a reimbursement of expenditures from the SGF. Therefore, this fund is no longer a viable funding source to offset SB 123 Drug Treatment Program expenditures. Additionally, the Fund previously received an annual inter-fund transfer of approximately \$54,000 from KDOC to offset costs associated with administering substance abuse treatment to offenders in KDOC's Community Corrections program. The 2020 Legislature eliminated this inter-fund transfer and replaced it with a direct SGF appropriation beginning in FY 2021.

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 12,020,662	\$ 12,038,162	15.0
1. SGF Reappropriation	2,708,489	2,708,489	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 14,729,151</i>	<i>\$ 14,746,651</i>	<i>15.0</i>
Agency Revised Estimate:			
Supplemental Requests:			
2. Pay Plan	8,866	8,866	--
<i>Subtotal—Supplemental Requests Only</i>	<i>\$ -</i>	<i>\$ -</i>	<i>--</i>
3. All Other Adjustments	2,627	(13,338)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 14,740,644</i>	<i>\$ 14,742,179</i>	<i>15.0</i>
Governor's Recommendation:			
4. Correction	(2,627)	(2,627)	--
5. SB 123 Program Expansion	(2,392,874)	(2,392,874)	--
TOTAL	\$ 12,345,143	\$ 12,346,678	15.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$12.0 million appropriated to the Kansas Sentencing Commission for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** A total of \$2.7 million SGF reappropriated, including \$131,825 in the Administration program and \$2.6 million SGF in the Substance Abuse Treatment Program in FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$14.7 million, including \$14.7 million SGF, in FY 2024. This is a decrease of \$4,472, or less than 0.1 percent, all funds and an increase of \$11,493, or 0.1 percent, SGF from the approved amount in FY 2024.

The revised estimate includes \$8,866 SGF for the following supplemental request:

2. **PAY PLAN SHORTFALL.** The revised estimate includes \$8,866 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Sentencing Commission, a supplemental appropriation of \$8,866 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.
3. **ALL OTHER ADJUSTMENTS.** There are increases in contractual services (\$288,609) and capital outlay (\$24,830), with offsetting decreases in salaries and wages (\$131,326) and other assistance (\$183,790). Contractual services are increased for the multi-year contracts with Carelon Behavioral Health and Domo, Inc. The decrease in salaries and wages is due to two open positions (research analyst and data entry specialist). The decrease in other assistance is due to not expending the entire amount reappropriated for the Substance Abuse Treatment Program.

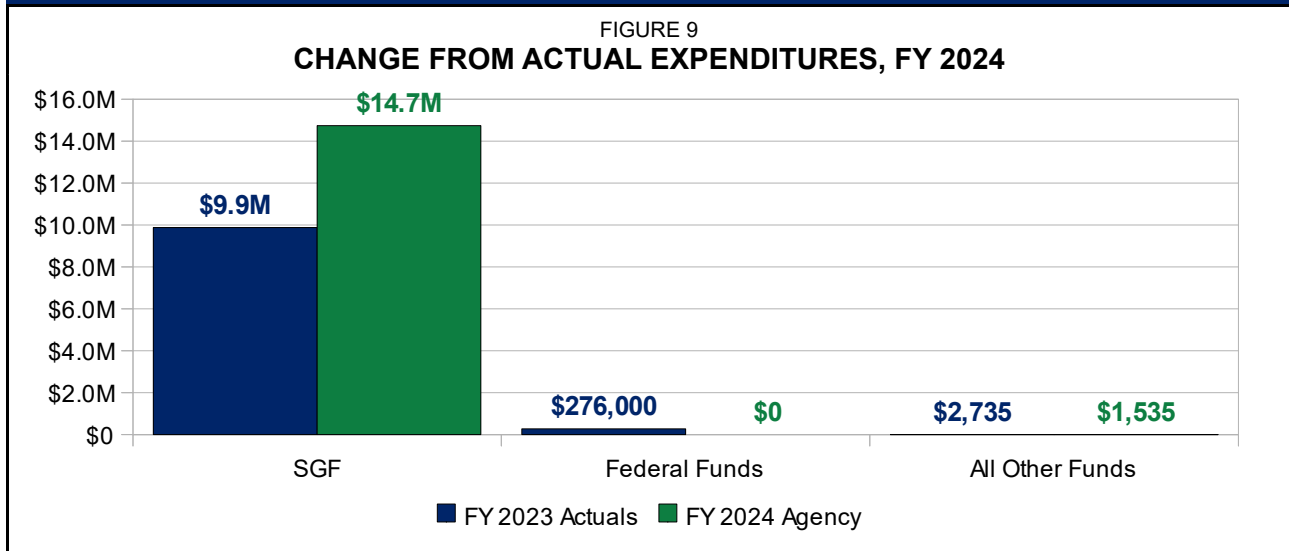
GOVERNOR'S RECOMMENDATION

The **Governor** recommends a revised estimate of \$12.3 million, including \$12.3 million SGF, in FY 2024. This is a decrease of \$2.4 million, or 16.2 percent, all funds and \$2.4 million, or 16.3 percent, SGF from the agency's revised estimate in FY 2024. There was a correction to the agency's budget for \$2,627 and a lapse of \$2.4 million from the SB 123 Substance Abuse Treatment Program.

The **Governor's** recommendation includes the following adjustments:

4. **CORRECTION.** A double counting error was made in the agency's revised estimate of \$2,627 SGF in FY 2024.
5. **SB 123 PROGRAM EXPANSION.** The Governor lapsed a portion of the reappropriated SB 123 funds in the amount of \$2.4 million SGF in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$14.7 million, including \$14.7 million SGF, in FY 2024. This is an increase of \$4.6 million, or 45.1 percent, all funds and \$4.9 million, or 49.2 percent, above the 2023 actual expenditures. The primary increase is due to the reappropriation of \$2.7 million and increased appropriation of \$1.8 million for the Substance Abuse Treatment Program from FY 2023 to FY 2024.

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 14,596,102	\$ 14,663,981	15.0
Enhancement Requests:			
1. Domo Maintenance Fee	\$ 15,000	\$ 15,000	--
2. SB 123 Program Expansion	2,236,715	2,236,715	--
3. Carelon Maintenance Fee	75,548	75,548	--
<i>Subtotal—Enhancement Requests Only</i>	<i>\$ 2,327,263</i>	<i>\$ 2,327,263</i>	<i>--</i>
<i>Subtotal—Agency Request</i>	<i>\$ 16,923,365</i>	<i>\$ 16,991,244</i>	<i>15.0</i>
Governor's Recommendation:			
4. Corrections to agency Administration program	\$ (164,773)	\$ (188,383)	--
5. SB 123 Program Adjustment	(2,392,874)	(2,392,874)	--
6. SB 123 Program Expansion	(2,236,715)	(2,236,715)	--
7. Domo Maintenance Fee	(1,000)	(1,000)	--
8. Carelon Maintenance Contract	91,000	91,000	--
TOTAL	\$ 12,219,003	\$ 12,263,272	15.0

AGENCY REQUEST

The **agency** requests \$17.0 million all funds, including \$16.9 million SGF. This is an increase of \$2.2 million, or 15.3 percent, above the FY 2024 revised request. The increase is due to the three enhancement requests of \$2.3 million SGF. Minus the enhancements, the FY 2025 request is \$78,198 SGF below the FY 2024 revised request.

The request includes \$2.3 million SGF for the following enhancement requests:

- DOMO MAINTENANCE FEE.** The agency currently has a contract with Domo, Inc. to create an electronic journal entry system that replaces the current hard copy documents the agency receives in its office. The initial startup costs were funded by a grant from the Council of State Governments Justice Center. Domo is building the system, and pilot studies have begun statewide. A multiyear maintenance agreement with further automation to research reporting in the Domo platform is anticipated. Subsequent annual vendor maintenance and licensing costs are estimated at \$15,000 for FY 2025.
- EXPANSION OF SB 123 PROGRAM.** Due to the expansion of the SB 123 program to nondrug felony offenders, the agency estimates the previous appropriation of \$1.8 million annually will be insufficient to operate the program. New eligible offenses, such as burglary and theft, make up 12.0 percent of all felonies committed in the state. This equates to an additional 1,782 sentences potentially eligible for this program. The agency is requesting an additional \$2.7 million SGF for this program for FY 2025.
- CARELON MAINTENANCE FEE.** The agency's contract with Carelon, the agency's bill payment vendor for the SB 123 and (Recovery from Addiction for Treatment) RAFT programs, will expire at the end of 2023. Inflation, expanded duties of the RAFT diversion program, and new SB 123 offenders as of July 2023 require an increase in a multiyear contract. The agency can cover the cost increase of \$8,643 in FY 2024 within existing funds. However, in FY 2025, there will be an additional \$75,548 SGF required for the new contract, which will be an ongoing expenditure for the life of the program.

Absent the enhancement requests, the FY 2025 request is \$78,198 SGF below the FY 2024 revised request.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$12.3 million, including \$12.2 million SGF. This is an all funds decrease of \$4.7 million, or 27.8 percent, and an SGF decrease of \$4.7 million, or 27.8 percent, below the agency's request for FY 2024. The reductions are mainly due to corrections in the agency's budget request and a lapse of the SB 123 Substance Abuse Treatment Program for FY 2025.

The **Governor's** recommendation includes the following adjustments:

4. **CORRECTIONS.** The recommendation makes multiple corrections to the Administration program budget submission, for a total of \$164,773.
5. **SB 123 ADJUSTMENT.** The recommendation adjusts the amount of funding for the SB 123 Substance Abuse Treatment Program for FY 2025.
6. **SB 123 PROGRAM EXPANSION ENHANCEMENT.** The Governor does not recommend the enhancement to expand the SB 123 Substance Abuse Treatment Program for FY 2025.
7. **DOMO MAINTENANCE FEE.** The Governor does recommend the Domo maintenance fee increase for the contract; however, the agency stated the requested amount was \$14,000 instead of \$15,000 SGF for FY 2025.
8. **CARELON MAINTENANCE CONTRACT.** The Governor recommends the enhancement request for the Carelon maintenance contract; however, the agency requests an additional \$91,000 SGF to cover the cost increases for FY 2025.

ENHANCEMENT REQUESTS

FIGURE 11
ENHANCEMENT REQUESTS FY 2025

Request	SGF	Agency All Funds	FTE	SGF	Governor All Funds	FTE
FY 2025 Enhancements:						
1. Domo Maintenance Fee	\$ 15,000	\$ 15,000	-	\$ 14,000	\$ 14,000	-
2. SB 123 Program Expansion	2,236,715	2,236,715	-	-	-	-
3. Carelon Maintenance Fee	75,548	75,548	-	166,548	166,548	-
TOTAL	\$ 2,327,263	\$ 2,327,263	-	\$ 180,548	\$ 180,548	-

1. **DOMO MAINTENANCE FEE.** The agency currently has a contract with Domo, Inc. to create an electronic journal entry system that replaces the current hard copy documents the agency receives in its office. The initial startup costs were funded by a grant from the Council of State Governments Justice Center. Domo is building the system, and pilot studies statewide have begun. A multiyear maintenance agreement with further automation to research reporting in the Domo platform is anticipated. Subsequent annual vendor maintenance and licensing costs are estimated at \$15,000 for FY 2025.

The Governor recommends adoption of this request; however, the request was reduced to \$14,000 SGF.

2. **EXPANSION OF SB 123 PROGRAM.** Due to the expansion of the SB 123 program to non-drug felony offenders, the agency estimates the previous appropriation of \$1.8 million annually will be insufficient to operate the program. New eligible offenses, such as burglary and theft, make up 12.0 percent of all felonies committed in the state. This equates to an additional 1,782 sentences potentially eligible for this program. The agency is requesting an additional \$2.2 million SGF for this program for FY 2025.

The Governor does not recommend adoption of this request.

3. **CARELON MAINTENANCE FEE.** The agency's contract with Carelon, the agency's bill payment vendor for the SB 123 and RAFT programs, will expire at the end of 2023. Inflation, expanded duties of the RAFT Program, and new SB 123 offenders as of July 2023 require an increase in a multiyear contract. The agency can cover the cost increase of \$8,643 in FY 2024 within existing funds. However, in FY 2025, there will be an additional \$75,548 SGF required for the new contract, which will be an ongoing expenditure for the life of the program.

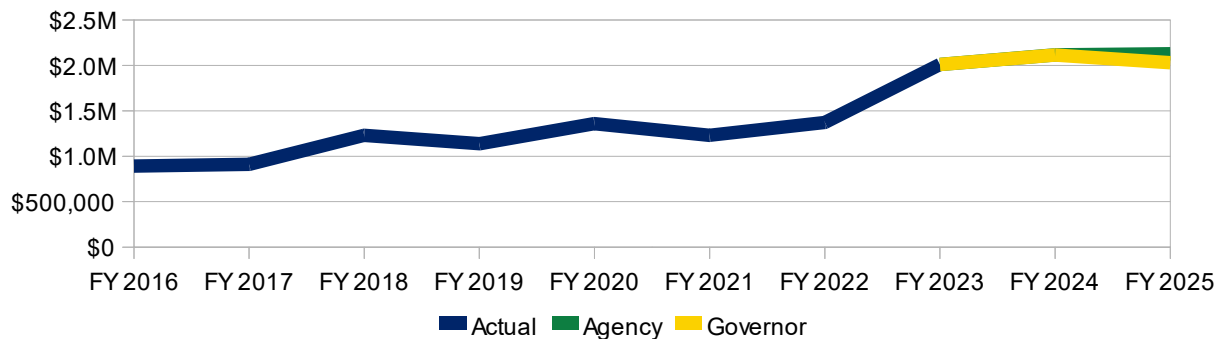
The Governor recommends adoption of this request; however, the cost increase is a total of \$166,548 for FY 2025.

PROGRAM OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 2,010,075	\$ 2,114,998	\$ 2,113,388	\$ 2,127,348	\$ 2,028,965
Substance Abuse Treatment	8,146,901	12,627,181	10,233,290	14,863,896	10,234,307
TOTAL	\$ 10,156,976	\$ 14,742,179	\$ 12,346,678	\$ 16,991,244	\$ 12,263,272
FTE Positions:					
TOTAL	15.0	15.0	15.0	15.0	15.0

ADMINISTRATION

FIGURE 13
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-9101 through 74-9106, KSA 21-6801 through 21-6825

PROGRAM GOALS:

- Develop and maintain a monitoring system that allows for comprehensive evaluation of the sentencing guidelines.
- Forecast the state's adult and juvenile offender populations incarcerated in state institutions, and determine the impact of proposed legislation on the prison population.
- Assist in the process of educating and training judges, attorneys, court services officers, state parole officers, correctional officers, law enforcement officials, and other criminal justice groups in the understanding and application of sentencing guidelines. Serve as an information resource for the Legislature and various criminal justice agencies.

The Administration program develops prison population projections and maintains a statewide sentencing database. The Commission annually publishes the Desk Reference Manual, which contains sentencing grids and the required sentencing forms for felony offenders. Training and assistance is provided to judges, court services staff, and

other criminal justice professionals regarding the implementation of legislative changes to sentencing policy. The agency is the State's federal-designated Statistical Analysis Center for criminal justice matters and provides data analysis to the Governor, Legislature, and the State's criminal justice agencies.

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

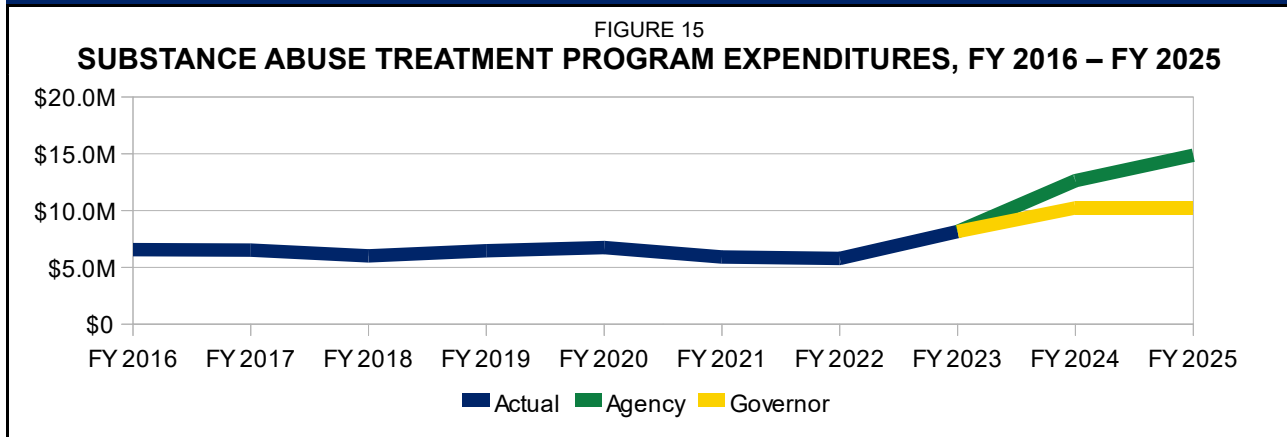
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 1,731,340	\$ 2,113,463	\$ 2,111,853	\$ 2,059,469	\$ 1,984,696
Federal Funds	276,000	-	-	3,684	3,684
All Other Funds	2,735	1,535	1,535	64,195	40,585
TOTAL	\$ 2,010,075	\$ 2,114,998	\$ 2,113,388	\$ 2,127,348	\$ 2,028,965
Percent Change:					
SGF	29.9 %	22.1 %	(0.1) %	(2.6) %	(3.6) %
All Funds	46.6 %	5.2 %	(0.1) %	0.6 %	(4.6) %
FTE Positions	15.0	15.0	15.0	15.0	15.0

BUDGET ANALYSIS

The **agency** requests \$2.1 million, including \$2.1 million SGF, for the Administration program for FY 2025. This is an all funds increase of \$12,350, or 0.6 percent, and an SGF decrease of \$53,994, or 2.6 percent, from the FY 2024 revised estimate. The increase is attributed to increased expenditures of the General Fee Fund to pay for the existing Juvenile Justice Authority position and insurance premium payment increases. The SGF decrease is primarily due to a decrease in capital outlay for the replacement of computer hardware that took place in FY 2024.

The **Governor** recommends expenditures of \$2.0 million, including \$2.0 million SGF, for the Administration program for FY 2025. This is a decrease of \$98,383 SGF, or 4.6 percent, below the agency's request. The decrease is mainly due to corrections in the agency's budget.

SUBSTANCE ABUSE TREATMENT PROGRAM



STATUTORY BASIS: • KSA 21-6824 (2003 SB 123), and KSA 21-5705 through 21-5706

PROGRAM GOALS:

- Provide substance abuse treatment and supervision within Kansas communities for offenders with substance abuse addictions and improve local communities by reducing recidivism.
- Provide a response and centralized system that brings cohesion to the management of the program and efficient payment policies.
- Track financial records of payments through the system and provide analysis and estimates of funding needs.

The agency administers the SB 123 Substance Abuse Treatment Program, which was established by 2003 SB 123. The program is a nonprison sanction providing mandatory state-funded substance abuse treatment for certain offenders convicted of drug possession. The program is designed to divert low-level drug offenders out of the prison system. Subsequently, 2018 HB 2458 and 2019 SB 18 expanded the types of offenders eligible for treatment to include those convicted of cultivating and distributing a controlled substance. Offenders are placed under community supervision, and treatment is rendered by providers certified by KDOC. Treatment methods include residential, group outpatient, reintegration, and peer mentoring.

The agency is responsible for program administration and the payment of treatment providers. Payments are issued through an online treatment provider payment system, which allows the agency to collect data on the offender group to assess the program's effectiveness as an alternative to incarceration.

FIGURE 16
SUBSTANCE ABUSE TREATMENT FINANCING, FY 2023 – FY 2025

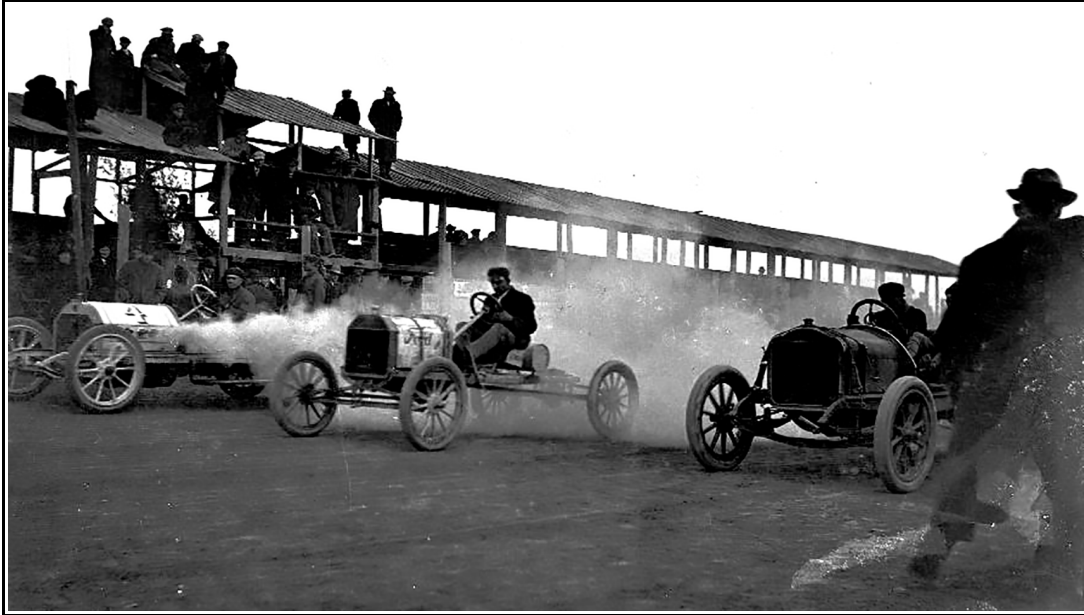
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 8,146,901	\$ 12,627,181	\$ 10,233,290	\$ 14,863,896	\$ 10,234,307
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 8,146,901	\$ 12,627,181	\$ 10,233,290	\$ 14,863,896	\$ 10,234,307
Percent Change:					
SGF	40.8 %	55.0 %	(19.0) %	17.7 %	(31.1) %
All Funds	-- %	55.0 %	(19.0) %	17.7 %	(31.1) %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

The **agency** requests \$14.9 million, all SGF, for the 2003 Substance Abuse Treatment Program for FY 2025. This is an increase of \$2.2 million, or 17.7 percent, above the FY 2024 revised estimate. The increase is primarily attributable to anticipated increased expenditures due to the passage of 2023 Senate Sub. for HB 2010.

The **Governor** recommends \$10.2 million SGF for the 2003 Substance Abuse Treatment Program for FY 2025. This is a decrease of \$4.6 million SGF, or 31.2 percent, below the agency's request. The decrease is due to the Governor's recommendation not including the agency's enhancement request for the SB 123 program and a correction to the agency's budget submission for FY 2025.

TRANSPORTATION



Automobile race, Marshall County, Kansas, ca. 1911-1914
*Kansas State Historical Society,
Copy and Reuse Restrictions Apply
via <https://www.kansasmemory.org/item/210909/page/1>*

The Transportation function of government has the responsibility for construction and maintenance of highways and other transportation modes. This function includes the Department of Transportation.

The Governor's FY 2025 recommendation for the Transportation function totals \$2.3 billion, all from special revenue funds. This is an all funds increase of 2.5 percent, or \$55.3 million, above FY 2024.

A total of 2288.8 FTE positions are recommended by the Governor for the Transportation function in FY 2025, which is no change from FY 2024. Of all state FTE positions, 5.4 percent are in this function.

Agencies in this Function: <i>Kansas Department of Transportation.....1415</i>	Agencies in this function comprise 8.7 percent of expenditures from all funding sources in FY 2025, which is which is a decrease of 0.2 percent below FY 2024.

KANSAS DEPARTMENT OF TRANSPORTATION

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	4,181,956	-	-	-	-
All Other Funds	1,014,770,084	875,386,031	875,386,031	825,672,676	826,060,921
<i>Subtotal</i>	<i>\$ 1,018,952,040</i>	<i>\$ 875,386,031</i>	<i>\$ 875,386,031</i>	<i>\$ 825,672,676</i>	<i>\$ 826,060,921</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,837,667,094	1,368,295,532	1,368,295,532	1,472,945,064	1,472,945,064
<i>Subtotal</i>	<i>\$ 1,837,667,094</i>	<i>\$ 1,368,295,532</i>	<i>\$ 1,368,295,532</i>	<i>\$ 1,472,945,064</i>	<i>\$ 1,472,945,064</i>
TOTAL	\$ 2,856,619,134	\$ 2,243,681,563	\$ 2,243,681,563	\$ 2,298,617,740	\$ 2,299,005,985
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	39.7 %	(21.5) %	(21.5) %	2.4 %	2.5 %
FTE Positions	2,283.3	2,288.8	2,288.8	2,288.8	2,288.8

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 on approximately 10,000 miles of the state highway system's more than 140,372 total miles of public roads and highways (KSA 68-406(a)). Of those miles, approximately 10,000 are maintained by KDOT, 238 by the Kansas Turnpike Authority, and approximately 130,000 by local governments. There are also 307 miles located on the grounds of state parks. Of the miles of highway maintained by the State, 635 are on the interstate highway system. The State of Kansas ranks fourth nationwide in the total number of public roads, and fifth in the total number of bridges. Statewide, there are approximately 25,000 bridges.

KDOT traditionally has five programs: Administration, Transportation Planning and Modal Support, Local Support, Maintenance, and Construction. The Kansas Infrastructure Hub was added as a sixth program in FY 2023 to account for the one-time addition of discretionary funding from the American Rescue Plan Act.

STATE OPERATIONS AND CAPITAL IMPROVEMENTS

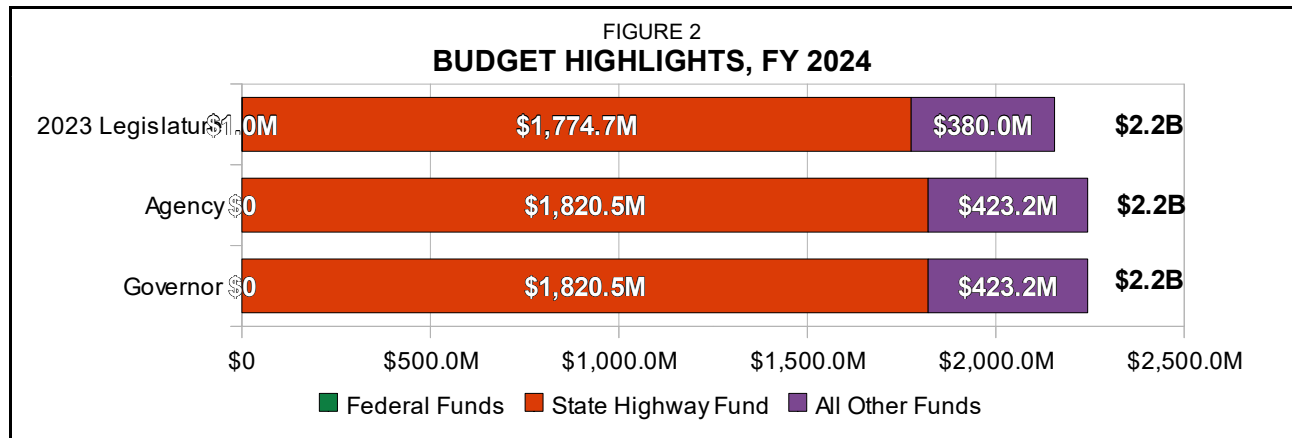
In a state agency budget, state operations include agency operating costs for salaries and wages and other operating expenditures. Other operating expenditures include contractual services, commodities, and capital outlay. Agency budgets also include separate categories for aid to local units of government, 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.

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,

tabular data (including those in the Governor’s Budget Report) reflect reportable expenditures and exclude spending of nonreportable money. Nonreportable expenditures account for interfund transfers, including those from the State Highway Fund, to other entities where the reportable expenditure occurs. These transfers also include proceeds from highway bonds expended for construction projects. The magnitude of nonreportable spending by KDOT is significant. Within the agency’s budget submission, nonreportable expenditures include \$175.4 million in FY 2024 and \$384.0 million for FY 2025.

EXECUTIVE SUMMARY

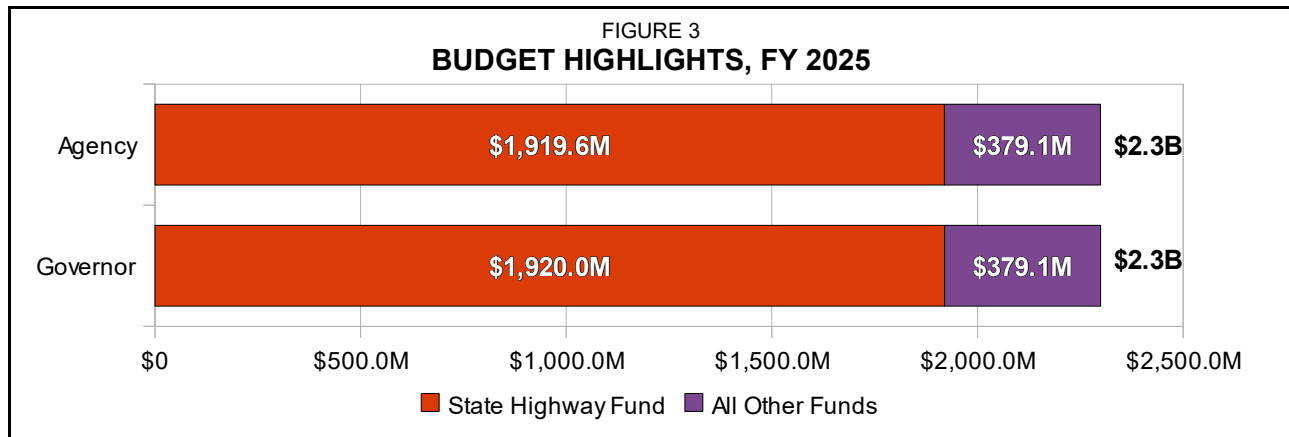
Subsequent to the 2023 Session, no adjustments were made to the \$2.2 billion approved for the Kansas Department of Transportation for FY 2024.



The **agency** submits a revised estimate of \$2.2 billion, including \$1.8 billion from the State Highway Fund, in expenditures in FY 2024. This is an all funds increase of \$87.9 million, or 4.1 percent, including a State Highway Fund increase of \$45.8 million, or 2.6 percent, above the FY 2024 approved amount. This is the fourth year of the Eisenhower Legacy (IKE) Transportation Plan, and expenditures include increased capital improvements in the Construction Program for the letting of highway expansion projects (\$41.7 million) and preservation projects (\$47.4 million), as well as increased engineering services to support these projects. The revised estimate includes increased capital improvements for buildings (\$23.9 million), primarily due to construction of a new District One Headquarters in Topeka.

The increase from the agency's FY 2024 approved budget also includes expenditures for salaries and wages, costs for bond issuance, rail and airport improvements, and innovative technologies. The increase is partially offset by decreased expenditures for heavy equipment, public transit, and capital improvements for highway modernization projects. The revised estimate includes 2,288.8 FTE positions, which is an increase of 3.5 FTE positions above the FY 2024 approved number. The position increase is mainly for public communication specialists and traffic safety analysts.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$2.3 billion, including \$1.9 billion from the State Highway Fund, in expenditures for FY 2025. This is an all funds increase of \$54.9 million, or 2.4 percent, including a State Highway Fund increase of \$99.0 million, or 5.4 percent, above the FY 2024 revised estimate. FY 2025 will be the fifth year of the IKE Transportation Plan, and expenditures include increased capital improvements in the Construction Program for the letting of highway expansion projects (\$139.3 million) and modernization projects (\$16.6 million).

The request also includes increased expenditures for heavy equipment and debt service on highway bonds. The increase is partially offset by decreased capital improvements for buildings, primarily due to completion of the District One Headquarters in FY 2024. The increase is further offset by decreased expenditures for rail and airport improvements, public transit, and innovative technologies. The request includes 2,288.8 FTE positions, which is unchanged from the FY 2024 revised number.

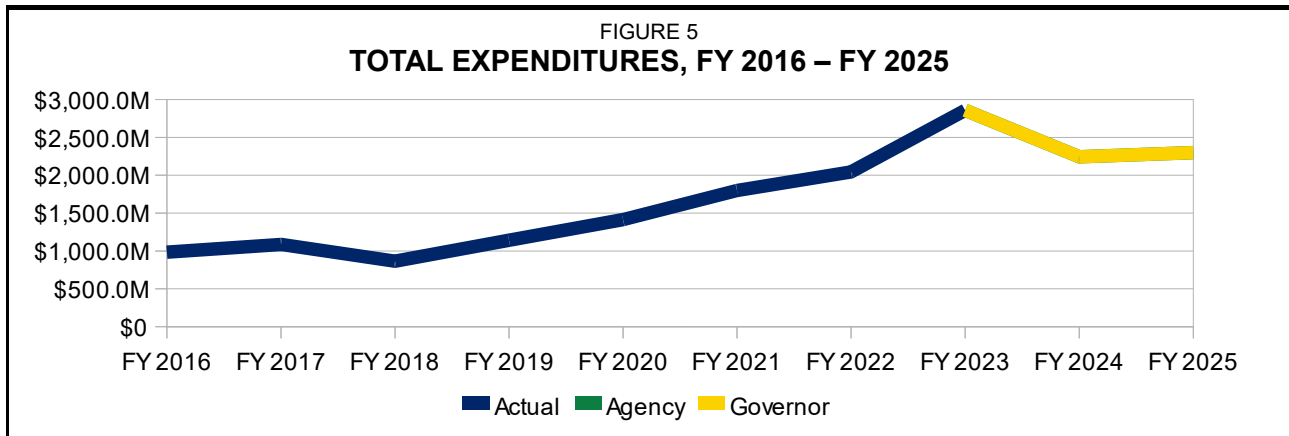
The **Governor** recommends \$2.3 billion, including \$1.9 billion from the State Highway Fund, in expenditures for FY 2025. This is an increase of \$388,245, or less than 0.1 percent, all from the State Highway Fund, above the FY 2025 requested amount. The increase is due to the Governor recommending \$315,244 for increased differential and standby pay for certain employees in the Maintenance program, including those responsible for snow and ice removal on state highways, and \$73,000 to increase the tool and personal protective equipment (PPE) allowances for maintenance employees. The recommendation also includes a transfer of \$361,266 from the Mental Health Grants Fund at the Kansas Department for Aging and Disability Services (KDADS) to the State Highway Fund for FY 2025, which returns the unspent balance from a previous transfer to KDADS. The recommendation includes 2,288.8 FTE positions, which is unchanged from the requested number.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 151,461,245	\$ 178,062,223	\$ 178,062,223	\$ 177,468,881	\$ 177,784,126
Contractual Services	459,712,396	242,388,832	242,388,832	240,983,891	240,983,891
Commodities	37,832,490	46,742,667	46,742,667	46,810,085	46,883,085
Capital Outlay	36,539,053	21,320,854	21,320,854	22,778,159	22,778,159
Debt Service Interest	72,781,155	64,870,110	64,870,110	64,626,053	64,626,053
<i>Subtotal</i>	<i>\$ 758,326,339</i>	<i>\$ 553,384,686</i>	<i>\$ 553,384,686</i>	<i>\$ 552,667,069</i>	<i>\$ 553,055,314</i>
Aid to Local Units	199,068,652	240,026,985	240,026,985	225,978,753	225,978,753
Other Assistance	61,557,049	81,974,360	81,974,360	47,026,854	47,026,854
<i>Subtotal—Operating</i>	<i>\$ 1,018,952,040</i>	<i>\$ 875,386,031</i>	<i>\$ 875,386,031</i>	<i>\$ 825,672,676</i>	<i>\$ 826,060,921</i>
Capital Improvements	1,606,257,094	1,264,880,532	1,264,880,532	1,366,820,064	1,366,820,064
Debt Service Principal	231,410,000	103,415,000	103,415,000	106,125,000	106,125,000
TOTAL	\$ 2,856,619,134	\$ 2,243,681,563	\$ 2,243,681,563	\$ 2,298,617,740	\$ 2,299,005,985
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	2,353,235,393	1,820,527,581	1,820,527,581	1,919,566,434	1,919,954,679
Federal Funds	4,181,956	-	-	-	-
All Other Funds	499,201,785	423,153,982	423,153,982	379,051,306	379,051,306
TOTAL	\$ 2,856,619,134	\$ 2,243,681,563	\$ 2,243,681,563	\$ 2,298,617,740	\$ 2,299,005,985
FTE Positions	2,283.3	2,288.8	2,288.8	2,288.8	2,288.8

TOTAL EXPENDITURES - REPORTABLE



For the Kansas Department of Transportation, reportable operating expenditures increased by \$1.9 billion from FY 2016 to FY 2023. The majority of expenditures are for the letting of construction projects that preserve, modernize, and expand the roads and bridges that compose the state highway system. Construction projects have averaged 76.6 percent of actual agency budget expenditures since implementation of the IKE Transportation Plan in FY 2021. Other significant expenditures include aid to local governments, primarily from the Special City and County Highway Fund, and routine maintenance of the highway system.

FY 2024 ANALYSIS

FIGURE 6

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 2,155,780,834	2,285.3
1. No Change	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 2,155,780,834	2,285.3
Agency Revised Estimate:			
2. Salaries and Wages	\$ -	\$ 3,237,812	3.5
3. Heavy Equipment	-	(1,158,736)	--
4. Information Systems Consulting	-	1,126,300	--
5. Engineering Contractual Services	-	47,978,867	--
6. Rail Service Improvement Fund	-	29,804,666	--
7. Innovative Technologies Grants	-	9,939,035	--
8. Kansas Airport Improvement Program	-	885,615	--
9. Public Transit	-	(5,534,503)	--
10. Construction Preservation - CI	-	47,364,241	--
11. Construction Expansion - CI	-	41,674,704	--
12. Construction Modernization - CI	-	(112,007,314)	--
13. Construction Local - CI	-	(3,932,960)	--
14. Buildings - CI	-	23,897,815	--
15. Highway Bond Issuance Costs	-	900,000	--
16. All Other Adjustments	-	3,725,187	--
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 2,243,681,563	2,288.8
Governor's Recommendation:			
17. No Change	-	-	--
TOTAL	<u>\$ -</u>	<u>\$ 2,243,681,563</u>	<u>2,288.8</u>
*Capital Improvements (CI)			

LEGISLATIVE APPROVED

1. **NO CHANGE.** Subsequent to the 2023 Session, no adjustments were made to the \$2.2 billion approved for the Kansas Department of Transportation for FY 2024.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$2.2 billion, including \$1.8 billion from the State Highway Fund, in expenditures in FY 2024. This is an all funds increase of \$87.9 million, or 4.1 percent, including a State Highway Fund increase of \$45.8 million, or 2.6 percent, above the FY 2024 approved amount. The revised estimate includes 2,288.8 FTE positions, which is an increase of 3.5 FTE positions above the FY 2024 approved number.

Significant adjustments are as follows:

2. **SALARIES AND WAGES.** The revised estimate includes an increase of \$3.2 million, all from the State Highway Fund, for salaries and wages expenditures in FY 2024. This increased funding addresses staffing needs, primarily for traffic safety, public communications, and highway maintenance, as well as increased employer contributions for fringe benefits. The request includes an increase of 3.5 FTE positions. The position increase results from an increase of 4.5 FTE positions in the Administration program and 15.0 FTE positions in the Transportation and Modal Support program, which is offset by a total decrease of 16.0 FTE positions in the Local Support, Maintenance, and Constructions programs. The agency indicates the position increase

is due to staffing needs for public communications positions in the Administration program and traffic safety positions in the Transportation and Modal Support program.

3. **HEAVY EQUIPMENT.** The revised estimate includes a decrease of \$1.2 million for replacement of heavy equipment used for highway maintenance in FY 2024. The agency notes additional equipment was purchased in FY 2023 above the original estimate, which reduces the need for replacement in FY 2024 and allows for expenditures in other areas. The agency indicates an equipment replacement plan is under examination to determine methods for eliminating the backlog.
4. **INFORMATION SYSTEMS CONSULTING.** The revised estimate includes an increase of \$1.1 million for information systems consulting in FY 2024. Projects include required updates to the State Highway Safety Plan, collection of traffic and vehicle data for federal reporting, and traffic safety education and enforcement efforts associated with the Bipartisan Infrastructure Law.
5. **ENGINEERING CONTRACTUAL SERVICES.** The revised estimate includes an increase of \$48.0 million in contractual engineering services for projects under the IKE Transportation Plan in FY 2024. These increased services support planning, right-of-way acquisition, and inspection of highway preservation and expansion projects, primarily in the Construction program and the Transportation Planning and Modal Support program.
6. **RAIL SERVICE IMPROVMENT FUND.** The revised estimate includes an increase of \$29.8 million, all from the Rail Service Improvement Fund, for grants and assistance to qualified entities in FY 2024. The increase is primarily due to receipt of a Federal Railroad Administration grant totaling \$28.9 million. The increase is also attributable to a transfer of the unencumbered balance from the Short Line Rail Improvement Fund to conform with 2023 HB 2335, which combined the two rail funds. This adjustment provides a total of \$40.4 million in expenditures in FY 2024 to support track maintenance or rehabilitation of railroads and rolling stock.
7. **INNOVATIVE TECHNOLOGIES GRANTS.** The revised estimate includes an increase of \$9.9 million, which includes \$4.5 million from the Transportation Technology Development Fund and \$5.4 million from the Broadband Infrastructure Construction Grant Fund, in FY 2024. The increase is attributable to carryover funding from FY 2023. This adjustment provides a total of \$8.5 million in expenditures from the Transportation Technology Development Fund for grants supporting the development of technologies that increase efficiency and safety. This adjustment also provides a total of \$15.4 million in expenditures from the Broadband Infrastructure Construction Fund for grants supporting broadband projects, such as layering fiber conduit during highway construction.
8. **KANSAS AIRPORT IMPROVEMENT PROGRAM.** The revised estimate includes an increase of \$885,615, all from the Public Use General Aviation Airport Development Fund, for grants to local airports for planning, constructing, and rehabilitating facilities in FY 2024. The increase is attributable to carryover funding from FY 2023. This adjustment provides a total of \$10.9 million in expenditures for this purpose.
9. **PUBLIC TRANSIT.** The revised estimate includes a decrease of \$5.5 million in aid and assistance for the transport of persons with disabilities, older adults, and the general public, which includes bus services, in FY 2024. The agency indicates the decrease in FY 2024 is due to the availability of unspent funds at local Coordinated Transit Districts awarded in previous years.

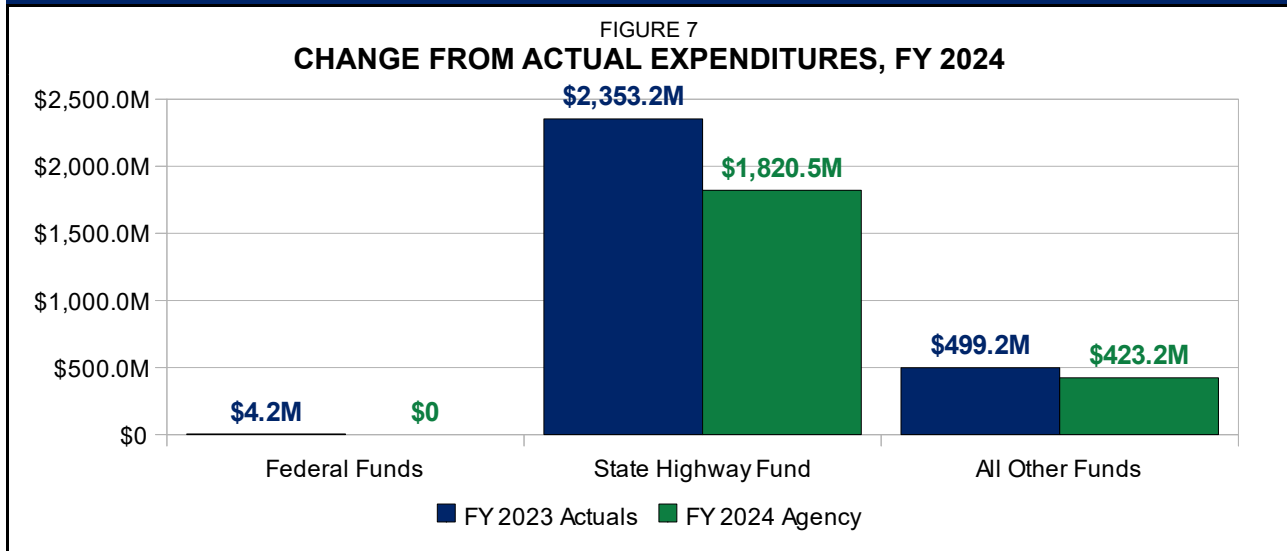
10. **CONSTRUCTION PRESERVATION – CAPITAL IMPROVEMENTS.** The revised estimate includes an increase of \$47.4 million in capital improvement (CI) preservation projects to maintain roads and bridges on the State Highway System in as-built condition. The increase is primarily attributable to increased non-interstate resurfacing (\$35.5 million) and bridge repair (\$29.0 million).
11. **CONSTRUCTION EXPANSION - CAPITAL IMPROVEMENTS.** The revised estimate includes an increase of \$41.7 million in CI expansion projects on the State Highway System. The increase is primarily attributable to increased capacity improvement projects (\$44.3 million), such as the US-40 Highway in Douglas County. The increase is partially offset by decreased Economic Development and Cost Share projects.
12. **CONSTRUCTION MODERNIZATION - CAPITAL IMPROVEMENTS.** The revised estimate includes a decrease of \$112.0 million in CI modernization projects that bring roads on the State Highway System up to current safety standards. The decrease is primarily attributable to decreased roadway improvements (\$131.7 million), such as pavement replacement and shoulder widening.
13. **CONSTRUCTION LOCAL - CAPITAL IMPROVEMENTS.** The revised estimate includes a decrease of \$3.9 million in CI local projects. The decrease is attributable to decreased federal aid projects (\$20.5 million), which is partially offset by an increase for the City Connecting Link Program (\$14.2 million).
14. **BUILDINGS - CAPITAL IMPROVEMENTS.** The revised estimate includes an increase of \$23.9 million, all from the State Highway Fund, in CI expenditures for buildings in FY 2024. The increase is primarily due to construction of a new District One Headquarters in East Topeka, with a total construction cost of \$24.2 million.
15. **HIGHWAY BONDS ISSUANCE COSTS.** The revised estimate includes an increase of \$900,000, all from the Highway Bond Debt Service Fund, for administrative costs associated with issuing \$200.0 million in new highway bonds for the IKE Transportation Plan and refunding previous bonds in FY 2024. These administrative costs include fees for bond counsel, ratings agencies, and escrow agents. Debt service interest payments on new bonds will begin in FY 2025.
16. **ALL OTHER ADJUSTMENTS.** Other adjustments include increased expenditures for marketing and aid to locals concerning traffic safety efforts, installation of defibrillators at KDOT offices, driver's education scholarships, and construction of a network of Continuous Operating Reference Stations to facilitate highway surveying. The increase is offset by decreased expenditures for commodities, such as highway and bridge construction material and other road surface consumables, such as rock salt.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate and recommends \$2.2 billion, including \$1.8 billion from the State Highway Fund, in expenditures and 2,288.8 FTE positions in FY 2024.

17. **NO CHANGE.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$2.2 billion, including \$1.8 billion from the State Highway Fund, in FY 2024. This is an all funds decrease of \$612.9 million, or 21.5 percent, including a State Highway Fund decrease of \$532.7 million, or 22.6 percent, below the FY 2023 actual budget. Significant highway projects were let in FY 2023, as part of the third year of the IKE Transportation Plan. Decreased expenditures in FY 2024 include decreased capital improvements expenditures for the letting of highway construction projects (\$381.9 million) and debt service on highway bonds (\$135.9 million). Other decreased expenditures include contractual engineering services and capital outlay, primarily related to the additional purchase of heavy equipment in FY 2023.

The decrease is offset by increased expenditures for salaries and wages (\$26.6 million) that include a statewide market survey adjustment (\$7.1 million) approved by the 2023 Legislature for FY 2024, increased employer contributions for fringe benefits, and funding for new and previously vacant positions. The decrease is further offset by increased aid and assistance to local entities, primarily for rail service improvement and innovative technologies.

The revised estimate includes 2,288.8 FTE positions, which is an increase of 5.5 FTE positions above the FY 2023 actual number. The position increase is mainly for traffic safety positions in the Transportation and Modal Support program and public communications positions in the Administration program, offset by decreases mainly in the Maintenance and Construction programs.

FY 2025 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ -	\$ 2,243,888,144	2,288.8
1. Salaries and Wages	\$ -	\$ (593,342)	--
2. Heavy Equipment	-	1,569,336	--
3. Engineering Contractual Services	-	(1,009,502)	--
4. Information Systems Consulting Services	-	(1,089,000)	--
5. Rail Service Improvement Fund	-	(28,429,666)	--
6. Innovative Technologies Grants	-	(11,939,035)	--
7. Kansas Airport Improvement Program	-	(885,615)	--
8. Public Transit	-	(5,572,441)	--
9. Special City and County Highway Fund	-	(1,726,614)	--
10. Construction Expansion - CI	-	139,339,649	--
11. Construction Modernization - CI	-	16,619,292	--
12. Construction Local - CI	-	(13,174,005)	--
13. Construction Preservation - CI	-	(5,000,213)	--
14. Buildings - CI	-	(35,845,191)	--
15. Highway Bonds Debt Service	-	2,465,943	--
<i>Subtotal—Agency Request</i>	\$ -	\$ 2,298,617,740	2,288.8
Governor's Recommendation:			
16. Shift Differential and Standby Pay	\$ -	\$ 315,245	--
17. Tool and PPE Allowance	-	73,000	--
18. State Highway Fund Transfer	-	-	--
TOTAL	\$ -	\$ 2,299,005,985	2,288.8

*Capital Improvements (CI)

AGENCY REQUEST

The **agency** requests \$2.3 billion, including \$1.9 billion from the State Highway Fund, in expenditures for FY 2025. This is an all funds increase of \$54.9 million, or 2.4 percent, including a State Highway Fund increase of \$99.0 million, or 5.4 percent, above the FY 2024 revised estimate. The request includes 2,288.8 FTE positions, which is unchanged from the FY 2024 revised number.

Significant adjustments are as follows:

- SALARIES AND WAGES.** The request includes a decrease of \$593,342, all from the State Highway Fund, for salaries and wages expenditures for FY 2025. The decrease is primarily attributable to lower employer contributions for the Kansas Public Employees Retirement System (KPERs) and partially offset by increased contributions for group health insurance.
- HEAVY EQUIPMENT.** The request includes an increase of \$1.6 million for replacement of heavy equipment, primarily dump trucks for highway maintenance, for FY 2025. The agency notes this increase would restore reductions for heavy equipment implemented in FY 2024 and resume the regular schedule of equipment replacement.
- ENGINEERING CONTRACTUAL SERVICES.** The request includes a decrease of \$1.0 million in contractual engineering services for projects under the IKE Transportation Plan for FY 2025. The decrease is attributable to decreased services in the

Administration and Construction programs, partially offset by increased services in the Transportation Planning and Modal Support Program.

4. **INFORMATION SYSTEMS CONSULTING.** The request includes a decrease of \$1.1 million for information systems consulting for FY 2025. The decrease is attributable to data collection projects that occur in FY 2024 but do not reoccur for FY 2025.
5. **RAIL SERVICE IMPROVEMENT FUND.** The request includes a decrease of \$28.4 million, all from the Rail Service Improvement Fund, for grants and assistance to qualified entities for FY 2025. The decrease is primarily due to receipt of a Federal Railroad Administration grant in FY 2024 that is not available for FY 2025. This adjustment leaves a total of \$12.0 million in expenditures from the fund for FY 2025 to support track maintenance or rehabilitation of railroads and rolling stock.
6. **INNOVATIVE TECHNOLOGIES GRANTS.** The request includes a decrease of \$11.9 million, which includes \$6.5 million from the Transportation Technology Development Fund and \$5.4 million from the Broadband Infrastructure Construction Grant Fund, for FY 2025. The decrease is primarily due to carryover funding available in FY 2024 but not anticipated for FY 2025. This adjustment leaves a total of \$2.0 million in expenditures from the Transportation Technology Development Fund for grants supporting the development of technologies that increase efficiency and safety for FY 2025. This adjustment also leaves a total of \$10.0 million in expenditures from the Broadband Infrastructure Construction Fund for grants supporting broadband expansion for FY 2025.
7. **KANSAS AIRPORT IMPROVEMENT PROGRAM.** The request includes a decrease of \$885,615, all from the Public Use General Aviation Airport Development Fund, for grants to local airports for FY 2025. The decrease is due to carryover funding available in FY 2024 but not anticipated for FY 2025. This adjustment leaves a total of \$10.0 million for grants to local airports for FY 2025.
8. **PUBLIC TRANSIT.** The revised request includes a decrease of \$5.6 million in aid and assistance for the transport of persons with disabilities, older adults, and the general public, which includes bus services, for FY 2025. The agency indicates the decrease is primarily due to decreased capital assistance to local organizations for the purchase of public transit vehicles, which can vary significantly from year-to-year based on prior year purchases.
9. **SPECIAL CITY AND COUNTY HIGHWAY FUND.** The request includes a decrease of \$1.7 million, all from the Special City and County Highway Fund, for formula aid to local governments for street and road improvements for FY 2025. The decrease is due to a transfer of \$4.2 million SGF to supplement the fund in FY 2024, which is not available for FY 2025. This one-time transfer of SGF in FY 2024, as approved by the 2023 Legislature, was implemented to offset decreased motor fuel tax revenue estimates.
10. **CONSTRUCTION EXPANSION - CAPITAL IMPROVEMENTS.** The request includes an increase of \$139.3 million in CI expansion projects on the State Highway System. The increase is primarily attributable to increased capacity improvement projects (\$124.4 million), such as the Polk-Quincy Viaduct in Topeka and U.S. 54 highway. The increase is also due to increased Economic Development and Cost Share Program projects.
11. **CONSTRUCTION MODERNIZATION - CAPITAL IMPROVEMENTS.** The request includes an increase of \$16.6 million in CI modernization projects that bring roads on the State Highway System up to current safety standards. The increase is primarily

attributable to increased roadway improvements (\$43.8 million), partially offset by decreased integration of emerging roadway technologies (\$31.7 million), such as Connected Vehicles Infrastructure.

12. **CONSTRUCTION LOCAL - CAPITAL IMPROVEMENTS.** The request includes a decrease of \$13.2 million in CI local projects. The decrease is attributable to decreased federal aid projects (\$23.8 million), which is partially offset by an increase for the Local Bridge Transfer Program (\$10.0 million).
13. **CONSTRUCTION PRESERVATION - CAPITAL IMPROVEMENTS.** The request includes a decrease of \$5.0 million in CI preservation projects to maintain roads and bridges on the State Highway System in as-built condition. The decrease is primarily attributable to decreased non-interstate resurfacing (\$74.2 million), roadway improvements (\$10.0 million), and highway sign replacement (\$6.4 million), which is partially offset by increased bridge replacements (\$92.6 million).
14. **BUILDINGS - CAPITAL IMPROVEMENTS.** The request includes a decrease of \$35.8 million, all from the State Highway Fund, in CI expenditures for buildings for FY 2025. The decrease is primarily attributable to expenditures for construction of a District One Headquarters in Topeka and subarea modernization efforts that occur in FY 2024 but do not reoccur for FY 2025.
15. **HIGHWAY BONDS DEBT SERVICE.** The request includes an increase of \$2.5 million, all from the Highway Bond Debt Service Fund, for FY 2025 to finance debt service on highway bonds supporting highway construction projects. The increase is attributable to increased principal payments on existing bonds. This adjustment provides a total of \$170.8 million in debt service expenditures for FY 2025, which includes an estimated \$4.0 million in initial interest payments on \$200.0 million in new bonds issued in FY 2024 for the IKE Transportation Plan. Debt principal payments on these new bonds is estimated to begin in FY 2026.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$2.3 billion, including \$1.9 billion from the State Highway Fund, in expenditures for FY 2025. This is an increase of \$388,245, all from the State Highway Fund, above the FY 2025 requested amount. The recommendation includes 2,288.8 FTE positions, which is unchanged from the requested number.

The **Governor's** recommendation includes the following adjustments:

16. **SHIFT DIFFERENTIALS AND STANDBY PAY.** The recommendation includes an increase of \$315,245, all from the State Highway Fund, for increased differential and standby pay for certain employees in the Maintenance program, including those responsible for snow and ice removal on state highways, for FY 2025.
17. **TOOL AND PPE ALLOWANCE.** The recommendation includes an increase of \$73,000, all from the State Highway Fund, to increase the tool and PPE allowances for employees in the Maintenance program for FY 2025.
18. **STATE HIGHWAY FUND TRANSFER.** The Governor recommends a transfer of \$361,266 from the Mental Health Grants Fund at KDADS to the State Highway Fund for FY 2025. This transfer returns the unspent balance from an FY 2022 State Highway Fund transfer to KDADS for mental health grants, which was replaced with SGF moneys.

TRANSFERS FROM THE STATE HIGHWAY FUND

The table below shows transfers from the State Highway Fund to other states agencies, as directed in the annual appropriations bills. These transfers are traditionally categorized as either ordinary or extraordinary. Ordinary transfers generally have some relationship to transportation projects at other agencies or have occurred for a number of years. Extraordinary transfers ended after FY 2022.

State Highway Fund Transfers				
Receiving Agency	Actual FY 2022	Actual FY 2023	Governor FY 2024	Governor FY 2025
EXTRAORDINARY TRANSFERS				
Transfers to the SGF	\$ 66,850,000	\$ -	\$ -	\$ -
Department for Aging and Disability Services Mental Health Grants Fund	9,750,000	-	-	-
Adjutant General's Department Office of Emergency Communications	320,000	-	-	-
Department of Administration - Statehouse Debt	20,374,158	-	-	-
ORDINARY TRANSFERS	-	-	-	-
Department of Administration - Overhead	210,000	210,000	210,000	210,000
Kansas Highway Patrol Operations, Capital Projects, and Aircraft Fund	78,831,975	67,427,799	92,589,463	71,794,611
Department of Agriculture Water Structures Fund	128,379	128,379	128,379	128,379
Department of Education School Bus Safety Fund	295,000	295,000	325,000	325,000
Department of Wildlife and Parks - Roads and Bridges	3,602,545	3,605,545	3,600,000	3,600,000
Department of Revenue Division of Vehicles Operating Fund	48,800,528	49,752,026	52,481,795	53,231,784
TOTAL	\$ 229,162,585	\$ 121,418,749	\$ 149,334,637	\$ 129,289,774

FEDERAL BIPARTISAN INFRASTRUCTURE LAW

The federal Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), was enacted on November 15, 2021. The agency estimates that the State of Kansas will receive \$3.8 billion in formula funds over a period of five years. Total formula funding from BIL over this five-year period includes the following:

- \$2.6 billion for highways;
- \$225.0 million for bridge replacement and repair;
- \$272.0 million for public transit;
- \$109.0 million for airports;
- \$40.0 million for transportation electrification;
- \$100.0 million for broadband;
- \$424.0 million for water infrastructure;
- \$25.0 million for infrastructure improvement resilient to weather events; and
- \$14.0 million for cybersecurity.

Of this \$3.8 billion, the agency estimates receiving \$750.0 million in formula funding above previous federal allocations over a period of five years. This equates to \$150.0 million annually, which the agency anticipates expending for highways (\$90.0 million), bridges (\$45.0 million), transportation electrification (\$8.0 million), rural transit (\$3.7 million), and carbon reduction (\$4.3 million). This excludes any non-formula funding the agency may receive through competitive grants.

MAJOR ISSUES FROM THE PRIOR SESSION

The **2023 Legislature** took the following actions on the agency's budget:

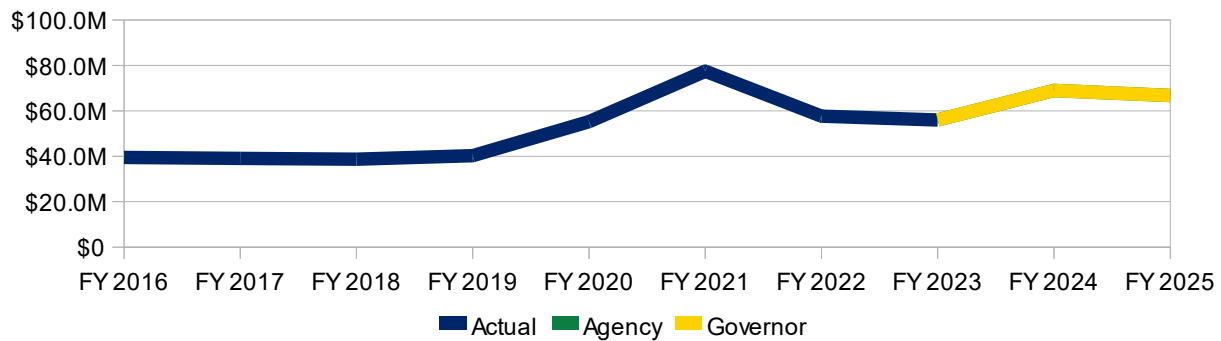
- The Legislature added \$7.1 million, all from the State Highway Fund, for a salary adjustment based on the Department of Administration Market Survey in FY 2024.
- The Legislature added \$5.0 million, all from the Rail Service Improvement Fund, to align with provisions of 2023 HB 2335 that increase the annual transfer from the State Highway Fund to the Rail Service Improvement Fund and added short line railroads to the definition of qualified entities eligible for assistance from the fund in FY 2024. The adjustment continues funding previously provided through the Short Line Rail Improvement Fund, which sunsets at the end of FY 2023.
- The Legislature transferred \$4.2 million SGF to the Special City and County Highway Fund to supplement formula aid to local governments in FY 2024. This one-time transfer is contingent upon motor fuel tax revenue to the Special City and County Highway Fund falling short of \$156.4 million.
- The Legislature added \$108,000, all from the State Highway Fund, and 2.0 FTE positions to the Aviation Division to implement provisions of 2023 SB 49 relating to the installation of light-mitigating technology on wind turbines in FY 2024. These positions process vendor notices concerning installation and address inquiries from local governments.
- The Legislature added language authorizing the agency to continue a driver's education scholarship grant program for FY 2024 and FY 2025. The agency must submit a report to certain legislative committees by January 8, 2024, and January 13, 2025.

PROGRAM OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025					
Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 55,975,435	\$ 68,940,791	\$ 68,940,791	\$ 66,723,262	\$ 66,723,262
Transportation Planning and Modal Support	121,659,445	180,048,806	180,048,806	134,515,230	134,515,230
Local Support	177,498,586	185,639,772	185,639,772	183,904,118	183,904,118
Kansas Infrastructure Hub	3,000,000	-	-	-	-
Maintenance	172,379,114	173,672,228	173,672,228	175,122,442	175,510,687
Construction	2,326,106,554	1,635,379,966	1,635,379,966	1,738,352,688	1,738,352,688
TOTAL	\$ 2,856,619,134	\$ 2,243,681,563	\$ 2,243,681,563	\$ 2,298,617,740	\$ 2,299,005,985
FTE Positions:					
Administration	418.8	423.3	423.3	423.3	423.3
Transportation Planning and Modal Support	108.5	125.5	125.5	125.5	125.5
Local Support	23.0	21.0	21.0	21.0	21.0
Maintenance	1,110.0	1,102.0	1,102.0	1,102.0	1,102.0
Construction	623.0	617.0	617.0	617.0	617.0
TOTAL	2,283.3	2,288.8	2,288.8	2,288.8	2,288.8

ADMINISTRATION

FIGURE 10
ADMINISTRATION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5006, KSA 75-3717, KSA 68-2303 *et seq.*, KSA 68-2320 *et seq.*, KSA 75-3739, KSA 68-2315, KSA 75-6401-75-6407, KSA 75-3734, Title 23 Code of Federal Regulations; 23 USC 112

PROGRAM GOALS: • Provide the direction, planning, coordination, communication, and administrative support that foster an integrated, multimodal transportation system to meet the needs of Kansas.

The goal of the Administration program is to provide the direction, planning, coordination, communication, and administrative support that foster an integrated, multimodal transportation system to meet the needs of Kansas. KDOT maintains a central office, with the state divided into six districts.

This program provides financial and human resources management, procurement services, and information technology support. The program also coordinates public outreach through media, legislative, and intergovernmental relations. To achieve these goals, this program is composed of the following three subprograms: Administration, Office of the Secretary, and Operations Support.

FIGURE 11
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	55,070,730	68,940,791	68,940,791	66,723,262	66,723,262
Federal Funds	904,705	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 55,975,435	\$ 68,940,791	\$ 68,940,791	\$ 66,723,262	\$ 66,723,262
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(2.9) %	23.2 %	-- %	(3.2) %	-- %
FTE Positions	418.8	423.3	423.3	423.3	423.3

BUDGET ANALYSIS

FY 2025

The **agency** requests \$66.7 million, all from the State Highway Fund, for the Administration program for FY 2025. This is a decrease of \$2.2 million, or 3.2 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to decreased expenditures for engineering contractual services (\$2.0 million). The decrease is also attributable to decreased information systems consulting (\$1.1 million)

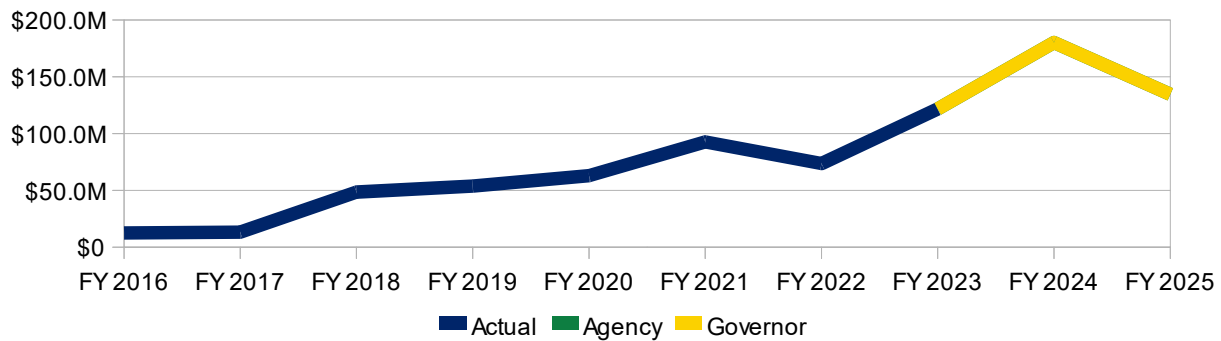
due to expenditures for State Highway Safety Plan updates and traffic and vehicles data collection not reoccurring for FY 2025.

The **Governor** concurs with the agency's request for the Administration program for FY 2025.

TRANSPORTATION PLANNING AND MODAL SUPPORT

FIGURE 12

TRANSPORTATION PLANNING AND MODAL SUPPORT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • Federal Highway Safety Act of 1966, 23 USC Chapter 4, KSA 75-5009, KSA 75-5032 through 75-5048, KSA 68-2314b, 49 USC 5311(f), KSA 68-5010, KSA 75-5011, and KSA 75-5061

PROGRAM GOALS: • Provide planning, coordination, and assistance to ensure a safe, efficient, and reliable multimodal transportation network on and off the State Highway System.

The goal of the Transportation Planning and Modal Support program is to provide planning, coordination, and assistance to ensure a safe, efficient, and reliable multimodal 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 the Eisenhower Legacy Transportation Program (IKE). The program provides for capital and operating assistance for public transportation involving older adults and people with disabilities,

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. The program also provides assistance to local partners for innovative technologies and broadband expansion. To achieve these goals, the management program is composed of the following six subprograms: Traffic Safety, Transit, Transportation Planning, Aviation, Rail and Freight, and Innovative Technologies.

FIGURE 13

TRANSPORTATION PLANNING AND MODAL SUPPORT FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	82,111,018	90,213,139	90,213,139	86,102,215	86,102,215
Federal Funds	277,251	-	-	-	-
All Other Funds	39,271,176	89,835,667	89,835,667	48,413,015	48,413,015
TOTAL	\$ 121,659,445	\$ 180,048,806	\$ 180,048,806	\$ 134,515,230	\$ 134,515,230
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	65.4 %	48.0 %	-- %	(25.3) %	-- %
FTE Positions	108.5	125.5	125.5	125.5	125.5

BUDGET ANALYSIS**FY 2025**

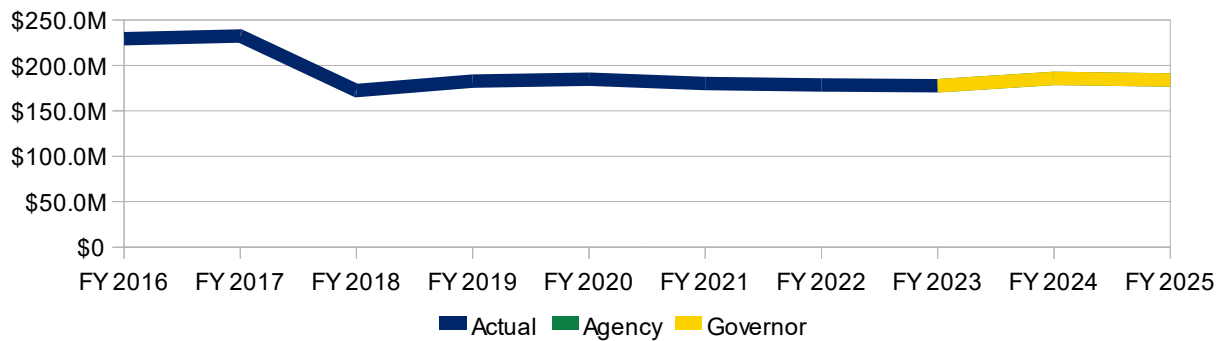
The **agency** requests \$134.5 million, including \$86.1 million from the State Highway Fund, for the Transportation Planning and Modal Support program for FY 2025. This is an all funds decrease of \$45.5 million, or 25.3 percent, including a State Highway Fund decrease of \$4.1 million, or 4.6 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to a decrease of \$28.4 million, all from the Rail Service Improvement Fund, for grants and assistance supporting track maintenance due to a reduction in Federal Railroad Administration grant funding. The decrease is also attributable to a decrease of

\$11.9 million, which includes \$6.5 million from the Transportation Technology Development Fund and \$5.4 million from the Broadband Infrastructure Construction Grant Fund, for grants supporting innovative technologies and broadband expansion. Further, the decrease includes a decrease of \$5.6 million in assistance to public transit entities. The decrease is offset by an increase of \$2.2 million for engineering contractual services.

The **Governor** concurs with the agency's request for the Transportation Planning and Modal Support program for FY 2025.

LOCAL SUPPORT

FIGURE 14
LOCAL SUPPORT EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 79-3425, KSA 79-3425c, KSA 68-2301 *et seq.*, KSA 68-169, KSA 68-412, KSA 68-2301 *et seq.*, Title 23 Code of Federal Regulations

PROGRAM GOALS: • Assist in providing safe, efficient, and reliable local transportation systems.

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 it administers both state and federal funding for city and county roads, streets, and bridge improvements. The Local Support program includes aid to local units of government through the Special City and County Highway Fund and a Federal Funds Exchange process. The Special City and County Highway Fund 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. The Federal Funds Exchange process allows local public agencies to voluntarily exchange federal fund allocations for state funds to support local transportation projects. To achieve these goals, the Local Support program is composed of the two following subprograms: Special City and County Aid, and Local Projects.

FIGURE 15 LOCAL SUPPORT FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	21,762,473	26,725,920	26,725,920	26,716,880	26,716,880
Special City and County Highway Fund	153,236,113	156,413,852	156,413,852	154,687,238	154,687,238
Federal Funds	-	-	-	-	-
All Other Funds	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
TOTAL	\$ 177,498,586	\$ 185,639,772	\$ 185,639,772	\$ 183,904,118	\$ 183,904,118
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(0.6) %	4.6 %	-- %	(0.9) %	-- %
FTE Positions	23.0	21.0	21.0	21.0	21.0

BUDGET ANALYSIS

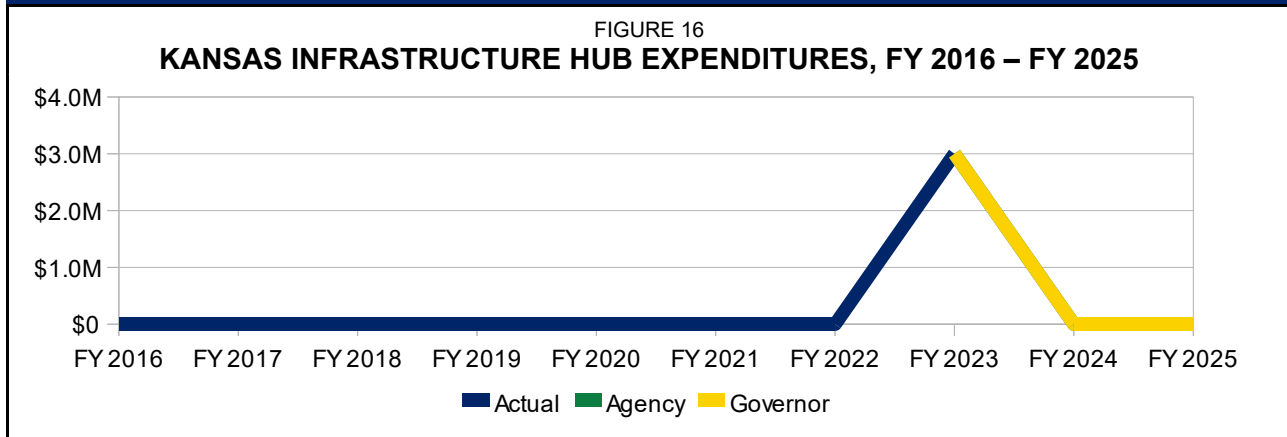
FY 2025

The **agency** requests \$183.9 million, including \$26.7 million from the State Highway Fund, for the Local Support program for FY 2025. This is an all funds decrease of \$1.7 million, or 0.9 percent, including a State Highway Fund decrease of \$9,040, or less than 0.1 percent, below the FY 2024 revised estimate. The decrease is primarily attributable to a decrease of \$1.7 million, all from the Special City and County Highway Fund, for formula aid to local governments for street and road improvements. This decrease is due to a

transfer of \$4.2 million SGF to the fund in FY 2024 that does not reoccur in FY 2025. The one-time transfer of SGF in FY 2024 was approved by the 2023 Legislature and was implemented to offset decreased motor fuel tax revenue estimates. The State Highway Fund decrease is attributable to decreased employer contributions for KPERS.

The **Governor** concurs with the agency's request for the Local Support program for FY 2025.

KANSAS INFRASTRUCTURE HUB



STATUTORY BASIS: • State Finance Council Resolution No. 22-751, 2023 HB 25

PROGRAM GOALS: • Leverage resources to multiply investment in Kansas communities.
• Assist communities with identifying needs, locating funding programs, writing grants, and administering federal moneys.

The Kansas Infrastructure Hub is a new program that provides technical assistance to local governments pursuing competitive grants through the federal BIL of 2021 for transportation, water infrastructure, energy resilience, broadband, and cybersecurity projects. While KDOT is the lead agency, other state agencies involved include the Department of Commerce, the Department of Health and Environment, the Kansas Department of Agriculture, and the Department of Administration, as well as the Kansas Corporation Commission and Kansas Water Office.

This program accounts for expenditures directly related to an allocation of \$3.0 million, all from federal American Rescue Plan Act funds, for technical assistance to local entities. These funds were approved by the State Finance Council in January 2023, as

recommended by the Strengthening People and Revitalizing Kansas Task Force.

Provisions of 2023 HB 25 established the Build Kansas Matching Grant Fund to continue the work of the Kansas Infrastructure Hub. A total of \$215.0 million SGF will be transferred to the fund, which is administered by the Office of the State Treasurer, to provide matching moneys to local entities pursuing federal BIL grants in FY 2024 to FY 2027. Of this amount, \$5.0 million is authorized annually for administrative costs, such as staff and consultant support, beginning in FY 2025. Expenditures from the fund are subject to approval by the Build Kansas Advisory Committee, which is composed of legislators. The KDOT budget does not reflect expenditures from the Build Kansas Matching Grant Fund, as this funding was appropriated to the Office of the State Treasurer.

FIGURE 17 KANSAS INFRASTRUCTURE HUB FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	-	-	-	-	-
Federal Funds	3,000,000	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	-- %	(100.0) %	-- %	-- %	-- %
FTE Positions	-	-	-	-	-

BUDGET ANALYSIS

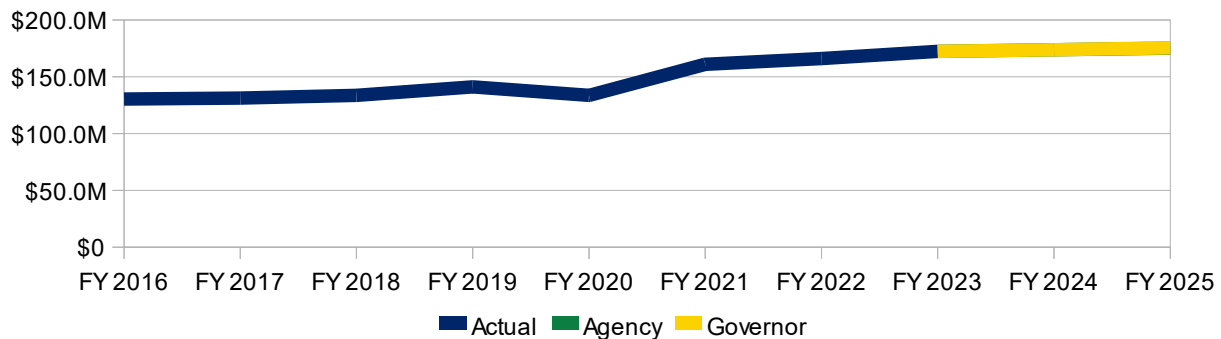
FY 2025

The **agency** submits no request for the Kansas Infrastructure Hub for FY 2025.

The **Governor** concurs with the agency's submission for the Kansas Infrastructure Hub for FY 2025.

MAINTENANCE

FIGURE 18
MAINTENANCE EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 75-5001 *et seq.*, KSA 68-401 *et seq.*, KSA 75-5073 through 75-5076

PROGRAM GOALS: • Preserve the State Highway System as built or in an improved condition by providing safe and reliable highway facilities.
• Maintain an interoperable statewide 800 MHz radio system to allow local units of government and other potential users onto the system.

The goal of the Maintenance program is to maintain the State Highway System by providing safe and reliable highway facilities. The 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 \$5,000 per lane mile for links maintained. 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 nonreportable expenditures, while federal funds for the program are included as reportable expenditures.

FIGURE 19
MAINTENANCE FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	172,375,773	168,452,875	168,452,875	173,322,442	173,710,687
Federal Funds	-	-	-	-	-
All Other Funds	3,341	5,219,353	5,219,353	1,800,000	1,800,000
TOTAL	\$ 172,379,114	\$ 173,672,228	\$ 173,672,228	\$ 175,122,442	\$ 175,510,687
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	3.8 %	0.8 %	-- %	0.8 %	0.2 %
FTE Positions	1,110.0	1,102.0	1,102.0	1,102.0	1,102.0

BUDGET ANALYSIS

FY 2025

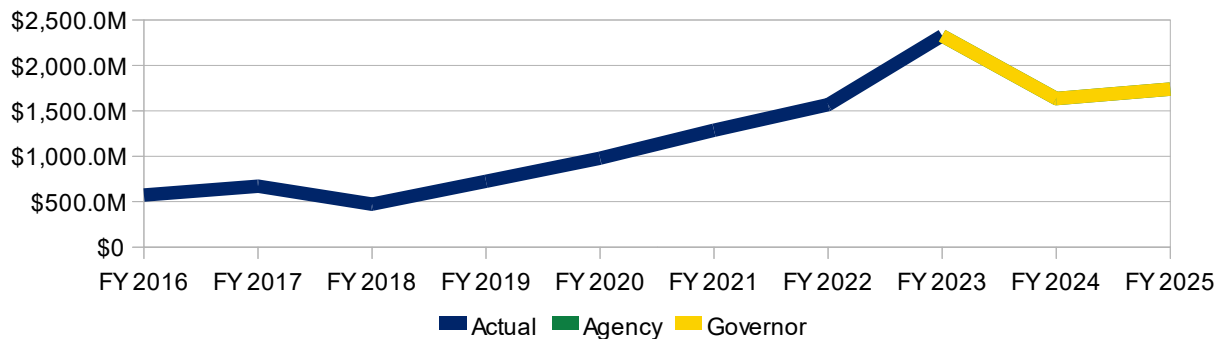
The **agency** requests \$175.1 million, including \$173.3 million from the State Highway Fund, for the Maintenance program for FY 2025. This is an all funds increase of \$1.5 million, or 0.8 percent, including a State Highway Fund increase of \$4.9 million, or 2.9 percent, above the FY 2024 revised estimate. The increase is primarily attributable to the replacement of heavy equipment (\$1.6 million), which the agency notes would restore reductions for this purpose in FY 2024. This reduction was due to the agency purchasing equipment in FY 2023 above the original estimate, which reduced the need in FY 2024. The agency indicates an equipment replacement plan is under examination to

determine methods for eliminating the replacement backlog. This increase is offset by decreased employer contributions for KPERS.

The **Governor** recommends \$175.5 million, including \$173.7 million from the State Highway Fund, for the Maintenance program for FY 2025. This is an increase of \$388,245, all from the State Highway Fund, or 0.2 percent, above the FY 2025 requested amount. The increase is due to the Governor recommending \$315,245 for increased differential and standby pay for certain employees responsible for snow and ice removal on state highways and \$73,000 to increase the tool and personal protective equipment (PPE) allowances for employees.

CONSTRUCTION

FIGURE 20
CONSTRUCTION EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • *Kansas Constitution* Article XI, Title 23 Code of Federal Regulations, 49 USC 24, KSA 68-401, KSA 68-404, KSA 68-406, KSA 68-407, KSA 68-413 *et seq.*, KSA Chapter 26, KSA 75-5001 *et seq.*, KSA 75-5006 *et seq.*

PROGRAM GOALS: • Develop and construct projects that continue to provide a quality state highway network that effectively meets the needs of the traveling public.

The goal of the Construction program is to develop and construct projects that continue to provide a quality state highway network. The program includes functions and activities associated with constructing new highways and performing major renovations of existing state highways.

The program is divided into eight subprograms: Debt Service, Design/Right of Way, Construction Inspection, Expansion (State Projects), Modernization, Buildings, Local Construction, and Preservation. Program activities include right-of-way purchase, design, construction supervision, materials and geological 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, or 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

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.

FIGURE 21 CONSTRUCTION FINANCING, FY 2023 – FY 2025					
Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	2,021,915,399	1,466,194,856	1,466,194,856	1,566,701,635	1,566,701,635
Federal Funds	-	-	-	-	-
All Other Funds	304,191,155	169,185,110	169,185,110	171,651,053	171,651,053
TOTAL	\$ 2,326,106,554	\$ 1,635,379,966	\$ 1,635,379,966	\$ 1,738,352,688	\$ 1,738,352,688
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	48.3 %	(29.7) %	-- %	6.3 %	-- %
FTE Positions	623.0	617.0	617.0	617.0	617.0

BUDGET ANALYSIS

FY 2025

The **agency** requests \$1.7 billion, including \$1.6 billion from the State Highway Fund, for the Construction program for FY 2025. This is an all funds increase of \$103.0 million, or 6.3 percent, including a State Highway Fund increase of \$100.5 million, or 6.9 percent, above the FY 2024 revised estimate. The increase is attributable to increased capital improvement expenditures for the letting of highway expansion projects (\$139.3 million), such as the Polk-Quincy Viaduct in Topeka and U.S. 54 highway. The increase is offset by a decrease of \$35.8 million in capital improvements for buildings, which is primarily due to expenditures for construction of the District One Headquarters in Topeka that occur in FY 2024 but do not reoccur for FY 2025. The

increase is further offset by a decrease of \$1.3 million for engineering contractual services.

The **Governor** concurs with the agency's requested amount in expenditures for the Construction program for FY 2025. However, the recommendation includes a transfer of \$361,266 from the Mental Health Grants Fund at the Kansas Department for Aging and Disability Services (KDADS) to the State Highway Fund for FY 2025. This transfer returns the unspent balance from a FY 2022 State Highway Fund transfer to KDADS for mental health grants.

DEBT SERVICE

FIGURE 22

DEBT SERVICE, GOVERNOR'S RECOMMENDATION, FY 2024 – FY 2025

	Principal	FY 2024 Interest	Total	Principal	FY 2025 Interest	Total
Highway Bonds	\$103,415,000	\$ 64,870,110	\$ 168,285,110	\$106,125,000	\$ 64,626,053	\$ 170,751,053
TOTAL	\$103,415,000	\$ 64,870,110	\$ 168,285,110	\$106,125,000	\$ 64,626,053	\$ 170,751,053
Financing:						
SGF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	-	-	-	-	-	-
Federal Funds	-	-	-	-	-	-
All Other Funds	103,415,000	64,870,110	168,285,110	106,125,000	64,626,053	170,751,053
TOTAL	103,415,000	\$ 64,870,110	\$ 168,285,110	\$106,125,000	\$ 64,626,053	\$ 170,751,053

Staff Note: Debt service for FY 2025 includes an estimated interest payment of \$4.0 million on \$200.0 million in bonds yet to be issued. Principal payment on these new bonds is estimated to begin in FY 2026.

This section details principal and interest costs relating to bond debt for KDOT. These expenditures are included as part of the Construction program. Excluding the pending issuance of \$200.0 million in new 20-year bonds in FY 2024, outstanding transportation

programs debt totaled \$2.0 billion, with \$1.5 billion in projected principal payments and \$456.7 million in interest payments.

The final payment of \$29.3 million is scheduled for FY 2038.

CAPITAL IMPROVEMENTS

The Kansas Department of Transportation (KDOT) maintains 983 buildings totaling 3.1 million square feet. Structures include 207 buildings housing KDOT and Kansas Highway Patrol personnel, offices, shops, and labs, and 776 support structures functioning as chemical, equipment, and materials storage facilities, as

well as wash buildings. In addition, there are 36 Safety Rest Area buildings 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.

FIGURE 23 CAPITAL IMPROVEMENTS, FY 2023 – FY 2025					
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Projects:					
Rehabilitation and Repair	\$ 4,005,348	\$ 5,947,395	\$ 5,947,395	\$ 5,200,000	\$ 5,200,000
Reroof Buildings	462,331	785,970	785,970	659,080	659,080
Subarea Modernization	2,425,988	14,489,342	14,489,342	4,560,115	4,560,115
Land Purchase	-	500,780	500,780	-	-
Chemical Storage Facilities	-	729,246	1,399,328	285,133	285,133
Area Shop Bay Extension and Electrical Update	-	1,739,328	729,246	1,843,688	1,843,688
District One Headquarters Construction - Topeka	199,618	24,201,146	24,201,146	-	-
District Two Annex Replacement	926	-	-	-	-
District Five Shop Expansion	1,676,580	-	-	-	-
Relocate Area / Construction Office - Concordia	27,112	-	-	-	-
Sharon Springs Equipment Storage Bay	540,842	-	-	-	-
TOTAL	\$ 9,338,745	\$ 48,393,207	\$ 48,053,207	\$ 12,548,016	\$ 12,548,016
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
State Highway Fund	9,338,745	48,393,207	48,393,207	12,548,016	12,548,016
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 9,338,745	\$ 48,393,207	\$ 48,393,207	\$ 12,548,016	\$ 12,548,016

FY 2024 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$48.4 million, all from the State Highway Fund, in capital improvements for buildings in FY 2024. This is an increase of \$23.9 million above the FY 2024 approved amount. The increase is primarily attributable to construction of the District One Headquarters in Topeka.

REHABILITATION AND REPAIR. The agency requests \$5.9 million for rehabilitation and repair in FY 2024. Individual locations and repair specifics vary from year to year depending on wear and natural events. Any

improvement project or space alteration is based on a building and site condition analysis and an assessment of the impact on operating functions. Expenditures target repairs and equipment replacements for improved energy efficiency, emergency repairs, and other unanticipated utility-related occurrences at the building. In addition, this program includes repairs to the nonstructural improvements to the land (e.g. sidewalks and parking lots.)

REROOF BUILDINGS. The agency requests \$785,970 for reroofing projects at nine

locations. The agency states determination to reroof is based on the following factors: 1) age of roof, 2) current roof condition, 3) storm damage, 4) previous maintenance, 5) economics of repair versus replacement, and 6) the effects of leaks on building contents.

Reroofing locations in FY 2024 include:

- Abilene Salt Storage, Anthony Dome, Atwood Dome, Hill City Dome, Iola Cone, Junction City Office, Montgomery County Safety Rest Area, Speaker Road Chemical Storage, and Syracuse Dome.

SUBAREA MODERNIZATIONS. The agency requests \$14.5 million for subarea modernization at four locations. The agency states that subarea facilities were constructed in the 1950s and 1960s and these facilities are insufficient to accommodate modern equipment, such as dump trucks outfitted with snowplows and salt spreaders.

Subarea modernization locations in FY 2024 include:

- Altoona, Atchison, Osage City, and Yates Center.

LAND PURCHASE. The agency requests \$500,780 for the purchase of land in FY 2024. These land purchases support or improve KDOT operations and include requests for land along the highway to provide an area to mix and store maintenance materials, land adjacent to a current KDOT facility to allow expansion of storage and operations, or land to relocate a KDOT facility for safety and effectiveness.

Land purchase locations in FY 2024 include:

- Erie, Lyons, and Topeka.

CHEMICAL STORAGE FACILITIES. The agency requests \$729,246 for the construction of 1,000-ton salt storage facilities at the Gage Subarea in Topeka and in Pratt in FY 2024. The agency states these facilities are constructed where existing storage is inadequate.

AREA SHOP BAY EXTENSION AND ELECTRICAL UPDATE. The agency requests \$1.7 million to extend bays and update electrical systems at area shops. Shop bays are

currently 40 feet deep, which is insufficient to house certain equipment and creates safety concerns when working on large equipment. This project extends bays by 30 feet and adds an overhead exit door affording drive-through access. A 3-ton overheard rail crane will be installed to provide lift capabilities.

The project will also consolidate electrical systems from different portions of the shop building and update main service panels to 800-amp 3-phase 208-volt service. This would replace service panels that do not meet current code requirements.

Updates in FY 2024 are scheduled for the Syracuse shop.

DISTRICT ONE HEADQUARTERS CONSTRUCTION IN TOPEKA. The agency requests \$24.2 million to construct a new District One Headquarters in Topeka in FY 2024. Project completion is estimated for the Summer of 2025.

The District One Headquarters is responsible for administering the construction, maintenance, and materials supporting state highways among 17 counties in northeast Kansas, which includes the Kansas City and Topeka metropolitan areas. The current complex, located at 121 Southwest 21st St. in Topeka, was constructed in 1934. The agency indicates the current facility is inadequate to store modern vehicles and requires transport of heavy equipment through a congested urban core.

Construction in FY 2024 includes a 32,000-square-foot maintenance shop and a 14,000-square-foot administration building on KDOT property at Southwest 21st Street and Rice Road, near the I-70 interchange in east Topeka. These projects were approved by the 2023 Legislature. Future plans include relocating the District One Materials Lab to this site in the out years.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** requests \$12.5 million, all from the State Highway Fund, in capital improvement for buildings for FY 2025. This is a decrease of \$35.8 million below the FY 2024 revised estimate. The decrease is primarily attributable to expenditures for the District One Headquarters in Topeka and subarea modernization efforts that occur in FY 2024 but do not reoccur for FY 2025.

REHABILITATION AND REPAIR. The agency requests \$5.2 million for rehabilitation and repair for FY 2025. Individual locations and repair specifics vary from year to year depending on wear and natural events. Any improvement project or space alteration is based on a building and site condition analysis and an assessment of the impact on operating functions. Expenditures target repairs and equipment replacements for improved energy efficiency, emergency repairs, and other unanticipated utility-related occurrences at the building. In addition, this program includes repairs to the nonstructural improvements to the land (e.g. sidewalks and parking lots.)

REROOF BUILDINGS. The agency requests \$659,080 for reroofing projects at eight locations. The agency states determination to reroof is based on the following factors: 1) age of roof, 2) current roof condition, 3) storm damage, 4) previous maintenance, 5) economics of repair versus replacement, and 6) the effects of leaks on building contents.

Reroofing locations for FY 2025 include:

- Ashland Dome, Council Grove Wash Building, Hays Cone, McPherson Wash Building, Medicine Lodge Dome, Tribune Cone, Troy Subarea, and Seneca Chemical Storage.

SUBAREA MODERNIZATIONS. The agency requests \$4.6 million for subarea modernization at two locations. The agency states subarea facilities were constructed in the 1950s and 1960s and are insufficient to accommodate modern equipment, such as dump trucks outfitted with snowplows and salt spreaders.

Subarea modernization locations for FY 2025 include:

- Lincoln and Lyons.

CHEMICAL STORAGE FACILITIES. The agency requests \$285,133 for the construction of a 1,000-ton salt storage facility in Osage City. The agency states this facility will be constructed where existing storage is inadequate.

AREA SHOP BAY EXTENSION AND ELECTRICAL UPDATE. The agency requests \$1.8 million to extend bays and update electrical systems at area shops. Shop bays are currently 40 feet deep, which is insufficient to house certain equipment and creates safety concerns when working on large equipment. This project extends bays by 30 feet and adds an overhead exit door affording drive-through access. A 3-ton overhead rail crane will be installed to provide lift capabilities.

The project will also consolidate electrical systems from different portions of the shop building and update main service panels to 800-amp 3-phase 208-volt service. This would replace service panels that do not meet current code requirements.

Updates for FY 2025 are scheduled for the Dodge City shop.

The **Governor** concurs with the agency's request for capital improvements for FY 2025.