

KANSAS OFFICE OF EARLY CHILDHOOD

Budget Summary – Governor’s Recommendation

Executive Summary

The 2025 Legislature passed HB 2045, which established the Kansas Office of Early Childhood. This agency was created to improve transparency, coordination, and administrative efficiency across the state’s early childhood system to better serve families and children. The agency will also house the Kansas Children’s Cabinet and Trust Fund and include all funding related to the Children’s Cabinet. The agency is expected to be fully up and running on or before July 1, 2026.

Expenditures by Category

Expenditures by Category, FY 2024 – FY 2027 Gov Rec						
(All Funds)						
	FY 2027 Gov Rec % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Gov Rec	FY 2027 Gov Rec
State Operations						
Salaries and Wages	4.9 % \$	- \$	- \$	- \$	- \$	11,110,831
Contractual Services	3.7	-	-	-	-	8,217,027
Commodities	0.0	-	-	-	-	75,328
Capital Outlay	0.0	-	-	-	-	37,267
Subtotal	8.6 % \$	- \$	- \$	- \$	- \$	19,440,453
State Aid and Assistance						
Aid to Locals	7.1 % \$	- \$	- \$	- \$	- \$	15,970,845
Other Assistance	84.3	-	-	-	-	189,483,522
Subtotal	91.4 % \$	- \$	- \$	- \$	- \$	205,454,367
Capital Budget and Debt						
Capital Improvements	-- % \$	- \$	- \$	- \$	- \$	-
Debt Service Principal	--	-	-	-	-	-
Debt Service Interest	--	-	-	-	-	-
Subtotal	-- % \$	- \$	- \$	- \$	- \$	-
GRAND TOTAL	100.0 % \$	- \$	- \$	- \$	- \$	224,894,820

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Budget and Policy Snapshot

The tables below provide a selection of items that inform the Governor’s recommendation and are not intended to be a comprehensive list of changes within the Governor’s recommendation.

FY 2027: Office of Early Childhood

	Item	Amount	Source	Note
☐ NEW	Lapse funding and FTE Positions from DCF	\$ (164,373,545)	All Funds	Delete 26.0 FTE
☐ NEW	Lapse funding and FTE Positions from KDHE	(13,708,860)	All Funds	Delete 52.0 FTE
☐ NEW	Lapse funding and FTE Positions from KSDE	(45,501,293)	All Funds	Delete 8.0 FTE
☐ NEW	Lapse FTE Position from Office of the Governor	-	All Funds	Delete 1.0 FTE
☐ NEW	Add funding and FTE Positions to Office of Early Childhood	223,583,698	All Funds	Add 87.0 FTE
☐ NEW	Add funding for Director of Early Childhood	208,000	SGF	
☐ NEW	Add funding and FTE Positions for Ombudsman	92,872	SGF	Add 1.0 FTE
☐ NEW	Add funding for operations	1,010,250	SGF	See footnote 1

FY 2027: CIF and KEY Fund Changes Outside the Office of Early Childhood

	Item	Amount	Source	Note
☐ NEW	Swap funding for Smoking Prevention Grants in KDHE	\$ 1,000,000	KEY	See footnote 2
☐ NEW	Swap funding for the Infant and Toddler Services Program in KDHE	5,800,000	SGF	See footnote 2
☐ NEW	Swap funding for the SIDS Networks Grants in KDHE	122,106	SGF	See footnote 2
☐ NEW	Swap funding for the Pre-K pilot program in KSDE	4,200,000	SGF	See footnote 2
☐ NEW	Reduce funding from KEY fund for Attorney General	(60,593)	KEY	
☐ NEW	Increase funding from KEY fund for Children's Cabinet Admini	4,505	KEY	

¹ This funding includes the following: \$750,000 SGF for general operations; \$205,000 SGF for new office space; \$30,250 for website hosting and maintenance; and \$25,000 for HR services from the Department of Administration.

² This funding was CIF funding through FY 2026.

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Appropriations and Transfers

FY 2027 Appropriations and Transfers		
		FY 2027 Gov Rec
Appropriations		
SGF	\$	16,803,348
CIF		41,732,053
KEY		289,707
Subtotal – Appropriations	\$	58,825,108
Transfers		
Fee Funds*	\$	626,779
Federal Funds		165,442,933
Other Funds*		-
Subtotal – Transfers	\$	166,069,712
Total Appropriation Change	\$	224,894,820

*This does not include anticipated transfers in funds where no expenditures are planned for FY 2027. There is a total of \$371,967 within the Child Care Fee Fund (\$46,489) and the Family and Children Investment Fund (\$325,478).

The Governor’s recommendation includes the transfer of several programs currently housed within other existing agencies. A list of programs that are being transferred to the Office of Early Childhood can be found on the next page. Funding will be lapsed from the current agencies and then moved to the Office of Early Childhood. Agencies lapsing funding include the following:

- **Department for Children and Families:** \$164.4 million, including \$14.8 million SGF and \$5.0 million from the Children’s Initiatives Fund (CIF), and 26.0 FTE positions.
- **Kansas Department of Health and Environment – Heath:** \$13.7 million, including \$663,383 SGF and \$1.7 million CIF, and 52.0 FTE positions.
- **Kansas State Department of Education:** \$45.5 million, including \$36,092 SGF and \$34.7 million CIF, and 8.0 FTE positions.
- **Office of the Governor:** 1.0 FTE position.

This brings the amount of funding which is moving from other state agencies to a total of \$223.6 million, including \$15.5 million SGF and \$41.7 million CIF. Of the SGF funding, the amount lapsing from other agencies and being appropriated in the Office of Early Childhood is 92.2 percent of the total SGF funding for the agency, while the all funds shift is 99.4 percent of the total Governor’s recommendation for the agency for FY 2027. All FTE positions except for the 1.0 FTE position of Ombudsman will be transferred from other agencies as well.

There is an additional \$1.3 million SGF appropriation which is shown in the table above but not part of the funding which is lapsed from other state agencies. It is a new appropriation for this agency.

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Budget Summary – Governor’s Recommendation

Programs Moving to Kansas Office of Early Childhood

Programs Moving to the Kansas Office of Early Childhood		
Program	Agency with Program FY 2026	Agency with Program FY 2027
Child Care Subsidy Including policy, administration, subsidy, & quality of the program	DCF	KOEC
Child Care Subsidy Including enrollment, eligibility, and payments	DCF	DCF
Child Care Quality	DCF	KOEC
Head Start Collaboration Office (KHSCO)	DCF	KOEC
Kansas Early Head State Child Care Partnership (KEHS-CCP)	DCF	KOEC
Kansas Early Head Start Home Visitation (KEHS-HV)	DCF	KOEC
Healthy Families America Home Visiting (HFA)	DCF	KOEC
Child Care Licensing	KDHE	KOEC
Maternal and Child Health Universal Home Visiting	KDHE	KOEC
Maternal, Infant, and Early Childhood Home Visitation (MIECHV)	KDHE	KOEC
IDEA Part C (Infant & Toddler Services)	KDHE	KDHE
Women, Infants, and Children (WIC)	KDHE	KDHE
Parents as Teachers	KSDE	KOEC
Pre-K Pilot Program	KSDE	KSDE
Child and Adult Care Food Program (CACFP)	KSDE	KSDE
<i>Children’s Cabinet Accountability Fund*</i>	KSDE	KOEC
<i>Combined Block Grant * (Early Childhood and Smart Start)</i>	KSDE	KOEC
<i>Imagination Library *</i>	KSDE	KOEC
<i>Early Childhood Infrastructure *</i>	KSDE	KOEC

*These programs are overseen by the Kansas Children’s Cabinet and Trust Fund. In FY 2026, the Children’s Cabinet is included in the KSDE budget. In the Governor’s recommendation, the Children’s Cabinet will move to the Office of Early Childhood’s budget for FY 2027.

DCF = Department for Children and Families

KOEC = Kansas Office of Early Childhood

KDHE = Kansas Department of Health and Environment

KSDE = Kansas State Department of Education

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FY 2027

The **Governor’s recommendation** includes \$224.9 million, including \$16.8 million SGF and \$41.7 million CIF, and 88.0 FTE positions for FY 2027. Of this funding, only \$1.3 million SGF and 2.0 FTE positions are not being lapsed from another agency. This funding will be used across five programs: Administration, Ombudsman, the Children’s Cabinet, Home Visiting, and Child Care.

The agency’s Administration Program will handle all administrative and operational functions for the agency. The Governor’s recommendation includes \$3.7 million, including \$1.3 million SGF, for the Administration Program. This recommendation incorporates the majority of the new SGF funding being requested for the agency, including \$208,000 SGF for salary and benefits for the Director of the Office of Early Childhood; \$25,000 SGF for HR services through the Department of Administration; \$30,250 SGF for website hosting and maintenance; \$25,000 for office space; and \$750,000 SGF for costs associated with the fiscal note of 2025 HB 2045, all other general operations, and overhead costs associated with the transition to the new office.

The Ombudsman Program covers the salary and wages for the 1.0 FTE position required by 2025 HB 2045. The Governor’s recommendation includes \$92,872 SGF for this program for FY 2027.

The Children’s Cabinet Program will continue to run the CIF programs, including the Community-Based Child Abuse Prevention programs and the Preschool Development Implementation grants. The Kansas Children’s Cabinet and Trust Fund will move in its entirety to the Office of Early Childhood from KSDE. The Governor’s recommendation includes \$36.0 million, including \$25.6 million CIF, for this program for FY 2027.

The Home Visiting Program will include programs transferring from DCF and KDHE, including the Healthy Families Kansas Home Visiting Program and the Kansas Early Head Start Program from DCF and the Universal Home Visiting Program and Maternal, Infant, and Early Childhood Home Visiting Program from KDHE. The Governor’s recommendation includes \$32.3 million, including \$69,070 SGF and \$11.1 million CIF, for this program for FY 2027.

The Child Care Division will include programs transferring from DCF and KDHE, including the Child Care Assistance Program, Child Care Quality program, and Work Force Registry Program from DCF and the Early Care and Youth Program (including Child Care Licensing) from KDHE. The Governor’s recommendation includes \$152.8 million, including \$15.4 million SGF and \$5.0 million CIF, for this program for FY 2027.

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Expenditures by Program

Expenditures by Program, FY 2024 – FY 2027 Gov Rec						
(All Funds)						
	FY 2027 Gov Rec % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Gov Rec	FY 2027 Gov Rec
Administration	1.7 %	\$ -	\$ -	\$ -	\$ -	3,721,774
Ombudsman	0.0	-	-	-	-	92,872
Children's Cabinet	16.0	-	-	-	-	35,993,942
Home Visiting	14.4	-	-	-	-	32,302,614
Child Care	67.9	-	-	-	-	152,783,618
TOTAL	100.0 %	\$ -	\$ -	\$ -	\$ -	224,894,820

FTE Positions by Program, FY 2024 – FY 2027 Gov Rec						
	FY 2027 Gov Rec % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Gov Rec	FY 2027 Gov Rec
Administration	10.2 %	--	--	--	--	9.0
Ombudsman	1.1	--	--	--	--	1.0
Children's Cabinet	8.0	--	--	--	--	7.0
Home Visiting	10.2	--	--	--	--	9.0
Child Care	70.5	--	--	--	--	62.0
TOTAL	100.0 %	-- \$	-- \$	-- \$	-- \$	88.0

Expenditures by Fund

Expenditures by Fund, FY 2024 – FY 2027 Gov Rec						
	FY 2027 Gov Rec % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Gov Rec	FY 2027 Gov Rec
State General Fund	7.5 %	\$ -	\$ -	\$ -	\$ -	16,803,348
Children's Initiatives Fund	18.6	-	-	-	-	41,732,053
KEY Fund	0.1	-	-	-	-	289,707
Fee Funds	0.3	-	-	-	-	626,779
Federal Funds	73.6	-	-	-	-	165,442,933
All Other Funds	-	-	-	-	-	-
TOTAL	100.0 %	\$ -	\$ -	\$ -	\$ -	224,894,820

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Kansas Children’s Cabinet

The Kansas Children’s Cabinet was created to oversee the expenditures from the Tobacco Master Settlement Agreement. By statute, the Children’s Cabinet is responsible for advising the Governor and the Legislature on the use of the Kansas Endowment for Youth (KEY) Fund and CIF resources, evaluating funded programs, helping coordinate a statewide system for children and families, and supporting the prevention of child abuse and neglect.

The Children’s Cabinet moved to KSDE from DCF in 2016. [2025 HB 2045](#) moves the Children’s Cabinet to the Office of Early Childhood starting in FY 2027.

The agency request in FY 2026 and for FY 2027 was approved by the Board for the Children’s Cabinet. It was submitted as part of the KSDE budget. The information below is based on that information. For more information on the FY 2027 request, please go to the section on [Recommendations for FY 2027](#) (page 9).

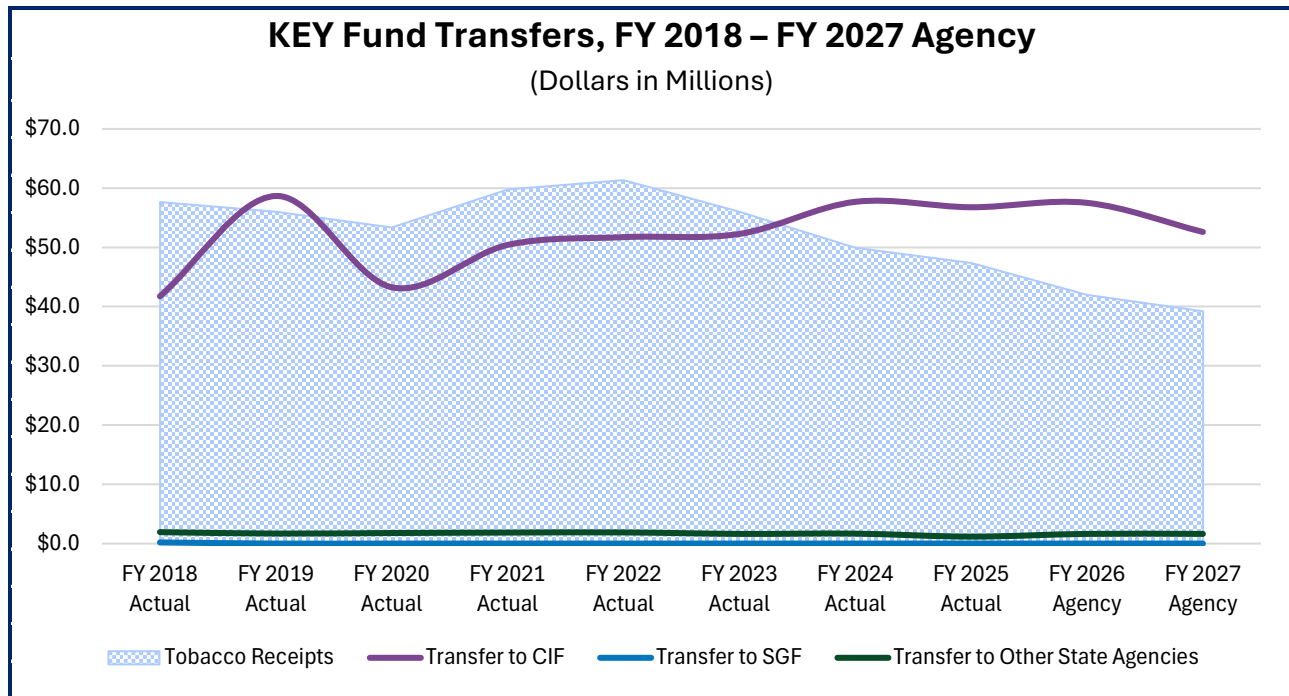
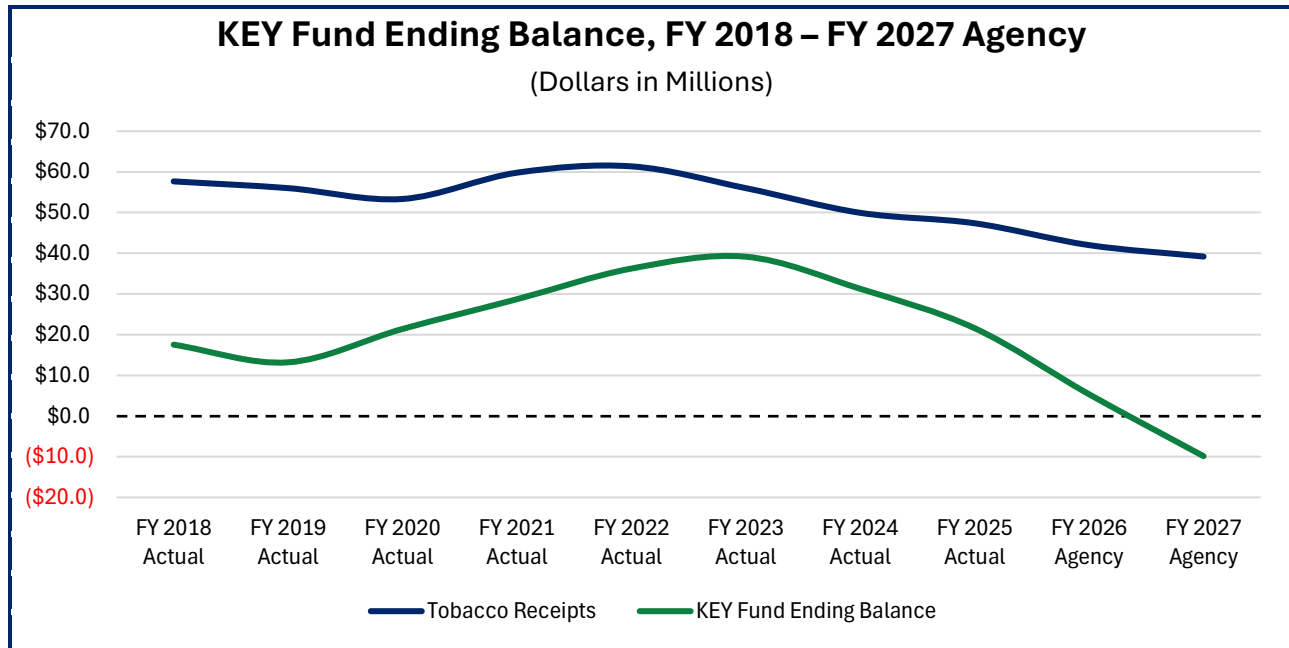
Expenditures by Category, FY 2024 – FY 2027 Children's Cabinet											
(All Funds)											
	FY 2026			FY 2024		FY 2025		FY 2026		FY 2026	FY 2027
	% of Total			Actual		Actual		Approved		Agency	Agency
State Operations											
Salaries and Wages	1.5	%	\$	673,908	\$	518,759	\$	678,596	\$	716,734	\$ 722,154
Contractual Services	6.9			2,432,284		1,946,607		2,251,484		3,363,270	1,981,302
Commodities	0.1			3,275		4,023		3,691		3,691	3,218
Capital Outlay	--			4,125		2,082		-		-	-
Operating Adjustments	--			-		-		-		-	-
Subtotal	8.4	%	\$	3,113,592	\$	2,471,471	\$	2,933,771	\$	4,083,695	\$ 2,706,674
State Aid and Assistance											
Aid to Locals	0.3	%	\$	11,781,637	\$	13,099,518	\$	165,543	\$	165,543	\$ 1,140,000
Other Assistance	91.2			82,083,169		73,537,497		27,444,301		44,260,670	32,147,268
Subtotal	91.6	%	\$	93,864,806	\$	86,637,015	\$	27,609,844	\$	44,426,213	\$ 33,287,268
Capital Budget and Debt											
Capital Improvements	--	%	\$	-	\$	-	\$	-	\$	-	-
Debt Service Principal	--			-		-		-		-	-
Debt Service Interest	--			-		-		-		-	-
Subtotal	--	%	\$	-	\$	-	\$	-	\$	-	-
Reappropriations	--	%	\$	-	\$	-	\$	-	\$	-	-
GRAND TOTAL	100.0	%	\$	96,978,398	\$	89,108,486	\$	30,543,615	\$	48,509,908	\$ 35,993,942

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KEY Fund

[KSA 38-2101](#) established the KEY Fund in 1999 following nationwide tobacco litigation with four major tobacco companies. The resulting Master Tobacco Settlement Agreement (MSA) provides ongoing annual payments to states based on smoking-related health care costs. Payments from the settlement are deposited into the KEY Fund, which is intended to serve as a long-term endowment for children’s programs. Each year, a portion of the KEY Fund is transferred to the CIF to support these programs.



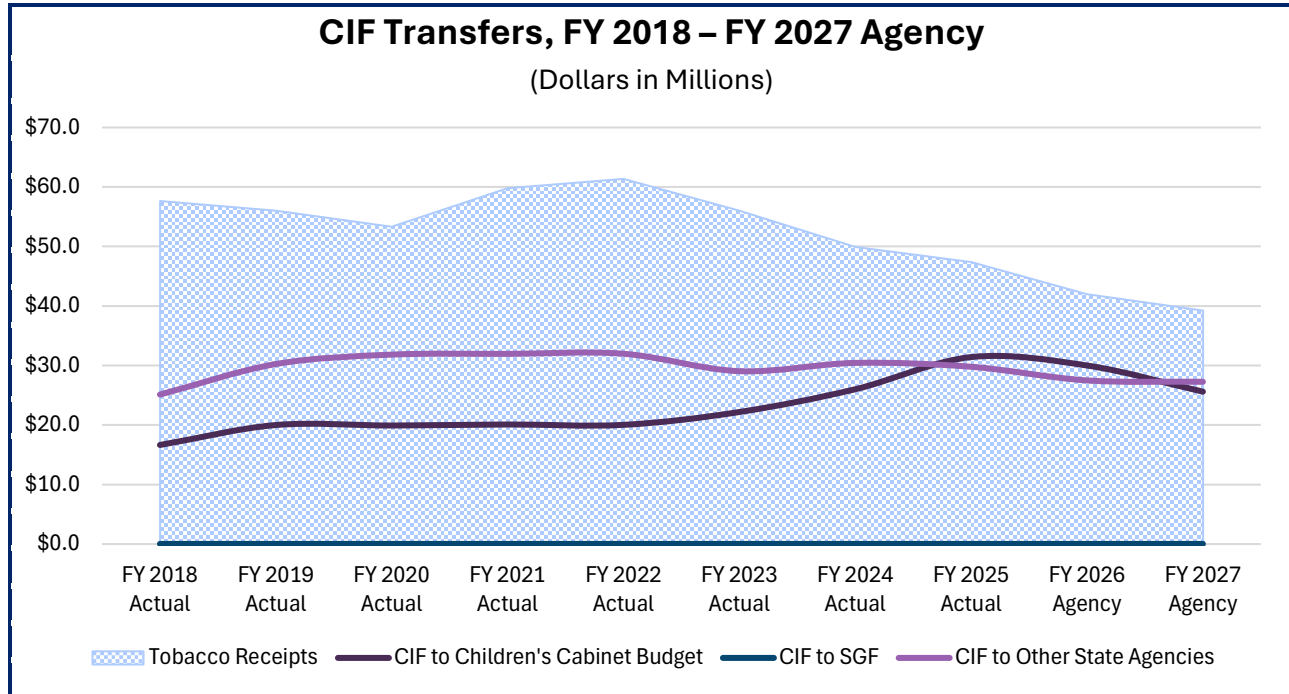
KANSAS OFFICE OF EARLY CHILDHOOD

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Children’s Initiatives Fund

[KSA 38-2102](#) establishes the CIF. CIF funding must be used for "the purposes of providing additional funding for programs, projects, improvements, services and other purposes directly or indirectly beneficial to the physical and mental health, welfare, safety and overall well-being of children in Kansas."

Funding from the CIF is split between several state agencies. Currently, these state agencies include the Children’s Cabinet, KSDE, the Kansas Department of Health and Environment, and the Department for Children and Families.



Recommendations for FY 2027

The Children’s Cabinet’s recommendation for FY 2027 includes one major change from FY 2026. This is the deletion of the funding for the Early Childhood Infrastructure program. The Children’s Cabinet also requests that the remaining programs remain at the same funding levels as in FY 2026, with no additional programs being added, due to the lower ending balance in the KEY Fund, and therefore, the CIF.

The Governor’s recommendations for the CIF and the KEY Fund include moving all CIF-funded programs to the Office of Early Childhood. This will allow both the Legislature and the Governor to review this funding comprehensively. [Staff Note: See the table under [Programs Moving to Office of Early Childhood](#) for the full list of agencies.] The Governor also recommends changing funding for the Smoking Prevention Grants program (which is remaining in KDHE), but have it remain at \$1.0 million total funding. The Governor also recommends replacing funding for programs that currently receive CIF funding but are remaining in the agencies where they are currently housed for FY 2027. This would reduce the amount of CIF transfer from the KEY fund to \$41.5 million from \$54.5 million. Finally, the Governor recommends reducing the amount of funding from the KEY Fund that is going to the Attorney General from \$460,593 to \$400,000 in both FY 2026 and FY 2027.