

# DEPARTMENT OF ADMINISTRATION

	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
On Budget - Operating Expenditures:							
State General Fund	\$ 42,128,069	\$ 33,029,469	\$ 33,013,515	\$ 42,925,731	\$ 36,272,027	\$ 42,835,154	\$ 35,780,809
Other Funds	40,454,821	51,407,037	51,367,515	41,656,212	48,845,508	41,364,703	48,210,963
<b>TOTAL</b>	<b>\$ 82,582,890</b>	<b>\$ 84,436,506</b>	<b>\$ 84,381,030</b>	<b>\$ 84,581,943</b>	<b>\$ 85,117,535</b>	<b>\$ 84,199,857</b>	<b>\$ 83,991,772</b>
On Budget - Capital Improvements:							
State General Fund	\$ 15,840,479	\$ 6,354,919	\$ 6,297,975	\$ 19,101,351	\$ 18,491,851	\$ 18,114,200	\$ 17,949,152
Other Funds	90,000	12,140,000	12,140,000	2,735,800	13,115,000	3,085,800	13,365,000
<b>TOTAL</b>	<b>\$ 15,930,479</b>	<b>\$ 18,494,919</b>	<b>\$ 18,437,975</b>	<b>\$ 21,837,151</b>	<b>\$ 31,606,851</b>	<b>\$ 21,200,000</b>	<b>\$ 31,314,152</b>
<b>ON BUDGET TOTAL</b>	<b>\$ 98,513,369</b>	<b>\$ 102,931,425</b>	<b>\$ 102,819,005</b>	<b>\$ 106,419,094</b>	<b>\$ 116,724,386</b>	<b>\$ 105,399,857</b>	<b>\$ 115,305,924</b>
Off Budget - Operating Expenditures:							
Other Funds	\$ 92,141,062	\$ 76,966,744	\$ 76,687,337	\$ 75,825,595	\$ 75,553,847	\$ 77,769,200	\$ 77,491,414
Off Budget - Capital Improvements:							
Other Funds	\$ 9,164,199	\$ 3,735,000	\$ 3,735,000	\$ 11,455,000	\$ 11,455,000	\$ 2,475,000	\$ 2,475,000
<b>GRAND TOTAL</b>	<b>\$ 199,818,630</b>	<b>\$ 179,215,113</b>	<b>\$ 178,935,706</b>	<b>\$ 185,793,964</b>	<b>\$ 185,522,216</b>	<b>\$ 178,757,569</b>	<b>\$ 178,479,783</b>
Percentage Change:							
Operating Expenditures							
State General Fund	40.4 %	(21.6) %	(21.6) %	30.0 %	9.9 %	(0.2) %	(1.4) %
All Funds	35.4	2.2	2.2	0.2	0.9	(0.5)	(1.3)
FTE Positions	468.2	390.7	390.7	390.7	390.7	390.7	390.7
Non-FTE	91.5	167.1	167.1	167.1	167.1	166.1	166.1
<b>TOTAL</b>	<b>559.7</b>	<b>557.8</b>	<b>557.8</b>	<b>557.8</b>	<b>557.8</b>	<b>556.8</b>	<b>556.8</b>

## AGENCY OVERVIEW

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The Department of Administration provides central services for state agencies and also includes a number of other entities and programs for administrative purposes. The Secretary of Administration, who is appointed by and serves at the pleasure of the Governor, manages the Department, with the assistance of a Deputy Secretary. Through its different divisions, the Department provides a centralized accounting system; administers a centralized purchasing system; maintains a uniform personnel system; oversees the design and construction of all state buildings; manages the state's telecommunications system and central data processing facility; operates the state printing plant; and maintains and operates state buildings and grounds in Topeka. The Department submits a two-part budget: a reportable budget, which reflects

expenditures for agency operations, and a non-reportable budget, which includes expenditures for services performed for other state agencies. The non-reportable budget is reflected in the reportable expenditures of other state agencies and such expenditures are not reflected in the Department's reportable expenditures to avoid double counting the same expenditures. Administration of the state employee Workers' Compensation program and Health Care Benefits program was transferred from the Division of Personnel Services to the Division of Health Policy and Finance as part of a 2005 reorganization and consolidation of health care programs. Health policy programs subsequently were shifted to the Kansas Health Policy Authority in FY 2007.

### MAJOR ISSUES FROM PRIOR YEARS

The **2003 Legislature** authorized issuance of \$500.0 million in pension obligation bonds, with debt service to be paid by State General Fund financing beginning in FY 2006. The proceeds were used by the Kansas Public Employees Retirement System (KPERs) to reduce the unfunded actuarial liability.

In November 2003, the Governor placed a moratorium on the purchase of new vehicles in FY 2005 and directed that all vehicles in the central motor pool fleet be eliminated. These provisions took effect on December 1, 2003. The Governor's Office estimated savings of \$8.6 million all funds associated with this decision.

At the beginning of the 2004 Session, the Governor's Office of Health Planning and Finance was created and placed in the Department of Administration. The office was charged with coordinating health care policy initiatives and addressing

issues of health and health care. A total of 4.0 FTE positions were associated with the office.

The **2004 Legislature** authorized issuance of \$210.0 million in highway bonds for the Kansas Department of Transportation (KDOT) to use in financing the Comprehensive Transportation Program (CTP), with State General Fund financing pledged for debt service payments beginning in FY 2007.

During the **2005 Session**, the Legislature authorized funding of \$210,000 all funds, including \$105,000 State General Fund, to add 3.0 FTE positions for the Long-Term Care Ombudsman. A major reorganization and shift was approved by the 2005 Legislature with the addition of \$1.4 billion all funds in FY 2006, including \$428.0 million State General Fund, along with 130.4 FTE positions, that were added to the newly designated Division of Health Policy and Finance in the

Department of Administration pursuant to 2005 House Sub. for SB 272.

The **2006 Legislature** approved a shift in FY 2007 of all funding and positions from the Division of Health Policy and Finance to the newly created Kansas Health Policy Authority. The Kansas Health Policy Authority was subsequently dissolved by the 2011 Legislature and its duties were moved to the Kansas Department of Health and Environment.

During the **2007 Legislature**, funding of \$4.5 million for a state Financial Management System (FMS) was approved to begin the multi-year process of development and implementing the software and hardware in state agencies estimated at a total cost of \$40 million. The 2007 Legislature also added language to the appropriations bill that directs establishment of a Kansas Taxpayer Transparency program and website for inquiries about the state's financial information called KanView.

The **2008 Legislature** approved continued funding of the Financial Management System (FMS), and included a transfer of \$5.5 million from the State Highway Fund for the project. The transfer is on the reportable side of the budget. The agency expended all the highway funds in order to pay for software for the project. Implementation and integration of the system will continue to be funded from fees charged to agencies for using the STARS reporting system, and those fees are on the non-reportable side of the budget.

The **2011 Legislature** approved \$34.3 million in Capitol Restoration bonds, transferred the Information Network of Kansas (INK) into the Department of Administration along with 1.0 FTE position, and shifted responsibilities for the enhanced 911 grant monies to the Attorney General's office.

The **2014 Legislature** added \$20.0 million, all from the State Highway Fund, and lapsed the same amount from the State General Fund for debt service on the Statehouse and transferred \$24.0 million from the FICA Medical Resident Reimbursement Fund to the State General Fund in FY 2015.

## **BUDGET SUMMARY AND KEY POINTS**

### **FY 2015 Agency Estimate**

The **Department of Administration** estimates a FY 2015 budget of \$102.9 million, including \$39.4 million from the State General Fund, an all funds increase of \$2.2 million and a State General Fund increase of \$2.5 million from the FY 2015 approved budget. The State General Fund increase is attributable to allotments totaling \$2.6 million including a 2.0

percent operating reduction of \$194,391, a \$2.3 million negative adjustment to debt service, a reduction in employer retirement contributions, and a reappropriation lapse. The increase is partially offset by the Governor not including the full amount of the \$181,141 added to the FY 2015 budget as a result of the reappropriation from FY 2014 to FY 2015.

## **FY 2015 Governor Recommendation**

The **Governor** recommends expenditures of \$102.8 million, including \$39.3 million from the State General Fund. This is an all funds reduction of \$112,420, or 0.1 percent, and a State General Fund reduction of \$72,898, or 0.2 percent, from the FY 2015 agency estimate.

## **FY 2016 Agency Request**

The **agency** requests operating expenditures of \$84.6 million, including \$42.9 million from the State General Fund, an all funds increase of \$145,437, or 0.2 percent, from the FY 2015 agency estimate. The request is a State General Fund increase of \$9.9 million, or 30.0 percent, and a special revenue fund reduction of \$9.8 million, or 19.0 percent.

## **FY 2016 Governor Recommendation**

The **Governor** recommends operating expenditures of \$85.2 million, including \$36.3 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$116.7 million, including \$54.8 million from the State General Fund. This is an all funds increase of \$10.3 million, or 9.7 percent, partially offset by a State General Fund reduction of \$7.3 million, or 11.7 percent, from the FY 2015 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing the State General Fund for debt service payments on the

The reduction is attributable to a supplemental of \$2.5 million, all from the State General Fund, recommended by the Governor to compensate the federal government due to irregularities in accounting for expenditures within the Office of Information Technology Services. That increase was offset by a reduction of \$2.3 million for bond refinancing on the Statehouse, and the allotment reductions.

The State General Fund increase is attributable to an increase of \$10.1 million in debt service principal payments for the Statehouse. In FY 2015, debt service on the statehouse was predominantly funded from the State Highway Fund. The increase was partially offset by reductions in debt service on the KPERS pension obligation bonds (\$50,053) and National Bio and Agro-Defense Facility bonds (\$95,742).

Statehouse by \$20.0 million and replacing it with moneys from the State Highway Fund.

The Governor also reduced agency expenditures by \$391,597, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$39,620, and refinanced bonds for a savings of \$752,112.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

## FY 2017 Agency Request

The **agency** requests \$84.2 million, including \$42.8 million from the State General Fund, a decrease of \$382,086, or 0.5 percent, including \$90,577, or 0.2 percent, from the State General Fund for FY 2017.

The State General Fund reduction is primarily attributable to debt service interest for the Statehouse (\$457,077), NBAF (\$108,196), and debt restructuring expenditures (\$56,470). The debt service reductions are partially offset by an increase in interest on the KPERS obligation bonds of \$337,061 and salaries and wages largely due to the 27<sup>th</sup> payroll (\$271,498).

The special revenue fund reduction of \$291,509, or 0.7 percent, is attributable to no on-budget OITS requests for FY 2017 due to no allocated expenditures for the State and Local Implementation Grant fund (SLIGP) or the GIS Contracting

## FY 2017 Governor Recommendation

The **Governor** recommends operating expenditures of \$84.0 million, including \$35.8 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$115.3 million, including \$53.7 million from the State General Fund. This is an all funds increase of \$9.9 million, or 9.4 percent, partially offset by a State General Fund reduction of \$7.2 million, or 11.8 percent, from the FY 2017 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing the State General Fund for debt service payments on the Statehouse by \$20.0 million and replacing it with moneys from the State Highway Fund.

Services Fund for law enforcement broadband services and no projected amount from the Ed Byrne Memorial Justice Fund. The agency also reduced Expanded Lottery Act Revenue Fund expenditures by \$350,000 that were allocated for debt service interest on the Statehouse. The increases were partially offset by the EDIF enhancement for public broadcasting.

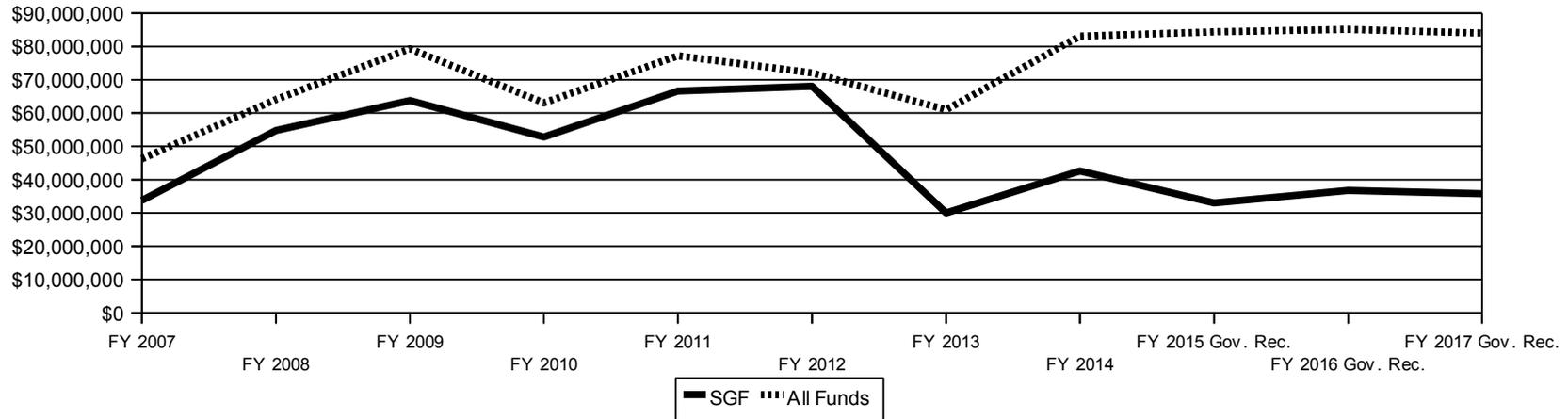
The reductions in both State General Fund and Special Revenue Funds were partially offset by increased expenditures in salaries and wages of \$1.4 million due to the 27<sup>th</sup> payroll check, \$0.9 million in utilities, and an additional \$0.4 million in increased EDIF expenditures for Public Broadcasting. The request continues to reflect \$3.4 million in enhancements, including \$1.2 million from the State General Fund, for the Long Term Care Office volunteer conference, public broadcasting, and Rehabilitation and Repair.

The Governor also reduced agency expenditures by \$3919,269, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$40,413, and refinanced bonds for a savings of \$1.8 million.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 33,713,489	43.4 %	\$ 46,259,355	35.6 %	759.6
2008	54,774,436	62.5	64,060,109	38.5	761.6
2009	63,772,779	16.4	79,293,387	23.8	760.5
2010	52,789,549	(17.2)	63,059,603	(20.5)	735.9
2011	66,617,017	26.2	77,196,150	22.4	747.0
2012	68,042,451	2.1	72,089,247	(6.6)	568.3
2013	30,000,000	(55.9)	61,000,000	(15.4)	518.2
2014	42,128,069	40.4	82,582,890	35.4	468.2
2015 Gov. Rec.	33,013,515	(21.6)	84,381,030	2.2	390.7
2016 Gov. Rec.	36,272,027	9.9	85,117,535	0.9	390.7
2017 Gov. Rec.	35,780,809	(1.4)	83,991,772	(1.3)	390.7
Eleven-Year Change	\$ 2,067,320	6.1 %	\$ 37,732,417	81.6 %	(369.0)

**Note:** (1) The reduction in SGF spending starting in FY 2013 is attributable to lottery funding replacing SGF for debt service.

**On Budget - Summary of Operating Budget FY 2014 - FY 2016**

	Actual 2014	Agency Estimate				Governor's Recommendation			
		Estimate FY 2015	Request FY 2016	Dollar Change from FY 15	Percent Change from FY 15	Rec. FY 2015	Rec. FY 2016	Dollar Change from FY 15	Percent Change from FY 15
<b>By Program:</b>									
Administration	\$ 577,206	\$ 393,512	\$ 415,190	\$ 21,678	5.5 %	\$ 385,439	\$ 413,911	\$ 28,472	7.4 %
Facilities & Procurement	3,553,460	4,074,640	3,812,977	(261,663)	(6.4)	4,059,877	3,797,143	(262,734)	(6.5)
Division of the Budget	1,385,048	1,595,714	1,503,976	(91,738)	(5.7)	1,555,208	1,433,500	(121,708)	(7.8)
Information Technology Services	1,230,752	889,793	522,883	(366,910)	(41.2)	3,384,958	522,300	(2,862,658)	(84.6)
Chief Counsel	329,704	369,662	386,108	16,446	4.4	365,958	384,090	18,132	5.0
Human Resources	1,429,332	1,339,920	1,637,177	297,257	22.2	1,313,928	1,625,945	312,017	23.7
Financial Management	172,494	1,024,468	680,064	(344,404)	(33.6)	972,773	677,201	(295,572)	(30.4)
Chief Financial Officer	1,075,048	1,944,265	1,807,185	(137,080)	(7.1)	1,932,343	1,799,965	(132,378)	(6.9)
Long Term Care Ombudsman	249,434	756,632	784,017	27,385	3.6	745,539	746,492	953	0.1
Public Broadcasting	600,000	600,000	2,406,321	1,806,321	301.1	588,000	0	(588,000)	(100.0)
Office of Systems Management	2,655,236	1,898,238	1,684,239	(213,999)	(11.3)	1,834,183	1,448,419	(385,764)	(21.0)
Debt Service	69,325,176	69,549,662	68,941,806	(607,856)	(0.9)	67,242,824	72,268,569	5,025,745	7.5
<b>TOTAL</b>	<b>\$ 82,582,890</b>	<b>\$ 84,436,506</b>	<b>\$ 84,581,943</b>	<b>\$ 145,437</b>	<b>0.2 %</b>	<b>\$ 84,381,030</b>	<b>\$ 85,117,535</b>	<b>\$ 736,505</b>	<b>0.9 %</b>
<b>By Major Object of Expenditure:</b>									
Salaries and Wages	\$ 6,248,602	\$ 8,131,372	\$ 7,485,832	\$ (645,540)	(7.9) %	\$ 7,981,879	\$ 7,350,791	\$ (631,088)	(7.9) %
Contractual Services	5,347,590	4,015,642	4,048,577	32,935	0.8	6,428,497	3,798,768	(2,629,729)	(40.9)
Commodities	954,021	1,382,180	1,273,807	(108,373)	(7.8)	1,382,180	1,273,807	(108,373)	(7.8)
Capital Outlay	41,444	93,450	88,600	(4,850)	(5.2)	93,450	88,600	(4,850)	(5.2)
Debt Service	69,325,176	69,549,662	68,941,806	(607,856)	(0.9)	67,242,824	72,268,569	5,025,745	7.5
Subtotal - Operations	\$ 81,916,833	\$ 83,172,306	\$ 81,838,622	\$ (1,333,684)	(1.6) %	\$ 83,128,830	\$ 84,780,535	\$ 1,651,705	2.0 %
Aid to Local Units	0	650,000	325,000	(325,000)	(50.0)	650,000	325,000	(325,000)	(50.0)
Other Assistance	666,057	614,200	2,418,321	1,804,121	293.7	602,200	12,000	(590,200)	(98.0)
<b>TOTAL</b>	<b>\$ 82,582,890</b>	<b>\$ 84,436,506</b>	<b>\$ 84,581,943</b>	<b>\$ 145,437</b>	<b>0.2 %</b>	<b>\$ 84,381,030</b>	<b>\$ 85,117,535</b>	<b>\$ 736,505</b>	<b>0.9 %</b>
<b>Financing:</b>									
State General Fund	\$ 42,128,069	\$ 33,029,469	\$ 42,925,731	\$ 9,896,262	30.0 %	\$ 33,013,515	\$ 36,272,027	\$ 3,258,512	9.9 %
All Other Funds	40,454,821	51,407,037	41,656,212	(9,750,825)	(19.0)	51,367,515	48,845,508	(2,522,007)	(4.9)
<b>TOTAL</b>	<b>\$ 82,582,890</b>	<b>\$ 84,436,506</b>	<b>\$ 84,581,943</b>	<b>\$ 145,437</b>	<b>0.2 %</b>	<b>\$ 84,381,030</b>	<b>\$ 85,117,535</b>	<b>\$ 736,505</b>	<b>0.9 %</b>

**On-Budget Summary of Operating Budget FY 2014 - FY 2016**

	Agency Estimate				Governor's Recommendation			
	Estimate FY 2016	Request FY 2017	Dollar Change from FY 16	Percent Change from FY 16	Rec. FY 2016	Rec. FY 2017	Dollar Change from FY 16	Percent Change from FY 16
<b>By Program:</b>								
Administration	\$ 415,190	\$ 433,053	\$ 17,863	4.3 %	\$ 413,911	\$ 431,749	\$ 17,838	4.3 %
Facilities & Procurement	3,812,977	3,894,880	81,903	2.1	3,797,143	3,878,729	81,586	2.1
Division of the Budget	1,503,976	1,592,315	88,339	5.9	1,433,500	1,518,098	84,598	5.9
Information Technology Services	522,883	0	(522,883)	(100.0)	522,300	0	(522,300)	(100.0)
Chief Counsel	386,108	404,660	18,552	4.8	384,090	402,601	18,511	4.8
Human Resources	1,637,177	1,700,080	62,903	3.8	1,625,945	1,688,623	62,678	3.9
Financial Management	680,064	700,290	20,226	3.0	677,201	697,369	20,168	3.0
Chief Financial Officer	1,807,185	1,864,866	57,681	3.2	1,799,965	1,857,502	57,537	3.2
Long Term Care Ombudsman	784,017	821,536	37,519	4.8	746,492	783,547	37,055	5.0
Public Broadcasting	2,406,321	2,849,447	443,126	18.4	0	0	0	--
Office of Systems Management	1,684,239	1,629,300	(54,939)	(3.3)	1,448,419	1,389,536	(58,883)	(4.1)
Debt Service	68,941,806	68,309,430	(632,376)	(0.9)	72,268,569	71,344,018	(924,551)	(1.3)
<b>TOTAL</b>	<b>\$ 84,581,943</b>	<b>\$ 84,199,857</b>	<b>\$ (382,086)</b>	<b>(0.5) %</b>	<b>\$ 85,117,535</b>	<b>\$ 83,991,772</b>	<b>\$ (1,125,763)</b>	<b>(1.3) %</b>
<b>By Major Object of Expenditure:</b>								
Salaries and Wages	\$ 7,485,832	\$ 7,800,538	\$ 314,706	4.2 %	\$ 7,350,791	\$ 7,660,945	\$ 310,154	4.2 %
Contractual Services	4,048,577	3,534,372	(514,205)	(12.7)	3,798,768	3,280,739	(518,029)	(13.6)
Commodities	1,273,807	1,274,070	263	0.0	1,273,807	1,274,070	263	0.0
Capital Outlay	88,600	95,000	6,400	7.2	88,600	95,000	6,400	7.2
Debt Service	68,941,806	68,309,430	(632,376)	(0.9)	72,268,569	71,344,018	(924,551)	(1.3)
Subtotal - Operations	\$ 81,838,622	\$ 81,013,410	\$ (825,212)	(1.0) %	\$ 84,780,535	\$ 83,654,772	\$ (1,125,763)	(1.3) %
Aid to Local Units	325,000	325,000	0	0.0	325,000	325,000	0	0.0
Other Assistance	2,418,321	2,861,447	443,126	18.3	12,000	12,000	0	0.0
<b>TOTAL</b>	<b>\$ 84,581,943</b>	<b>\$ 84,199,857</b>	<b>\$ (382,086)</b>	<b>(0.5) %</b>	<b>\$ 85,117,535</b>	<b>\$ 83,991,772</b>	<b>\$ (1,125,763)</b>	<b>(1.3) %</b>
<b>Financing:</b>								
State General Fund	\$ 42,925,731	\$ 42,835,154	\$ (90,577)	(0.2) %	\$ 36,272,027	\$ 35,780,809	\$ (491,218)	(1.4) %
All Other Funds	41,656,212	41,364,703	(291,509)	(0.7)	48,845,508	48,210,963	(634,545)	(1.3)
<b>TOTAL</b>	<b>\$ 84,581,943</b>	<b>\$ 84,199,857</b>	<b>\$ (382,086)</b>	<b>(0.5) %</b>	<b>\$ 85,117,535</b>	<b>\$ 83,991,772</b>	<b>\$ (1,125,763)</b>	<b>(1.3) %</b>

**Off Budget - Summary of Operating Budget FY 2014 - FY 2016**

	Actual 2014	Agency Estimate				Governor's Recommendation			
		Estimate FY 2015	Request FY 2016	Dollar Change from FY 15	Percent Change from FY 15	Rec. FY 2015	Rec. FY 2016	Dollar Change from FY 15	Percent Change from FY 15
<b>By Program:</b>									
Administration	\$ 270,602	\$ 70,753	\$ 68,532	\$ (2,221)	(3.1) %	\$ 70,062	\$ 68,106	\$ (1,956)	(2.8)%
Facilities & Procurement	37,295,156	32,358,715	29,413,069	(2,945,646)	(9.1)	32,238,271	29,265,018	(2,973,253)	(9.2)
Chief Counsel	316,244	450,476	456,312	5,836	1.3	447,906	453,172	5,266	1.2
Long Term Care Ombudsman	479,149	0	0	0	0.0	0	0	0	--
Systems Management	7,981,393	8,993,184	9,100,450	107,266	1.2	8,964,033	9,072,640	108,607	1.2
Information Technology	40,376,711	30,617,389	32,526,527	1,909,138	6.2	30,517,831	32,455,097	1,937,266	6.3
Human Resources	534,313	437,570	449,344	11,774	2.7	433,361	445,684	12,323	2.8
Chief Financial Officer	629,152	385,094	476,757	91,663	23.8	381,353	474,469	93,116	24.4
Financial Management	1,963,905	2,323,282	2,105,904	(217,378)	(9.4)	2,304,239	2,090,961	(213,278)	(9.3)
Debt Service	1,413,306	1,330,281	1,228,700	(101,581)	(7.6)	1,330,281	1,228,700	(101,581)	(7.6)
Clearing	881,131	0	0	0	0.0	0	0	0	--
<b>TOTAL</b>	<b>\$ 92,141,062</b>	<b>\$ 76,966,744</b>	<b>\$ 75,825,595</b>	<b>\$ (1,141,149)</b>	<b>(1.5) %</b>	<b>\$ 76,687,337</b>	<b>\$ 75,553,847</b>	<b>\$ (1,133,490)</b>	<b>(1.5)%</b>
<b>By Major Object of Expenditure:</b>									
Salaries and Wages	\$ 26,590,614	\$ 27,734,491	\$ 27,277,029	\$ (457,462)	(1.6) %	\$ 27,455,084	\$ 27,005,281	\$ (449,803)	(1.6)%
Contractual Services	53,284,020	36,978,381	36,631,038	(347,343)	(0.9)	36,978,381	36,631,038	(347,343)	(0.9)
Commodities	3,296,423	3,767,634	2,988,319	(779,315)	(20.7)	3,767,634	2,988,319	(779,315)	(20.7)
Capital Outlay	7,040,209	7,144,957	7,679,509	534,552	7.5	7,144,957	7,679,509	534,552	7.5
Debt Service	1,584,285	1,330,281	1,228,700	(101,581)	(7.6)	1,330,281	1,228,700	(101,581)	(7.6)
Subtotal - Operations	\$ 91,795,551	\$ 76,955,744	\$ 75,804,595	\$ (1,151,149)	(1.5) %	\$ 76,676,337	\$ 75,532,847	\$ (1,143,490)	(1.5)%
Aid to Local Units	0	0	0	0	0.0	0	0	0	--
Other Assistance	345,511	11,000	21,000	10,000	90.9	11,000	21,000	10,000	90.9
<b>TOTAL</b>	<b>\$ 92,141,062</b>	<b>\$ 76,966,744</b>	<b>\$ 75,825,595</b>	<b>\$ (1,141,149)</b>	<b>(1.5) %</b>	<b>\$ 76,687,337</b>	<b>\$ 75,553,847</b>	<b>\$ (1,133,490)</b>	<b>(1.5)%</b>
<b>Financing:</b>									
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	0.0 %	\$ 0	\$ 0	\$ 0	-- %
All Other Funds	92,141,062	76,966,744	75,825,595	(1,141,149)	(1.5)	76,687,337	75,553,847	(1,133,490)	(1.5)
<b>TOTAL</b>	<b>\$ 92,141,062</b>	<b>\$ 76,966,744</b>	<b>\$ 75,825,595</b>	<b>\$ (1,141,149)</b>	<b>(1.5) %</b>	<b>\$ 76,687,337</b>	<b>\$ 75,553,847</b>	<b>\$ (1,133,490)</b>	<b>(1.5)%</b>

**Off Budget - Summary of Operating Budget FY 2016 - FY 2017**

	Agency Estimate				Governor's Recommendation			
	Request FY 2016	Request FY 2017	Dollar Change from FY 16	Percent Change from FY 16	Rec. FY 2016	Rec. FY 2017	Dollar Change from FY 16	Percent Change from FY 16
<b>By Program:</b>								
Administration	\$ 68,532	\$ 71,345	\$ 2,813	4.1 %	\$ 68,106	\$ 70,910	\$ 2,804	4.1 %
Facilities & Procurement	29,413,069	31,285,880	1,872,811	6.4	29,265,018	31,134,864	1,869,846	6.4
Chief Counsel	456,312	471,639	15,327	3.4	453,172	468,436	15,264	3.4
Long Term Care Ombudsman	0	0	0	0.0	0	0	0	--
Systems Management	9,100,450	9,374,602	274,152	3.0	9,072,640	9,346,235	273,595	3.0
Information Technology	32,526,527	32,280,846	(245,681)	(0.8)	32,455,097	32,207,391	(247,706)	(0.8)
Human Resources	449,344	469,924	20,580	4.6	445,684	466,191	20,507	4.6
Chief Financial Officer	476,757	498,500	21,743	4.6	474,469	496,166	21,697	4.6
Financial Management	2,105,904	2,202,058	96,154	4.6	2,090,961	2,186,815	95,854	4.6
Debt Service	1,228,700	1,114,406	(114,294)	(9.3)	1,228,700	1,114,406	(114,294)	(9.3)
Clearing	0	0	0	0.0	0	0	0	--
<b>TOTAL</b>	<b>\$ 75,825,595</b>	<b>\$ 77,769,200</b>	<b>\$ 1,943,605</b>	<b>2.6 %</b>	<b>\$ 75,553,847</b>	<b>\$ 77,491,414</b>	<b>\$ 1,937,567</b>	<b>2.6 %</b>
<b>By Major Object of Expenditure:</b>								
Salaries and Wages	\$ 27,277,029	\$ 28,724,594	\$ 1,447,565	5.3 %	\$ 27,005,281	\$ 28,446,808	\$ 1,441,527	5.3 %
Contractual Services	36,631,038	37,124,310	493,272	1.3	36,631,038	37,124,310	493,272	1.3
Commodities	2,988,319	3,288,492	300,173	10.0	2,988,319	3,288,492	300,173	10.0
Capital Outlay	7,679,509	7,496,398	(183,111)	(2.4)	7,679,509	7,496,398	(183,111)	(2.4)
Debt Service	1,228,700	1,114,406	(114,294)	(9.3)	1,228,700	1,114,406	(114,294)	(9.3)
Subtotal - Operations	\$ 75,804,595	\$ 77,748,200	\$ 1,943,605	2.6 %	\$ 75,532,847	\$ 77,470,414	\$ 1,937,567	2.6 %
Aid to Local Units	0	0	0	0.0	0	0	0	--
Other Assistance	21,000	21,000	0	0.0	21,000	21,000	0	0.0
<b>TOTAL</b>	<b>\$ 75,825,595</b>	<b>\$ 77,769,200</b>	<b>\$ 1,943,605</b>	<b>2.6 %</b>	<b>\$ 75,553,847</b>	<b>\$ 77,491,414</b>	<b>\$ 1,937,567</b>	<b>2.6 %</b>
<b>Financing:</b>								
State General Fund	\$ 0	\$ 0	\$ 0	0.0 %	\$ 0	\$ 0	\$ 0	-- %
All Other Funds	75,825,595	77,769,200	1,943,605	2.6	75,553,847	77,491,414	1,937,567	2.6
<b>TOTAL</b>	<b>\$ 75,825,595</b>	<b>\$ 77,769,200</b>	<b>\$ 1,943,605</b>	<b>2.6 %</b>	<b>\$ 75,553,847</b>	<b>\$ 77,491,414</b>	<b>\$ 1,937,567</b>	<b>2.6 %</b>

# BUDGET OVERVIEW

## A. FY 2015 – Current Year

### Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$39,258,972 for the Department of Administration in FY 2015. An adjustment has subsequently been made to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustments have been made:

- An increase of \$193,238, based on the reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015; and

- A reduction of \$2,571,612, as the result of the Governor's December 9<sup>th</sup> State General Fund allotment.

These adjustments change the FY 2015 approved State General Fund to \$36,880,598. That amount is reflected in the table below as the currently approved FY 2015 State General Fund amount. The agency's budget was submitted prior to the December allotment, so the agency's revised budget estimates do not incorporate the allotment.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2015	Agency Estimate FY 2015	Agency Change from Approved	Governor Rec. FY 2015	Governor Change from Approved
State General Fund	\$ 36,880,598	\$ 39,384,388	\$ 2,503,790	\$ 39,311,490	\$ 2,430,892
All Other Funds	63,863,148	63,547,037	(316,111)	63,507,515	(355,633)
<b>TOTAL</b>	<b>\$ 100,743,746</b>	<b>\$ 102,931,425</b>	<b>\$ 2,187,679</b>	<b>\$ 102,819,005</b>	<b>\$ 2,075,259</b>
FTE Positions	466.2	390.7	(75.6)	390.7	(75.6)

The **Department of Administration** estimates a FY 2015 budget of \$102.9 million, including \$39.4 million from the State General Fund, an all funds increase of \$2.2 million and a State General Fund increase of \$2.5 million from the FY 2015

approved budget. The State General Fund increase is attributable to allotments totaling \$2.6 million including a 2.0 percent operating reduction of \$194,391, a \$2.3 million negative adjustment to debt service, a reduction in employer retirement

contributions, and reappropriations lapses. The increase is partially offset by the Division of Budget not budgeting the full amount of the \$181,141 added to the FY 2015 budget as a result of the reappropriation.

The special revenue fund reduction of \$316,111, or 0.5 percent is attributable to:

- A reduction of \$766,606, from the Public Safety Broad Services Fund;
- An increase of \$325,000 for federal flood control project grants due to two years of funding being allocated in the current year as there was no FY 2014 distribution;
- An increase of \$94,268 for the State and Local Implementation Grant in order to begin the development of State, Local and Tribal wireless public safety systems;
- An increase of \$30,885 from the State Revolving Services Fund.

**Salaries and Wages:** The agency requests \$8.1 million for salaries and wages, an increase of \$230,237, or 2.9 percent, the increase is attributable to the 4.0 percent operating reduction of \$194,391 being allocated to salaries.

## Governor's Allotments

The consensus revenue estimating process was completed on November 10, 2014 subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus revenue estimates identified a \$278.7 million State General Fund shortfall for FY 2015. This prompted the Governor to address the shortfall with an allotment plan totaling \$280.0 million which reduced

**Contractual Services:** The agency requests \$4.0 million for contractual services, a reduction of \$636,599, or 13.7 percent, below the FY 2015 approved budget. The reduction is attributable to the Public Safety Broadband Fund expenditures being reallocated to other state agencies.

**Debt Service:** The agency requests \$69.5 million for debt service, including \$25.4 million from the State General Fund, an SGF only increase of \$2.3 million, or 10.0 percent, from the FY 2015 approved budget. The increase is wholly attributable to the 2015 allotment which recognized savings from refinancing the bonds for the Comprehensive Transportation Program which are administered by the Department of Administration.

The **Governor** recommends expenditures of \$102.8 million, including \$39.3 million from the State General Fund. This is an all funds reduction of \$112,420, or 0.1 percent, and a State General Fund reduction of \$72,898, or 0.2 percent, from the FY 2015 agency estimate.

The reduction is attributable to a supplemental of \$2.5 million, all from the State General Fund, recommended by the Governor to compensate the Federal Government due to irregularities in accounting for expenditures within the Office of Information Technology Services. That increase was offset by a reduction of \$2.3 million for bond refinancing on the Statehouse, and the allotment reductions.

expenditures by \$60.1 million. The allotment plan also included recommendations to transfer funds and adjust Non-State General Fund expenditures an additional \$219.9 million. The adjustments included in the \$219.9 million will require legislative approval to implement. The allotments shown in the table below reflect only those allotments which have already taken place.

<b>GOVERNOR'S ALLOTMENTS</b>			
Allotment	SGF	All Funds	FTE
December Allotment			
Reduce KPERS Employer Contribution Rate	\$ (55,472)	\$ (55,472)	0.0
Lapse Reappropriations	(14,911)	(14,911)	0.0
Reduce SGF funding by 4.0 percent	(194,391)	(194,391)	0.0
Debt Service Reduction	(2,306,838)	(2,306,838)	0.0
TOTAL	<u>\$ (2,571,612)</u>	<u>\$ (2,571,612)</u>	<u>0.0</u>

**Kansas Public Employees Retirement System (KPERS) Reduction:**

A reduction of \$55,472 from the State General Fund as a result of the Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 10.42 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency expenditures but is reflective of a reduction of expenditures from the State General Fund.

**Reappropriations Lapse:**

A reduction of \$14,911, as a result of the Governor's State General Fund reappropriation allotment. This is a reduction to the total FY 2015 State General Fund reappropriation of \$193,238 for the agency. This allotment will decrease available funding in rehabilitation and repair of state facilities.

**4.0 percent reduction to Cabinet-level and other SGF funded agencies**

A reduction of \$194,391, all from the State General Fund, as a result of the Governor's State General Fund allotment of 4.0 percent over the last six months or 2.0 percent for the whole fiscal year to Cabinet and other State General Fund agencies in FY 2015. This allotment will be managed by agency operational reductions

**Debt Service Reduction**

A reduction of \$2,306,838, all from the State General Fund, to reduce interest payments on bonds issued to fund the Kansas Department of Transportation Comprehensive Transportation Program.

**B. FY 2016 – Budget Year**

<b>FY 2016 OPERATING BUDGET SUMMARY</b>			
	Agency Request	Governor's Recommendation	Difference
<b>Total Request/Recommendation</b>	\$ 84,581,943	\$ 85,117,535	\$ 535,592
<b>FTE Positions</b>	390.7	390.7	0.0
<b><i>Change from FY 2015:</i></b>			
<i>Dollar Change:</i>			
State General Fund	\$ 9,896,262	\$ 3,258,512	
All Other Funds	(9,750,825)	(2,522,007)	
TOTAL	<u>\$ 145,437</u>	<u>\$ 736,505</u>	
<i>Percent Change:</i>			
State General Fund	30.0 %	9.9 %	
All Other Funds	(19.0)	(4.9)	
TOTAL	<u>0.2 %</u>	<u>0.9 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests operating expenditures of \$84.6 million, including \$42.9 million from the State General Fund, an all funds increase of \$145,437, or 0.2 percent, from the FY 2015 agency estimate. The request is a State General Fund increase of \$9.9 million, or 30.0 percent, and a special revenue fund reduction of \$9.8 million, or 19.0 percent.

The State General Fund increase is attributable to an increase of \$10.1 million in debt service principal payments for

the Statehouse. In FY 2015, debt service on the statehouse was predominantly funded from the State Highway Fund. The increase was partially offset by reductions in debt service on the KPERs pension obligation bonds (\$50,053) and National Bio and Agro-Defense Facility bonds (\$95,742).

The Special Revenue fund reduction is attributable to the offset in debt service funding described above.

**Salaries and Wages:** The agency requests \$7.5 million for salaries and wages expenditures. A reduction of \$645,540, or 7.9 percent, from the FY 2015 agency estimate. The reduction is attributable to the deletion of classified salaries and their increase was partially offset by replacement with temporary employees predominantly in the Office of Systems Management (\$326,799) and the Office of Information Technology Services (\$365,626). The Office of Systems Management has converted all of their employees to the unclassified service and shifted the staff to off-budget. During this conversion some positions were eliminated as they had not been utilized in several years which resulted in the reductions.

**Commodities:** The agency requests \$1.3 million for commodities, a reduction of \$108,373, or 7.8 percent, from the FY 2015 agency estimate. The reduction is attributable to reductions in other supplies and materials in the facilities program partially offset by an additional \$2,000 for food in the Administration program.

**Debt Service:** The agency requests \$74.4 million for debt service, a reduction of \$607,856, or 0.9 percent, from the FY 2015 agency estimate. The reduction is attributable to a shift in debt service on the Statehouse and NBAF bonds reducing interest payments as the bonds mature.

**Aid to Local Units:** The agency requests \$325,000 for aid to local units, a reduction of \$325,000, or 50.0 percent, from the FY 2015 agency estimate. The reduction is attributable to two federal flood control grants being budgeted in FY 2015 and not repeated in FY 2016.

**Other Assistance:** The agency requests \$2.4 million for other assistance, an increase of \$1.8 million, or 301.1 percent,

from the FY 2015 agency estimate. The increase is attributable to an agency enhancement request of \$1.8 million all from the Economic Development Initiatives Fund, for an operational increase for Public Broadcasting.

The **Governor** recommends operating expenditures of \$85.2 million, including \$36.3 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$116.7 million, including \$54.8 million from the State General Fund. This is an all funds increase of \$10.3 million, or 9.7 percent, partially offset by a State General Fund reduction of \$7.3 million, or 11.7 percent, from the FY 2015 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing State General Fund debt service payments on the Statehouse by \$20.0 million and replacing it with State Highway Funds.

The Governor also reduced agency expenditures by \$391,597, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$39,620, and refinanced bonds for a savings of \$752,112.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

## Enhancements Detail

Enhancements	FY 2016 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
LTCO Volunteer Conference	\$ 20,000	\$ 20,000	0.0	\$ 0	\$ 0	0.0
Public Broadcasting	0	1,806,321	0.0	0	0	0.0
Capitol Complex Rehab and Repair	941,925	941,925	0.0	0	0	0.0
Statehouse and Cedar Crest Rehab and Repair	46,263	46,263	0.0	0	0	0.0
Judicial Center Rehab and Repair	173,061	173,061	0.0	0	0	0.0
Landon Window Replacement	1,052,151	1,052,151	0.0	0	0	0.0
<b>TOTAL</b>	<b>\$ 2,233,400</b>	<b>\$ 4,039,721</b>	<b>0.0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0</b>

The **agency** requests \$4.0 million, including \$2.2 million from the State General Fund for enhancements in FY 2016; including:

- *Long Term Care Ombudsman Volunteer Conference* - The agency requests \$20,000, all from the State General Fund, to hold a statewide conference to train volunteer ombudsman. Educational sessions would be focused on increasing ombudsman skills on such topics as the Ombudsman's response to allegations of abuse, neglect and exploitation; handling difficult family members; incorporating person-centered care practices in Ombudsman work; and translating Ombudsman skills to assisted living facilities and KanCare' and the LTC resident.
- *Public Broadcasting Enhancement* - The Public Broadcasting Council requests \$1.8 million, all from

the Economic Development Initiatives Fund, for operational grants.

- *Rehabilitation and Repair* - The agency requests \$1,161,249, all from the State General Fund, for rehabilitation and repair for FY 2016.
  - *Capitol Complex* - The first rehab request is for \$3.0 million over four years and \$941,925 on the Capitol Complex. Rehabilitation repair money is spent for maintenance (repairing pumps and bearings, repair or replacement of plumbing, broken windows in a large area of a building due to storm damage or vandalism; and rapid response to leaky roofs); asbestos abatement; minor building refurbishments and to replace major equipment components that break down during operations. The buildings for which these

funds would be used are Landon, Memorial Hall, and Eisenhower.

- Statehouse and Cedar Crest - The second rehab request is for \$185,052, including \$46,263 in FY 2016. The request is to allow contingency for unplanned/emergency maintenance and replacement of major equipment component breakdown at the Statehouse and Cedar Crest.
- Judicial Center - The third rehab request is for \$692,000, including \$173,061 in FY 2016. The request is to allow contingency for unplanned/emergency maintenance and replacement of major equipment component breakdown.

- *Landon Window Replacement* - The agency requests \$1.1 million, all from the State General Fund, to complete Landon Window Replacement in FY 2016. West and North elevations of the building have been replaced. The remaining 357 windows are in need of replacement. The existing windows are operable single pane glass units installed in the 1950's. To reduce heat load on the building, screens were installed on the outside of the windows. Most of the windows have been caulked shut to eliminate air infiltrations and reduce draft. The windows leak during a direct driving wind rain and many of the screens have come loose.

The **Governor** does not recommend adoption of the agency enhancement requests.

**C. FY 2017 – Budget Year**

<b>FY 2017 OPERATING BUDGET SUMMARY</b>			
	Agency Request	Governor's Recommendation	Difference
<b>Total Request/Recommendation</b>	\$ 84,199,857	\$ 83,991,772	\$ (208,085)
<b>FTE Positions</b>	390.7	390.7	0.0
<b>Change from FY 2016:</b>			
<i>Dollar Change:</i>			
State General Fund	\$ (90,577)	\$ (491,218)	
All Other Funds	(291,509)	(634,545)	
TOTAL	<u>\$ (382,086)</u>	<u>\$ (1,125,763)</u>	
<i>Percent Change:</i>			
State General Fund	(0.2) %	(1.4) %	
All Other Funds	(0.7)	(1.3)	
TOTAL	<u>(0.5) %</u>	<u>(1.3) %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$84.2 million, including \$42.8 million from the State General Fund, a decrease of \$382,086, or 0.5 percent, including \$90,577, or 0.2 percent, from the State General Fund for FY 2017.

The State General Fund reduction is primarily attributable to debt service interest for the Statehouse (\$457,077), NBAF (\$108,196), and debt restructuring expenditures (\$56,470). The debt service reductions are partially offset by an increase in

interest on the KPERS obligation bonds of \$337,061 and salaries and wages largely due to the 27<sup>th</sup> payroll (\$271,498).

The special revenue fund reduction of \$291,509, or 0.7 percent, is attributable to no on-budget OITS requests for FY 2017 due to no allocated expenditures for the State and Local Implementation Grant fund (SLIGP) or the GIS Contracting Services Fund for law enforcement broadband services and no projected amount from the Ed Byrne Memorial Justice Fund.

The agency also reduced Expanded Lottery Act Revenue Fund expenditures by \$350,000 that were allocated for debt service interest on the Statehouse. The increases were partially offset by the EDIF enhancement for public broadcasting.

The reductions in both State General Fund and Special Revenue Funds were partially offset by increased expenditures in salaries and wages of \$1.4 million due to the 27<sup>th</sup> payroll check, \$0.9 million in utilities, and an additional \$0.4 million in increased EDIF expenditures for Public Broadcasting. The request continues to reflect \$3.4 million in enhancements, including \$1.2 million from the State General Fund, for the LTCO volunteer conference, public broadcasting, and Rehabilitation and Repair.

The **Governor** recommends operating expenditures of \$84.0 million, including \$35.8 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$115.3 million, including \$53.7 million from the State General Fund. This is an all funds increase of \$9.9 million, or 9.4 percent, partially offset by a State

General Fund reduction of \$7.2 million, or 11.8 percent, from the FY 2017 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing State General Fund debt service payments on the Statehouse by \$20.0 million and replacing it with State Highway Funds.

The Governor also reduced agency expenditures by \$399,269, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$40,413, and refinanced bonds for a savings of \$1.8 million.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

## Enhancements Detail

Enhancements	FY 2017 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
LTCO Volunteer Conference	\$ 20,000	\$ 20,000	0.0	\$ 0	\$ 0	0.0
Public Broadcasting	0	2,249,447	0.0	0	0	0.0
Capitol Complex Rehab and Repair	941,925	941,925	0.0	0	0	0.0
Statehouse Rehab and Repair	46,263	46,263	0.0	0	0	0.0
Judicial Center Rehab and Repair	173,061	173,061	0.0	0	0	0.0
<b>TOTAL</b>	<b>\$ 1,181,249</b>	<b>\$ 3,430,696</b>	<b>0.0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0</b>

The **agency** requests \$3.4 million, including \$1.2 million from the State General Fund for enhancements in FY 2017; including:

- *LTCO Volunteer Conference* - The agency requests \$20,000, all from the State General Fund, to hold a statewide conference to train volunteer ombudsman.
- *Public Broadcasting Enhancement* - The Public Broadcasting Council requests \$2.3 million, all from the Economic Development Initiatives Fund, for the purchase of updated equipment and software.
- *Rehabilitation and Repair* - The agency requests \$1,161,249, all from the State General Fund, for rehabilitation and repair for FY 2017.
  - Capitol Complex - The first rehab request is for \$3.0 million over four years and \$941,925 on the Capitol Complex. Rehabilitation repair money is spent for maintenance (repairing pumps and bearings, repair or replacement of plumbing, broken windows in a large area of a building due to storm damage or vandalism; and rapid

response to leaky roofs); asbestos abatement; minor building refurbishments and to replace major equipment components that break down during operations. The buildings for which these funds would be used are Landon, Memorial Hall, and Eisenhower.

- Statehouse and Cedar Crest - The second rehab request is for \$185,052, including \$46,263 in FY 2017. The request is to allow contingency for unplanned/emergency maintenance and replacement of major equipment component breakdown at the Statehouse and Cedar Crest.
- Judicial Center - The third rehab request is for \$692,000, including \$173,061 in FY 2017. The request is to allow contingency for unplanned/emergency maintenance and replacement of major equipment component breakdown.

The **Governor** does not recommend adoption of the agency enhancement requests.

## Governor's Recommended Salary and Wage Adjustments

**State Employee Pay Increases.** The 2014 Legislature approved funding of \$11.3 million, including \$4.5 million from the State General Fund, in FY 2015 for a \$250 bonus for all full-time employees except elected officials who were employed on December 6, 2013, and which was paid December 6, 2014. **For this agency, the FY 2015 bonus totals \$164,280, including \$19,014 from the State General Fund, and affects 528 employees.**

**Longevity Bonus Payments.** For FY 2016 and FY 2017, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008 are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2016 payments is \$7.2 million, including \$2.8 million from the State General Fund. For FY 2017, the estimated cost for the payments is \$7.7 million, including \$3.0 million from the State General Fund. **For this agency, FY 2016 longevity payments total \$262,080, including \$33,347 from the State General Fund, and FY 2017 longevity payments total \$275,598 including \$35,155 from the State General Fund.**

**Group Health Insurance.** The Governor recommends Group Health and Hospitalization employer contributions of \$282.8 million, including \$108.2 million from the State General Fund, for FY 2016 and \$289.2 million, including \$110.7 million from the State General Fund, for FY 2017. For FY 2016 and FY 2017, the Governor recommends reducing the employer contributions for group health insurance by 8.5 percent. **For this agency this is a reduction of \$336,151, including \$39,620 from the State General Fund for FY 2016. This is a reduction of \$343,292, including \$40,413 from the State General Fund, for FY 2017.**

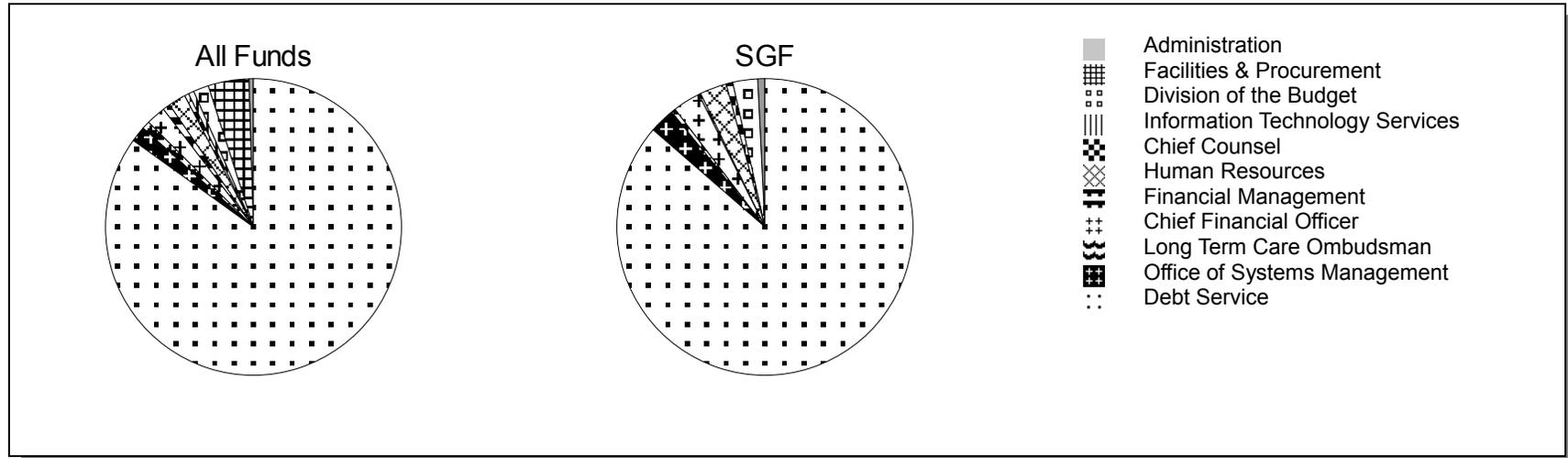
**Kansas Public Employees Retirement System (KPERs) Rate Adjustments.** The FY 2015 employer retirement contribution for KPERs regular and school members was scheduled to be 11.27 percent, an increase of 1.0 percent from 10.27 in FY 2014. The Governor reduced the employer contribution rate from 11.27 percent to 8.65 percent for the second half of FY 2015, for an effective contribution rate of 9.96 percent as part of the Governor's allotment plan. For FY 2016, the Governor recommends the retirement rate increase by 2.41 percent from 9.96 percent to 12.37 percent. For FY 2017, the Governor recommends the retirement rate increase by 1.2 percent from 12.37 percent to 13.57 percent. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

In addition, the employer contribution for the KPERs death and disability insurance rate will be increased to 1.0 percent, from 0.85 percent, for FY 2016 and for FY 2017.

The Governor further proposes offering \$1.5 billion in Pension Obligation bonds, backed by the State General Fund, to be paid back over 30 years and extending the amortization on the current bonds by ten years to 2043. The proceeds of the bonds would be used to help reduce the future employer contribution rates of the State/School Group. The Kansas Public Employee Retirement System estimates this plan could reduce employer contributions by \$68.43 million in FY 2016 and \$132.85 in FY 2017. The Kansas Development Finance Authority estimates that the bond service would be \$90.3 million in FY 2016 through FY 2017, assuming the Kansas credit ratings are not downgraded.

# PROGRAM DETAIL

## EXPENDITURES BY PROGRAM-- GOVERNOR'S FY 2016 RECOMMENDATION



Program	Gov. Rec. All Funds FY 2016	Percent of Total	Gov. Rec. SGF FY 2016	Percent of Total
Administration	\$ 413,911	0.5 %	\$ 413,911	0.8 %
Facilities & Procurement	3,797,143	4.5	0	0.0
Division of the Budget	1,433,500	1.7	1,433,500	2.7
Information Technology Services	522,300	0.6	0	0.0
Chief Counsel	384,090	0.5	384,090	0.7
Human Resources	1,625,945	1.9	1,531,938	2.9
Financial Management	677,201	0.8	118,332	0.2
Chief Financial Officer	1,799,965	2.1	1,591,735	3.0
Long Term Care Ombudsman	746,492	0.9	239,585	0.5
Office of Systems Management	1,448,419	1.7	1,448,419	2.8
Debt Service	72,268,569	84.9	45,405,167	86.4
<b>TOTAL</b>	<b>\$ 85,117,535</b>	<b>100.0 %</b>	<b>\$ 52,566,677</b>	<b>100.0 %</b>

**FTE POSITIONS BY PROGRAM FY 2014 – FY 2017**

Program	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>On Budget</b>							
Administration	4.2	3.2	3.2	3.2	3.2	3.2	3.2
Facilities and Procurement	17.7	21.7	21.7	21.7	21.7	21.7	21.7
Budget	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Chief Counsel	3.0	3.5	3.5	3.5	3.5	3.5	3.5
Human Resources	16.4	4.0	4.0	4.0	4.0	4.0	4.0
Financial Management	3.7	3.4	3.4	3.4	3.4	3.4	3.4
Chief Financial Officer	13.5	13.0	13.0	13.0	13.0	13.0	13.0
LTC Ombudsman	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Systems Management	8.1	4.0	4.0	4.0	4.0	4.0	4.0
<b>On Budget Total</b>	<b>91.1</b>	<b>77.3</b>	<b>77.3</b>	<b>77.3</b>	<b>77.3</b>	<b>77.3</b>	<b>77.3</b>
<b>Off Budget</b>							
Administration	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Facilities and Procurement	229.2	220.3	220.3	220.3	220.3	220.3	220.3
Chief Counsel	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Systems Management	23.0	6.0	6.0	6.0	6.0	6.0	6.0
Information Technology	79.7	72.7	72.7	72.7	72.7	72.7	72.7
Human Resources	6.6	0.1	0.1	0.1	0.1	0.1	0.1
Chief Financial Officer	2.5	3.0	3.0	3.0	3.0	3.0	3.0
Financial Management	31.3	7.6	7.6	7.6	7.6	7.6	7.6
<b>Off Budget Total</b>	<b>377.1</b>	<b>313.4</b>	<b>313.4</b>	<b>313.4</b>	<b>313.4</b>	<b>313.4</b>	<b>313.4</b>
<b>TOTAL</b>	<b>468.2</b>	<b>390.7</b>	<b>390.7</b>	<b>390.7</b>	<b>390.7</b>	<b>390.7</b>	<b>390.7</b>

***Program Sections are Titled (Controlled) if under the authority of the Secretary of Administration and (Not Controlled) if they are separately Governed.***

***A. Administration Program (Controlled)***

The Secretary of Administration, among other statutory duties, establishes the vision and mission for the agency and works with the Office Directors to move agency operations to reflect that vision and mission. The Office of the Secretary manages the Department of Administration, supervises the various offices and its functions, establishes agency priorities and allocates resources accordingly. The Secretary of Administration performs the function of the Office of Repealer, which was established in January 2011 by Executive Order 11-01 issued by Governor Sam Brownback. The Office accepts suggestions for repeal of statutes, regulations, and executive

orders received from citizens, businesses, and government agencies. In February 2013, the office of Operations and Public Affairs was created and sits as part of the Office of the Secretary.

The Secretary of Administration also serves as a member of the Public Broadcasting Commission, the Kansas State Employees Health Care Commission, and the Capitol Area Plaza Authority. In addition, the Secretary serves as Secretary of the State Finance Council.

**ADMINISTRATION PROGRAM  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 460,990	\$ 262,647	\$ 258,317	\$ 270,190	\$ 268,911	\$ 283,053	\$ 281,749
Contractual Services	113,983	125,865	122,122	138,000	138,000	143,000	143,000
Commodities	580	3,000	3,000	5,000	5,000	5,000	5,000
Capital Outlay	1,653	2,000	2,000	2,000	2,000	2,000	2,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 577,206	\$ 393,512	\$ 385,439	\$ 415,190	\$ 413,911	\$ 433,053	\$ 431,749
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 577,206</u>	<u>\$ 393,512</u>	<u>\$ 385,439</u>	<u>\$ 415,190</u>	<u>\$ 413,911</u>	<u>\$ 433,053</u>	<u>\$ 431,749</u>
<b>Financing:</b>							
State General Fund	\$ 386,033	\$ 393,512	\$ 385,439	\$ 415,190	\$ 413,911	\$ 433,053	\$ 431,749
All Other Funds	191,173	0	0	0	0	0	0
TOTAL	<u>\$ 577,206</u>	<u>\$ 393,512</u>	<u>\$ 385,439</u>	<u>\$ 415,190</u>	<u>\$ 413,911</u>	<u>\$ 433,053</u>	<u>\$ 431,749</u>
FTE Positions	4.2	3.2	3.2	3.2	3.2	3.2	3.2
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>4.2</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>	<u>3.2</u>

The **agency** requests FY 2016 expenditures of \$415,190, all from the State General Fund, an increase of \$21,678, or 5.5 percent, from the FY 2015 agency estimate. The increase is attributable to rent (\$8,000), contractual service fees (\$10,000), and \$2,000 for hospitality expenditures mostly for food.

The **Governor** recommends expenditures of \$413,911, a reduction of \$1,279, or 0.3 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$433,053, all from the State General Fund, a decrease of \$17,863, or 4.3 percent, from the FY 2016 agency request. The increase is attributable to rent (\$5,000) and salary expenditures for the 27<sup>th</sup> payroll and fringe benefits (\$12,863).

The **Governor** recommends expenditures of \$431,749, a reduction of \$1,304, or 0.3 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

<b>ADMINISTRATION - NON-REPORTABLE SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Operating Expenditures	\$ 270,602	\$ 70,753	\$ 70,062	\$ 68,532	\$ 68,106	\$ 71,345	\$ 70,910
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	270,602	\$ 70,753	\$ 70,062	\$ 68,532	\$ 68,106	\$ 71,345	\$ 70,910
TOTAL	<u>\$ 270,602</u>	<u>\$ 70,753</u>	<u>\$ 70,062</u>	<u>\$ 68,532</u>	<u>\$ 68,106</u>	<u>\$ 71,345</u>	<u>\$ 70,910</u>
FTE Positions	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>

The **agency** requests FY 2016 expenditures of \$68,532, all from special revenue funds, a reduction of \$2,221, or 3.1 percent, from the FY 2015 agency estimate. The reduction is for salary fringe benefits expenditures.

The **Governor** recommends expenditures of \$68,106 a reduction of \$426, or 0.6 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$71,345, all from special revenue funds, an increase of \$2,813, or 4.1 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for the 27<sup>th</sup> payroll and fringe benefits.

The **Governor** recommends expenditures of \$70,910, a reduction of \$435, or 0.6 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

## ***B. Facilities and Procurement Management (Controlled)***

During FY 2012, Office of Facilities and Property Management was created as part of a functional re-structuring of the Department. The administration of Parking, Printing and Surplus Property was moved to the Office of General Services as part of the re-structuring. In January of 2013 the Office absorbed Central Mail and Purchasing as well. Facilities and Procurement has absorbed all of the duties of the short-lived Office of General Services with the exception of Accounting Services which has been moved to the Office of Financial Management. The Office also absorbed the majority of the duties of the Office of Operations and Public Affairs.

The Office of Facilities and Procurement Management (OFPM) centrally administers state-owned and leased facilities and protects the state's interest in all state facilities planning, design and construction activities. Facilities and Procurement Management provides: 1) Engineering services; 2) Maintenance; 3) Building services (housekeeping); 4) Design and Construction services; 5) Asset Management; 6) Procurements and Contracts; and 7) State Employee Parking, State Printing Plant, Central Mail and Surplus Property.

**FACILITIES AND PROCUREMENT MANAGEMENT  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 1,211,871	\$ 1,521,215	\$ 1,506,452	\$ 1,431,382	\$ 1,415,548	\$ 1,496,535	\$ 1,480,384
Contractual Services	1,356,826	1,215,750	1,215,750	1,153,625	1,153,625	1,164,375	1,164,375
Commodities	930,247	1,332,675	1,332,675	1,227,970	1,227,970	1,227,970	1,227,970
Capital Outlay	26,384	5,000	5,000	0	0	6,000	6,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 3,525,328	\$ 4,074,640	\$ 4,059,877	\$ 3,812,977	\$ 3,797,143	\$ 3,894,880	\$ 3,878,729
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	28,132	0	0	0	0	0	0
TOTAL	<u>\$ 3,553,460</u>	<u>\$ 4,074,640</u>	<u>\$ 4,059,877</u>	<u>\$ 3,812,977</u>	<u>\$ 3,797,143</u>	<u>\$ 3,894,880</u>	<u>\$ 3,878,729</u>
<b>Financing:</b>							
State General Fund	\$ 52,993	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,500,467	4,074,640	4,059,877	3,812,977	3,797,143	3,894,880	3,878,729
TOTAL	<u>\$ 3,553,460</u>	<u>\$ 4,074,640</u>	<u>\$ 4,059,877</u>	<u>\$ 3,812,977</u>	<u>\$ 3,797,143</u>	<u>\$ 3,894,880</u>	<u>\$ 3,878,729</u>
FTE Positions	17.7	21.7	21.7	21.7	21.7	21.7	21.7
Non-FTE Uncl. Perm. Pos.	0.0	5.5	5.5	5.5	5.5	5.5	5.5
TOTAL	<u>17.7</u>	<u>27.2</u>	<u>27.2</u>	<u>27.2</u>	<u>27.2</u>	<u>27.2</u>	<u>27.2</u>

The **agency** requests FY 2016 expenditures of \$3.8 million, all from special revenue funds a reduction of \$261,663, or 6.4 percent, from the FY 2015 agency estimate. The reduction is attributable to increasing the program salary shrinkage rate (\$89,833), a reduction in contractual service of (\$62,125), and commodities of (\$104,705). The operational reductions are mostly in shipping and material expenditures.

The **Governor** recommends expenditures of \$3.8 million, a reduction of \$15,834, or 0.4 percent, from the FY 2016 agency

request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$3.9 million, all from special revenue funds an increase of \$81,903, or 2.1 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$65,153), and insurance expenditures (\$8,750).

The **Governor** recommends expenditures of \$3.9 million, a reduction of \$16,151, or 0.4 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

<b>FACILITIES AND PROCUREMENT MANAGEMENT - NON-REPORTABLE SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Operating Expenditures	\$ 37,295,156	\$ 32,328,715	\$ 33,238,271	\$ 29,413,069	\$ 29,265,018	\$ 31,285,880	\$ 31,134,864
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	37,295,156	\$ 32,328,715	\$ 33,238,271	\$ 29,413,069	\$ 29,265,018	\$ 31,285,880	\$ 31,134,864
TOTAL	<u>\$ 37,295,156</u>	<u>\$ 32,328,715</u>	<u>\$ 33,238,271</u>	<u>\$ 29,413,069</u>	<u>\$ 29,265,018</u>	<u>\$ 31,285,880</u>	<u>\$ 31,134,864</u>
FTE Positions	229.2	220.3	220.3	220.3	220.3	220.3	220.3
Non-FTE Uncl. Perm. Pos.	8.0	19.5	19.5	19.5	19.5	19.5	19.5
TOTAL	<u>237.2</u>	<u>239.8</u>	<u>239.8</u>	<u>239.8</u>	<u>239.8</u>	<u>239.8</u>	<u>239.8</u>

The **agency** requests FY 2016 expenditures of \$29.4 million, all from special revenue funds a reduction of \$2.9 million, or 9.1 percent, from the FY 2015 agency estimate. The reduction is attributable to increasing the shrinkage rate by \$1.0 million and shifting employees to the unclassified service (\$977,726), reduced utility expenditures (\$1.1 million), rent (\$0.5 million), and construction supplies (\$0.5 million).

The **Governor** recommends expenditures of \$29.3 million, a reduction of \$148,051, or 0.5 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$31.3 million, all from special revenue funds, an increase of \$1.9 million, or 6.4 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$576,992), and utility expenditures (\$1.3 million).

The **Governor** recommends expenditures of \$31.1 million, a reduction of \$151,016, or 0.5 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

**C. Division of the Budget (Not Controlled)**

The Division of the Budget has central responsibility for the state budget process as well as management aspects of state government. Division staff analyze agency budget submissions and assist the Governor in the development of budget

recommendations submitted to the Legislature. Included within the Division of the Budget is a policy analysis unit that supports the Governor's initiatives. The Division's budget does not include a non-reportable component.

<b>DIVISION OF THE BUDGET SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 1,223,225	\$ 1,305,057	\$ 1,292,915	\$ 1,297,230	\$ 1,226,754	\$ 1,381,639	\$ 1,307,422
Contractual Services	156,405	283,157	254,793	199,246	199,246	203,176	203,176
Commodities	5,091	7,500	7,500	7,500	7,500	7,500	7,500
Capital Outlay	327	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 1,385,048	\$ 1,595,714	\$ 1,555,208	\$ 1,503,976	\$ 1,433,500	\$ 1,592,315	\$ 1,518,098
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 1,385,048</b>	<b>\$ 1,595,714</b>	<b>\$ 1,555,208</b>	<b>\$ 1,503,976</b>	<b>\$ 1,433,500</b>	<b>\$ 1,592,315</b>	<b>\$ 1,518,098</b>
<b>Financing:</b>							
State General Fund	\$ 1,385,048	\$ 1,595,714	\$ 1,555,208	\$ 1,503,976	\$ 1,433,500	\$ 1,592,315	\$ 1,518,098
All Other Funds	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 1,385,048</b>	<b>\$ 1,595,714</b>	<b>\$ 1,555,208</b>	<b>\$ 1,503,976</b>	<b>\$ 1,433,500</b>	<b>\$ 1,592,315</b>	<b>\$ 1,518,098</b>
FTE Positions	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

The **agency** requests FY 2016 expenditures of \$1.5 million, all from the State General Fund, a reduction of \$91,738, or 5.7 percent, from the FY 2015 agency estimate. The reduction is

attributable to no \$250 bonus in FY 2016 and increasing the shrinkage rate (\$8,000) and reducing contractual service fees (\$83,911).

The **Governor** recommends expenditures of \$1.4 million, a reduction of \$70,476, or 4.7 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$1.6 million, all from the State General Fund, an increase of \$88,339, or 5.9 percent, from the FY 2016 agency request. The increase is

attributable to salary expenditures for the 27<sup>th</sup> payroll and fringe benefits (\$84,409).

The **Governor** recommends expenditures of \$1.5 million, a reduction of \$74,217, or 4.7 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

#### ***D. ON BUDGET - Office of Information Technology Services (Not Controlled)***

The Office of Information Technology Services (OITS) was formerly known as the Division of Information Systems and Communications. This name change became effective in fall 2012. OITS is responsible for providing efficient and effective

electronic information processing and technical management services to all state agencies. These services include data processing and voice-data telecommunications services.

**INFORMATION TECHNOLOGY SERVICES  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 129,126	\$ 434,616	\$ 431,067	\$ 68,990	\$ 68,407	\$ 0	\$ 0
Contractual Services	1,096,924	452,977	2,951,691	451,693	451,693	0	0
Commodities	3,042	2,200	2,200	2,200	2,200	0	0
Capital Outlay	1,660	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 1,230,752	\$ 889,793	\$ 3,384,958	\$ 522,883	\$ 522,300	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 1,230,752</u>	<u>\$ 889,793</u>	<u>\$ 3,384,958</u>	<u>\$ 522,883</u>	<u>\$ 522,300</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 2,498,714	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,230,752	889,793	886,244	522,883	522,300	0	0
TOTAL	<u>\$ 1,230,752</u>	<u>\$ 889,793</u>	<u>\$ 3,384,958</u>	<u>\$ 522,883</u>	<u>\$ 522,300</u>	<u>\$ 0</u>	<u>\$ 0</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	1.0	1.0	1.0	1.0	0.0	0.0	0.0
TOTAL	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

The **agency** requests FY 2016 expenditures of \$522,883, all from special revenue funds a reduction of \$366,910, or 41.2 percent, from the FY 2015 agency estimate. The reduction is attributable to converting the Information Network of Kansas into a non-governmental program.

The **Governor** recommends expenditures of \$522,300, a reduction of \$583, or 0.1 percent, from the FY 2016 agency

request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** and **Governor** do not have an FY 2017 agency request as the State and Local Implementation Grant for public safety broadband implementation is a three year grant which expires in FY 2016.

**E. OFF BUDGET - Office of Information Technology Services**

All expenditures for the off-budget portion of the OITS program appear in other agency budgets as information technology expenditures.

<b>OFF BUDGET- INFORMATION TECHNOLOGY SERVICES SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 8,728,349	\$ 8,840,797	\$ 8,741,239	\$ 8,743,841	\$ 8,672,411	\$ 9,292,945	\$ 9,219,490
Contractual Services	24,934,050	14,956,679	14,956,679	16,401,718	16,401,718	15,231,467	15,231,467
Commodities	221,166	415,868	415,868	368,423	368,423	610,500	610,500
Capital Outlay	6,279,509	6,404,045	6,404,045	7,012,545	7,012,545	7,145,934	7,145,934
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 40,163,074	\$ 30,617,389	\$ 30,517,831	\$ 32,526,527	\$ 32,455,097	\$ 32,280,846	\$ 32,207,391
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	213,637	0	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 40,376,711</b>	<b>\$ 30,617,389</b>	<b>\$ 30,517,831</b>	<b>\$ 32,526,527</b>	<b>\$ 32,455,097</b>	<b>\$ 32,280,846</b>	<b>\$ 32,207,391</b>
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	40,376,711	30,617,389	30,517,831	32,526,527	32,455,097	32,280,846	32,207,391
<b>TOTAL</b>	<b>\$ 40,376,711</b>	<b>\$ 30,617,389</b>	<b>\$ 30,517,831</b>	<b>\$ 32,526,527</b>	<b>\$ 32,455,097</b>	<b>\$ 32,280,846</b>	<b>\$ 32,207,391</b>
FTE Positions	79.7	72.7	72.7	72.7	72.7	72.7	72.7
Non-FTE Uncl. Perm. Pos.	51.0	52.0	52.0	52.0	52.0	52.0	52.0
<b>TOTAL</b>	<b>130.7</b>	<b>124.7</b>	<b>124.7</b>	<b>124.7</b>	<b>124.7</b>	<b>124.7</b>	<b>124.7</b>

The **agency** requests FY 2016 expenditures of \$32.5 million, all from special revenue funds an increase of \$1.9 million, or 6.2 percent, from the FY 2015 agency estimate. The

increase is attributable to fees for commercial long distance service (\$1.7 million).

The **Governor** recommends expenditures of \$32.5 million, a reduction of \$71,430, or 0.2 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$32.3 million, all from special revenue funds a reduction of \$245,681, or 0.8 percent, from the FY 2016 agency request. The reduction is attributable to partially eliminating the long distance service

#### ***F. Office of Human Resources (Controlled)***

The Office of Human Resources administers the Kansas Civil Service Act and other related statutes to provide a comprehensive human resource (HR) program for the state. In 2011, Executive Order 11-04 directed that all non-Regents HR staff in agencies under the Governor's jurisdiction report to the Director of Human Resources, and also that the Office of Human Resources is to establish and implement consistent HR policies, procedures and practices for the State workforce. The

fees but offsetting the reduction with an increase of \$549,104 in salaries. The salary increase is attributable to the 27<sup>th</sup> payroll expenditures and fringe benefit expenditures.

The **Governor** recommends expenditures of \$32.2 million, a reduction of \$73,455, or 0.2 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

Office of Human Resources expanded its efforts in assisting State agencies by providing technical and expert assistance on recruitment, selection, performance management, position management, classification, compensation, employee relations, guidance and discipline, employee recognition, layoffs, furloughs, time and leave, payroll, benefits, Family Medical Leave Act, Americans with Disability Act, Shared Leave program and retirement.

**OFFICE OF HUMAN RESOURCES  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 1,115,373	\$ 1,079,910	\$ 1,053,918	\$ 1,325,217	\$ 1,313,985	\$ 1,386,120	\$ 1,374,663
Contractual Services	290,960	235,910	235,910	301,860	301,860	303,860	303,860
Commodities	5,040	4,750	4,750	4,900	4,900	4,900	4,900
Capital Outlay	187	5,150	5,150	5,200	5,200	5,200	5,200
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 1,411,560	\$ 1,325,720	\$ 1,299,728	\$ 1,637,177	\$ 1,625,945	\$ 1,700,080	\$ 1,688,623
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	17,772	14,200	14,200	0	0	0	0
TOTAL	<u>\$ 1,429,332</u>	<u>\$ 1,339,920</u>	<u>\$ 1,313,928</u>	<u>\$ 1,637,177</u>	<u>\$ 1,625,945</u>	<u>\$ 1,700,080</u>	<u>\$ 1,688,623</u>
<b>Financing:</b>							
State General Fund	\$ 1,429,332	\$ 1,261,512	\$ 1,236,237	\$ 1,542,446	\$ 1,531,938	\$ 1,600,991	\$ 1,590,273
All Other Funds	0	78,408	77,691	94,731	94,007	99,089	98,350
TOTAL	<u>\$ 1,429,332</u>	<u>\$ 1,339,920</u>	<u>\$ 1,313,928</u>	<u>\$ 1,637,177</u>	<u>\$ 1,625,945</u>	<u>\$ 1,700,080</u>	<u>\$ 1,688,623</u>
FTE Positions	16.4	4.0	4.0	4.0	4.0	4.0	4.0
Non-FTE Uncl. Perm. Pos.	0.0	14.8	14.8	14.8	14.8	14.8	14.8
TOTAL	<u>16.4</u>	<u>18.8</u>	<u>18.8</u>	<u>18.8</u>	<u>18.8</u>	<u>18.8</u>	<u>18.8</u>

The **agency** requests FY 2016 expenditures of \$1.6 million, including \$1.5 million from the State General Fund, an increase of \$297,257, or 22.2 percent, from the FY 2015 agency estimate. The increase is attributable to an increase of \$245,307, or 22.7 percent, in salaries and wages. The salary increase is allocated to unclassified temporary employees as the agency shifts to the unclassified service. The salary and wage increase is attributable to a combination of the unclassified conversion and three shrinkage positions being held in the program budget in FY 2015. The increases were

offset in the Office of Systems Management by shifting salaries to the off-budget portion of the program.

Contractual services increased \$65,950, or 28.0 percent, from the FY 2015 agency estimate. The increase is in rent (\$48,200) and communication expenditures (\$19,800).

The **Governor** recommends expenditures of \$1.6 million a reduction of \$11,232, or 0.7 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$1.7 million, including \$1.6 million from the State General Fund, an increase of \$62,903, or 3.8 percent, from the FY 2016 agency request. The increase is predominantly attributable to the 27<sup>th</sup> payroll and fringe benefits (\$60,903).

The **Governor** recommends expenditures of \$1.7 million, a reduction of \$11,457, or 0.7 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

OFFICE OF HUMAN RESOURCES - NON-REPORTABLE SUMMARY OF EXPENDITURES FY 2014 – 2017							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Operating Expenditures	\$ 534,313	\$ 437,570	\$ 433,361	\$ 449,344	\$ 445,684	\$ 469,924	\$ 466,191
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	534,313	437,570	433,361	449,344	445,684	469,924	466,191
TOTAL	\$ 534,313	\$ 437,570	\$ 433,361	\$ 449,344	\$ 445,684	\$ 469,924	\$ 466,191
FTE Positions	6.6	0.1	0.1	0.1	0.1	0.1	0.1
Non-FTE Uncl. Perm. Pos.	0.0	5.3	5.3	5.3	5.3	5.3	5.3
TOTAL	6.6	5.4	5.4	5.4	5.4	5.4	5.4

The **agency** requests FY 2016 expenditures of \$449,344, all from special revenue funds an increase of \$11,774, or 2.7 percent, from the FY 2015 agency estimate. The increase is attributable to salary and wage fringe benefits expenditures.

The **Governor** recommends expenditures of \$445,684, a reduction of \$3,660, or 0.8 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$469,924, all from special revenue funds an increase of \$20,850, or 4.6 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$576,992), and utility expenditures (\$1.3 million).

The **Governor** recommends expenditures of \$466,191, a reduction of \$3,733, or 0.8 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

***G. Office of the Chief Counsel (Controlled)***

The Office of Chief Counsel manages the legal affairs of the Department of Administration and serves as the chief legal adviser to the Secretary of Administration, Office Directors, and managers. The Office of Chief Counsel is responsible for all legal work arising from the activities of the Department and

provides legal advice and services in a wide variety of areas of law, including legislation, finance, constitutional, commercial transactions, employment, real estate, litigation, contracts, and administrative regulations.

**OFFICE OF THE CHIEF COUNSEL  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 282,809	\$ 343,662	\$ 339,958	\$ 360,108	\$ 358,090	\$ 378,660	\$ 376,601
Contractual Services	38,665	26,000	26,000	26,000	26,000	26,000	26,000
Commodities	1,000	0	0	0	0	0	0
Capital Outlay	7,230	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 329,704	\$ 369,662	\$ 365,958	\$ 386,108	\$ 384,090	\$ 404,660	\$ 402,601
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 329,704</u>	<u>\$ 369,662</u>	<u>\$ 365,958</u>	<u>\$ 386,108</u>	<u>\$ 384,090</u>	<u>\$ 404,660</u>	<u>\$ 402,601</u>
<b>Financing:</b>							
State General Fund	\$ 329,706	\$ 369,662	\$ 365,958	\$ 386,108	\$ 384,090	\$ 404,660	\$ 402,601
All Other Funds	(2)	0	0	0	0	0	0
TOTAL	<u>\$ 329,704</u>	<u>\$ 369,662</u>	<u>\$ 365,958</u>	<u>\$ 386,108</u>	<u>\$ 384,090</u>	<u>\$ 404,660</u>	<u>\$ 402,601</u>
FTE Positions	3.0	3.5	3.5	3.5	3.5	3.5	3.5
Non-FTE Uncl. Perm. Pos.	1.0	1.0	1.0	1.0	1.0	1.0	1.0
TOTAL	<u>4.0</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>

The **agency** requests FY 2016 expenditures of \$386,108, all from the State General Fund, an increase of \$16,446, or 4.4 percent, from the FY 2015 agency estimate. The increase is attributable to employer contributions for state employee retirement and increased compensation for unclassified employees.

The **Governor** recommends expenditures of \$384,090, a reduction of \$2,018, or 0.5 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$404,660, all from the State General Fund, an increase of \$18,552, or 4.8 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for the 27<sup>th</sup> payroll and fringe benefits.

The **Governor** recommends expenditures of \$402,601, a reduction of \$2,059, or 0.5 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction

in employer contributions for employee health insurance and a 4.0 percent operating reduction.

<b>CHIEF COUNSEL - NON-REPORTABLE SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 316,244	\$ 450,476	\$ 447,906	\$ 456,312	\$ 453,172	\$ 471,639	\$ 468,436
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	316,244	450,476	447,906	456,312	453,172	471,639	468,436
TOTAL	<u>\$ 316,244</u>	<u>\$ 450,476</u>	<u>\$ 447,906</u>	<u>\$ 456,312</u>	<u>\$ 453,172</u>	<u>\$ 471,639</u>	<u>\$ 468,436</u>
FTE Positions	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Non-FTE Uncl. Perm. Pos.	0.0	1.0	1.0	1.0	1.0	1.0	1.0
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>

The **agency** requests FY 2016 expenditures of \$456,312, all from special revenue funds, an increase of \$5,836, or 1.3 percent, from the FY 2015 agency estimate. The increase is attributable to salary and wage fringe benefits expenditures.

The **Governor** recommends expenditures of \$453,172, a reduction of \$3,140, or 0.7 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$471,639, all from special revenue funds an increase of \$15,327, or 3.4 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll.

The **Governor** recommends expenditures of \$468,436, a reduction of \$3,203, or 0.7 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

**H. Long Term Care Ombudsman (Not Controlled)**

The Kansas Long-Term Care Ombudsman Program (KLTCOP) protects and improves the quality of care and quality of life for residents of long term care communities through advocacy for and on behalf of residents. KLTCOP is a resident-centered advocacy program. The resident of a long term care

community is the client, regardless of the source of the complaint or request for service. The LTC Ombudsman will make every reasonable effort to assist, represent, and intervene on behalf of the resident.

LONG TERM CARE OMBUDSMAN SUMMARY OF EXPENDITURES FY 2014 – 2017							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 210,112	\$ 653,944	\$ 642,851	\$ 651,527	\$ 634,002	\$ 681,075	\$ 663,086
Contractual Services	32,026	71,733	71,733	98,853	78,853	101,961	83,961
Commodities	7,296	14,655	14,655	17,237	17,237	19,700	19,700
Capital Outlay	0	16,300	16,300	16,400	16,400	16,800	16,800
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 249,434	\$ 756,632	\$ 745,539	\$ 784,017	\$ 746,492	\$ 819,536	\$ 783,547
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 249,434</u>	<u>\$ 756,632</u>	<u>\$ 745,539</u>	<u>\$ 784,017</u>	<u>\$ 746,492</u>	<u>\$ 819,536</u>	<u>\$ 783,547</u>
<b>Financing:</b>							
State General Fund	\$ 249,428	\$ 253,730	\$ 246,933	\$ 271,984	\$ 239,585	\$ 279,843	\$ 247,082
All Other Funds	6	502,902	498,606	512,033	506,907	541,693	536,465
TOTAL	<u>\$ 249,434</u>	<u>\$ 756,632</u>	<u>\$ 745,539</u>	<u>\$ 784,017</u>	<u>\$ 746,492</u>	<u>\$ 821,536</u>	<u>\$ 783,547</u>
FTE Positions	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>

The **agency** requests FY 2016 expenditures of \$784,017, including \$271,984 from the State General Fund, an increase of

\$27,385, or 3.6 percent, from the FY 2015 agency estimate. The increase is attributable to a \$20,000 State General Fund

enhancement request for a volunteer conference and rent (\$3,100).

The **Governor** recommends expenditures of \$746,492 a reduction of \$37,525, or 4.8 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance, a 4.0 percent operating reduction, and eliminating the enhancement request.

The **agency** requests FY 2017 expenditures of \$821,536, including \$279,843 from the State General Fund, an increase of

\$37,519, or 4.8 percent, from the FY 2016 agency request. The increase is predominantly attributable to the 27<sup>th</sup> payroll and fringe benefits (\$29,548), communication fees (\$2,808), and rent (\$1,400).

The **Governor** recommends expenditures of \$783,547, a reduction of \$37,989, or 4.6 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance a 4.0 percent operating reduction, and eliminating the enhancement request.

### ***I. Office of Financial Management (Controlled)***

The Office of Financial Management was established during FY 2013 as part of the Department of Administration's reorganization. The five primary functions of the Office of Financial Management include: 1) Set-Off Collections; 2) State

Agency Service Center; 3) D of A Accounting Services; 4) State Revolving Fund; and 5) Department of Administration Budgeting.

**OFFICE OF FINANCIAL MANAGEMENT  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 172,489	\$ 363,368	\$ 311,673	\$ 336,064	\$ 333,201	\$ 356,290	\$ 353,369
Contractual Services	5	10,100	10,100	6,000	6,000	6,000	6,000
Commodities	0	0	0	0	0	0	0
Capital Outlay	0	1,000	1,000	1,000	1,000	1,000	1,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 172,494	\$ 374,468	\$ 322,773	\$ 343,064	\$ 340,201	\$ 363,290	\$ 360,369
Aid to Local Units	0	650,000	650,000	325,000	325,000	325,000	325,000
Other Assistance	0	0	0	12,000	12,000	12,000	12,000
TOTAL	<u>\$ 172,494</u>	<u>\$ 1,024,468</u>	<u>\$ 972,773</u>	<u>\$ 680,064</u>	<u>\$ 677,201</u>	<u>\$ 700,290</u>	<u>\$ 697,369</u>
<b>Financing:</b>							
State General Fund	\$ 117,084	\$ 116,308	\$ 66,959	\$ 119,554	\$ 118,332	\$ 127,221	\$ 125,975
All Other Funds	55,410	908,160	905,814	560,510	558,869	573,069	571,394
TOTAL	<u>\$ 172,494</u>	<u>\$ 1,024,468</u>	<u>\$ 972,773</u>	<u>\$ 680,064</u>	<u>\$ 677,201</u>	<u>\$ 700,290</u>	<u>\$ 697,369</u>
FTE Positions	3.7	3.4	3.4	3.4	3.4	3.4	3.4
Non-FTE Uncl. Perm. Pos.	0.3	3.6	3.6	3.6	3.6	3.6	3.6
TOTAL	<u>4.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>

The **agency** requests FY 2016 expenditures of \$680,064, including \$119,554 from the State General Fund, a reduction of \$344,404, or 33.6 percent, from the FY 2015 agency estimate. The reduction is attributable to:

- A reduction of \$325,000, all from federal funds, for one year of federal flood control grants;
- A reduction of \$27,304 in salaries and wages primarily by increasing the program shrinkage

amount by \$244,734 and increasing unclassified temporary salaries by \$197,252;

- A reduction of \$4,000 in rent;
- An increase of \$12,000 in other assistance allocated to the State revolving fund;

The **Governor** recommends expenditures of \$677,201 a reduction of \$2,863, or 0.4 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$700,290, including \$127,221 from the State General Fund, an increase of \$20,226, or 3.0 percent, from the FY 2015 agency estimate. The

increase is predominantly attributable to the 27<sup>th</sup> payroll and fringe benefits.

The **Governor** recommends expenditures of \$697,369, a reduction of \$2,921, or 0.4 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

OFFICE OF FINANCIAL MANAGEMENT - NON-REPORTABLE							
SUMMARY OF EXPENDITURES FY 2014 – 2017							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 1,963,905	\$ 2,323,282	\$ 2,304,239	\$ 2,105,904	\$ 2,090,961	\$ 2,202,058	\$ 2,186,815
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	1,963,905	2,323,282	2,304,239	2,105,904	2,090,961	2,202,058	2,186,815
TOTAL	\$ 1,963,905	\$ 2,323,282	\$ 2,304,239	\$ 2,105,904	\$ 2,090,961	\$ 2,202,058	\$ 2,186,815
FTE Positions	31.3	7.6	7.6	7.6	7.6	7.6	7.6
Non-FTE Uncl. Perm. Pos.	2.7	17.4	17.4	17.4	17.4	17.4	17.4
TOTAL	34.0	25.0	25.0	25.0	25.0	25.0	25.0

The **agency** requests FY 2016 expenditures of \$2.1 million, all from special revenue funds a reduction of \$217,378, or 9.4 percent, from the FY 2015 agency estimate. The reduction is attributable to eliminating vacant positions when moving the majority of the program from classified to unclassified service.

The **Governor** recommends expenditures of \$2.1 million, a reduction of \$14,943, or 0.7 percent, from the FY 2016 agency

request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$2.2 million, all from special revenue funds an increase of \$96,154, or 4.6 percent, from the FY 2016 agency request. The increase is

attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$85,154) and rent (\$11,000).

The **Governor** recommends expenditures of \$2.2 million, a reduction of \$15,243, or 0.7 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

### ***J. Chief Financial Officer (Controlled)***

The Office of Chief Financial Officer (CFO) was established July 1, 2013. The Chief Financial Officer has overall agency responsibility for preparing the State of Kansas' official Comprehensive Annual Financial Report (CAFR); performing annual audits over state agencies' expenditures, local funds,

assets, accounts receivable, and other financial activity. The Office of Chief Financial Officer also chairs the bond disclosure committee, which provides the financial data and information necessary for bond issuances and refunds, and continuing disclosure requirements.

**OFFICE OF THE CHIEF FINANCIAL OFFICER  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 796,405	\$ 1,171,215	\$ 1,159,293	\$ 1,076,185	\$ 1,068,965	\$ 1,131,866	\$ 1,124,502
Contractual Services	261,648	750,650	750,650	711,000	711,000	713,000	713,000
Commodities	1,725	8,400	8,400	9,000	9,000	9,000	9,000
Capital Outlay	4,003	14,000	14,000	11,000	11,000	11,000	11,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 1,063,781	\$ 1,944,265	\$ 1,932,343	\$ 1,807,185	\$ 1,799,965	\$ 1,864,866	\$ 1,857,502
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	11,267	0	0	0	0	0	0
TOTAL	<u>\$ 1,075,048</u>	<u>\$ 1,944,265</u>	<u>\$ 1,932,343</u>	<u>\$ 1,807,185</u>	<u>\$ 1,799,965</u>	<u>\$ 1,864,866</u>	<u>\$ 1,857,502</u>
<b>Financing:</b>							
State General Fund	\$ 887,211	\$ 1,724,183	\$ 1,714,112	\$ 1,597,680	\$ 1,591,735	\$ 1,645,593	\$ 1,639,529
All Other Funds	187,837	220,082	218,231	209,505	208,230	219,273	217,973
TOTAL	<u>\$ 1,075,048</u>	<u>\$ 1,944,265</u>	<u>\$ 1,932,343</u>	<u>\$ 1,807,185</u>	<u>\$ 1,799,965</u>	<u>\$ 1,864,866</u>	<u>\$ 1,857,502</u>
FTE Positions	13.5	13.0	13.0	13.0	13.0	13.0	13.0
Non-FTE Uncl. Perm. Pos.	2.5	2.0	2.0	2.0	2.0	2.0	2.0
TOTAL	<u>16.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>

The **agency** requests FY 2016 expenditures of \$1.8 million, including \$1.6 million from the State General Fund, a reduction of \$137,080, or 7.1 percent, from the FY 2015 agency estimate. The reduction is attributable to:

- A reduction of \$80,412 for increased salaries and wages shrinkage;
- A reduction of \$54,986 for employer contributions for group health insurance;

- An increase of \$39,650 in contractual services mostly for general fees;

The **Governor** recommends expenditures of \$1.8 million a reduction of \$7,220, or 0.4 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **agency** requests FY 2017 expenditures of \$1.9 million, including \$1.6 million from the State General Fund, an increase of \$57,681, or 3.2 percent, from the FY 2016 agency request. The increase is predominantly attributable to the 27<sup>th</sup> payroll and fringe benefits.

The **Governor** recommends expenditures of \$1.9 million, a reduction of \$7,364, or 0.4 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

<b>CHIEF FINANCIAL OFFICER - NON-REPORTABLE SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 629,152	\$ 385,094	\$ 381,353	\$ 476,757	\$ 474,469	\$ 498,500	\$ 496,166
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	629,152	385,094	381,353	476,757	474,469	498,500	496,166
TOTAL	<u>\$ 629,152</u>	<u>\$ 385,094</u>	<u>\$ 381,353</u>	<u>\$ 476,757</u>	<u>\$ 474,469</u>	<u>\$ 498,500</u>	<u>\$ 496,166</u>
FTE Positions	2.5	3.0	3.0	3.0	3.0	3.0	3.0
Non-FTE Uncl. Perm. Pos.	2.0	1.0	1.0	1.0	1.0	1.0	1.0
TOTAL	<u>4.5</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>

The **agency** requests FY 2016 expenditures of \$476,757, all from special revenue funds, an increase of \$91,663, or 23.8 percent, from the FY 2015 agency estimate. The increase is attributable to eliminating the shrinkage allocation for FY 2016 (\$60,412) and rent (\$17,000).

The **agency** requests FY 2017 expenditures of \$498,500, all from special revenue funds, an increase of \$21,743, or 4.6 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$19,743) and rent (\$11,000).

The **Governor** recommends expenditures of \$474,469, a reduction of \$2,288, or 0.5 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

The **Governor** recommends expenditures of \$496,166, a reduction of \$2,334, or 0.5 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

**K. Public Broadcasting Council (Not Controlled)**

The Public Broadcasting Council coordinates all public broadcasting activities in the state. Grants are provided through the Department of Administration to support the 10 public broadcasting television and radio stations in the state.

Generally, grants are distributed among the stations based on a statutory formula. There is no non-reportable budget component in this program. There are no FTE positions in this program.

<b>PUBLIC BROADCASTING SUMMARY OF EXPENDITURES FY 2014 – 2017</b>							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	600,000	600,000	588,000	2,406,321	0	2,849,447	0
<b>TOTAL</b>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 588,000</u>	<u>\$ 2,406,321</u>	<u>\$ 0</u>	<u>\$ 2,849,447</u>	<u>\$ 0</u>
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	600,000	600,000	588,000	2,406,321	0	2,849,447	0
<b>TOTAL</b>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 588,000</u>	<u>\$ 2,406,321</u>	<u>\$ 0</u>	<u>\$ 2,849,447</u>	<u>\$ 0</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

The **Public Broadcasting Council** requests expenditures of \$2.4 million in FY 2016. The budget recommendation reflects the Council intent to restore funding for public broadcasting to

FY 2009 levels (\$2,249,447) over a two-year period. The Council states that the reduction in funding has significantly

restricted the ability of KPBC to fully achieve the statutory expectations established by the legislature.

The **Governor** does not recommend adoption of the agency enhancement request and further recommends that the budget for the Public Broadcasting Council be moved to the Department of Commerce.

The **Public Broadcasting Council** requests expenditures of \$2.9 million in FY 2017. The budget recommendation reflects

#### ***L. Office of Systems Management (Controlled)***

The Office of Systems Management provides the following major, central system services to all state agencies: purchasing, accounting, human resources, payroll, and a reporting database for business intelligence software. The responsibilities for these systems include: development; implementation; training of users; modifications needed to support user requirements, federal and state laws, and Kansas Regulations; issuing policies and procedures in support of system administration; preparing

the Council intent to restore funding for public broadcasting to FY 2009 levels (\$2,249,447) over a two-year period. The Council states that the reduction in funding has significantly restricted the ability of KPBC to fully achieve the statutory expectations established by the legislature.

The **Governor** does not recommend adoption of the agency enhancement request and further recommends that the budget for the Public Broadcasting Council be moved to the Department of Commerce.

and distributing information and reports that support agency requirements as well as outside entities; and providing assistance to customers and stakeholders, in support of the Department of Administration's vision of leading the enterprise toward a shared service organization by modeling innovation, teamwork, efficient business practices, and quality customer service.

**OFFICE OF SYSTEMS MANAGEMENT  
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 646,202	\$ 995,738	\$ 985,435	\$ 668,939	\$ 662,928	\$ 705,300	\$ 699,169
Contractual Services	2,000,148	843,500	789,748	962,300	732,491	871,000	637,367
Commodities	0	9,000	9,000	0	0	0	0
Capital Outlay	0	50,000	50,000	53,000	53,000	53,000	53,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 2,646,350	\$ 1,898,238	\$ 1,834,183	\$ 1,684,239	\$ 1,448,419	\$ 1,629,300	\$ 1,389,536
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	8,886	0	0	0	0	0	0
TOTAL	<u>\$ 2,655,236</u>	<u>\$ 1,898,238</u>	<u>\$ 1,834,183</u>	<u>\$ 1,684,239</u>	<u>\$ 1,448,419</u>	<u>\$ 1,629,300</u>	<u>\$ 1,389,536</u>
<b>Financing:</b>							
State General Fund	\$ 2,655,236	\$ 1,898,238	\$ 1,834,183	\$ 1,864,239	\$ 1,448,419	\$ 1,629,300	\$ 1,389,536
All Other Funds	0	0	0	0	0	0	0
TOTAL	<u>\$ 2,655,236</u>	<u>\$ 1,898,238</u>	<u>\$ 1,834,183</u>	<u>\$ 1,864,239</u>	<u>\$ 1,448,419</u>	<u>\$ 1,629,300</u>	<u>\$ 1,389,536</u>
FTE Positions	8.1	4.0	4.0	4.0	4.0	4.0	4.0
Non-FTE Uncl. Perm. Pos.	3.0	8.0	8.0	8.0	8.0	8.0	8.0
TOTAL	<u>11.1</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>

The **agency** requests FY 2016 expenditures of \$1.7 million, all from the State General Fund, a reduction of \$213,999, or 11.3 percent, from the FY 2015 agency estimate. The reduction is attributable to salaries and wages of \$326,799. The agency moved these State General Fund salaries expenditures to the off-budget portion of the program. The reductions were partially offset by increasing the contractual service fees for the repairing and servicing of equipment by \$134,000, rent by \$36,800, and communication expenditures by \$16,000.

The **Governor** recommends expenditures of \$1.5 million, a reduction of \$235,820, or 14.0 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction. The agency chose to allocate the largest portion of the agency's 4.0 percent operating reduction to this program.

The **agency** requests FY 2017 expenditures of \$1.6 million, all from the State General Fund, a reduction of \$54,939, or 3.3

percent, from the FY 2016 agency request. The reduction is attributable to fees for other service (\$91,300) and partially offset by salary expenditures for the 27<sup>th</sup> payroll and fringe benefits (\$36,361).

The **Governor** recommends expenditures of \$1.4 million, a reduction of \$239,764, or 14.7 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction. The agency chose to allocate the largest portion of the agency's 4.0 percent operating reduction to this program.

OFFICE OF SYSTEMS MANAGEMENT - NON-REPORTABLE							
SUMMARY OF EXPENDITURES FY 2014 – 2017							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Salaries and Wages	\$ 7,981,393	\$ 8,993,184	\$ 8,964,033	\$ 9,100,450	\$ 9,072,640	\$ 9,374,602	\$ 9,346,235
<b>Financing:</b>							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	7,981,393	8,993,184	8,964,033	9,100,450	9,072,640	9,374,602	9,346,235
TOTAL	\$ 7,981,393	\$ 8,993,184	\$ 8,964,033	\$ 9,100,450	\$ 9,072,640	\$ 9,374,602	\$ 9,346,235
FTE Positions	23.0	6.0	6.0	6.0	6.0	6.0	6.0
Non-FTE Uncl. Perm. Pos.	20.0	35.0	35.0	35.0	35.0	35.0	35.0
TOTAL	43.0	41.0	41.0	41.0	41.0	41.0	41.0

The **agency** requests FY 2016 expenditures of \$9.1 million, all from special revenue funds, an increase of \$107,266, or 1.2 percent, from the FY 2015 agency estimate. The increase is attributable to:

- An increase of salaries and wages of \$740,146, or 25.5 percent, from the FY 2015 agency estimate. This offsets the agency's reduction of \$326,799 from the on-budget portion of the program. The agency also increased expenditures shifting employees from

the classified to the unclassified service. Finally, the increase is attributable to employer contributions for state employee retirement.

- A reduction of \$278,880 in contractual service mostly allocated to general fees related to licensing of Oracle software and the annual maintenance contract for SMART and SHARP.

- A reduction of \$344,000 in capital outlay. This reduction is related to bulk purchasing agreements for software.

The **Governor** recommends expenditures of \$9.1 million, a reduction of \$27,810, or 0.8 percent, from the FY 2016 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

### ***M. Debt Service***

The Department of Administration budgets and pays the debt service on a number of different bonds issued for a variety of reasons. Since 2001, the Department has been paying the debt service on bonds issued to assist Kansas public television stations to switch from analog to digital formats. Also beginning in 2001 the Department began paying debt service on bonds issued for renovation of the Kansas Statehouse. There have been 14 subsequent bond issuances for the Statehouse renovation and the debt service on all of these are paid by the Department.

In 2004 the Department began paying the debt service on \$500,000,000 worth of bonds issued for KPERS. In 2006, \$210,000,000 worth of bonds were issued for the Department of Transportation's Comprehensive Highway Program and the Department is scheduled to make annual payments on these

The **agency** requests FY 2017 expenditures of \$9.4 million, all from special revenue funds, an increase of \$274,152, or 3.0 percent, from the FY 2016 agency request. The increase is attributable to salary expenditures for fringe benefits and the 27<sup>th</sup> payroll (\$177,852), software licensing fees (\$96,300), and rent (\$5,000).

The **Governor** recommends expenditures of \$9.3 million, a reduction of \$28,367, or 0.3 percent, from the FY 2017 agency request. The reduction is attributable to an 8.5 percent reduction in employer contributions for employee health insurance and a 4.0 percent operating reduction.

bonds until FY 2027. In 2010 the Department began making debt service payments on bonds issued for the National Bio and Agro-Defense Facility (NBAF). To date there has been over \$32,000,000 in bonds issued for NBAF and the last payment is scheduled to be paid in FY 2030.

In FY 2013 the Department received funding to pay off four bond issuances from the Expanded Lottery Act Revenues Fund (ELARF): 2001 W-5, 2002-C, 2001-L and 2001 W-4. Both 2001 W-5 and 2002-C were bonds issued for the Statehouse Renovation. 2001-L was issued for Public Broadcasting digital conversion, and the bond series 2001-W4 was issued for improvements at the Kansas Judicial Center. The Department anticipates completing the payments on all four series by November 1, 2012.

**DEBT SERVICE**  
**SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Expenditures:</b>							
Statehouse							
Renovations	\$ 11,693,064	\$ 11,578,785	\$ 10,849,596	\$ 11,119,212	\$ 10,725,638	\$ 10,662,135	\$ 9,268,311
KDOT CTP Plan	16,148,312	16,146,050	14,568,401	16,148,250	15,789,712	16,150,556	15,792,018
KPERS	36,138,850	36,135,483	36,135,483	36,134,414	36,134,414	36,132,681	36,132,681
Restructuring	2,182,023	2,200,851	2,200,851	2,150,798	2,150,798	2,094,328	2,094,328
National Bio-Agro							
Defense Facility	3,014,599	3,343,724	3,343,724	3,247,982	7,326,857	3,139,786	7,926,736
Public Broadcasting							
Digital Conversion	148,328	144,769	144,769	141,150	141,150	129,944	129,944
TOTAL	<u>\$ 69,325,176</u>	<u>\$ 69,549,662</u>	<u>\$ 67,242,824</u>	<u>\$ 68,941,806</u>	<u>\$ 72,268,569</u>	<u>\$ 68,309,430</u>	<u>\$ 71,344,018</u>
<b>Financing:</b>							
State General Fund	\$ 34,635,998	\$ 25,416,610	\$ 23,109,772	\$ 35,404,554	\$ 29,110,517	\$ 35,122,178	\$ 28,435,966
State Highway Fund	0	9,195,000	9,195,000	0	9,620,800	0	9,720,800
Expanded Lottery Act							
Revenues Fund	34,689,178	34,938,052	34,938,052	33,537,252	33,537,252	33,187,252	33,187,252
TOTAL	<u>\$ 69,325,176</u>	<u>\$ 69,549,662</u>	<u>\$ 67,242,824</u>	<u>\$ 68,941,806</u>	<u>\$ 72,268,569</u>	<u>\$ 68,309,430</u>	<u>\$ 71,344,018</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

The **agency** requests \$68.9 million for debt service payments in FY 2016, a reduction of \$607,856 all funds and a State General Fund increase of \$10.0 million, or 39.3 percent. The increase is attributable to the agency not requesting State Highway Funds for debt service on the Statehouse and requesting that they be paid from the State General Fund. All debt service is interest only except KPERS Pension Obligation

bonds and the KDOT CTP plan which include both principal and interest.

The **Governor** recommends \$72.3 million for debt service in FY 2016. An all funds increase of \$3.3 million, or 4.8 percent, and a State General Fund reduction of \$6.3 million, of 17.8 percent. The increase is attributable to the Governor adding

\$4.1 million in debt service interest on the National Bio and Agro-Defense Facility and offset the addition by adding \$9.6 million from the State Highway Fund to replace State General Funded debt service on the Statehouse. The Governor also recommends bond refinancing on the Statehouse debt and the KDOT CTP bonds.

The **agency** requests \$68.3 million for debt service payments in FY 2017, a reduction of \$632,376 all funds and a State General Fund reduction \$282,376, or 0.8 percent.

The **Governor** recommends \$71.3 million for debt service in FY 2017. An all funds increase of \$3.0 million, or 4.4 percent, and a State General Fund reduction of \$6.7 million, of 19.0 percent from the FY 2017 agency estimate. The increase is attributable to the Governor adding \$4.1 million in debt service interest on the National Bio and Agro-Defense Facility and offset the addition by adding \$9.7 million from the State Highway Fund to replace State General Funded debt service on the Statehouse. The Governor also recommends bond refinancing on the Statehouse debt and the KDOT CTP bonds.

# CAPITAL IMPROVEMENTS

	<b>CAPITAL IMPROVEMENTS</b>					
	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
<b>Rehabilitation and Repair:</b>						
Capitol Complex	\$ 2,058,075	\$ 2,058,075	\$ 4,052,151	\$ 1,975,752	\$ 3,000,000	\$ 1,975,753
Statehouse & Cedar Crest	164,905	107,961	200,000	147,588	200,000	147,588
Judicial Center	76,939	76,939	250,000	73,861	250,000	73,861
<i>Subtotal</i>	<u>\$ 2,299,919</u>	<u>\$ 2,242,975</u>	<u>\$ 4,502,151</u>	<u>\$ 2,197,201</u>	<u>\$ 3,450,000</u>	<u>\$ 2,197,202</u>
<b>Debt Service Principal:</b>						
Statehouse Renovations	\$ 12,050,000	\$ 12,050,000	\$ 13,020,000	\$ 13,020,000	\$ 12,920,000	\$ 12,920,000
Restructuring	1,345,000	1,345,000	1,380,000	1,380,000	1,440,000	1,440,000
National Bio-Agro Defense Facility	2,710,000	2,710,000	2,840,000	14,914,650	2,945,000	14,311,950
Public Broadcasting Digital Conversion	75,000	75,000	80,000	80,000	85,000	85,000
Revenue Bonds Refunding	15,000	15,000	15,000	15,000	360,000	360,000
<i>Subtotal</i>	<u>\$ 16,195,000</u>	<u>\$ 16,195,000</u>	<u>\$ 17,335,000</u>	<u>\$ 29,409,650</u>	<u>\$ 17,750,000</u>	<u>\$ 29,116,950</u>
<b>TOTAL</b>	<u><u>\$ 18,494,919</u></u>	<u><u>\$ 18,437,975</u></u>	<u><u>\$ 21,837,151</u></u>	<u><u>\$ 31,606,851</u></u>	<u><u>\$ 21,200,000</u></u>	<u><u>\$ 31,314,152</u></u>
<b>Financing:</b>						
State General Fund	\$ 6,354,919	\$ 6,297,975	\$ 19,101,351	\$ 18,491,851	\$ 18,114,200	\$ 17,949,152
State Highway Fund	10,805,000	10,805,000	0	10,379,200	0	10,279,200
Expanded Lottery Act Revenues Fund	1,335,000	1,335,000	2,735,800	2,735,800	3,085,800	3,085,800
<b>TOTAL</b>	<u><u>\$ 18,494,919</u></u>	<u><u>\$ 18,437,975</u></u>	<u><u>\$ 21,837,151</u></u>	<u><u>\$ 31,606,851</u></u>	<u><u>\$ 21,200,000</u></u>	<u><u>\$ 31,314,152</u></u>

## Current Year Agency Estimate

**FY 2015– Current Year.** The agency estimates capital improvement and debt service principal expenditures of \$18.5 million, including \$6.3 million from the State General Fund, an increase of \$11,168, or 0.1 percent, from the FY 2015 approved

budget. The increase is attributable to the 4.0 percent allotment reduction and was allocated to rehabilitation and repair of state facilities. The request includes \$16.2 million in debt service principal payments.

## Current Year Governor Recommendation

The **Governor** concurs with the FY 2015 agency request with the exception of rehabilitation and repair on the Statehouse and Cedar Crest. The Governor recommends reducing

rehabilitation and repair by \$56,944 from \$164,905 to \$107,961. This is part of the Governor's FY 2015 allotment.

## Budget Year Agency Request

**FY 2016– Budget Year.** The agency requests capital improvements and debt service principal expenditures of \$21.8 million, an all funds increase of \$3.3 million, or 18.1 percent, and a State General Fund increase of \$12.7 million, or 200.6 percent, from the FY 2015 agency estimate.

The all funds increase is attributable to increasing the rehabilitation and repair requests by \$2.2 million, mostly for rehabilitation and repair of the capitol complex by \$1.1 million. Debt Service principal payments increased by \$1.1 million due to the shift to principal as the debt is paid off.

## Budget Year Governor Recommendation

The **Governor** recommends capital improvements and debt service principal expenditures of \$31.6 million, an all funds increase of \$9.8 million, or 44.7 percent, and a State General Fund reduction of \$609,500, or 3.2 percent, from the FY 2016 agency estimate.

and repair budget to the FY 2015 level minus a 4.0 percent across the board reduction.

The Governor reduced rehabilitation and repair recommendations by \$2.2 million, returning the rehabilitation

The Governor added \$12.1 million for debt service on the National Bio and Agro-Defense Facility for a total debt service principal payment of \$29.4 million for FY 2016. The Governor partially offset the State General Fund portion of this increase by swapping State General Fund debt service on the Statehouse with \$10.4 million from the State Highway Fund.

## Budget Year Agency Request

**FY 2017– Budget Year.** The agency requests capital improvements and debt service principal expenditures of \$21.2 million, an all funds reduction of \$637,151, or 2.9 percent, and a State General Fund reduction of \$987,151, or 5.2 percent, from the FY 2015 agency estimate.

## Budget Year Governor Recommendation

The **Governor** recommends capital improvements and debt service principal expenditures of \$31.3 million, an all funds increase of \$10.1 million, or 47.7 percent, and a State General Fund reduction of \$165,048, or 0.9 percent, from the FY 2017 agency estimate.

The Governor reduced rehabilitation and repair recommendations by \$1.3 million, holding the rehabilitation and repair budget at the FY 2016 level.

## Capital Improvements Projects

**Capitol Complex Rehabilitation and Repair:** The agency requests \$2.1 million in FY 2015, \$4.1 million for FY 2016 and \$3.0 million in FY 2017 all from the State General Fund. The fund is used for major maintenance and repair projects for the Landon, Docking, Curtis, and Eisenhower buildings. Projects include repairing pumps and bearings, repairing and replacing plumbing, repairing and replacing windows due to storm damage, repairing leaky roofs, asbestos abatement, minor building refurbishments, and replacement of major equipment components.

The fund has been used to replace the utility tunnel running between the Statehouse to the Landon Building and the Judicial Center. The tunnel provides service to the entire capitol

The all funds reduction is attributable to reducing the rehabilitation and repair request on the capitol complex by \$2.2 million, mostly for rehabilitation and repair of the capitol complex. Debt Service principal payments increased by \$415,000 due to the shift to principal as the debt is paid off.

The Governor added \$11.4 million for debt service on the National Bio and Agro-Defense Facility for a total debt service principal payment of \$29.4 million for FY 2016. The Governor partially offset the State General Fund portion of this increase by swapping State General Fund debt service on the Statehouse with \$10.3 million from the State Highway Fund.

complex. Repairs to the tunnel required that Jackson Street be closed during the 2009 interim. The back fill of the previous tunnel and landscaping of the area was completed during FY 2011.

**State Facilities Rehabilitation and Repair:** The agency requests \$164,905 in FY 2015, \$200,000 for FY 2016 and \$200,000 in FY 2017 all from the State General Fund. This funding would be used for emergency repairs of major equipment at the Statehouse and Cedar Crest. Any remaining funds are used on maintenance projects to prevent emergency projects in the future at Cedar Crest.

**Judicial Center Rehabilitation and Repair:** The agency requests \$76,939 in FY 2015, \$250,000 for FY 2016 and FY 2017 all from the State General Fund. This funding would be

used for emergency repairs on major equipment at the Judicial Center. Any remaining funds are used on maintenance projects to prevent emergencies in the future.

### **Reportable Debt Service Principal**

The **agency's** request includes \$18.5 million in FY 2015, including \$6.4 million from the State General Fund, \$10.8 million from the State Highway Fund, and \$1.3 million from the Expanded Lottery Act Revenues fund.

The **agency's** request includes \$17.3 million in FY 2016, including \$19.1 million from the State General Fund, \$2.7 million from the Expanded Lottery Act Revenues fund.

The **agency's** request includes \$17.8 million in FY 2017, including \$18.1 million from the State General Fund and \$3.1 million from the Expanded Lottery Act Revenues fund.

The principal payments are for bonded indebtedness on the debt service restructuring, the Statehouse renovation, Restructuring Debt Service, Public Broadcasting Debt Service and the National Bio and Agro-Defense Facility.

The **Governor** concurs with the agency debt service principal requests. The Governor further recommends for FY 2016 the deletion of \$10.4 million, all from the State General Fund, for debt service principal payments on the Kansas Statehouse Restoration bonds and an equivalent amount of State Highway Fund added to supplant the payment. The Governor also recommends adding \$12.1 million in debt service principal for the National Bio and Agro-Defense Facility.

The **Governor** concurs with the agency debt service principal requests. The Governor further recommends for FY 2017 the deletion of \$10.3 million, all from the State General Fund, for debt service principal payments on the Kansas Statehouse Restoration bonds and an equivalent amount of State Highway Fund added to supplant the payment. The Governor also recommends adding \$11.4 million in debt service principal for the National Bio and Agro-Defense Facility.

**OFF BUDGET - CAPITAL IMPROVEMENTS**

	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Rehabilitation and Repair:						
Printing Plant	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Projects:						
Landon Windows	1,500,000	1,500,000	0	0	0	0
Energy/Service Center	<u>0</u>	<u>0</u>	<u>9,125,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	<u>1,500,000</u>	<u>1,500,000</u>	<u>9,125,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Debt Service Principal:						
Memorial Hall	325,000	325,000	340,000	340,000	360,000	360,000
Eisenhower State Office Building	1,330,000	1,330,000	1,390,000	1,390,000	1,450,000	1,450,000
State of Kansas Projects	<u>505,000</u>	<u>505,000</u>	<u>525,000</u>	<u>525,000</u>	<u>590,000</u>	<u>590,000</u>
Subtotal	<u>2,160,000</u>	<u>2,160,000</u>	<u>2,255,000</u>	<u>2,255,000</u>	<u>2,400,000</u>	<u>2,400,000</u>
 TOTAL	 <u>\$ 3,735,000</u>					
<b>Financing:</b>						
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	<u>3,735,000</u>	<u>3,735,000</u>	<u>11,455,000</u>	<u>2,330,000</u>	<u>2,475,000</u>	<u>2,475,000</u>
TOTAL	<u>\$ 3,735,000</u>	<u>\$ 3,735,000</u>	<u>\$ 11,455,000</u>	<u>\$ 2,330,000</u>	<u>\$ 2,475,000</u>	<u>\$ 2,475,000</u>

The **agency** requests \$3.7 million in FY 2015 and \$11.5 million FY 2016 and \$2.5 million in FY 2017 for non-reportable capital improvements, all from special revenue funds, including the following:

**Projects:**

**Landon Windows:** The agency is requests \$1.5 million, all from special revenue funds, for Landon Window replacement in

FY 2015. This portion of the project is related to the West and North facing portions of the building which are currently being replaced. The South and East facing portions of the building are being requested in FY 2016 to be paid from the State General Fund.

**Energy Service Center:** The Department of Administration requests funding to build a new Energy Service Facility.

Currently, The Docking State Office Building houses the boilers for steam heat for Docking, Statehouse, Landon, Memorial, Curtis, and Kansas Judicial Center. The boilers were installed in 1984 and are past their useful service life of 25 to 30 years.

Chillers are also housed in the Docking State Office Building, to provide cooling for Docking State Office Building and the Statehouse. Chilled water piping was extended by tunnels to Landon and Memorial, providing the opportunity for better operational efficiency.

The Docking State Office Building also houses maintenance shops, construction shops, and a warehouse. Facilities uses for the Capital Complex. The Capital Police dispatch, central monitoring, and offices are also housed in Docking. This request is to build a new energy/ service facility to house all of these functions.

### **Debt Service Principal - Off Budget**

**Memorial Hall:** In 1998, the Kansas Development Finance Authority issued bonds for the remodeling of Memorial Hall. Rents from tenant agencies are deposited in the State Buildings Operating Fund. The bonds will be fully paid off in FY 2019.

**Eisenhower State Office Building:** The Legislature gave statutory authority for the Secretary of Administration to

purchase and remodel the Eisenhower State Office Building. Remodeling work included modifications for building code compliance and hazardous material abatement. Other work included structural modifications for high-density file storage, floor plan reconfigurations, telecommunications upgrade, security system upgrade; fire alarm upgrade and Uninterrupted-Power-Source (UPS) replacement. The bonds will be fully paid off in FY 2031.

**State of Kansas Project Refunding:** In FY 2010, the Kansas Development Finance Authority, refinanced the bonds on the repairs to Landon described above and the Topeka State Hospital. The refinancing was not related to the interest only refinancing undertaken for budgetary reasons in FY 2009, but was done by the KDFA during its normal course of business as part of a interest rate refinance screening. The bonds will be fully paid off in FY 2034.

### **Rehabilitation and Repair - Off Budget**

**Printing Plant:** The agency requests \$75,000, all from special revenue funds, for FY 2015 through FY 2017. This fund is used for rehabilitation and repair or mechanical components and systems that are beyond its useful life.

The **Governor** concurs with the agency non-reportable capital improvement requests for FY 2015 through FY 2017 with the exception of the new Energy Service Center.

<b>PERFORMANCE MEASURES</b>					
Measure	Gov. Rec. for FY 2014	Actual FY 2014	Gov. Rec. FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Number of agency training sessions for legal training	12	12	12	12	12
Private funding received by member stations of the Public Broadcasting Council (in millions)	\$14.0	\$14.0	\$14.0	\$14.0	\$14.0
Percent of Help Desk calls resolved in 2 hours	95.0%	95.0%	95.0%	95.0%	95.0%
Number of hours of normally chargeable time that was charged to spoilage	215	68	75	75	75
Number of municipalities enrolled in the Kansas Debt Recovery System	727	727	737	747	757
Percent of municipal audit reports posted to the municipal services website	83.0%	91.0%	100.0%	100.0%	100.0%
Number of transparency subject areas available on KanView	5	5	6	7	7
Sales of Fixed Price Vehicle Program	\$1,500,000	\$1,336,053	\$1,500,000	\$1,750,000	\$1,800,000
Number of fixed price vehicles sold	125	102	125	140	145
Number of Help Desk calls per month	1,750	1,750	1,750	1,750	1,750
Percent of deviation of actual fiscal year expenditures versus final approved State General Fund budgets	0.10%	0.24%	0.15%	0.15%	0.15%
Percent of fiscal notes completed by the bills' hearing date	100.0%	100.0%	100.0%	100.0%	100.0%
Percent of state agencies visited in the fiscal year	80.0%	66.3%	70.0%	70.0%	70.0%
Number of human resources positions reduced statewide since FY 2011	51	53	55	57	60
Statewide salary savings from the reduction of human resources positions	\$2,176,812	\$2,391,417	\$2,467,872	\$2,547,000	\$2,667,000