

DEPARTMENT OF CORRECTIONS

	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
Operating Expenditures:							
State General Fund	\$ 157,009,447	\$ 169,223,664	\$ 166,102,780	\$ 176,853,740	\$ 170,072,624	\$ 182,015,466	\$ 175,101,412
Other Funds	33,838,523	31,576,005	30,324,328	31,668,904	32,007,312	30,705,629	31,241,277
TOTAL	\$ 190,847,970	\$ 200,799,669	\$ 196,427,108	\$ 208,522,644	\$ 202,079,936	\$ 212,721,095	\$ 206,342,689
Capital Improvements:							
State General Fund	\$ 1,138,184	\$ 1,515,000	\$ 1,295,000	\$ 1,375,000	\$ 654,150	\$ 1,470,000	\$ 1,470,000
Other Funds	4,177,519	12,969,570	12,525,493	10,712,249	9,822,070	10,298,794	9,401,936
TOTAL	\$ 5,315,703	\$ 14,484,570	\$ 13,820,493	\$ 12,087,249	\$ 10,476,220	\$ 11,768,794	\$ 10,871,936
GRAND TOTAL	\$ 196,163,673	\$ 215,284,239	\$ 210,247,601	\$ 220,609,893	\$ 212,556,156	\$ 224,489,889	\$ 217,214,625
Percentage Change:							
Operating Expenditures							
State General Fund	45.9 %	7.8 %	5.8 %	4.5 %	2.4 %	2.9 %	3.0 %
All Funds	49.9	5.2	2.9	3.8	2.9	2.0	2.1
FTE Positions	305.0	320.0	321.0	315.0	316.0	316.0	317.0
Non-FTE							
Perm.Uncl.Pos.	154.0	160.0	160.0	165.0	165.0	165.0	165.0
TOTAL	459.0	480.0	481.0	480.0	481.0	481.0	482.0

AGENCY OVERVIEW

The primary responsibility of the Department of Corrections (DOC), a cabinet level agency under the direction of the Secretary of Corrections, is to protect the public by providing reasonable, safe, secure, and humane control of felony offenders and juvenile offenders. The Department's duties and responsibilities include the following items.

- Operates maximum, medium, and minimum security correctional facilities that provide for appropriate placement and management of inmates, given security requirements and available resources.
- Implements inmate education, treatment and work programs, including a correctional industries program, that respond to offender needs and that enhance the likelihood of successful return to the community.
- Contracts with vendors for delivery of medical and mental health care services and food service operations at the correctional facilities.
- Develops and maintains a comprehensive, community-based juvenile justice system which ensures public safety through the implementation of effective prevention and early intervention programs, effective community supervision, and operation of two juvenile correctional facilities.
- Supervises offenders paroled or conditionally released from correctional facilities to protect the safety of the public and to facilitate offender reintegration into the community.
- Serves as the single state agency for administration of the interstate compact for probation and parole.
- Supports community-based supervision of felony offenders through implementation of the Kansas Community Corrections Act and administration of state grants to local community corrections agencies.

MAJOR ISSUES FROM PRIOR YEARS

The **2006 Legislature** added \$1,131,228 from the State General Fund and 9.0 FTE positions for a new sex offender global positioning system (GPS) monitoring project. The project will allow approximately 225 sex offenders, who are supervised by the DOC and whose victims are children, to be placed under 24-hour electronic surveillance.

The **2007 Legislature** approved the following items.

- \$4.5 million, all from the State General Fund, and 7.0 FTE positions to fund 2007 House Sub. SB 14.

- \$1.1 million, all from the State General Fund, in FY 2008 for the Sedgwick, Wyandotte, and Shawnee County Reentry programs which assist high risk offenders reentering communities. The funding was added to eliminate the one-third local match provided by local units of government.
- Bonding authority of \$21.9 million for rehabilitation and repair projects at correctional facilities systemwide in FY 2008. Of the \$21.9 million, \$2.6 million was from the Construction Defects Recovery Fund.
- Bonding authority of \$39.5 million for prison expansion projects. Expansion projects require approval by the State Finance Council and were to occur in the following order as indicated in 2007 House Substitute for SB 357:
 - Two cell houses or 256 beds at El Dorado Correctional Facility;
 - 240 substance abuse treatment beds at Yates Center;
 - 100 minimum security beds at Ellsworth Correctional Facility; and
 - 72 beds at Stockton Correctional Facility.

The **2008 Legislature** approved a reduction of \$20.0 million in bonding authority for bed-capacity expansion projects that was authorized during the 2007 Session based on projections that the no new bed space would be necessary before 2017.

The **2009 Legislature** approved a 1.25 percent across-the-board State General Fund reduction in FY 2009 and a 4.0

percent reduction in FY 2010. The reduction to the Department of Corrections budget totaled \$1,537,171 in FY 2009 and \$4,419,568 in FY 2010, all from the State General Fund. In addition, the Legislature approved several changes recommended by the Governor. Those changes included the following items.

- A reduction of \$563,000, all from the State General Fund, to close the Men's and Women's conservation camps in Labette County in FY 2009.
- A reduction of \$1.5 million in FY 2009 and \$450,000 in FY 2010, all from the State General Fund, which deleted the funding approved in previous fiscal years for the offender management software (OMIS/TOADS) replacement.
- A reduction of \$1.0 million in FY 2009 and \$350,000 in FY 2010, all from the State General Fund, to the Community Corrections Grants awarded by the DOC.
- A reduction of \$3.5 million, all from the State General Fund, to suspend operations at the Toronto, Stockton, and Osawatomie correctional facilities.

The **2010 Legislature** approved FY 2010 reductions totaling \$44,421, including \$36,048 from the State General Fund, for a 5.0 percent state officer's salary reduction (\$1,691 from the State General Fund), and a moratorium on contributions to the KPERS Death and Disability Fund (\$42,730, including \$34,357 from the State General Fund). The Legislature also approved the following adjustments to the FY 2011 budget.

- Approved the Governor's recommended reductions totaling \$3.2 million, including \$3.0 million from the State General Fund, for capital outlay, staffing reductions, food service contract reductions, parole services reductions, elimination of a treatment program at Topeka, and a reduction from the Correctional Institutions Building Fund due to a lower than estimated balance.
- Deleted \$41,915, including \$33,564 from the State General Fund, for a moratorium on contributions to the KPERS Death and Disability Fund.
- Added \$494,500 from the State General Fund for substance abuse treatment slots at Topeka and Ellsworth Correctional Facilities.
- Added \$270,000 from the State General Fund to the inmate health care contract to retain the clinical psychologists that the agency had opted to eliminate for budget savings.
- Deleted \$130,640 from the State General Fund and instructed the agency to self-fund longevity bonus payments.
- Approved an undermarket pay adjustment, of which \$237,471, including \$167,495 from the State General Fund, went to the Department of Corrections for positions included in the approved adjustment.

The **2011 Legislature** approved FY 2012 adjustments of \$10.2 million above the Governor's recommendation, including \$1.3 million from the State General Fund. The adjustments included are listed below.

- An increase of \$9.1 million, all from the Correctional Industries Fund, to keep Correctional Industries expenditures on budget.
- An increase of \$1.4 million, all from the State General Fund, to fund 40.0 parole officer positions.
- An increase of \$1.5 million, all from the State General Fund, for community corrections expenditures related to 2011 House Sub. for SB 6, which amended various administrative and criminal statutes related to driving under the influence.
- A reduction of \$1.3 million, all from the State General Fund, for an across-the-board reduction.

The **2011 Legislature** also approved Executive Reorganization Order No. 34, which abolished the Parole Board and established the Prisoner Review Board within the Department of Corrections. The Prisoner Review Board consists of three members appointed by the Secretary of Corrections from among the existing employees of the Department of Corrections. No additional funding was included with the reorganization.

The **2012 Legislature** approved adjustments of \$322,221 above the Governor's recommendation, but \$166,306 below the Governor's State General Fund recommendation. The Governor's recommendation included funding in FY 2012 and

FY 2013 to renovate and reopen the Labette Conservation Camps as a geriatric facility, with which the Legislature concurred. The Legislature's adjustments included the following items.

- An increase of \$500,000, all from the Problem Gambling and Addictions Grant Fund, for the drug treatment subprogram in the Community Corrections program.
- A reduction of \$32,469, including \$27,028 from the State General Fund, to reduce longevity bonus payments from \$50 per year of service to the statutory \$40 per year of service.
- A reduction of \$108,113, all from the State General Fund, and required the agency to self-fund employee longevity bonus payments in FY 2013.
- A reduction of \$37,197, including \$31,165 from the State General Fund, to suspend employer contributions to the Kansas Public Employees Retirement System Group Insurance Fund for a three-month period.

The **2012 Legislature** also approved House Sub. for SB 434 to allow the Department of Corrections to buy the Saint Francis Boys' Home in Ellsworth for the purpose of operating it as a minimum-security satellite facility. The bill also allowed the agency to sell a parcel of land to Reno County.

The State Finance Council in 2012 approved undermarket pay adjustments for some employees of the Department of Corrections in two disbursements. The increases for FY 2013 totaled \$7.2 million, including \$7.1 million from the State General Fund.

The **2013 Legislature** approved Executive Reorganization Order No. 42, abolishing the Juvenile Justice Authority and moving all functions, duties, and commissioner of the Juvenile Justice Authority into the Department of Corrections underneath the Secretary of Corrections. Executive Reorganization Order No. 42 added \$63.8 million, including \$48.8 million from the State General Fund, and 18.0 FTE positions for FY 2014.

The **2013 Legislature** also approved the following items.

- An addition of \$750,000, all from the Children's Initiatives Fund, for the Judge Riddel Boys Ranch for FY 2014.
- A reduction of \$6.5 million, all from the State General Fund, for estimated savings related to 2013 HB 2170, which is estimated to reduce the recidivism rate, for FY 2014, and \$7.8 million, all from the State General Fund, for FY 2015.
- An addition of \$516,000, all from the State General Fund, and deleted the same amount from special revenue funds to offset the revenue reduction caused by redirecting docket fees into a special revenue fund within the Judicial Branch for FY 2014 and \$862,376, all from the State General Fund, for FY 2015.

The Governor vetoed \$182.5 million, including \$153.6 million from the State General Fund, for FY 2015 to eliminate the entire operating budget excluding debt service interest payments during the **2013 Legislative Session**. The Governor did not veto capital improvement funding for FY 2015.

The **2014 Legislature** added \$3.0 million in FY 2014 and \$4.1 million in FY 2015, all from the State General Fund, for the new inmate health care contract that was finalized after the agency submitted its budget.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency** estimates total expenditures of \$215.3 million, including \$170.7 million from the State General Fund. The estimate is an increase of \$5.1 million, or 2.4 percent, including a State General Fund increase of \$2.9, or 1.7 percent, above the FY 2015 approved amount. The estimate includes a supplemental of \$194,569, all from the State General Fund, for consolidation of agency email systems into a statewide cloud-based email system. The overall increase is due to increased expenditures for capital improvements for rehabilitation and repair projects and the Governor's December 2014 Allotment that reduced approved State General Fund expenditures,

partially offset by decreased sales to other state agencies for Correctional Industries. The estimate includes 320.0 FTE positions, which is an increase of 15.0 FTE positions above the FY 2015 approved amount. The increase in FTE positions is due to 25.0 nursing staff choosing to continue to be state employees rather than switching to the new inmate medical provider, partially offset by the elimination of FTE positions no longer needed. **Absent the supplemental**, the agency estimates \$215.1 million, including \$170.5 million from the State General Fund.

FY 2015 Governor Recommendation

The **Governor** recommends total expenditures of \$210.2 million, including \$167.4 million from the State General Fund. The recommendation is a decrease of \$5.0 million, or 2.3 percent, including a State General Fund decrease of \$3.3 million, or 2.0 percent below the agency's FY 2015 estimate. The Governor's recommendation includes the December 2014 Allotment, a reduction to special revenue funds for reduced KPERS employer contributions for state employee health insurance, transfers to Norton Correctional Facility and Lansing Correctional Facility for increased prison population projections,

a reduction in funding for juvenile out-of-home placements caseloads based on consensus estimates, and reduced expenditures for capital improvements from the Correctional Institutions Building Fund based on available cash balances. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

FY 2016 Agency Request

The **agency** requests FY 2016 operating expenditures of \$208.5 million, including \$176.9 million from the State General Fund. The request is an increase of \$7.7 million, or 3.8 percent, including a State General Fund increase of \$7.6 million, or 4.5

percent, above the FY 2015 estimate. The request includes numerous enhancements totaling \$9.7 million, all from the State General Fund. **Absent the enhancements**, the agency requests operating expenditures of \$198.8 million, including

\$167.2 million from the State General Fund. The request is a decrease of \$2.0 million, or 1.0 percent, including a State General Fund decrease of \$2.0 million, or 1.2 percent, below the FY 2015 estimate. The request includes 315.0 FTE positions, which is 5.0 less FTE positions than the FY 2015 estimate. The decrease is mainly attributable to onetime bonuses made in FY 2015 that do not occur for FY 2016, savings from relocating the Central Office,, and the loss of federal funding for out-of-home placements.

FY 2016 Governor Recommendation

The **Governor** recommends FY 2016 operating expenditures of \$202.1 million, including \$170.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million, or 3.1 percent, including a State General Fund decrease of \$6.8 million, or 3.8 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERs employer contributions for parole and juvenile corrections officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent (\$306,000) State General Fund reduction to the Administration program, a reduction of \$332,532, including \$277,598 from the State General Fund, to reduce employer contributions for state employee health insurance, restructuring two bonds for debt service savings, and reduced expenditures for juvenile out-of-home placements caseloads. These reductions in the

FY 2017 Agency Request

The **agency** requests FY 2017 operating expenditures of \$212.7 million, including \$182.0 million from the State General Fund. The request is an increase of \$4.2 million, or 2.0 percent, including a State General Fund increase of \$5.2 million, or 2.9

The agency requests FY 2016 capital improvement expenditures of \$12.1 million, including \$1.4 million from the State General Fund. The request is a decrease of \$2.4 million, or 16.6 percent, including a State General Fund decrease of \$140,000, or 9.2 percent, below the FY 2015 estimate. The decreases are primarily due to completions of major projects in FY 2015 that do not occur for FY 2016.

Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

The **Governor** recommends FY 2016 capital improvement expenditures of \$10.5 million, including \$654,150 from the State General Fund. The recommendation is a decrease of \$1.6 million, or 13.3 percent, including a State General Fund decrease of \$720,850, or 52.4 percent, below the agency's FY 2016 request. The decrease is due to reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

percent, above the FY 2016 request. The request includes enhancements totaling \$14.1 million, all from the State General Fund. **Absent the enhancements**, the agency requests \$198.6 million, including \$167.9 million from the State General Fund.

The request is a decrease of \$210,744, or 0.1 percent, below the FY 2016 request less enhancements, partially offset by a State General Fund increase of \$752,531, or 0.5 percent. The overall decrease is predominately due to reduced expenditures for the health care contract, food services contract, capital outlay expenditures for Correctional Industries, and Juvenile Accountability Block Grants and Title II funding decreases, partially offset by expenditures associated with a 27th payroll period. The request includes 316.0 FTE positions, which is 1.0 additional FTE position above the FY 2016 request.

FY 2017 Governor Recommendation

The **Governor** recommends FY 2017 operating expenditures of \$206.3 million, including \$175.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million, or 3.0 percent, including a State General Fund decrease of \$6.9 million, or 3.8 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERS employer contributions for parole and juvenile corrections officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent (\$306,000) State General Fund reduction to the Administration program, a reduction of \$339,257, including \$281,563 from the State General Fund, to reduce employer contributions for state employee health insurance, restructuring two bonds for debt service savings, and reduced expenditures for juvenile out-of-home placements caseloads. These reductions in the

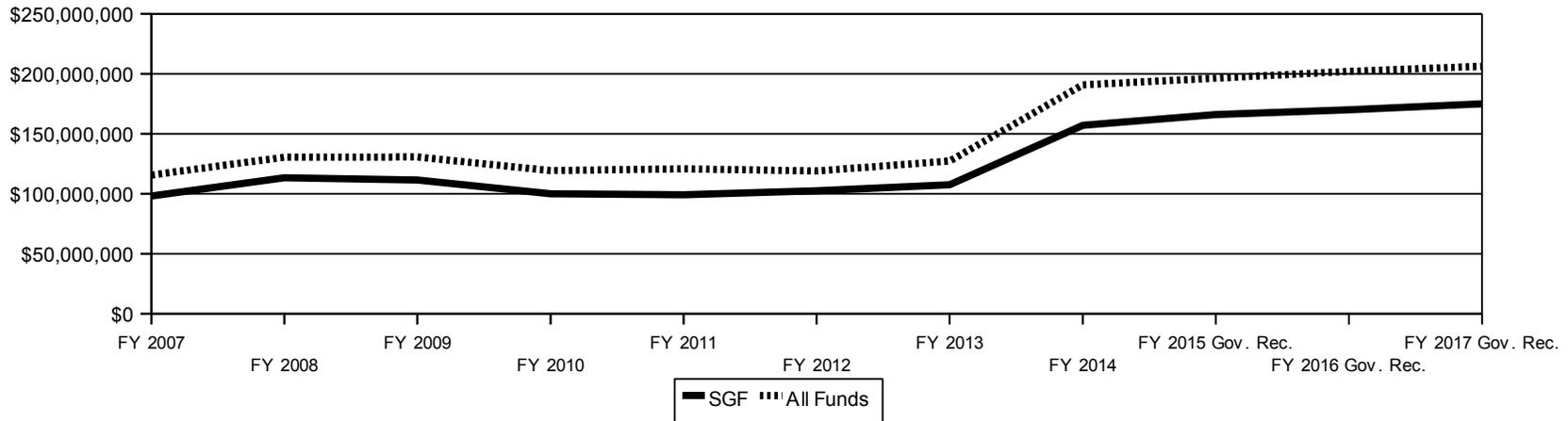
The agency requests FY 2017 capital improvements expenditures of \$11.8 million, including \$1.5 million from the State General Fund. The request is an overall decrease of \$318,455, or 2.6 percent, below the FY 2016 request, partially offset by a State General Fund increase of \$95,000, or 6.9 percent. The decrease is attributable to reduced rehabilitation and repair expenditures, partially offset by increased debt service principal payments and Correctional Industries capital improvement expenditures.

Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

The **Governor** recommends FY 2017 capital improvement expenditures of \$10.9 million, including \$1.5 million from the the State General Fund. The recommendation is a decrease of \$896,858, or 7.6 percent, below the agency's FY 2017 request. The overall decrease is attributable to reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 98,179,183	(1.6)%	\$ 115,599,808	(0.9)%	293.7
2008	113,278,557	15.4	130,485,101	12.9	306.7
2009	111,526,010	(1.5)	130,690,250	0.2	320.7
2010	99,994,747	(10.3)	119,333,267	(8.7)	320.7
2011	99,257,019	(0.7)	120,810,916	1.2	318.5
2012	102,502,766	3.3	119,045,146	(1.5)	298.5
2013	107,605,256	5.0	127,283,366	6.9	305.0
2014	157,009,447	45.9	190,847,970	49.9	305.0
2015 Gov. Rec.	166,102,780	5.8	196,427,108	2.9	321.0
2016 Gov. Rec.	170,072,624	2.4	202,079,936	2.9	316.0
2017 Gov. Rec.	175,101,412	3.0	206,342,689	2.1	317.0
Eleven-Year Change	\$ 76,922,229	78.3 %	\$ 90,742,881	78.5 %	23.3

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
By Program:									
Administration	\$ 11,155,636	\$ 11,925,291	\$ 15,759,526	\$ 3,834,235	32.2 %	\$ 11,504,965	\$ 12,278,701	\$ 773,736	6.7 %
Community Supervision	36,279,748	40,171,478	39,811,943	(359,535)	(0.9)	38,157,059	39,353,679	1,196,620	3.1
Inmate Health Care	55,335,036	57,941,433	60,803,666	2,862,233	4.9	57,924,957	61,027,382	3,102,425	5.4
Juvenile Services	52,239,105	52,229,638	52,879,208	649,570	1.2	50,545,865	50,683,449	137,584	0.3
Correctional Industries	10,794,957	11,754,554	11,425,838	(328,716)	(2.8)	11,724,067	11,388,650	(335,417)	(2.9)
Offender Programs	7,318,677	9,170,247	9,728,261	558,014	6.1	8,725,871	9,683,594	957,723	11.0
Victim Services	688,147	695,441	702,628	7,187	1.0	689,227	691,236	2,009	0.3
Prisoner Review Board	420,973	440,895	445,601	4,706	1.1	436,815	438,339	1,524	0.3
Food Service Contract	14,503,143	14,285,777	15,017,498	731,721	5.1	14,784,928	14,990,194	205,266	1.4
Debt Service	2,112,548	2,184,915	1,948,475	(236,440)	(10.8)	1,933,354	1,544,712	(388,642)	(20.1)
TOTAL	\$ 190,847,970	\$ 200,799,669	\$ 208,522,644	\$ 7,722,975	3.8 %	\$ 196,427,108	\$ 202,079,936	\$ 5,652,828	2.9 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 26,234,669	\$ 28,882,983	\$ 29,791,862	\$ 908,879	3.1 %	\$ 28,452,409	\$ 28,025,014	\$ (427,395)	(1.5)%
Contractual Services	82,336,245	85,587,151	92,537,469	6,950,318	8.1	85,341,338	90,096,919	4,755,581	5.6
Commodities	5,869,487	5,976,621	6,266,096	289,475	4.8	5,976,621	6,266,096	289,475	4.8
Capital Outlay	2,063,777	2,124,176	1,965,158	(159,018)	(7.5)	2,124,176	1,607,258	(516,918)	(24.3)
Debt Service	2,112,548	2,184,915	1,948,475	(236,440)	(10.8)	1,933,354	1,544,712	(388,642)	(20.1)
Subtotal - Operations	\$ 118,616,726	\$ 124,755,846	\$ 132,509,060	\$ 7,753,214	6.2 %	\$ 123,827,898	\$ 127,539,999	\$ 3,712,101	3.0 %
Aid to Local Units	47,007,026	47,228,725	47,201,724	(27,001)	(0.1)	44,857,759	47,201,724	2,343,965	5.2
Other Assistance	25,224,218	28,815,098	28,811,860	(3,238)	(0.0)	27,741,451	27,338,213	(403,238)	(1.5)
TOTAL	\$ 190,847,970	\$ 200,799,669	\$ 208,522,644	\$ 7,722,975	3.8 %	\$ 196,427,108	\$ 202,079,936	\$ 5,652,828	2.9 %
Financing:									
State General Fund	\$ 157,009,447	\$ 169,223,664	\$ 176,853,740	\$ 7,630,076	4.5 %	\$ 166,102,780	\$ 170,072,624	\$ 3,969,844	2.4 %
Special Revenue Funds	11,286,501	9,711,054	9,589,505	(121,549)	(1.3)	9,707,948	10,585,701	877,753	9.0
Federal Funds	6,142,695	6,426,323	6,152,732	(273,591)	(4.3)	5,210,741	5,535,040	324,299	6.2
All Other Funds	16,409,327	15,438,628	15,926,667	488,039	3.2	15,405,639	15,886,571	480,932	3.1
TOTAL	\$ 190,847,970	\$ 200,799,669	\$ 208,522,644	\$ 7,722,975	3.8 %	\$ 196,427,108	\$ 202,079,936	\$ 5,652,828	2.9 %

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
By Program:								
Administration	\$ 15,759,526	\$ 16,652,364	\$ 892,838	5.7 %	\$ 12,278,701	\$ 13,711,793	\$ 1,433,092	11.7 %
Community Supervision	39,811,943	40,394,373	582,430	1.5	39,353,679	39,805,638	451,959	1.1
Inmate Health Care	60,803,666	63,833,970	3,030,304	5.0	61,027,382	63,963,255	2,935,873	4.8
Juvenile Services	52,879,208	52,667,717	(211,491)	(0.4)	50,683,449	49,960,672	(722,777)	(1.4)
Correctional Industries	11,425,838	10,876,886	(548,952)	(4.8)	11,388,650	10,837,214	(551,436)	(4.8)
Offender Programs	9,728,261	9,836,219	107,958	1.1	9,683,594	9,767,383	83,789	0.9
Victim Services	702,628	733,159	30,531	4.3	691,236	717,756	26,520	3.8
Prisoner Review Board	445,601	465,348	19,747	4.4	438,339	454,287	15,948	3.6
Food Service Contract	15,017,498	15,561,584	544,086	3.6	14,990,194	15,297,829	307,635	2.1
Debt Service	1,948,475	1,699,475	(249,000)	(12.8)	1,544,712	1,826,862	282,150	18.3
TOTAL	\$ 208,522,644	\$ 212,721,095	\$ 4,198,451	2.0 %	\$ 202,079,936	\$ 206,342,689	\$ 4,262,753	2.1 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 29,791,862	\$ 31,209,592	\$ 1,417,730	4.8 %	\$ 28,025,014	\$ 29,143,879	\$ 1,118,865	4.0 %
Contractual Services	92,537,469	96,669,286	4,131,817	4.5	90,096,919	94,541,253	4,444,334	4.9
Commodities	6,266,096	6,514,773	248,677	4.0	6,266,096	6,514,773	248,677	4.0
Capital Outlay	1,965,158	814,225	(1,150,933)	(58.6)	1,607,258	475,825	(1,131,433)	(70.4)
Debt Service	1,948,475	1,699,475	(249,000)	(12.8)	1,544,712	1,826,862	282,150	18.3
Subtotal - Operations	\$ 132,509,060	\$ 136,907,351	\$ 4,398,291	3.3 %	\$ 127,539,999	\$ 132,502,592	\$ 4,962,593	3.9 %
Aid to Local Units	47,201,724	47,001,614	(200,110)	(0.4)	47,201,724	47,001,614	(200,110)	(0.4)
Other Assistance	28,811,860	28,812,130	270	0.0	27,338,213	26,838,483	(499,730)	(1.8)
TOTAL	\$ 208,522,644	\$ 212,721,095	\$ 4,198,451	2.0 %	\$ 202,079,936	\$ 206,342,689	\$ 4,262,753	2.1 %
Financing:								
State General Fund	\$ 176,853,740	\$ 182,015,466	\$ 5,161,726	2.9 %	\$ 170,072,624	\$ 175,101,412	\$ 5,028,788	3.0 %
Special Revenue Funds	9,589,505	9,599,426	9,921	0.1	10,585,701	10,595,546	9,845	0.1
Federal Funds	6,152,732	5,861,216	(291,516)	(4.7)	5,535,040	5,443,383	(91,657)	(1.7)
All Other Funds	15,926,667	15,244,987	(681,680)	(4.3)	15,886,571	15,202,348	(684,223)	(4.3)
TOTAL	\$ 208,522,644	\$ 212,721,095	\$ 4,198,451	2.0 %	\$ 202,079,936	\$ 206,342,689	\$ 4,262,753	2.1 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$166,744,798 for the Department of Corrections in FY 2015. Several adjustments have subsequently been made to that amount. These adjustments change the current year approved amount without any legislative action required. For this agency, the following adjustments have been made.

- An increase of \$607,447 based on the reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015.
- An increase of \$3.2 million as the result of transfers within the Department of Corrections system.

- A reduction of \$2.7 million as the result of the Governor’s December 9th State General Fund allotment.

These adjustments change the FY 2015 approved State General Fund to \$167,806,979. 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	\$ 167,806,979	\$ 170,738,664	\$ 2,931,685	\$ 167,397,780	\$ (409,199)
All Other Funds	42,371,452	44,545,575	2,174,123	42,849,821	478,369
TOTAL	<u>\$ 210,178,431</u>	<u>\$ 215,284,239</u>	<u>\$ 5,105,808</u>	<u>\$ 210,247,601</u>	<u>\$ 69,170</u>
FTE Positions	305.0	320.0	15.0	321.0	16.0

The **agency** estimates total expenditures of \$215.3 million, including \$170.7 million from the State General Fund. The estimate is an increase of \$5.1 million, or 2.4 percent, including a State General Fund increase of \$2.9, or 1.7 percent, above the FY 2015 approved amount. The estimate includes a supplemental of \$194,569, all from the State General Fund, for consolidation of agency email systems into a statewide cloud-based email system. The overall increase is due to increased expenditures for capital improvements for rehabilitation and repair projects and the Governor's December 2014 Allotment that reduced approved State General Fund expenditures, partially offset by decreased sales to other state agencies for Correctional Industries. The estimate includes 320.0 FTE positions, which is an increase of 15.0 FTE positions above the FY 2015 approved amount. The increase in FTE positions is due to 25.0 nursing staff choosing to continue to be state employees rather than switching to the new inmate medical provider, partially offset by the elimination of FTE positions no longer needed. **Absent the supplemental**, the agency estimates \$215.1 million, including \$170.5 million from the State General Fund.

The **Governor** recommends total expenditures of \$210.2 million, including \$167.4 million from the State General Fund. The recommendation is a decrease of \$5.0 million, or 2.3 percent, including a State General Fund decrease of \$3.3 million, or 2.0 percent below the agency's FY 2015 estimate. The Governor's recommendation includes his December 2014 Allotment, a reduction to special revenue funds for reduced KPERS employer contributions for state employee health insurance, transfers to Norton Correctional Facility and Lansing Correctional Facility for increased prison population projections, a reduction in funding for juvenile out-of-home placements caseloads based on consensus estimates, and reduced expenditures for capital improvements from the Correctional Institutions Building Fund based on available cash balances. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

Supplemental Detail

Supplementals	FY 2015 SUPPLEMENTALS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Cloud-Based Email Conversion	\$ 194,569	\$ 194,569	0.0	\$ 0	\$ 0	0.0

The **agency** requests a supplemental of \$194,569, all from the State General Fund, for consolidation of email systems into a statewide cloud-based email system. The agency states the conversion exceeds its previous allocation for its own internal email system.

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

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

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.

GOVERNOR'S ALLOTMENTS			
Allotment	SGF	All Funds	FTE
December Allotment			
Reduce KPERS Employer Contribution Rate	\$ (232,555)	\$ (232,555)	0.0
Lapse Reappropriations	(2,100,000)	(2,100,000)	0.0
Reduce SGF funding by 4.0 percent	(153,000)	(153,000)	0.0
Debt Service Restructure	(251,561)	(251,561)	0.0
TOTAL	<u>\$ (2,737,116)</u>	<u>\$ (2,737,116)</u>	<u>0.0</u>

Kansas Public Employees Retirement System (KPERS) Reduction:

A reduction of \$232,555 from the State General Fund, as a result of the Governor's allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency, but is reflective of a reduction of expenditures. An additional \$45,019 from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of 277,574.

Reappropriations Lapse:

A reduction of \$2.1 million, 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 \$607,447 for the agency in addition to deleting unobligated balances in select State General Fund accounts. This allotment will decrease available funding for the Topeka Parole Office lease currently up for bid. The agency states a majority of this allotment affects one-time savings the agency will not have available in the future.

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

A reduction of \$153,000 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 Funded agencies in FY 2015. This allotment will be managed by holding additional positions open during FY 2015.

Debt Service Restructure:

A reduction of \$251,561, all from the State General Fund, for the restructuring of two bonds that reduce the agency's debt service interest payments. The two bonds are for El Dorado Correctional Facility and an infrastructure bond for various projects at eight different facilities.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 208,522,644	\$ 202,079,936	\$ (6,442,708)
FTE Positions	315.0	316.0	1.0
<i>Change from FY 2015:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ 7,630,076	\$ 3,969,844	
All Other Funds	92,899	1,682,984	
TOTAL	<u>\$ 7,722,975</u>	<u>\$ 5,652,828</u>	
<i>Percent Change:</i>			
State General Fund	4.5 %	2.4 %	
All Other Funds	0.3	5.5	
TOTAL	<u>3.8 %</u>	<u>2.9 %</u>	
Change in FTE Positions	(5.0)	(5.0)	

The **agency** requests FY 2016 operating expenditures of \$208.5 million, including \$176.9 million from the State General Fund. The request is an increase of \$7.7 million, or 3.8 percent, including a State General Fund increase of \$7.6 million, or 4.5 percent, above the FY 2015 estimate. The request includes numerous enhancements totaling \$9.7 million, all from the State General Fund. **Absent the enhancements**, the agency requests operating expenditures of \$198.8 million, including

\$167.2 million from the State General Fund. The request is a decrease of \$2.0 million, or 1.0 percent, including a State General Fund decrease of \$2.0, or 1.2 percent, below the FY 2015 estimate. The request includes 315.0 FTE positions, which is 5.0 less FTE positions than the FY 2015 estimate. The major changes for FY 2016 include the following items.

- **Salaries and Wages.** The agency requests \$29.8 million for salaries and wages. The request is an increase of \$908,879, or 3.1 percent, above the FY 2015 estimate. The request includes enhancements totaling \$1.1 million, all from the State General Fund, for fringe benefit shortfalls and KPERs adjustments for parole and juvenile corrections officers. **Absent the enhancements**, the agency requests \$28.7 million for salaries and wages. The request is a decrease of \$219,437, or 0.8 percent, below the FY 2015 estimate. The decrease is mainly due to one-time bonuses made in FY 2015 that are not made for FY 2016 and reduced workers compensation rates.
- **Contractual Services.** The agency requests \$92.5 million for contractual services. The request is an increase of \$7.0 million, or 8.1 percent, above the FY 2015 estimate. The request includes enhancements totaling \$8.2 million, all from the State General Fund, for contract beds, inmate medical contract, food service contract, and new IT equipment. **Absent the enhancements**, the agency requests \$84.4 million for contractual services. The request is a decrease of \$1.2 million, or 1.4 percent, below the FY 2015 estimate. The decrease is primarily attributable to rent savings from relocating the Central Office and associated maintenance and repair costs with moving to a new building.
- **Commodities.** The agency requests \$6.3 million for commodities. The request is an increase of \$289,475, or 4.8 percent, above the FY 2015 estimate. The increase is predominantly due to

higher cost indices for raw materials for Correctional Industries.

- **Capital Outlay.** The agency requests \$2.0 million for capital outlay. The request is a decrease of \$159,018, or 7.5 percent, below the FY 2015 estimate. The decrease is mainly attributable to Correctional Industries capital outlay expenditures made in FY 2015 that are not made in FY 2016, partially offset by enhancements totaling \$357,900, all from the State General Fund, for IT equipment replacement and new vehicles. **Absent the enhancements**, the agency requests \$1.6 million for capital outlay.
- **Debt Service.** The agency requests \$1.9 million for debt service. The request is a decrease of \$236,440, or 10.8 percent, below the FY 2015 estimate. The interest payments are in accordance with established schedules and cover four different bonds.
- **Aid to Local Units.** The agency requests \$47.2 million for aid to local units. The request is a decrease of \$27,001, or 0.1 percent, below the FY 2015 estimate. The decrease is due to lost federal funding for out-of-home placements.

The **Governor** recommends FY 2016 operating expenditures of \$202.1 million, including \$170.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million, or 3.1 percent, including a State General Fund decrease of \$6.8 million, or 3.8 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERs employer contributions for parole and juvenile corrections

officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends the following items.

- 4.0 percent (\$306,000) State General Fund reduction to the Administration program.
- Reduction of \$332,532, including \$277,598 from the State General Fund, to reduce employer contributions for state employee health insurance.
- Restructuring two bonds for debt service savings.

- Reduced expenditures for juvenile out-of-home placements caseloads.
- Reduced expenditures for capital improvements from the Correctional Institutions Building Fund based on available cash balances.

These reductions in the Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

Enhancements Detail

Enhancements	FY 2016 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Medical Contract	\$ 2,525,025	\$ 2,525,025	0.0	\$ 2,780,897	\$ 2,780,897	0.0
Contract Beds	2,066,054	2,066,054	0.0	967,504	1,967,504	0.0
Food Service Contract	731,721	731,721	0.0	704,417	704,417	0.0
Cloud-Based Email Conversion	454,776	454,776	0.0	0	0	0.0
Fringe Benefit Shortfall	221,316	221,316	0.0	0	0	0.0
Corrections KPERS	907,000	907,000	0.0	0	0	0.0
Vehicle Replacements	93,900	93,900	0.0	0	0	0.0
Medical Contract Federal Funding Shortfall	293,782	293,782	0.0	293,782	293,782	0.0
IT Upgrades	2,115,792	2,115,792	0.0	0	0	0.0
Server Replacements	185,000	185,000	0.0	0	0	0.0
IT Replacements	79,000	79,000	0.0	0	0	0.0
TOTAL	\$ 9,673,366	\$ 9,673,366	0.0	\$ 4,746,600	\$ 5,746,600	0.0

The **agency** requests enhancements totaling \$9.7 million, all from the State General Fund. The enhancement request includes the following items.

- **Medical Contract.** The agency requests \$2.5 million for the inmate medical contract. The contract contains negotiated annual increases the agency must pay each year.
- **Contract Beds.** The agency requests \$2.1 million for contract beds. The agency is anticipating an average daily population of 140 inmates will need to be housed in contract beds due to being over capacity.
- **Food Service Contract.** The agency requests \$731,721 for the food service contract. Food service expenditures will exceed its allocation after accounting for the 2.0 percent increase in pricing and average daily population estimate of 9,006. (Larned Correctional Mental Health Facility meals are provided by the Larned State Hospital).
- **Cloud-Based Email Conversion.** The agency requests \$454,776 for the consolidation of email systems into a statewide cloud-based email system. The agency states the conversion

exceeds its previous allocation for its own internal email system.

- **Fringe Benefit Shortfall.** The agency requests \$221,316 for fringe benefit shortfalls. The shortfall is due the 1.0 percent increase in Kansas Public Employees Retirement System (KPERs) contributions.
- **Corrections KPERs.** The agency requests \$907,000 for KPERs adjustments for parole officers and juvenile corrections officers. Currently, these officers are not eligible for KPERs Corrections-Group A benefits like adult correctional officers.
- **Vehicle Replacements.** The agency requests \$93,900 for vehicle replacements. The agency states 20 of the 70 vehicles assigned to central office and parole have already exceeded the 130,000 mile threshold or will during FY 2015. This would allow for replacing the first five vehicles.
- **Medical Contract Federal Funding Shortfall.** The agency requests \$293,782 for a federal funding shortfall for the inmate medical contract. The President's FFY 2015 budget submitted to Congress eliminates the State Criminal Alien Assistance Program. These funds allow states to partially offset the cost of housing illegal aliens.

DOC used these funds solely to help fund the medical contract.

- **IT Upgrades.** The agency requests \$2.1 million for IT upgrades. The agency would like to increase its bandwidth allocation from a range of 3 to 6 MB to a 48 MB circuit. The agency also wants to upgrade the switches inside facilities as well as begin upgrading facility Local Area Networks (LAN). Finally, security updates would be made throughout the facilities as well installing new cameras and DVRs.
- **Server Replacements.** The agency requests \$185,000 for server replacements. This will allow the agency to consolidate data centers and migrate its old data to a new structure by replacing five servers and upgrading existing data storage.
- **IT Replacements.** The agency requests \$79,000 for IT replacements. This would allow the agency to replace aging desktops, laptops, terminals, and printers throughout the department.

The **Governor** recommends enhancements totaling \$5.7 million, including \$4.7 million from the State General Fund. The Governor recommends partially funding the inmate medical contract, food service contract, and contract beds. The Governor further recommends transferring \$1.0 million from the Correctional Industries Fee Fund to additionally fund contract beds and utilizing caseload savings of \$866,989, all from the State General Fund, for the inmate medical contract.

C. FY 2017 – Budget Year

FY 2017 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 212,721,095	\$ 206,342,689	\$ (6,378,406)
FTE Positions	316.0	317.0	1.0
Change from FY 2016:			
<i>Dollar Change:</i>			
State General Fund	\$ 5,161,726	\$ 5,028,788	
All Other Funds	(963,275)	(766,035)	
TOTAL	<u>\$ 4,198,451</u>	<u>\$ 4,262,753</u>	
<i>Percent Change:</i>			
State General Fund	2.9 %	3.0 %	
All Other Funds	(3.0)	(2.4)	
TOTAL	<u>2.0 %</u>	<u>2.1 %</u>	
Change in FTE Positions	1.0	1.0	

The **agency** requests FY 2017 operating expenditures of \$212.7 million, including \$182.0 million from the State General Fund. The request is an increase of \$4.2 million, or 2.0 percent, including a State General Fund increase of \$5.2 million, or 2.9 percent, above the FY 2016 request. The request includes enhancements totaling \$14.1 million, all from the State General Fund. **Absent the enhancements**, the agency requests \$198.6 million, including \$167.9 million from the State General Fund.

The request is a decrease of \$210,744, or 0.1 percent, below the FY 2016 request less enhancements, partially offset by a State General Fund increase of \$752,531, or 0.5 percent. The request includes 316.0 FTE positions, which is 1.0 additional FTE position above the FY 2016 request. The major changes for FY 2017 include the following items.

- **Salaries and Wages.** The agency requests \$31.2 million for salaries and wages. The request is an increase of \$1.4 million, or 4.8 percent, above the FY 2016 request. The request includes enhancements totaling \$1.4 million, all from the State General Fund, for fringe benefit shortfalls and KPERS adjustments for parole and juvenile corrections officers. **Absent the enhancements**, the agency requests \$29.8 million for salaries and wages. The request is an increase of \$1.1 million, or 3.9 percent, above the FY 2016 request less enhancements. The increase is primarily due to a 27th payroll period.
- **Contractual Services.** The agency requests \$96.7 million for contractual services. The request is an increase of \$4.1 million, or 4.5 percent, above the FY 2016 request. The request includes enhancements totaling \$12.3 million, all from the State General Fund, for contract beds, inmate medical contract, food service contract, and new IT equipment. **Absent the enhancements**, the agency requests \$84.3 million. The request is a decrease of \$4,738, or less than 0.1 percent, below the FY 2016 request less enhancements. The decrease is mainly attributable to reduced budget allocations for the health care and food services contract.
- **Commodities.** The agency requests \$6.5 million for commodities. The request is an increase of \$248,677, or 4.0 percent, above the FY 2016 request. The increase is predominantly due to higher cost indices for raw materials.
- **Capital Outlay.** The agency requests \$814,225 for capital outlay. The request is a decrease of \$1.2 million, or 58.6 percent, below the FY 2016 request. The decrease is primarily attributable to reduced capital outlay expenditures for Correctional Industries.
- **Debt Service.** The agency requests \$1.7 million for debt service. The request is a decrease of \$249,000, or 12.8 percent, below the FY 2016 request. The interest payments are in accordance with established schedules and cover four different bonds.
- **Aid to Local Units.** The agency requests \$47.0 million for aid to local units. The request is a decrease of \$200,110, or 0.4 percent, below the FY 2016 request. The decrease is due to exhausting Juvenile Accountability Block Grants and Title II funding decreases.

The **Governor** recommends FY 2017 operating expenditures of \$206.3 million, including \$175.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million, or 3.0 percent, including a State General Fund decrease of \$6.9 million, or 3.8 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERS employer contributions for parole and juvenile corrections officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends the following items.

- 4.0 percent (\$306,000) State General Fund reduction to the Administration program.

- Reduction of \$332,532, including \$277,598 from the State General Fund, to reduce employer contributions for state employee health insurance.
- Restructuring two bonds for debt service savings.
- Reduced expenditures for juvenile out-of-home placements caseloads.

- Reduced expenditures for capital improvements from the Correctional Institutions Building Fund based on available cash balances.

The reductions in the Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

Enhancements Detail

Enhancements	FY 2017 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Medical Contract	\$ 5,476,919	\$ 5,476,919	0.0	\$ 5,657,609	\$ 5,657,609	0.0
Contract Beds	2,706,629	2,706,629	0.0	2,232,229	3,232,229	0.0
Food Service Contract	1,275,807	1,275,807	0.0	1,012,052	1,012,052	0.0
Cloud-Based Email Conversion	454,776	454,776	0.0	0	0	0.0
Fringe Benefit Shortfall	513,456	513,456	0.0	0	0	0.0
Corrections KPERS	907,000	907,000	0.0	0	0	0.0
Vehicle Replacements	74,400	74,400	0.0	0	0	0.0
Medical Contract Federal Funding Shortfall	293,782	293,782	0.0	293,782	293,782	0.0
IT Upgrades	2,115,792	2,115,792	0.0	0	0	0.0
Server Replacements	185,000	185,000	0.0	0	0	0.0
IT Replacements	79,000	79,000	0.0	0	0	0.0
TOTAL	\$ 14,082,561	\$ 14,082,561	0.0	\$ 9,195,672	\$ 10,195,672	0.0

The **agency** requests enhancements totaling \$17.2 million, all from the State General Fund. The enhancement request includes the following items.

- **Medical Contract.** The agency requests \$5.5 million for the inmate medical contract. The contract contains negotiated annual increases the agency must pay each year.
- **Contract Beds.** The agency requests \$2.7 million for contract beds. The agency is anticipating an average daily population of 179 inmates will need to be housed in contract beds due to being over capacity.
- **Food Service Contract.** The agency requests \$1.3 million for the food service contract. Food service expenditures will exceed its allocation after accounting for the 2.0 percent increase in pricing and average daily population estimate of 9,159. (Larned Correctional Mental Health Facility meals are provided by the Larned State Hospital).
- **Cloud-Based Email Conversion.** The agency requests \$454,776 for the consolidation of email systems into a statewide cloud-based email system. The agency states the conversion exceeds its previous allocation for its own internal email system.
- **Fringe Benefit Shortfall.** The agency requests \$513,456 for fringe benefit shortfalls. The shortfall is due the 1.0 percent increase in

Kansas Public Employees Retirement System (KPERs) contributions.

- **Corrections KPERs.** The agency requests \$907,000 for KPERs adjustments for parole officers and juvenile corrections officers. Currently, these officers are not eligible for KPERs Corrections-Group A benefits like adult correctional officers.
- **Vehicle Replacements.** The agency requests \$74,400 for vehicle replacements. The agency states 20 of the 70 vehicles assigned to central office and parole have already exceeded the 130,000 mile threshold or will during FY 2015.
- **Medical Contract Federal Funding Shortfall.** The agency requests \$293,782 for a federal funding shortfall for the inmate medical contract. The President's FFY 2015 budget submitted to Congress eliminates the State Criminal Alien Assistance Program. These funds allow states to partially offset the cost of housing illegal aliens. DOC used these funds solely to help fund the medical contract.
- **IT Upgrades.** The agency requests \$2.1 million for IT upgrades. The agency would like to increase its bandwidth allocation from a range of 3 to 6 MB to a 48 MB circuit. The agency also wants to upgrade the switches inside facilities as well as begin upgrading facility Local Area Networks (LAN). Finally, security updates would be made throughout the facilities as well installing new cameras and DVRs.

- **Server Replacements.** The agency requests \$185,000 for server replacements. This will allow the agency to consolidate data centers and migrate its old data to a new structure by replacing five servers and upgrading existing data storage.
- **IT Replacements.** The agency requests \$79,000 for IT replacements. This would allow the agency

to replace aging desktops, laptops, terminals, and printers throughout the department.

The **Governor** recommends enhancements totaling \$10.2 million, including \$9.2 million from the State General Fund. The Governor recommends partially funding the inmate medical contract, food service contract, and contract beds. The Governor further recommends transferring \$1.0 million from the Correctional Industries Fee Fund to additionally fund contract beds and utilizing caseload savings of \$1.6 million, all from the State General Fund, for the inmate medical contract.

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 \$129,230, including \$110,219 from the State General Fund, and affects 416 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 \$132,360, including \$109,679 from the State General Fund, and FY 2017 longevity payments total \$141,400, including \$116,856 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 \$332,532, including \$277,598 from the State General Fund for FY 2016. This is a reduction of \$339,257, including \$281,563 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.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2016	Gov. Rec. Percent of Total FY 2016	Agency Req. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	84.8 %	84.2 %	85.6 %	84.9 %
Special Revenue Funds	4.6	5.2	4.5	5.1
Federal Funds	3.0	2.7	2.8	2.6
All Other Funds	7.6	7.9	7.2	7.4
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %

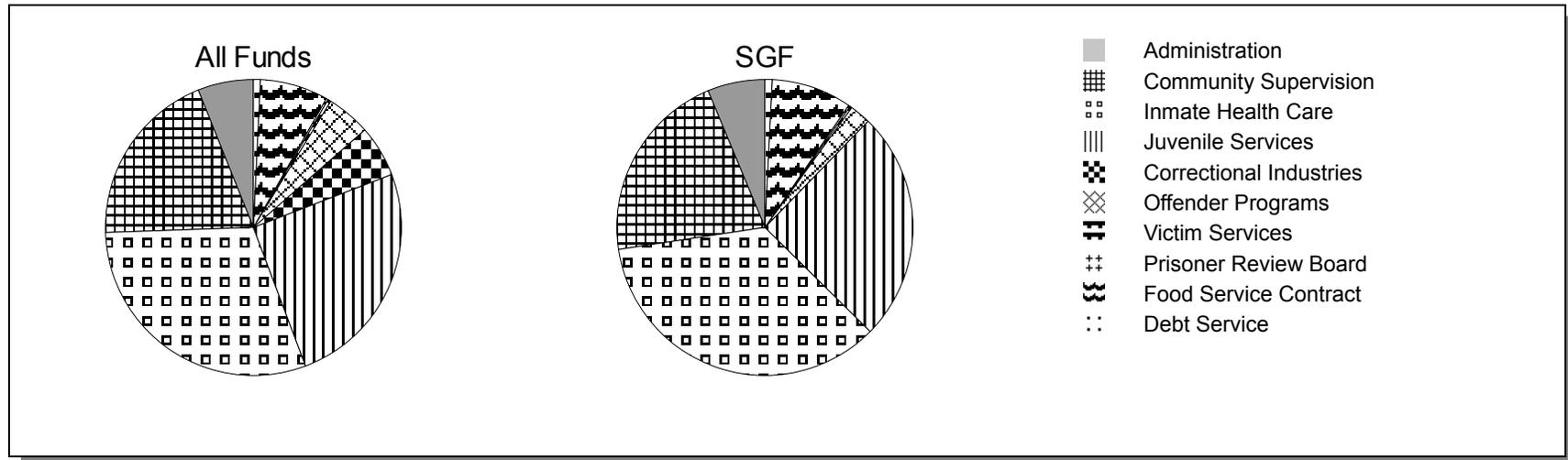
Note: Percentages may not add due to rounding.

Supervision Fee Fund

The Supervision Fee Fund receives receipts from a fee paid by post-incarceration supervision. The fee varies by the incentive level of each offender. The fund also receives funds from urinalysis testing fees.

Resource Estimate	Actual FY 2014	Agency Estimate FY 2015	Governor Rec. FY 2015	Agency Request FY 2016	Gov. Rec. FY 2016	Agency Request FY 2017	Gov. Rec. FY 2017
Beginning Balance	\$ 330,049	\$ 78,012	\$ 78,012	\$ 9,084	\$ 34,396	\$ 0	\$ 29,116
Revenue	603,551	619,285	641,491	636,617	636,617	655,616	655,616
Transfers in	0	0	0	0	0	0	0
Total Funds Available	\$ 933,600	\$ 697,297	\$ 719,503	\$ 645,701	\$ 671,013	\$ 655,616	\$ 684,732
Less: Expenditures	855,588	688,213	685,107	645,701	641,897	655,615	651,735
Transfers Out	0	0	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0	0	0
Ending Balance	\$ 78,012	\$ 9,084	\$ 34,396	\$ 0	\$ 29,116	\$ 1	\$ 32,997
Ending Balance as Percent of Expenditures	9.1%	1.3%	5.0%	0.0%	4.5%	0.0%	5.1%

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	\$ 12,278,701	6.1 %	\$ 10,700,121	6.3 %
Community Supervision	39,353,679	19.5	36,073,387	21.2
Inmate Health Care	61,027,382	30.2	60,102,382	35.3
Juvenile Services	50,683,449	25.1	42,924,876	25.2
Correctional Industries	11,388,650	5.6	0	0.0
Offender Programs	9,683,594	4.8	3,926,763	2.3
Victim Services	691,236	0.3	348,979	0.2
Prisoner Review Board	438,339	0.2	340,535	0.2
Food Service Contract	14,990,194	7.4	14,990,194	8.8
Debt Service	1,544,712	0.8	665,387	0.4
TOTAL	\$ 202,079,936	100.0 %	\$ 170,072,624	100.0 %

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

<u>Program</u>	<u>Actual FY 2014</u>	<u>Agency Est. FY 2015</u>	<u>Gov. Rec. FY 2015</u>	<u>Agency Req. FY 2016</u>	<u>Gov. Rec. FY 2016</u>	<u>Agency Req. FY 2017</u>	<u>Gov. Rec. FY 2017</u>
Administration	84.0	71.0	72.0	72.0	73.0	72.0	73.0
Community Supervision	150.0	153.0	153.0	153.0	153.0	153.0	153.0
Inmate Health Care	2.0	27.0	27.0	27.0	27.0	27.0	27.0
Juvenile Services	12.0	11.0	11.0	11.0	11.0	11.0	11.0
Correctional Industries	54.0	54.0	54.0	48.0	48.0	49.0	49.0
Offender Programs	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Victim Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prisoner Review Board	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Food Service Contract	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>305.0</u>	<u>320.0</u>	<u>321.0</u>	<u>315.0</u>	<u>316.0</u>	<u>316.0</u>	<u>317.0</u>

A. Administration

The Administration program includes the activities of the Secretary of Corrections and other administrative and support personnel for the operation of the Department of Corrections and the management and oversight of correctional facilities and programs providing services to inmates, parolees, and other

offenders. The program also includes information systems and communications personnel who are responsible for planning, operation, and support of all technology and telecommunications functions.

ADMINISTRATION
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
Expenditures:							
Salaries and Wages	\$ 7,314,232	\$ 7,454,163	\$ 7,228,406	\$ 7,440,443	\$ 6,986,636	\$ 7,756,042	\$ 7,198,839
Contractual Services	2,691,442	3,617,521	3,422,952	7,162,183	4,493,065	7,811,425	5,766,457
Commodities	254,353	236,550	236,550	237,004	237,004	237,534	237,534
Capital Outlay	703,925	489,181	489,181	795,258	437,358	722,725	384,325
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 10,963,952	\$ 11,797,415	\$ 11,377,089	\$ 15,634,888	\$ 12,154,063	\$ 16,527,726	\$ 13,587,155
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	191,684	127,876	127,876	124,638	124,638	124,638	124,638
TOTAL	<u>\$ 11,155,636</u>	<u>\$ 11,925,291</u>	<u>\$ 11,504,965</u>	<u>\$ 15,759,526</u>	<u>\$ 12,278,701</u>	<u>\$ 16,652,364</u>	<u>\$ 13,711,793</u>
Financing:							
State General Fund	\$ 10,549,568	\$ 11,269,353	\$ 10,851,732	\$ 15,177,934	\$ 10,700,121	\$ 16,128,260	\$ 12,190,743
All Other Funds	606,068	655,938	653,233	581,592	1,578,580	524,104	1,521,050
TOTAL	<u>\$ 11,155,636</u>	<u>\$ 11,925,291</u>	<u>\$ 11,504,965</u>	<u>\$ 15,759,526</u>	<u>\$ 12,278,701</u>	<u>\$ 16,652,364</u>	<u>\$ 13,711,793</u>
FTE Positions	84.0	71.0	72.0	72.0	73.0	72.0	73.0
Non-FTE Uncl. Perm. Pos.	39.0	37.0	37.0	37.0	37.0	37.0	37.0
TOTAL	<u>123.0</u>	<u>108.0</u>	<u>109.0</u>	<u>109.0</u>	<u>110.0</u>	<u>109.0</u>	<u>110.0</u>

The **agency** requests FY 2016 operating expenditures of \$15.8 million, including \$15.2 million from the State General Fund. The request is an increase of \$3.8 million, or 32.2 percent, including a State General Fund increase of \$3.9 million, or 34.7 percent, above the FY 2015 estimate. The request includes enhancements totaling \$5.1 million, all from the State General Fund, for contract beds, a fringe benefit shortfall, vehicle replacements, and IT upgrades and replacements. The request includes 72 FTE positions, which is 1.0 more FTE

position than the FY 2015 estimate. **Absent the enhancements**, the agency requests FY 2016 operating expenditures of \$10.7 million, including \$10.1 million from the State General Fund. The request is a decrease of \$1.2 million, or 10.3 percent, including a State General Fund decrease of \$1.2 million, or 10.2 percent, below the FY 2015 estimate. The major changes for FY 2016 include the following items.

- **Salaries and Wages.** The agency requests \$7.4 million for salaries and wages. The request is a decrease of \$13,720, or 0.2 percent, below the FY 2015 estimate. The request includes an enhancement of \$66,881, all from the State General Fund, for fringe benefit shortfalls. The shortfall is due to the 1.0 percent increase in Kansas Public Employees Retirement System (KPERs) contributions. **Absent the enhancement,** the agency requests \$7.4 million for salaries and wages.
- **Contractual Services.** The agency requests \$7.2 million for contractual services. The request is an increase of \$3.5 million, or 98.0 percent, above the FY 2015 estimate. The increase is attributable to enhancements for contract beds, cloud-based email conversion, and IT upgrades. **Absent the enhancements,** the agency requests \$2.5 million for contractual services.
- **Capital Outlay.** The agency requests \$795,258 for capital outlay. The request is an increase of \$306,077, or 62.6 percent, above the FY 2015 estimate. The increase is attributable to enhancements for replacement vehicles and IT upgrades and replacements. **Absent the enhancement,** the agency requests \$437,358 for capital outlay.

The **Governor** recommends FY 2016 operating expenditures of \$12.3 million, including \$10.7 million from the State General Fund. The request is a decrease of \$3.5 million, or 22.1 percent, including a State General Fund decrease of \$4.5 million, or 29.5 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's

enhancement requests for fringe benefit shortfalls, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent reduction to the Administration program and reduction of \$80,926, including \$77,914 from the State General Fund, to reduce employer contributions for state employee health insurance, partially offset by transferring available funding from Correctional Industries and recommending partial funding of the agency's enhancement request for contract beds. The recommendation includes 73.0 FTE positions, which is 1.0 more FTE position than the agency's FY 2016 request. The additional FTE position is a technical correction to the agency's budget request.

The **agency** requests FY 2017 operating expenditures of \$16.7 million, including \$16.1 million from the State General Fund. The request is an overall increase of \$892,838, or 5.7 percent, including a State General Fund increase of \$950,326, or 6.3 percent, above the FY 2016 request. The increase is due to increased enhancements totaling \$5.8 million, all from the State General Fund, for contract beds, a fringe benefit shortfall, vehicle replacements, and IT upgrades and replacements. The request includes 72.0 FTE positions, which is the same as the FY 2016 request. **Absent the enhancements,** the agency requests \$10.9 million, including \$10.3 million from the State General Fund. The request is an overall increase of \$169,183, or 1.6 percent, including a State General Fund increase of \$226,671, or 2.2 percent, above the FY 2016 request less enhancements. The major changes for FY 2017 include the following items.

- **Salaries and Wages.** The agency requests \$7.8 million for salaries and wages. The request is an increase of \$315,599, or 4.2 percent, above the FY 2016 request. The increase is due to a 27th payroll period and enhancements totaling \$169,461 for a fringe benefit shortfall. **Absent**

the enhancement, the agency requests \$7.6 million for salaries and wages.

- **Contractual Services.** The agency requests \$7.8 million for contractual services. The request is an increase of \$649,242, or 9.1 percent, above the FY 2016 request. The request includes increased enhancements for contract beds, cloud-based email conversion, and IT upgrades. **Absent the enhancement**, the agency requests \$2.5 million for contractual services.
- **Capital Outlay.** The agency requests \$722,725 for capital outlay. The request is a decrease of \$72,533, or 9.1 percent, below the FY 2016 request. The decrease is mainly due to software expenditures including Windows and Adobe licenses made for FY 2016 that are not budgeted for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$13.7 million, including \$12.2 million from the

B. Community Supervision

The Community Supervision program consists of correctional programs, services and sanctions that are administered in the community rather than a correctional facility. Offenders covered under the program include probationers and those sentenced under the alternative drug sentencing policy (2003 SB 123) as well as offenders who have been released from correctional facilities on parole and those preparing to reenter the community. In addition to supervision and

State General Fund. The recommendation is a decrease of \$2.9 million, or 17.7 percent, including a State General Fund decrease of \$3.9 million, or 24.4 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancement requests for fringe benefit shortfalls, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent reduction to the Administration program and a reduction of \$81,742, including \$78,688 from the State General Fund, to reduce employer contributions for state employee health insurance, partially offset by transferring available funding from Correctional Industries and recommending partial funding of the agency's enhancement request for contract beds. The recommendation includes 73.0 FTE positions, which is 1.0 additional FTE position than the agency's FY 2016 request. The additional FTE position is a technical correction to the agency's budget request.

The Governor's recommendation is an increase of \$1.4 million, or 11.7 percent, including a State General Fund increase of \$1.5 million, or 13.9 percent, above the Governor's FY 2016 recommendation. The increase is primarily due to increased funding for contract beds based on prison population projections.

assessment of probationers and parolees, the program also operates residential facilities for adult felony probationers designed to increase accountability by helping offenders find employment and develop good work habits. The community corrections subprogram (2007 SB 14) is a grant program administered at the county level, and currently there are 31 community corrections agencies across the state.

**COMMUNITY SUPERVISION
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
Expenditures:							
Salaries and Wages	\$ 11,826,955	\$ 12,060,269	\$ 11,942,377	\$ 12,353,392	\$ 11,895,128	\$ 12,915,620	\$ 12,326,885
Contractual Services	3,279,604	3,516,249	3,391,249	2,865,246	2,865,246	2,883,405	2,883,405
Commodities	246,173	232,987	232,987	231,332	231,332	233,375	233,375
Capital Outlay	54,521	60,000	60,000	60,000	60,000	60,000	60,000
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 15,407,253	\$ 15,869,505	\$ 15,626,613	\$ 15,509,970	\$ 15,051,706	\$ 16,092,400	\$ 15,503,665
Aid to Local Units	20,646,226	24,058,750	22,287,223	24,058,750	24,058,750	24,058,750	24,058,750
Other Assistance	226,269	243,223	243,223	243,223	243,223	243,223	243,223
TOTAL	<u>\$ 36,279,748</u>	<u>\$ 40,171,478</u>	<u>\$ 38,157,059</u>	<u>\$ 39,811,943</u>	<u>\$ 39,353,679</u>	<u>\$ 40,394,373</u>	<u>\$ 39,805,638</u>
Financing:							
State General Fund	\$ 31,851,431	\$ 36,811,435	\$ 34,804,114	\$ 36,522,857	\$ 36,073,387	\$ 37,077,003	\$ 36,497,238
All Other Funds	4,428,317	3,360,043	3,352,945	3,289,086	3,280,292	3,317,370	3,308,400
TOTAL	<u>\$ 36,279,748</u>	<u>\$ 40,171,478</u>	<u>\$ 38,157,059</u>	<u>\$ 39,811,943</u>	<u>\$ 39,353,679</u>	<u>\$ 40,394,373</u>	<u>\$ 39,805,638</u>
FTE Positions	150.0	153.0	153.0	153.0	153.0	153.0	153.0
Non-FTE Uncl. Perm. Pos.	68.0	63.0	63.0	63.0	63.0	63.0	63.0
TOTAL	<u>218.0</u>	<u>216.0</u>	<u>216.0</u>	<u>216.0</u>	<u>216.0</u>	<u>216.0</u>	<u>216.0</u>

The **agency** requests FY 2016 operating expenditures of \$39.8 million, including \$36.5 million from the State General Fund. The request is a decrease of \$359,535, or 0.9 percent, including a State General Fund decrease of \$288,578, or 0.8 percent, below the FY 2015 estimate. The decrease is predominately attributable to a one-time expenditure of \$500,000 for the Kansas City Parole Office lease buyout, partially offset by enhancements totaling \$312,298, all from the State General Fund, for fringe benefit shortfalls and KPERs

adjustments for parole officers. The request includes 153.0 FTE positions, which is the same as the FY 2015 estimate. **Absent the enhancements**, the agency requests \$39.5 million, including \$36.2 million from the State General Fund. The request is a decrease \$671,833, or 1.7 percent, including a State General Fund decrease of \$600,876, or 1.6 percent, below the FY 2015 estimate. The major changes for FY 2016 include the following items.

- **Salaries and Wages.** The agency requests \$12.4 million for salaries and wages. The request is an increase of \$293,123, or 2.4 percent, above the FY 2015 estimate. The increase is mainly due to enhancements for fringe benefit shortfalls and KPERS adjustments for parole officers. **Absent the enhancements**, the agency requests \$12.0 million for salaries and wages.
- **Contractual Services.** The agency requests \$2.9 million for contractual services. The request is a decrease of \$651,003, or 18.5 percent, below the FY 2015 estimate. The decrease is primarily attributable to one-time expenditure of \$500,000 for the Kansas City Parole Office lease buyout and specific costs associated with inmate reentry such as transitional housing.

The **Governor** recommends FY 2016 operating expenditures of \$39.4 million, including \$36.1 million from the State General Fund. The recommendation is a decrease of \$458,264, or 1.2 percent, including a State General Fund decrease of \$449,470, or 1.2 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls and increased KPERS employer contributions for parole officers. The Governor

C. Inmate Health Care

Inmate health care is provided for by a new all-inclusive contract with Corizon. The contract covers medical, dental, and mental health services for all inmates and juveniles. The department entered into a nine and a half year contract with Corizon that became effective on January 1, 2014, and comes with four renewal options beginning on July 1, 2015. Due to

further recommends a reduction of \$145,966, including \$137,172 from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$40.4 million, including \$37.1 million from the State General Fund. The request is an increase of \$582,430, or 1.5 percent, including a State General Fund increase of \$554,146, or 1.5 percent, above the FY 2016 request. The increase is predominately attributable to an increased enhancement for fringe benefit shortfalls, a 27th payroll period, and higher travel expenditures. The request includes 153.0 FTE positions, which is the same as the FY 2016 request. **Absent the enhancements**, the agency requests \$40.0 million, including \$36.6 million from the State General Fund.

The **Governor** recommends FY 2017 operating expenditures of \$39.8 million, including \$36.5 million from the State General Fund. The recommendation is a decrease of \$588,735, or 1.5 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls and increased KPERS employer contributions for parole officers. The Governor further recommends a reduction of \$148,890, including \$139,920 from the State General Fund, to reduce employer contributions for state employee health insurance.

changes in Medicaid and Health Resources and Services Administration requirements that took effect January 1, 2014, the previous contract with Correct Care Solutions (CCS) was terminated early and expired on December 31, 2013. Included in the Inmate Health Care program are expenditures for Medicaid services billed to the federal government.

**INMATE HEALTH CARE
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
Expenditures:							
Salaries and Wages	\$ 852,125	\$ 1,716,394	\$ 1,699,918	\$ 1,734,850	\$ 1,702,694	\$ 1,813,898	\$ 1,762,493
Contractual Services	53,459,248	55,172,407	55,172,407	58,016,184	58,272,056	60,967,440	61,148,130
Commodities	5,011	0	0	0	0	0	0
Capital Outlay	4,649	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 54,321,033	\$ 56,888,801	\$ 56,872,325	\$ 59,751,034	\$ 59,974,750	\$ 62,781,338	\$ 62,910,623
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	1,014,003	1,052,632	1,052,632	1,052,632	1,052,632	1,052,632	1,052,632
TOTAL	\$ 55,335,036	\$ 57,941,433	\$ 57,924,957	\$ 60,803,666	\$ 61,027,382	\$ 63,833,970	\$ 63,963,255
Financing:							
State General Fund	\$ 53,988,830	\$ 56,722,651	\$ 56,706,175	\$ 59,878,666	\$ 60,102,382	\$ 62,908,970	\$ 63,038,255
All Other Funds	1,346,206	1,218,782	1,218,782	925,000	925,000	925,000	925,000
TOTAL	\$ 55,335,036	\$ 57,941,433	\$ 57,924,957	\$ 60,803,666	\$ 61,027,382	\$ 63,833,970	\$ 63,963,255
FTE Positions	2.0	27.0	27.0	27.0	27.0	27.0	27.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	2.0	27.0	27.0	27.0	27.0	27.0	27.0

The **agency** requests FY 2016 operating expenditures totaling \$60.8 million, including \$59.9 million from the State General Fund. The request is an increase of \$2.9 million, or 4.9 percent, including a State General Fund increase of \$3.2 million, or 5.6 percent, above the FY 2015 estimate. The request includes enhancements totaling \$2.8 million, all from the State General Fund, for a shortfall with the medical contract due to a loss of federal funding and annual increases negotiated into the health care contract, and fringe benefit shortfalls. The request

includes 27.0 FTE positions, which is the same as the FY 2015 estimate. **Absent the enhancements**, the agency requests \$58.0 million, including \$57.0 million from the State General Fund. The request is an increase of \$27,684, or less than 0.1 percent, including a State General Fund increase of \$321,466 or 0.6 percent, above the FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$61.0 million, including \$60.1 million from the

State General Fund. The recommendation is an increase of \$223,716, or 0.4 percent, all from the State General Fund, above the agency's FY 2016 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends partially funding the agency's enhancement request for additional funding for the inmate medical contract, increased expenditures for the Kansas University Physicians Inc. contract for assistance to the agency in managing the inmate health care contract, and a reduction of \$16,414, all from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$63.8 million, including \$63.0 million from the State General Fund. The request is an increase of \$3.0 million, or 5.0 percent, all from the State General Fund, above the FY 2016 request. The request includes enhancements totaling \$8.9 million, all from the State General Fund, for a shortfall with the medical contract due to a loss of federal funding and annual increases negotiated into the health care contract, and fringe benefit

D. Juvenile Services

The Juvenile Services division was established following the merger of the Juvenile Justice Authority and the Department of Corrections on July 1, 2013. This division is responsible for administering state and federal funds and coordinating with other agencies for the operation of a continuum of juvenile justice services statewide. Kansas juvenile justice reform efforts of the mid 1990s established the foundation upon which services are delivered today. Services are delivered through grants to local boards of county commissioners for the development, implementation, operation, and improvement of

shortfalls. The request includes 27.0 FTE positions, which is the same as the FY 2016 request. **Absent the enhancements**, the agency requests \$54.9 million, including \$54.0 million from the State General Fund. The request is a decrease of \$3.0 million, or 5.3 percent, all from the State General Fund, below the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$64.0 million, including \$63.0 million from the State General Fund. The recommendation is an increase of \$129,285, or 0.2 percent, all from the State General Fund, above the agency's FY 2017 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends partially funding the agency's enhancement request for additional funding for the inmate medical contract, increased expenditures for the Kansas University Physicians Inc. contract for assistance to the agency in managing the inmate health care contract, and a reduction of \$16,743, all from the State General Fund, to reduce employer contributions for state employee health insurance.

community based juvenile justice programs through contracts for community placements, grants for the operation of psychiatric residential treatment facilities, and the operation of two state juvenile correction facilities (JCF). The JCFs submit separate agency budgets. The Juvenile Services program also provides technical assistance and support, consultation, oversight, resources, and training to enhance successful partnerships with local juvenile justice stakeholders for the implementation and operation of comprehensive juvenile justice services in the community.

**JUVENILE 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
Expenditures:							
Salaries and Wages	\$ 962,931	\$ 1,089,015	\$ 1,078,328	\$ 1,797,946	\$ 1,075,834	\$ 1,786,410	\$ 1,053,012
Contractual Services	997,462	594,890	594,890	562,491	562,491	562,600	562,600
Commodities	64,259	6,111	6,111	6,150	6,150	6,196	6,196
Capital Outlay	91,722	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 2,116,374	\$ 1,690,016	\$ 1,679,329	\$ 2,366,587	\$ 1,644,475	\$ 2,355,206	\$ 1,621,808
Aid to Local Units	26,360,800	23,169,975	22,570,536	23,142,974	23,142,974	22,942,864	22,942,864
Other Assistance	23,761,931	27,369,647	26,296,000	27,369,647	25,896,000	27,369,647	25,396,000
TOTAL	<u>\$ 52,239,105</u>	<u>\$ 52,229,638</u>	<u>\$ 50,545,865</u>	<u>\$ 52,879,208</u>	<u>\$ 50,683,449</u>	<u>\$ 52,667,717</u>	<u>\$ 49,960,672</u>
Financing:							
State General Fund	\$ 43,879,443	\$ 43,905,815	\$ 43,429,460	\$ 44,513,078	\$ 42,924,876	\$ 44,561,075	\$ 42,261,543
All Other Funds	8,359,662	8,323,823	7,116,405	8,366,130	7,758,573	8,106,642	7,699,129
TOTAL	<u>\$ 52,239,105</u>	<u>\$ 52,229,638</u>	<u>\$ 50,545,865</u>	<u>\$ 52,879,208</u>	<u>\$ 50,683,449</u>	<u>\$ 52,667,717</u>	<u>\$ 49,960,672</u>
FTE Positions	12.0	11.0	11.0	11.0	11.0	11.0	11.0
Non-FTE Uncl. Perm. Pos.	8.0	6.0	6.0	6.0	6.0	6.0	6.0
TOTAL	<u>20.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>

The **agency** requests FY 2016 operating expenditures totaling \$52.9 million, including \$44.5 million from the State General Fund. The request is an increase of \$649,570, or 1.2 percent, including a State General Fund increase of \$607,263, or 1.4 percent, above the FY 2015 estimate. The request includes enhancements totaling \$709,507, all from the State General Fund, for fringe benefit shortfalls and KPERs adjustments for juvenile corrections officers. The request includes 11.0 FTE positions, which is the same as the FY 2015

estimate. **Absent the enhancements**, the agency requests \$52.2 million, including \$43.8 million from the State General Fund. The request is a decrease of \$59,937, or 0.1 percent, including a State General Fund decrease of \$102,244, or 0.2 percent, below the FY 2015 estimate. The decrease is primarily attributable to decreases in the Multi-Systemic Therapy contract and a loss of federal funding for out-of-home placements.

The **Governor** recommends FY 2016 operating expenditures of \$50.7 million, including \$42.9 million from the State General Fund. The recommendation is a decrease of \$2.2 million, or 4.2 percent, including a State General Fund decrease of \$1.6 million, or 3.6 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancement for fringe benefit shortfalls and increased KPERS employer contributions for juvenile corrections officers. The Governor further recommends reduced expenditures for juvenile out-of-home placements caseloads and a reduction of \$12,605, including \$11,706 from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$52.7 million, including \$44.6 million from the State General Fund. The request is an overall decrease of \$211,491, or 0.4 percent, below the FY 2016 request, partially offset by a State General Fund increase of \$47,997, or 0.1 percent. The request includes enhancements totaling \$721,410, all from the State General Fund, for fringe benefit shortfalls and KPERS adjustments for juvenile corrections officers. The request includes 11.0 FTE positions, which is the same as the FY 2016 request. **Absent the enhancements**, the agency requests \$52.0 million, including \$43.8 million from the State General

E. Correctional Industries

Kansas Correctional Industries (KCI) manufactures a variety of products at correctional facilities using inmate labor. These products are sold to government units or not-for-profit organizations. KCI employs 11.0 percent of the total inmate

Fund. The request is an overall decrease of \$223,394, or 0.4 percent, partially offset by a State General Fund increase of \$36,094, or less than 0.1 percent, below the FY 2016 request. The major changes for FY 2017 include the following item.

- **Aid to Local Units.** The agency requests \$22.9 million for aid to local units. The request is a decrease of \$200,110, or 0.9 percent, below the FY 2016 request. The decrease is due to exhausting Juvenile Accountability Block Grants and Title II funding decreases.

The **Governor** recommends FY 2017 operating expenditures of \$50.0 million, including \$42.3 million from the State General Fund. The recommendation is a decrease of \$2.7 million, or 5.1 percent, including a State General Fund decrease of \$2.3 million, or 5.2 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancement for fringe benefit shortfalls and increased KPERS employer contributions for juvenile corrections officers. The Governor further recommends reduced expenditures for juvenile out-of-home placements caseloads and a reduction of \$11,988, including \$11,133 from the State General Fund, to reduce employer contributions for state employee health insurance

population. Approximately 60.0 percent of sales are with other state agencies, with the balance divided among the other eligible organizations.

**CORRECTIONAL INDUSTRIES
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
Expenditures:							
Salaries and Wages	\$ 3,154,833	\$ 3,458,607	\$ 3,428,120	\$ 3,332,432	\$ 3,295,244	\$ 3,662,062	\$ 3,622,390
Contractual Services	1,123,489	1,218,642	1,218,642	1,190,712	1,190,712	1,144,376	1,144,376
Commodities	5,289,844	5,488,590	5,488,590	5,779,074	5,779,074	6,024,958	6,024,958
Capital Outlay	1,208,960	1,574,995	1,574,995	1,109,900	1,109,900	31,500	31,500
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 10,777,126	\$ 11,740,834	\$ 11,710,347	\$ 11,412,118	\$ 11,374,930	\$ 10,862,896	\$ 10,823,224
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	17,831	13,720	13,720	13,720	13,720	13,990	13,990
TOTAL	<u>\$ 10,794,957</u>	<u>\$ 11,754,554</u>	<u>\$ 11,724,067</u>	<u>\$ 11,425,838</u>	<u>\$ 11,388,650</u>	<u>\$ 10,876,886</u>	<u>\$ 10,837,214</u>
Financing:							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	10,794,957	11,754,554	11,724,067	11,425,838	11,388,650	10,876,886	10,837,214
TOTAL	<u>\$ 10,794,957</u>	<u>\$ 11,754,554</u>	<u>\$ 11,724,067</u>	<u>\$ 11,425,838</u>	<u>\$ 11,388,650</u>	<u>\$ 10,876,886</u>	<u>\$ 10,837,214</u>
FTE Positions	54.0	54.0	54.0	48.0	48.0	49.0	49.0
Non-FTE Uncl. Perm. Pos.	4.0	4.0	4.0	9.0	9.0	9.0	9.0
TOTAL	<u>58.0</u>	<u>58.0</u>	<u>58.0</u>	<u>57.0</u>	<u>57.0</u>	<u>58.0</u>	<u>58.0</u>

The **agency** requests FY 2016 operating expenditures of \$11.4 million, all from special revenue funds. The request is a decrease of \$328,716, or 2.8 percent, below the FY 2015 estimate. The request includes 48.0 FTE positions, which is 6.0 less FTE positions than the FY 2015 estimate. The agency converted 5.0 FTE positions to non-FTE positions. The major changes for FY 2016 include the following items.

- **Salaries and Wages.** The agency requests \$3.3 million for salaries and wages. The request is a

decrease of \$126,175, or 3.6 percent, below the FY 2015 estimate. The decrease is due to a significantly reduced Workers Compensation rate.

- **Contractual Services.** The agency requests \$1.2 million for contractual services. The request is a decrease of \$27,930, or 2.3 percent, below the FY 2015 estimate. The decrease is mainly attributable to reduced fees for planting and

harvesting farm crops as the agency transitions to do this itself, clothing services, and building repairs.

- **Commodities.** The agency requests \$5.8 million for commodities. The request is an increase of \$290,484, or 5.3 percent, above the FY 2015 estimate. The increase is primarily due to higher cost indices for raw materials.
- **Capital Outlay.** The agency requests \$1.1 million for capital outlay. The request is a decrease of \$465,095, or 29.5 percent, below the FY 2015 estimate. The decrease is predominately attributable to capital outlay expenditures made in FY 2015 that are not made in FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$11.4 million, all from special revenue funds. The recommendation is a decrease of \$37,188, or 0.3 percent, below the agency's FY 2016 request. The Governor recommends a reduction of \$37,188, all from special revenue funds, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$10.9 million, all from special revenue funds. The request is a decrease of \$548,952, or 4.8 percent, below the FY 2016 request. The request includes 49.0 FTE positions, which is 1.0 more FTE position than the FY 2016 request. The agency wants to add an additional staff member to assist with the payroll and accounting functions. The major changes for FY 2017 include the following items.

- **Salaries and Wages.** The agency requests \$3.7 million for salaries and wages. The request is an increase of \$329,630, or 9.9 percent, above the FY 2016 request. The increase is due to additional staff and increased KPERS contributions.
- **Contractual Services.** The agency requests \$1.1 million for contractual services. The request is a decrease of \$46,336, or 3.9 percent, below the FY 2016 request. The decrease is mainly attributable to lower fees for planting and harvesting farm crops as the agency transitions to do this itself, clothing services, and building repairs.
- **Commodities.** The agency requests \$6.0 million for commodities. The request is an increase of \$245,884, or 4.3 percent, above the FY 2016 request. The increase is primarily due to higher cost indices for raw materials.
- **Capital Outlay.** The agency requests \$31,500 for capital outlay. The request is a decrease of \$1.1 million, or 97.2 percent below the FY 2016 request. The agency states it cannot accurately project capital outlay needs for FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$10.8 million, all from special revenue funds. The recommendation is a decrease of \$39,672, or 0.4 percent, below the agency's FY 2017 request. The Governor recommends a reduction of \$39,672, all from special revenue funds, to reduce employer contributions for state employee health insurance.

F. Offender Programs

Offender programs provide direct program services to inmates and parolees. The agency bases its plan of treatment and programs on what is termed the evidence-based research literature, which identifies basic principles for guiding effective correctional programs and practice. As a result, the agency strives to provide the following services and programs to as many offenders as is financially possible, if those offenders are identified as capable of benefiting from the services or programs

based on these guiding principles: (1) Special, vocational, and academic education; (2) Substance abuse treatment for incarcerated offenders; (3) Community-based resources to assist offenders when they transition back into the community (Community Based Intermediate Treatment, Outpatient Treatment, and Community Residential Beds); (4) Sex offender treatment services; and (5) Other programs.

OFFENDER PROGRAMS
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
Expenditures:							
Salaries and Wages	\$ 1,054,471	\$ 2,021,350	\$ 2,002,369	\$ 2,037,834	\$ 1,993,167	\$ 2,130,443	\$ 2,061,607
Contractual Services	6,262,227	7,145,126	6,719,731	7,686,607	7,686,607	7,701,898	7,701,898
Commodities	1,979	3,771	3,771	3,820	3,820	3,878	3,878
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 7,318,677	\$ 9,170,247	\$ 8,725,871	\$ 9,728,261	\$ 9,683,594	\$ 9,836,219	\$ 9,767,383
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	\$ 7,318,677	\$ 9,170,247	\$ 8,725,871	\$ 9,728,261	\$ 9,683,594	\$ 9,836,219	\$ 9,767,383
Financing:							
State General Fund	\$ 343,905	\$ 4,380,260	\$ 3,935,884	\$ 3,971,430	\$ 3,926,763	\$ 4,063,642	\$ 3,994,806
All Other Funds	6,974,772	4,789,987	4,789,987	5,756,831	5,756,831	5,772,577	5,772,577
TOTAL	\$ 7,318,677	\$ 9,170,247	\$ 8,725,871	\$ 9,728,261	\$ 9,683,594	\$ 9,836,219	\$ 9,767,383
FTE Positions	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Non-FTE Uncl. Perm. Pos.	20.0	35.0	35.0	35.0	35.0	35.0	35.0
TOTAL	20.0	36.0	36.0	36.0	36.0	36.0	36.0

The **agency** requests FY 2016 operating expenditures of \$9.7 million, including \$4.0 million from the State General Fund. The request is an overall increase of \$558,014, or 6.1 percent, above the FY 2015 estimate, partially offset by a State General Fund decrease of \$408,830, or 9.3 percent. The State General Fund decrease is due to a one-time transfer from the Inmate Benefit Fund to the Offender Programs account. The overall increase is mainly attributable to increased contractual fees and an enhancement of \$17,839 for fringe benefit shortfalls. The

request includes 1.0 FTE position, the same as the FY 2015 estimate. The increase in non-FTE positions is the result of shifting grant funded positions from the reentry program to Offender Programs.

The **Governor** recommends FY 2016 operating expenditures of \$9.7 million, including \$3.9 million from the State General Fund. The recommendation is a decrease of \$44,667, or 0.5 percent, all from the State General Fund, below

the agency's FY 2016 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$26,828, all from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$9.8 million, including \$4.1 million from the State General Fund. The request is an increase of \$107,958, or 1.1 percent, including a State General Fund increase of \$92,212, or 2.3 percent, above the FY 2016 request. The increase is predominately due to a 27th payroll period, an enhancement of \$41,471 for fringe benefit shortfalls, and increased travel

G. Prisoner Review Board

The Prisoner Review Board was created in 2011 through Executive Reorganization Order No. 34, which abolished the Parole Board and transferred its duties and powers to the Prisoner Review Board. The Board consists of three members who conduct parole suitability hearings, final violation hearings

expenses. The request includes 1.0 FTE position, the same as the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$9.8 million, including \$4.0 million from the State General Fund. The recommendation is a decrease of \$68,836, or 0.7 percent, all from the State General Fund, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$27,365, all from the State General Fund, to reduce employer contributions for state employee health insurance.

and revocation consideration, public comment sessions, and other duties. The Chairperson is a full-time employee while the two other members served part-time on the Board while performing other duties within the agency until April 15, 2012. All three members are now full-time employees.

**PRISONER REVIEW BOARD
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
Expenditures:							
Salaries and Wages	\$ 412,011	\$ 427,735	\$ 423,655	\$ 432,413	\$ 425,151	\$ 452,131	\$ 441,070
Contractual Services	7,110	11,039	11,039	11,043	11,043	11,047	11,047
Commodities	1,852	2,121	2,121	2,145	2,145	2,170	2,170
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 420,973	\$ 440,895	\$ 436,815	\$ 445,601	\$ 438,339	\$ 465,348	\$ 454,287
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 420,973</u>	<u>\$ 440,895</u>	<u>\$ 436,815</u>	<u>\$ 445,601</u>	<u>\$ 438,339</u>	<u>\$ 465,348</u>	<u>\$ 454,287</u>
Financing:							
State General Fund	\$ 324,759	\$ 343,234	\$ 340,085	\$ 346,813	\$ 340,535	\$ 361,919	\$ 351,862
All Other Funds	96,214	97,661	96,730	98,788	97,804	103,429	102,425
TOTAL	<u>\$ 420,973</u>	<u>\$ 440,895</u>	<u>\$ 436,815</u>	<u>\$ 445,601</u>	<u>\$ 438,339</u>	<u>\$ 465,348</u>	<u>\$ 454,287</u>
FTE Positions	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Non-FTE Uncl. Perm. Pos.	3.0	3.0	3.0	3.0	3.0	3.0	3.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>

The **agency** requests FY 2016 operating expenditures of \$445,601, including \$346,813 from the State General Fund. The request is an increase of \$4,706, or 1.1 percent, including a State General Fund increase of \$3,579, or 1.0 percent, above the FY 2015 estimate. The increase is primarily attributable to an enhancement of \$2,956 for fringe benefit shortfalls. The request includes 3.0 FTE positions, the same as the FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$438,339, including \$340,535 from the State General Fund. The recommendation is a decrease of \$7,262, or 1.6 percent, including \$6,278, or 1.8 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$4,306, including \$3,322 from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures of \$465,348, including \$361,919 from the State General Fund. The request is an increase of \$19,747, or 4.4 percent, including a State General Fund increase of \$15,106, or 4.4 percent, above the FY 2016 request. The increase is mainly due to 27th payroll period and an enhancement of \$6,669 for fringe benefit shortfalls. The request includes 3.0 FTE positions, the same as the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$454,287, including \$351,862 from the State General Fund. The recommendation is a decrease of \$11,061, or 2.4 percent, including a State General Fund decrease of \$10,057, or 2.8 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$4,392, including \$3,388 from the State General Fund, to reduce employer contributions for state employee health insurance.

H. Victim Services

The Victim Services program provides services to victims of crimes and inmates in DOC. These services include notification of changes in offender status, apology repository, public comment session advocacy, tours, victim/offender dialogue,

visitation screenings, cease correspondence orders, safety planning/family reintegration, parole violation hearings, and victim impact classes.

VICTIM 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
Expenditures:							
Salaries and Wages	\$ 657,111	\$ 655,450	\$ 649,236	\$ 662,552	\$ 651,160	\$ 692,986	\$ 677,583
Contractual Services	12,520	25,500	25,500	25,505	25,505	25,511	25,511
Commodities	6,016	6,491	6,491	6,571	6,571	6,662	6,662
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 675,647	\$ 687,441	\$ 681,227	\$ 694,628	\$ 683,236	\$ 725,159	\$ 709,756
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	12,500	8,000	8,000	8,000	8,000	8,000	8,000
TOTAL	<u>\$ 688,147</u>	<u>\$ 695,441</u>	<u>\$ 689,227</u>	<u>\$ 702,628</u>	<u>\$ 691,236</u>	<u>\$ 733,159</u>	<u>\$ 717,756</u>
Financing:							
State General Fund	\$ 343,792	\$ 352,539	\$ 349,363	\$ 356,314	\$ 348,979	\$ 372,138	\$ 360,874
All Other Funds	344,355	342,902	339,864	346,314	342,257	361,021	356,882
TOTAL	<u>\$ 688,147</u>	<u>\$ 695,441</u>	<u>\$ 689,227</u>	<u>\$ 702,628</u>	<u>\$ 691,236</u>	<u>\$ 733,159</u>	<u>\$ 717,756</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	12.0	12.0	12.0	12.0	12.0	12.0	12.0
TOTAL	<u>12.0</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 operating expenditures of \$702,628, including \$356,314 from the State General Fund. The request is an increase of \$7,187, or 1.0 percent, including a State General Fund increase of \$3,775, or 1.1 percent, above the FY 2015 estimate. The increase is primarily due to an enhancement of \$3,093 for fringe benefit shortfalls.

The **Governor** recommends FY 2016 operating expenditures of \$691,236, including \$348,979 from the State

General Fund. The recommendation is a decrease of \$11,392, or 1.6 percent, including a State General Fund decrease of \$7,335, or 2.1 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$8,299, including \$4,242 from the State General Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 operating expenditures totaling \$733,159, including \$372,138 from the State General Fund. The request is an increase of \$30,531, or 4.3 percent, including a State General Fund increase of \$15,824, or 4.4 percent, above the FY 2016 request. The increase is mainly attributable to a 27th payroll period and an enhancement of \$6,938 for fringe benefit shortfalls.

The **Governor** recommends FY 2017 operating expenditures of \$717,756, including \$360,874 from the State General Fund. The recommendation is a decrease of \$15,403, or 2.1 percent, including a State General Fund decrease of \$11,264, or 3.0 percent. The Governor does not recommend the agency's enhancement request for fringe benefit shortfalls. The Governor further recommends a reduction of \$8,465, including \$4,326 from the State General Fund, to reduce employer contributions for state employee health insurance.

I. Food Service Contract

The Department of Corrections entered into a contract with ARAMARK Correctional Services, Inc., in July 1997. ARAMARK is responsible for all labor, food, supplies, and other materials required for the delivery of food services at all of the correctional facilities with the exception of Larned Correctional Mental Health

Facility (LCMHF). At LCMHF, ARAMARK is responsible for labor only as the meals are prepared for LCMHF by Larned State Hospital. The current contract with ARAMARK was renegotiated in 2011 and will run through 2022.

FY 2016 Food Service Contract - Agency Estimate			
Facilities	9,006 ADP x 3 x 365 =	9,861,570 meals x \$1.467/meal	\$ 14,464,556
Larned Correctional Mental Health Facility		365 days x 567.99/day	207,316
Monitor Meals		36,500 meals x 1.25/meal	45,625
Equipment Maintenance and Replacement Fund			300,000
TOTAL			<u>\$ 15,017,498</u>

The **agency** requests FY 2016 operating expenditures of \$15.0 million, all from the State General Fund. The request is an increase of \$731,721, or 5.1 percent, above the FY 2015 estimate. The increase is due to an enhancement that reflects a cost per meal increase of 2.0 percent and a higher estimated average daily population. The per-meal rate is included in the table above.

The **Governor** recommends FY 2016 operating expenditures of \$15.0 million, all from the State General Fund. The recommendation is a decrease of \$27,304, or 0.2 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor not fully funding the enhancement for the food contract shortfall.

FY 2017 Food Service Contract - Agency Estimate			
Facilities	9,159 ADP x 3 x 365 =	10,029,105 meals x \$1.496/meal	\$ 15,004,496
Larned Correctional Mental Health Facility		365 days x 579.35/day	211,463
Monitor Meals		36,500 meals x 1.25/meal	45,625
Equipment Maintenance and Replacement Fund			300,000
TOTAL			\$ 15,561,584

The **agency** requests FY 2017 operating expenditures of \$15.6 million, all from the State General Fund. The request is an increase of \$544,086 or 3.6 percent, above the FY 2016 request. The increase is due to an enhancement that reflects a cost per meal increase of 2.0 percent and a higher estimated average daily population. The per-meal rate is included in the table above.

The **Governor** recommends FY 2017 operating expenditures of \$15.3 million, all from the State General Fund. The recommendation is a decrease of \$263,755, or 1.7 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not fully funding the enhancement for the food contract shortfall.

J. Debt Service

The Department of Corrections (DOC) is responsible for managing the construction and financing of facilities' structures throughout the state correctional system. The interest payments

on the system's debt is funded under the Department's operations budget.

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
Expenditures:							
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	<u>2,112,548</u>	<u>2,184,915</u>	<u>1,933,354</u>	<u>1,948,475</u>	<u>1,544,712</u>	<u>1,699,475</u>	<u>1,826,862</u>
Subtotal - Operations	\$ 2,112,548	\$ 2,184,915	\$ 1,933,354	\$ 1,948,475	\$ 1,544,712	\$ 1,699,475	\$ 1,826,862
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 2,112,548</u>	<u>\$ 2,184,915</u>	<u>\$ 1,933,354</u>	<u>\$ 1,948,475</u>	<u>\$ 1,544,712</u>	<u>\$ 1,699,475</u>	<u>\$ 1,826,862</u>
Financing:							
State General Fund	\$ 1,230,577	\$ 1,152,600	\$ 901,039	\$ 1,069,150	\$ 665,387	\$ 980,875	\$ 1,108,262
All Other Funds	<u>881,971</u>	<u>1,032,315</u>	<u>1,032,315</u>	<u>879,325</u>	<u>879,325</u>	<u>718,600</u>	<u>718,600</u>
TOTAL	<u>\$ 2,112,548</u>	<u>\$ 2,184,915</u>	<u>\$ 1,933,354</u>	<u>\$ 1,948,475</u>	<u>\$ 1,544,712</u>	<u>\$ 1,699,475</u>	<u>\$ 1,826,862</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	<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>
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 FY 2016 operating expenditures of \$1.9 million, including \$1.1 million from the State General Fund. The request is a decrease of \$236,440, or 10.8 percent, including a State General Fund decrease of \$83,450, or 7.2 percent, below the FY 2015 estimate. The interest payments are in accordance with established schedules and cover four different bonds.

The **Governor** recommends FY 2016 operating expenditures of \$1.5 million, including \$665,387 from the State General Fund. The recommendation is a decrease of \$403,763, or 20.7 percent, all from the State General Fund, below the agency's FY 2016 request. The decrease is due to restructuring a bond at the El Dorado Correctional Facility and an infrastructure bond for various upgrades at eight different facilities.

The **agency** requests FY 2017 operating expenditures of \$1.7 million, including \$980,875 from the State General Fund. The request is a decrease of \$249,000, or 12.8 percent, including a State General Fund decrease of \$88,275, or 8.3 percent, below the FY 2016 request. The interest payments are in accordance with established schedules and cover four different bonds.

The **Governor** recommends FY 2017 operating expenditures of \$1.8 million, including \$1.1 million from the State General Fund. The recommendation is an increase of \$127,387, or 7.5 percent, all from the State General Fund, above the agency's FY 2017 request. The increase is attributable to restructuring a bond at the El Dorado Correctional Facility.

CAPITAL IMPROVEMENTS

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
Debt Service - Principal	\$ 4,890,000	\$ 4,890,000	\$ 5,115,000	\$ 4,394,150	\$ 5,375,000	\$ 5,375,000
Rehabilitation and Repair	7,810,227	7,146,150	6,527,249	5,637,070	5,518,668	4,621,810
Correctional Industries	1,784,343	1,784,343	445,000	445,000	875,126	875,126
TOTAL	<u>\$ 14,484,570</u>	<u>\$ 13,820,493</u>	<u>\$ 12,087,249</u>	<u>\$ 10,476,220</u>	<u>\$ 11,768,794</u>	<u>\$ 10,871,936</u>
Financing:						
State General Fund	\$ 1,515,000	\$ 1,295,000	\$ 1,375,000	\$ 654,150	\$ 1,470,000	\$ 1,470,000
All Other Funds	12,969,570	12,525,493	10,712,249	9,822,070	10,298,794	9,401,936
TOTAL	<u>\$ 14,484,570</u>	<u>\$ 13,820,493</u>	<u>\$ 12,087,249</u>	<u>\$ 10,476,220</u>	<u>\$ 11,768,794</u>	<u>\$ 10,871,936</u>

Current Year Agency Estimate

FY 2015 – Current Year. The agency estimates FY 2015 capital improvement expenditures of \$14.5 million, including \$1.5 million from the State General Fund. The estimate is an increase of \$3.8 million, or 36.1 percent, including a State General Fund increase of \$220,000, or 17.0 percent, above the FY 2015 approved amount. The all funds increase is due to additional expenditures for rehabilitation and repair and the State General Fund increase is due to the reallocation of savings from relocating the Department of Corrections' Central Office from the Landon State Office Building to a privately owned space. The major changes in FY 2015 include the following items.

- **Debt Service Principal.** The agency estimates \$4.9 million for debt service principal. The estimate is the same as the FY 2015 approved amount.
- **Rehabilitation and Repair.** The agency estimates \$7.8 million for rehabilitation and repair. The estimate is an increase of \$2.1 million, or 35.8 percent, above the FY 2015 approved amount. This funding allows the agency to complete capital improvement projects in the Five-year Capital Improvements Plan.

- **Correctional Industries.** The agency estimates \$1.8 million for Correctional Industries capital improvement expenditures. The estimate is an increase of \$1.4 million, or 346.1 percent, above

the FY 2015 approved amount. The increase is attributable to projects approved in FY 2014 that were moved to FY 2015 due to cash constraints along with ongoing projects at Lansing, Topeka, and Hutchinson.

Current Year Governor Recommendation

The **Governor** recommends FY 2015 capital improvement expenditures of \$13.8 million, including \$1.3 million from the State General Fund. The recommendation is a decrease of \$664,077, or 4.6 percent, including a State General Fund decrease of \$220,000, or 14.5 percent, below the agency's FY

2015 estimate. The decrease is due to the Governor's December 2014 allotment that removed the rent savings of \$220,000, all from the State General Fund, and reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests FY 2016 capital improvement expenditures of \$12.1 million, including \$1.4 million from the State General Fund. The request is a decrease of \$2.4 million, or 16.6 percent, including a State General Fund decrease of \$140,000, or 9.2 percent, below the FY 2015 estimate. The major changes for FY 2016 include the following items.

- **Debt Service Principal.** The agency requests \$5.1 million for debt service principal. The request is an increase of \$225,000, or 4.6 percent, above the FY 2015 estimate. The principal payments are in accordance with established schedules and cover four different bonds.
- **Rehabilitation and Repair.** The agency requests \$6.5 million for rehabilitation and repair. The

request is a decrease of \$1.3 million, or 16.4 percent, below the FY 2015 estimate. The decrease is mainly attributable to the completion of a razing project at the Kansas Juvenile Correctional Complex and warehouse project at the Larned complex.

- **Correctional Industries.** The agency requests \$445,000 for Correctional Industries capital improvement expenditures. The request is a decrease of \$1.3 million, or 75.1 percent, below the FY 2015 estimate. Projects include a new barn at the Hutchinson Correctional Facility and completion of the Correctional Industries administrative building expansion and remodel. The decrease is predominately due to capital improvement expenditures made in FY 2015 that are not made for FY 2016.

Budget Year Governor Recommendation

The **Governor** recommends FY 2016 capital improvement expenditures of \$10.5 million, including \$654,150 from the State General Fund. The recommendation is a decrease of \$1.6 million, or 13.3 percent, including a State General Fund

decrease of \$720,850, or 52.4 percent, below the agency's FY 2016 request. The decrease is due to restructured bond payments and reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests FY 2017 capital improvements expenditures of \$11.8 million, including \$1.5 million from the State General Fund. The request is an overall decrease of \$318,455, or 2.6 percent, below the 2016 request, partially offset by a State General Fund increase of \$95,000, or 6.9 percent. The major changes for FY 2017 include the following items.

- **Debt Service Principal.** The agency requests \$5.4 million for debt service principal. The request is an increase of \$260,000, or 5.1 percent, above the FY 2016 request. The principal payments are in accordance with established schedules and cover four different bonds.

- **Rehabilitation and Repair.** The agency requests \$5.5 million for rehabilitation and repair. The request is a decrease of \$1.0 million, or 15.5 percent, below the FY 2016 request. The decrease is primarily attributable to the anticipated completion of phase II of the security system upgrade project at the Larned Juvenile Correctional Facility.
- **Correctional Industries.** The agency requests \$875,126 for Correctional Industries capital improvement expenditures. The request is an increase of \$430,126, or 96.7 percent, above the FY 2016 request. The increase is due to additional projects for FY 2017 including window replacement and a new private industries building.

Budget Year Governor Recommendation

The **Governor** recommends FY 2017 capital improvement expenditures of \$10.9 million, including \$1.5 million from the the State General Fund. The recommendation is a decrease of \$896,858, or 7.6 percent, below the agency's FY 2017 request.

The overall decrease is attributable to reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

PERFORMANCE MEASURES					
Measure	Gov. Rec. for FY 2014	Actual FY 2014	Gov. Rec. FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Operations					
Number of security audits conducted	8	5	10	10	10
Number of sanitation and safety inspections conducted	10	10	10	10	10
Number of Community Correction programs requiring technical assistance and oversight by Central Administration	31	31	31	31	31
Community Supervision					
Community corrections average daily population	12,076	11,672	12,011	12,362	12,725
Number of offenders on parole/post-release supervision whose status has been revoked as a result of a condition violation	823	1,117	1,240	1,376	1,527
Treatment and Programs					
Number of GED program participants	689	576	576	576	576
Number of vocational program participants	868	953	953	953	953
Number of special education participants	145	27	27	27	27
Juvenile Services					
Number of residential provider site visits conducted	33	29	26	26	26
Number of training sessions provided to agency stakeholders	36	36	36	36	36
Number of community supervision plans reviewed	279	279	267	267	267
Prisoner Review Board					
Number of release plan reviews	7,576	4,153	4,153	4,153	4,153
Special Programs					
Number of meals prepared at facilities	10,071,810	10,071,810	9,552,780	9,861,570	10,029,105
Number of victims who received services	--	13,032	12,000	12,500	13,000
Kansas Correctional Industries					
Inmates participating in traditional industries program (ADP)	269	326	326	326	326
Inmates participating in private industry program (ADP)	860	915	915	915	915