

KANSAS STATE SCHOOL FOR THE BLIND

	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	\$ 5,125,021	\$ 5,423,235	\$ 5,372,738	\$ 5,495,235	\$ 5,384,904	\$ 5,685,047	\$ 5,577,226
Other Funds	1,090,970	821,190	819,541	853,874	851,628	808,284	806,094
TOTAL	\$ 6,215,991	\$ 6,244,425	\$ 6,192,279	\$ 6,349,109	\$ 6,236,532	\$ 6,493,331	\$ 6,383,320
Capital Improvements:							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	534,145	801,866	801,866	698,502	698,502	650,276	650,276
TOTAL	\$ 534,145	\$ 801,866	\$ 801,866	\$ 698,502	\$ 698,502	\$ 650,276	\$ 650,276
GRAND TOTAL	\$ 6,750,136	\$ 7,046,291	\$ 6,994,145	\$ 7,047,611	\$ 6,935,034	\$ 7,143,607	\$ 7,033,596
Percentage Change:							
Operating Expenditures							
State General Fund	(3.3) %	5.8 %	4.8 %	1.3 %	0.2 %	3.5 %	3.6 %
All Funds	4.7	0.5	(0.4)	1.7	0.7	2.3	2.4
FTE Positions	81.5	81.5	81.5	81.4	81.4	81.4	81.4
Non-FTE							
Perm.Uncl.Pos.	0.0	0.0	0.0	0.1	0.1	0.1	0.1
TOTAL	81.5	81.5	81.5	81.5	81.5	81.5	81.5

AGENCY OVERVIEW

The mission of the Kansas State School for the Blind (KSSB) is to empower both blind and visually impaired students with the knowledge, attitudes, and skills needed to assume responsible roles in society and to lead fulfilling lives. KSSB established three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services.

To fulfill its mission, the School serves as the center for state-of-the-art education of Kansas children who are either blind or visually impaired, and as the training and support base for teachers across the state who work with children who have

sensory impairments. Through its outreach program, KSSB also provides direct support in public schools by working with students, teachers, and parents to improve educational opportunities for students who are visually impaired.

KSSB is a state agency under the control and supervision of the State Board of Education. Residents of the state, up to the age of 21, who are unable to materially benefit from attendance in a public school because of a visual impairment, are entitled to free admission to the School. KSSB has a dormitory program with an extensive educational focus on daily living skills, a transition and career education program and a comprehensive nursing and student health program.

MAJOR ISSUES FROM PRIOR YEARS

During the **2009 Session**, the Governor created the Facilities Closure and Realignment Commission by Executive Order 09-01. The Commission was charged to study and evaluate closure, realignment, and alternative uses of various state facilities in order to find efficiencies and cost savings in state government. Specifically, the Commission was charged to study the Kansas School for the Deaf, Kansas State School for the Blind, the Beloit Juvenile Correctional Facility, State Developmental Disability Hospitals and Rainbow Mental Health Facility. The Executive Order required the Commission to submit recommendations regarding these and any other facilities studied to the Governor and the Legislature.

The Commission studied combining the Kansas State School for the Blind and Kansas School for the Deaf on one campus, specifically the Olathe campus for the School for the Deaf. Due to initial capital improvement expenditures required to

meet the needs of students from the School for the Blind, the Commission recommended that the campuses not be co-located and the School for the Blind and Deaf maintain its respective campuses, but share services where possible. This included sharing one administrative staff, including the superintendent position, food services, health services, and any other services possible in order to reduce expenditures. Currently, the schools are under one administration team consisting of one Superintendent, one Director of Operations, one Food Service Manager, one Maintenance/Security Manager, one Human Resource Director, and one Financial Director. Overall combined net savings for the consolidation of administrative services was estimated to be \$174,498.

2011 Session. The 2011 Legislature deleted \$30,509, all from the State General Fund, in FY 2011 and \$31,979, all from the State General Fund, in FY 2012 for debt service principal

payments on the Facilities Conservation Improvement Project. The funding was replaced with funding from the State Institutions Building Fund. In addition, the Legislature passed 2011 HB 2078 which allows the School for the Blind to conduct teacher training programs year round. Previously, training programs were only permitted to be conducted during the summer.

2012 Session. The Legislature eliminated 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June, 30, 2012. The Legislature also approved the addition of funding for undermarket pay for FY 2013.

2012 HB 2777 allowed the Kansas School for the Blind and the Kansas School for the Deaf to receive payment from school

districts for providing services to students at each of the schools.

2013 Session. The Legislature added language authorizing the superintendent of the School for the Blind and the School for the Deaf to transfer State General Fund appropriations between the two schools for FY 2013, 2014, and 2015.

2014 Session. A Governor's Executive Directive added \$202,674, all from the State General Fund, to alleviate problems with federal special education maintenance of effort issues as well as eliminated the need to reduce staff for FY 2015. State General Fund in the amount of \$36,938 was added to statutorily-required salary increases for teachers for FY 2015.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency** requests a revised FY 2015 estimate of \$7.0 million from all funds (including capital improvements), and \$5.4 million from the State General Fund. The total estimate reflects an increase of \$269,118, or 4.0 percent increase in all funds, over the FY 2015 approved budget. The request is a State General Fund increase of \$50,497, or 0.9 percent, above the FY 2015 approved budget. The State General Fund increase is attributable to the December 9th State General Fund allotment. The special revenue fund increase is attributable to increased federal funds predominantly for the special education technology assistance program (\$112,646), special education state block grants (\$61,291), and the teacher preparation and mentoring program (\$49,603). Full-time equivalent (FTE) positions of 81.5 remains the same as the approved number.

For capital expenditures, the agency estimates total \$800,000, all from the State Institutions Building Fund. This is a \$19,643 increase, or 2.5 percent, above the FY 2015 approved budget, with this additional amount budgeted for rehabilitation and repair projects. Rehabilitation and repair funds (\$361,849) are used to keep the campus facilities in functional and safe condition and meet health and safety standards according to agency officials. Examples of these include upkeep on hot water tanks, repair of masonry, electrical motors, sheetrock, and other such infrastructure elements. In FY 2015, this will include improvements to the main campus gate, driveway, and fencing.

Safety and security upgrades (\$403,191) include a multi-phase project that started in FY 2011. The first two phases are in the final stages of completion and include fire safety upgrades in compliance with the Americans with Disabilities Act (ADA)

requirements, security camera installation, and mass notification systems. The final phase, underway currently, includes redesign and construction of secure entrances, tornado shelters, and back up generator installation.

Debt service principal (\$36,826) is payment on an energy service performance contract with debt retirement in FY 2018,.

The revised estimate for FTE positions are 81.5, the same as the approved number of FTE.

FY 2015 Governor Recommendation

The **Governor** recommends a FY 2015 budget of \$7.0 million, including \$5.4 million from the State General Fund. The Governor's recommendation is a decrease from the agency request of \$52,146 in all funds and \$50,497 from the State

General Fund. The decrease is due to an allotment of \$51,974 all funds, including \$50,325 from the State General Fund, as a result of the Governor's allotment reducing the KPERs employer contribution rate and a \$174 reappropriation lapse.

FY 2016 Agency Request

The **agency** requests \$7.0 million (including Capital Improvements) in all funds for FY 2016, including \$5.5 million from the State General Fund. The all funds request is \$1,320, or 0.02 percent, more than the FY 2015 revised request. The State General Fund request is \$72,000, or 1.3 percent, more than the FY 2015 revised request.

Capital Improvement projects include the following: \$235,902 for the fire and mass notification systems and maintenance; \$120,000 for the secure entrances work; \$235,000 for major maintenance and repairs; \$69,000 for the HVAC efficiency upgrades; and \$38,600 for debt service.

FY 2016 Governor Recommendation

The **Governor** recommends a FY 2016 budget of \$7.0 million (including Capital Improvements) in all funds, and \$5.4 million from the State General Fund. This is \$113,000, or 1.6 percent, less than the agency request. The Governor recommends a reduction of \$70,408 all funds, including \$68,162 from the State General Fund, to reduce employer contributions

for state employee health insurance. Regarding enhancement requests, the Governor added \$50,876 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

FY 2017 Agency Request

The **agency** requests \$7.1 million in all funds for FY 2017, including \$5.7 million from the State General Fund. The all funds request is \$96,000, or 1.4 percent, more than the FY 2016 request. The State General Fund request is \$190,000, or 3.5 percent, more than the FY 2016 request due to the enhancement request, increased KPERS costs, and the 27th payroll.

FY 2017 Governor Recommendation

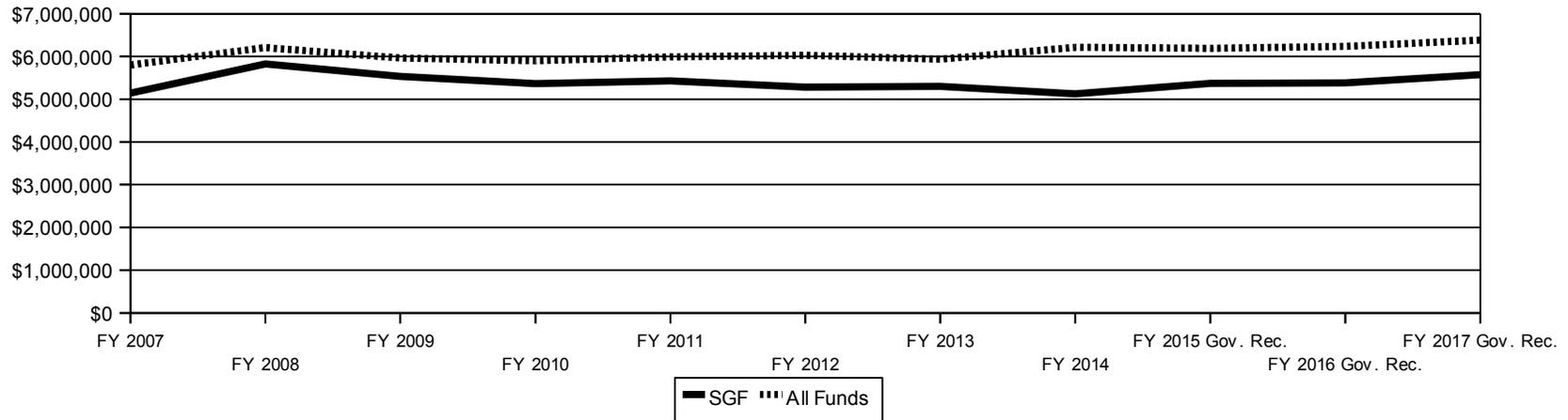
The **Governor** recommends a FY 2017 budget of \$7.0 million (including Capital Improvements) in all funds, and \$5.6 million from the State General Fund. This is \$110,000, or 1.7 percent, less than the agency request. The Governor recommends a reduction of \$67,373 all funds, including \$65,183 from the State General Fund, to reduce employer contributions

Capital improvement projects include \$249,817 for the fire and mass notification systems and maintenance; \$60,000 for the secure entrances work; \$240,000 for major maintenance and repairs; \$60,000 for the HVAC efficiency upgrades; and \$40,459 for debt service.

for state employee health insurance. Regarding enhancement requests, the Governor added \$51,613 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 5,144,255	999.0 %	\$ 5,801,788	9,999.0 %	93.5
2008	5,824,309	13.2	6,208,593	7.0	93.5
2009	5,536,607	(4.9)	5,964,855	(3.9)	93.5
2010	5,365,651	(3.1)	5,900,577	(1.1)	93.5
2011	5,429,535	1.2	5,992,442	1.6	93.5
2012	5,282,319	(2.7)	6,030,346	0.6	82.5
2013	5,302,535	0.4	5,938,274	(1.5)	82.5
2014	5,125,021	(3.3)	6,215,991	4.7	81.5
2015 Gov. Rec.	5,372,738	4.8	6,192,279	(0.4)	81.5
2016 Gov. Rec.	5,384,904	0.2	6,236,532	0.7	81.4
2017 Gov. Rec.	5,577,226	3.6	6,383,320	2.4	81.4
Eleven-Year Change	\$ 432,971	8.4 %	\$ 581,532	10.0 %	(12.1)

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	\$ 263,700	\$ 235,875	\$ 221,402	\$ (14,473)	(6.1) %	\$ 234,324	\$ 218,275	\$ (16,049)	(6.8) %
Instructional Services	4,609,500	4,516,246	4,686,135	169,889	3.8	4,475,631	4,594,387	118,756	2.7
Support Services	1,333,797	1,485,102	1,436,144	(48,958)	(3.3)	1,475,122	1,418,442	(56,680)	(3.8)
Debt Service	8,994	7,202	5,428	(1,774)	(24.6)	7,202	5,428	(1,774)	(24.6)
TOTAL	\$ 6,215,991	\$ 6,244,425	\$ 6,349,109	\$ 104,684	1.7 %	\$ 6,192,279	\$ 6,236,532	\$ 44,253	0.7 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 4,928,318	\$ 4,984,036	\$ 5,140,345	\$ 156,309	3.1 %	\$ 4,931,890	\$ 5,027,768	\$ 95,878	1.9 %
Contractual Services	892,668	932,783	901,130	(31,653)	(3.4)	932,783	901,130	(31,653)	(3.4)
Commodities	230,597	225,780	225,780	0	0.0	225,780	225,780	0	0.0
Capital Outlay	88,508	17,000	--	(17,000)	(100.0)	17,000	--	(17,000)	(100.0)
Debt Service	8,994	7,202	5,428	(1,774)	(24.6)	7,202	5,428	(1,774)	(24.6)
Subtotal - Operations	\$ 6,149,085	\$ 6,166,801	\$ 6,272,683	\$ 105,882	1.7 %	\$ 6,114,655	\$ 6,160,106	\$ 45,451	0.7 %
Aid to Local Units	--	--	--	--	--	--	--	--	--
Other Assistance	66,906	77,624	76,426	(1,198)	(1.5)	77,624	76,426	(1,198)	(1.5)
TOTAL	\$ 6,215,991	\$ 6,244,425	\$ 6,349,109	\$ 104,684	1.7 %	\$ 6,192,279	\$ 6,236,532	\$ 44,253	0.7 %
Financing:									
State General Fund	\$ 5,125,021	\$ 5,423,235	\$ 5,495,235	\$ 72,000	1.3 %	\$ 5,372,738	\$ 5,384,904	\$ 12,166	0.2 %
All Other Funds	1,090,970	821,190	853,874	32,684	4.0	819,541	851,628	32,087	3.9
TOTAL	\$ 6,215,991	\$ 6,244,425	\$ 6,349,109	\$ 104,684	1.7 %	\$ 6,192,279	\$ 6,236,532	\$ 44,253	0.7 %

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	\$ 221,402	\$ 226,507	\$ 5,105	2.3 %	\$ 218,275	\$ 223,601	\$ 5,326	2.4 %
Instructional Services	4,686,135	4,793,854	107,719	2.3	4,594,387	4,702,866	108,479	2.4
Support Services	1,436,144	1,469,401	33,257	2.3	1,418,442	1,453,284	34,842	2.5
Debt Service	5,428	3,569	(1,859)	(34.2)	5,428	3,569	(1,859)	(34.2)
TOTAL	\$ 6,349,109	\$ 6,493,331	\$ 144,222	2.3 %	\$ 6,236,532	\$ 6,383,320	\$ 146,788	2.4 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 5,140,345	\$ 5,339,437	\$ 199,092	3.9 %	\$ 5,027,768	\$ 5,229,426	\$ 201,658	4.0 %
Contractual Services	901,130	893,045	(8,085)	(0.9)	901,130	893,045	(8,085)	(0.9)
Commodities	225,780	224,780	(1,000)	(0.4)	225,780	224,780	(1,000)	(0.4)
Capital Outlay	--	--	0	--	--	--	0	--
Debt Service	5,428	3,569	(1,859)	(34.2)	5,428	3,569	(1,859)	(34.2)
Subtotal - Operations	\$ 6,272,683	\$ 6,460,831	\$ 188,148	3.0 %	\$ 6,160,106	\$ 6,350,820	\$ 190,714	3.1 %
Aid to Local Units	--	--	--	--	--	--	0	--
Other Assistance	76,426	32,500	(43,926)	(57.5)	76,426	32,500	(43,926)	(57.5)
TOTAL	\$ 6,349,109	\$ 6,493,331	\$ 144,222	2.3 %	\$ 6,236,532	\$ 6,383,320	\$ 146,788	2.4 %
Financing:								
State General Fund	\$ 5,495,235	\$ 5,685,047	\$ 189,812	3.5 %	\$ 5,384,904	\$ 5,577,226	\$ 192,322	3.6 %
All Other Funds	853,874	808,284	(45,590)	(5.3)	851,628	806,094	(45,534)	(5.3)
TOTAL	\$ 6,349,109	\$ 6,493,331	\$ 144,222	2.3 %	\$ 6,236,532	\$ 6,383,320	\$ 146,788	2.4 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$5,402,190 for the School for the Blind in FY 2015. Adjustments subsequently have been made to that amount. The adjustments change the current year approved amount without any legislative action required.

- An increase of \$172, based on the reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015

- A reduction of \$50,497, as the result of the Governor’s December 9th State General Fund allotment.

These adjustments change the FY 2015 approved State General Fund to \$5,372,738. 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	\$ 5,372,738	\$ 5,423,235	\$ 50,497	\$ 5,372,738	\$ 0
All Other Funds	1,404,435	1,623,056	218,621	1,621,407	216,972
TOTAL	<u>\$ 6,777,173</u>	<u>\$ 7,046,291</u>	<u>\$ 269,118</u>	<u>\$ 6,994,145</u>	<u>\$ 216,972</u>
FTE Positions	81.5	81.5	81.5	81.5	81.5

The **agency** requests a revised FY 2015 estimate of \$6.8 million from all funds (including capital improvements), and \$5.4 million from the State General Fund. The total estimate reflects

an increase of \$269,118, or 4.0 percent increase in all funds, over the FY 2015 approved, budget. The request is a State General Fund increase of \$50,497, or 0.9 percent, above the FY

2015 approved budget. The State General Fund increase is attributable to the December 9th State General Fund allotment. The special revenue fund increase is attributable to increased federal funds predominantly for the special education technology assistance program (\$112,646), special education state block grants (\$61,291), and the teacher preparation and mentoring program (\$49,603).

The request is detailed below by category of expenditure.

- **Salaries and Wages** expenditures of \$5.0 million, \$4.8 million from the State General Fund. The agency has 81.5 FTE. This amount is \$87,838 more than the approved FY 2015 budget, due to increased federal funds.
- **Contractual Services** expenditures of \$933,000 for communications, legal, and copier rental fees. This category pays for the services of physical, occupational, and speech therapists assisting students, as well as other professional services for students. A contract of \$134,000 for the Accessible Arts is included in this category. The revised budget is \$95,000 more than the approved budget due, in part, to attorney fees related to a personnel lawsuit, according to agency officials.

- **Commodities** expenditures total \$226,000, \$30,000 above the approved budget. This category includes textbooks, teaching materials, custodial and other such supplies, and food for breakfast and lunch. Increased food costs explain the increase from the approved.
- **Capital Outlay** expenditures total \$17,000, \$6,500 more than the approved budget. Purchases in this category primarily include assistance technology devices for visually-impaired students.
- **Other Assistance** totals \$78,000, \$50,000 more than the approved budget. This category provides scholarship payments to non-employees (local educators) for tuition, fees, and books. The increase from the approved is due to receipt of additional federal grant funds to develop personnel across the state in educating visually-impaired students.

The **Governor** recommends a FY 2015 operating budget of \$6.2 million (excluding capital improvements), including \$5.4 million from the State General Fund. The Governor's recommendation is a decrease from the agency request by \$52,146 in all funds and \$50,497 from the State General Fund. The decrease is due to an allotment of \$51,974, all funds, for a KPERS employer contribution rate reduction and \$172 reappropriation lapse.

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	\$ (50,325)	\$ (50,325)	0.0
Reappropriations Lapse	(172)	(172)	0.0
TOTAL	<u>\$ (50,497)</u>	<u>\$ (50,497)</u>	<u>0.0</u>

Kansas Public Employees Retirement System (KPERS) Reduction:

A reduction of \$50,325 from the State General Fund, as a result of the Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 10.42 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency operations, but is reflective of a reduction of expenditures. An additional \$1,649

from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of \$51,974.

Reappropriations Lapse:

A reduction of \$172, as a result of the Governor's State General Fund reappropriation allotment. This allotment will decrease available funding in the agency's operations budget.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 6,349,109	\$ 6,236,532	\$ (112,577)
FTE Positions	81.4	81.4	0.0
<i>Change from FY 2015:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ 72,000	\$ 12,166	
All Other Funds	32,684	32,087	
TOTAL	<u>\$ 104,684</u>	<u>\$ 44,253</u>	
<i>Percent Change:</i>			
State General Fund	1.3 %	0.2 %	
All Other Funds	4.0	3.9	
TOTAL	<u>1.7 %</u>	<u>0.7 %</u>	
Change in FTE Positions	(0.1)	(0.1)	

The **agency** requests \$6.3 million, including \$5.5 million from the State General Fund for FY 2016. The request is an all funds increase of \$105,000, or 1.7 percent, above the FY 2015 revised budget request. The request is a State General Fund increase of \$72,000, or 1.3 percent, above the FY 2015 agency requests due to enhancements for teacher pay and three professional development days. The enhancement requests total \$93,000 from the State General Fund but are partially

offset by a decrease in contractual obligations for FY 2016. Agency staff indicated attorney fees decreased because of a prior-year legal settlement completed in FY 2015; other fees decreased because training interveners for the Deaf-Blind project federal grant were not funded in FY 2016; other categories, including meals and lodging, other professional fees, and dues and subscriptions decreased due to decreases in the personnel development federal grant and the Deaf-Blind project

federal grant in FY 2016. The increase in all other funds is associated with increased federal grants.

The request is detailed below by category of expenditure.

- **Salaries and Wages** expenditures of \$5.1 million. This is \$156,000 more than the FY 2015 revised request due to enhancement requests described below and receipt of additional federal grants.
- **Contractual Services** total \$901,000 which is \$32,000 less than the FY 2015 revised request.
- **Commodities** expenditure request is \$226,000, the same as the FY 2015 revised request.

- **Capitol Outlay** was not included in the budget request.
- **Other Assistance** is budgeted at \$76,000, which is \$1,200 less than the revised FY 2015 request.

The **Governor** recommends a FY 2016 budget of \$6.2 million (excluding capital improvements) in all funds, and \$5.4 million from the State General Fund. This is \$112,577, or 1.8 percent, less than the agency request. The Governor recommends a reduction of \$70,408 all funds, including \$68,162 from the State General Fund, to reduce employer contributions for state employee health insurance. Regarding enhancement requests, the Governor added \$50,876 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

Enhancements Detail

Enhancements	FY 2016 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Statutory Teacher Salary Increase	\$ 49,180	\$ 49,180	0.0	\$ 50,876	\$ 50,876	0.0
Addition of Three Days to Teacher Contract	43,865	43,865	0.0	0	0	0.0
TOTAL	\$ 93,045	\$ 93,045	0.0	\$ 50,876	\$ 50,876	0.0

The **agency** requests \$49,180, all from the State General Fund, in additional compensation for teachers and licensed personnel, in compliance with the statutory requirement that those personnel be paid at a rate not less than the rate paid

USD 233, Olathe, employees. In addition, a State General Fund request of \$43,865 is made to restore three professional development days to teachers' contract.

The **Governor** recommends funding the statutory teacher salary increase (the amount needed for this enhancement was revised between the budget submission and the Governor's

recommendation) but not the addition of three days to the teachers' contracts.

C. FY 2017 – Budget Year

FY 2017 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 6,493,331	\$ 6,383,320	\$ (110,011)
FTE Positions	81.4	81.4	0.0
<i>Change from FY 2016:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ 189,812	\$ 192,322	
All Other Funds	(45,590)	(45,534)	
TOTAL	<u>\$ 144,222</u>	<u>\$ 146,788</u>	
<i>Percent Change:</i>			
State General Fund	3.5 %	3.6 %	
All Other Funds	(5.3)	(5.3)	
TOTAL	<u>2.3 %</u>	<u>2.4 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$6.5 million, including \$5.7 million from the State General Fund for FY 2017. (This excludes capital improvements.) The request is an all funds increase of \$144,000, or 2.3 percent, above the FY 2016 revised budget

request. The request is a State General Fund increase of \$190,000, or 3.5 percent, above the FY 2016 agency requests due to enhancements for teacher pay and three professional

development days. The enhancement requests total \$94,000 from the State General Fund.

The additional increase in State General Fund expenditures estimates is primarily attributable to increases in the KPERS retirement contribution rate for employers and the 27th paycheck. The decrease in all other funds primarily is due to a decrease in the budgeted amount for scholarship payments to non-employees for tuition, fees, books, housing, and other student-related expenses.

The request is detailed below by category of expenditure.

- **Salaries and Wages** expenditures of \$5.3 million, which is \$199,000 more than the FY 2016 request, primarily due to KPERS increases and the 27th payroll.

- **Contractual Services** total \$893,000, which is \$8,000 less than the FY 2016 request.
- **Commodities** total \$225,000, which is \$1,000 less than the FY 2016 request.
- **Other Assistance** is budgeted at \$32,500.

The **Governor** recommends a FY 2017 budget of \$6.4 million in all funds, and \$5.6 million from the State General Fund. This is \$110,011, or 1.7 percent, less than the agency request. The Governor recommends a reduction of \$67,373 all funds, including \$65,183 from the State General Fund, to reduce employer contributions for state employee health insurance. Regarding enhancement requests, the Governor added \$51,613 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

Enhancements Detail

Enhancements	FY 2017 ENHANCEMENTS					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Statutory Teacher Salary Increase	\$ 49,893	\$ 49,893	0.0	\$ 51,613	\$ 51,613	0.0
Addition of Three Days to Teacher Contract	44,358	44,358	0.0	0	0	0.0
TOTAL	\$ 94,251	\$ 94,251	0.0	\$ 51,613	\$ 51,613	0.0

The **agency** requests \$49,893, all from the State General Fund, in additional compensation for teachers and licensed personnel, in compliance with the statutory requirement that those personnel be paid at a rate not less than the rate paid USD 233, Olathe, employees. In addition, a State General Fund request of \$44,358 is made to restore three professional development days to teachers' contract.

The **Governor** recommends funding the statutory teacher salary increase (the amount needed for this enhancement was revised between the budget submission and the Governor's recommendation) but not the addition of three days to teachers' contracts.

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 \$21,201, including \$20,873 from the State General Fund, and affects 68 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 2015, 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 \$8,240, including \$7,859 from the State General Fund, and FY 2017 longevity payments total \$8,480, including \$8,096 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 \$70,408, including \$68,162 from the State General Fund for FY 2016. This is a reduction of \$67,373, including \$65,183 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.

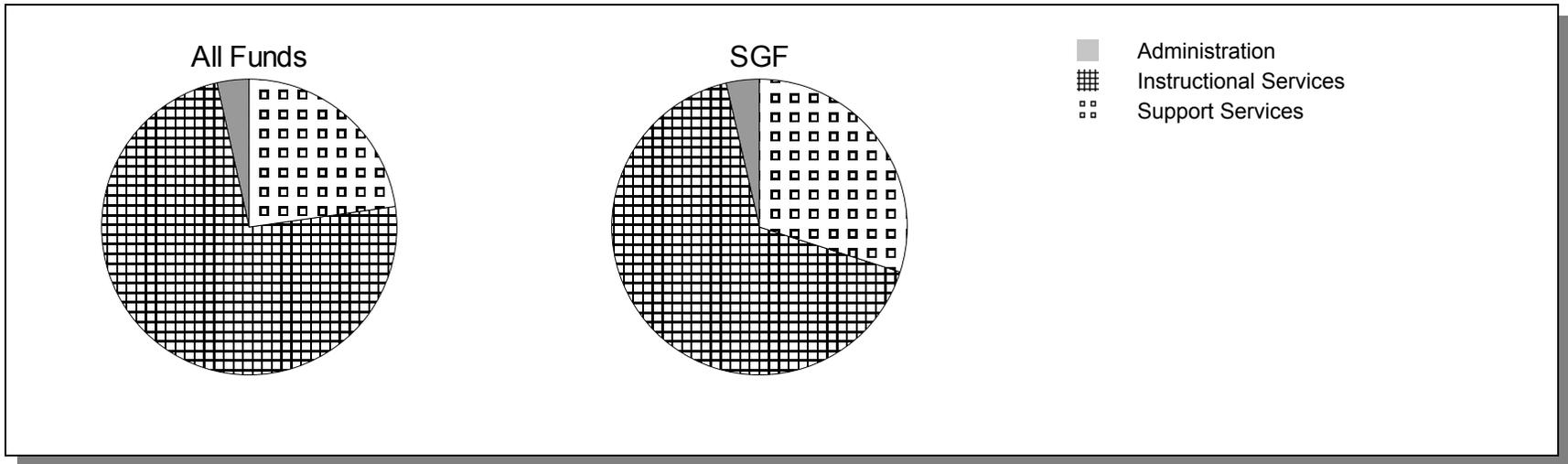
Funding Sources

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	86.6 %	86.3 %	87.6 %	87.4 %
All Other Funds	13.4	13.7	12.4	12.6
TOTAL	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Note: Percentages may not add due to rounding.

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	\$ 218,275	3.5 %	\$ 218,275	3.6 %
Instructional Services	4,594,387	73.7	3,981,818	66.4
Support Services	1,418,442	22.8	1,793,863	29.9
TOTAL	\$ 6,231,104	100.0 %	\$ 5,993,956	100.0 %

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

Program	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Administration	1.3	1.3	1.3	1.4	1.4	1.4	1.4
Instructional Services	61.1	61.1	61.1	60.6	60.6	60.6	60.6
Support Services	19.1	19.1	19.1	19.4	19.4	19.4	19.4
TOTAL	<u>81.5</u>	<u>81.5</u>	<u>81.5</u>	<u>81.4</u>	<u>81.4</u>	<u>81.4</u>	<u>81.4</u>

A. Administrative Services

The Administrative Services program coordinates overall management and operations of the Kansas State School for the Blind. The program is responsible for the development and administration of educational and co-curricular programs,

personnel procedures and support services; appointment of classified and unclassified employees; budget preparation; and payroll.

ADMINISTRATIVE 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	\$ 124,001	\$ 128,309	\$ 126,449	\$ 129,402	\$ 126,275	\$ 134,557	\$ 131,651
Contractual Services	94,580	104,175	104,175	88,300	88,300	88,250	88,250
Commodities	4,114	3,700	3,700	3,700	3,700	3,700	3,700
Capital Outlay	41,005	--	--	--	--	--	--
Debt Service	--	--	--	--	--	--	--
Subtotal - Operations	\$ 263,700	\$ 236,184	\$ 234,324	\$ 221,402	\$ 218,275	\$ 226,507	\$ 223,601
Aid to Local Units	--	--	--	--	--	--	--
Other Assistance	--	--	--	--	--	--	--
TOTAL	\$ 263,700	\$ 236,184	\$ 234,324	\$ 221,402	\$ 218,275	\$ 226,507	\$ 223,601
Financing:							
State General Fund	\$ 210,806	\$ 231,184	\$ 229,324	\$ 221,402	\$ 218,275	\$ 226,507	\$ 223,601
All Other Funds	52,894	5,000	5,000	--	--	--	--
TOTAL	\$ 263,700	\$ 236,184	\$ 234,324	\$ 221,402	\$ 218,275	\$ 226,507	\$ 223,601
FTE Positions	1.3	1.3	1.3	1.4	1.4	1.4	1.4
Non-FTE Uncl. Perm. Pos.	--	--	--	--	--	--	--
TOTAL	1.3	1.3	1.3	1.4	1.4	1.4	1.4

The **FY 2016 agency** requested operating budget request is nearly \$15,000 less than the FY 2015 revised request, with the total funding from the State General Fund. The FY 2017 budget request is \$5,000 more than the FY 2016 budget request, with State General Funds the total funding source.

The **Governor's** recommendation for FY 2016 is \$218,275, all from the State General Fund. This is \$3,127, or 1.3 percent,

less than the agency request due to deletion of this amount from the group health insurance category

The **Governor's** recommendation for FY 2017 deletes \$2,906, or 1.3 percent, from the State General Fund for salaries due to deletion of this amount from the group health insurance category.

B. Instructional Services

The Instructional Services program is designed to meet both the academic and special skill needs of a student population with a wide range of cognitive abilities. KSSB seeks to make students independent learners and equip them with the special skills and knowledge to successfully return them to their home communities and schools. The School provides a fully accredited academic program and services for multiple disabilities. Instructional Services operates the following subprograms:

Day Program. This subprogram combines traditional academic subjects and classes for students with multiple disabilities and focuses on functional academics and the skills of daily living. Related services such as speech therapy, orientation and mobility, counseling, and physical and occupational therapies which are required by a student's Individualized Education Plan (IEP) are scheduled throughout the day. Extracurricular activities are offered in the late afternoon and on some weekends.

Extended Day. The student residence subprogram is for students who are unable to return to their homes because of the distance from KSSB. A home-like environment is provided for students 6 to 21 years of age, who have disabilities ranging from mild to severe. Many extended day students have medical problems and are provided 24-hour nursing coverage. The Extended Day instructors (dormitory teachers) teach the students daily living skills.

Extended Year. This subprogram is a three-week summer school program that includes classes in orientation and mobility,

daily living skills, cooking, computers, and academic areas as needed. The summer school program is offered to students who need such services to meet the requirements of their Individual Education Plan (IEP).

Outreach. The Outreach subprogram involves orientation and mobility instruction, such as cane travel, specialized computer training, low vision aids, and other skills needed by children in Kansas school districts. This subprogram also provides specialized education evaluations and consultative services, such as teacher in-service, parent education, and child-specific assistance.

Kansas Assistive Technology Resource Center. This subprogram is funded by state and private sources to provide specialized computer equipment and related training to Kansas schools serving blind and visually impaired children.

Kansas Instructional Resource Center (KIRC) for the Blind and Visually Impaired. The center provides textbooks and library materials in Braille and large print to all blind and visually impaired students in Kansas.

Accessible Arts, Inc. This subprogram provides outreach services statewide, as well as services to KSSB students. Accessible Arts, Inc. developed a model of using arts activities to promote learning across all curricular areas, and to promote the inclusion of children with disabilities with non-disabled children.

INSTRUCTIONAL 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	\$ 3,889,454	\$ 3,799,626	\$ 3,759,011	\$ 3,981,395	\$ 3,889,647	\$ 4,141,074	\$ 4,050,086
Contractual Services	501,885	521,150	521,150	518,375	518,375	508,310	508,310
Commodities	117,886	112,970	112,970	112,970	112,970	111,970	111,970
Capital Outlay	45,493	17,000	17,000	--	--	--	--
Debt Service	--	--	--	--	--	--	--
Subtotal - Operations	\$ 4,554,718	\$ 4,450,746	\$ 4,410,131	\$ 4,612,740	\$ 4,520,992	\$ 4,761,354	\$ 4,670,366
Aid to Local Units	--	--	--	--	--	--	--
Other Assistance	54,782	65,500	65,500	73,395	73,395	32,500	32,500
TOTAL	\$ 4,609,500	\$ 4,516,246	\$ 4,475,631	\$ 4,686,135	\$ 4,594,387	\$ 4,793,854	\$ 4,702,866
Financing:							
State General Fund	\$ 3,814,483	\$ 3,936,916	\$ 3,897,950	\$ 4,071,320	\$ 3,981,818	\$ 4,226,659	\$ 4,137,861
All Other Funds	795,017	579,330	577,681	614,815	612,569	567,195	565,005
TOTAL	\$ 4,609,500	\$ 4,516,246	\$ 4,475,631	\$ 4,686,135	\$ 4,594,387	\$ 4,793,854	\$ 4,702,866
FTE Positions	61.1	61.1	61.1	60.6	60.6	60.6	60.6
Non-FTE Uncl. Perm. Pos.	--	--	--	0.1	0.1	0.1	0.1
TOTAL	61.1	61.1	61.1	60.7	60.7	60.7	60.7

The FY 2016 **agency** request is \$170,000, 3.8 percent, more than the revised FY 2015 request. The State General Fund portion of this increase request is \$134,000, or a 3.4 percent increase. The majority of this increase is due to an enhancement request described earlier in the document for teachers' salary increase statutorily required and adding three days to teachers' contracts. (\$93,045)

The FY 2017 **agency** request is \$108,000 more than the FY 2016 request. This includes an enhancement request described earlier in the document for teachers' salary increase statutorily required and adding three days to teachers' contracts. (\$94,251)

The **Governor's** recommendation for FY 2016 is \$4.6 million all funds, including \$4.0 million of State General Funds. This is \$91,748 less than the agency request, or 2.0 percent, all from salaries and wages. The Governor deleted funding related

to an employer contribution health insurance rate change and did not fund an enhancement adding three days to teachers' contracts. The Governor did recommend funding for a statutory increase to teachers' salaries.

C. Support Services

The Support Services program maintains eight buildings on a 9.6 acre campus. Dietary and laundry services are provided to students attending the School. Housekeeping services maintain the dormitory, hospital, recreational facilities, and grounds.

The **Governor's** recommendation for FY 2017 deletes \$90,988, or 1.9 percent, from the salary and wage category due to employer contribution health insurance rate reduction and a recommendation not to fund the agency's enhancement request to add three days to teachers' contracts.

Maintenance services provide for the operation and repair of plant facilities, maintenance of vehicles, and security. Central receiving services distributes all materials that come into the School.

SUPPORT 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	\$ 914,863	\$ 1,056,410	\$ 1,046,430	\$ 1,029,548	\$ 1,011,846	\$ 1,063,806	\$ 1,047,689
Contractual Services	296,203	307,458	307,458	294,455	294,455	296,485	296,485
Commodities	108,597	109,110	109,110	109,110	109,110	109,110	109,110
Capital Outlay	2,010	--	--	--	--	--	--
Debt Service	--	--	--	--	--	--	--
Subtotal - Operations	\$ 1,321,673	\$ 1,472,978	\$ 1,462,998	\$ 1,433,113	\$ 1,415,411	\$ 1,469,401	\$ 1,453,284
Aid to Local Units	--	--	--	--	--	--	--
Other Assistance	12,124	12,124	12,124	3,031	3,031	0	0
TOTAL	\$ 1,333,797	\$ 1,485,102	\$ 1,475,122	\$ 1,436,144	\$ 1,418,442	\$ 1,469,401	\$ 1,453,284
Financing:							
State General Fund	\$ 1,090,738	\$ 1,248,242	\$ 1,238,262	\$ 1,197,085	\$ 1,179,383	\$ 1,228,312	\$ 1,212,195
All Other Funds	243,059	236,860	236,860	239,059	239,059	241,089	241,089
TOTAL	\$ 1,333,797	\$ 1,485,102	\$ 1,475,122	\$ 1,436,144	\$ 1,418,442	\$ 1,469,401	\$ 1,453,284
FTE Positions	19.1	19.1	19.1	19.4	19.4	19.4	19.4
Non-FTE Uncl. Perm. Pos.	--	--	0.0	--	0.0	--	0.0
TOTAL	19.1	19.1	19.1	19.4	19.4	19.4	19.4

The FY 2016 **agency** request is \$1.4 million all funds, and \$1.2 million State General Funds. This total request is \$49,000 less than the FY 2015 revised request, or 3.3 percent lower.

The **Governor's** recommendation for FY 2016 is \$17,702, or 1.2 percent, less than the agency request due to a health insurance employer contribution rate change.

The FY 2017 **agency** request is \$1.5 million from all funds, and \$1.2 million from the State General Fund. This total request is \$33,000, or 2.3 percent more than the FY 2016 request.

The **Governor's** recommendation for FY 2017 is \$16,117, or 1.1 percent, less than the agency request due to a health insurance employer contribution rate change.

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
Rehabilitation and Repair	\$ 361,849	\$ 361,849	\$ 235,000	\$ 235,000	\$ 240,000	\$ 240,000
Security System Upgrade	403,191	403,191	355,902	355,902	309,817	309,817
Campus Boilers and HVAC Upgrade	0	0	69,000	69,000	60,000	60,000
Debt Service Principal	36,826	36,826	38,600	38,600	40,459	40,459
TOTAL	\$ 801,866	\$ 801,866	\$ 698,502	\$ 698,502	\$ 650,276	\$ 650,276
Financing:						
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	801,866	801,866	698,502	698,502	650,276	650,276
TOTAL	\$ 801,866	\$ 801,866	\$ 698,502	\$ 698,502	\$ 650,276	\$ 650,276

Current Year Agency Estimate

FY 2015 – Current Year. The agency estimates total expenditures of \$800,000, all from the State Institutions Building Fund. This is a \$19,643 increase, or 2.5 percent, above the FY 2015 approved budget, with this additional amount budgeted for rehabilitation and repair projects.

Rehabilitation and repair funds are used to keep the campus facilities in functional and safe condition and meet health and safety standards according to agency officials. Examples of these include upkeep on hot water tanks, repair of masonry, electrical motors, sheetrock, and other such infrastructure

elements. In FY 2015, this will include improvements to the main campus gate, driveway, and fencing.

Safety and security upgrades include a multi-phase project that started in FY 2011. The first two phases are in the final stages of completion and include fire safety upgrades in compliance with the Americans with Disabilities Act (ADA) requirements, security camera installation, and mass notification systems. The final phase, underway currently, includes redesign and construction of secure entrances, tornado shelters, and back up generator installation.

Debt service principal is payment on an energy service performance contract with debt retirement in FY 2018.

Current Year Governor Recommendation

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

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests \$698,502, all from the State Institutions Building Fund for FY 2016. This is a \$103,000 decrease, or 12.9 percent, below the revised estimated budget for FY 2015, primarily because the work on securing entrances will be nearing completion.

Projects include \$235,902 for the fire and mass notification systems and maintenance; \$120,000 for the secure entrances work; \$235,000 for major maintenance and repairs; \$69,000 for the HVAC efficiency upgrades; and \$38,600 for debt service.

Budget Year Governor Recommendation

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

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests \$650,276, all from the State Institutions Building Fund for FY 2017. This is a \$48,226 decrease or 6.9 percent, below the revised estimated budget for FY 2016, primarily because the work securing entrances decreases as well as heating, ventilation, and air

conditioning upgrades decrease. Projects include \$309,817 for the fire and mass notification systems and maintenance; \$240,000 for major maintenance and repairs; \$60,000 for the HVAC efficiency upgrades; and \$40,459 for debt service.

Budget Year Governor Recommendation

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

PERFORMANCE MEASURES

<u>Measure</u>	<u>Gov. Rec. for FY 2014</u>	<u>Actual FY 2014</u>	<u>Gov. Rec. FY 2015</u>	<u>Gov. Rec. FY 2016</u>	<u>Gov. Rec. FY 2017</u>
Percentage of students making exceptional progress or reaching mastery on individualized education plan goals	95.0%	95.0%	95.0%	95.0%	95.0%
Percentage of seniors who successfully graduate	100.0%	100.0%	100.0%	100.0%	100.0%