

BUDGET ANALYSIS

FISCAL YEAR 2023

Submitted to the 2022 Kansas Legislature

KLRD

*Providing objective research and fiscal
analysis for the Kansas Legislature*

Volume II

Agriculture and Natural Resources

Education

Human Services

Public Safety

Transportation

Kansas Legislative Research Department
February 2022

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FOREWORD

The *Fiscal Year 2023 Budget Analysis* is provided to assist the Legislature in the review of agency budget requests and the Governor's budget recommendations for fiscal years 2022 and 2023.

Function of Government

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This report contains the individual analyses of state agency budgets, including the agency budget requests and the Governor's recommendations. The Legislative Research Department's analysis pertains to the Governor's recommendations as originally reported in Volumes 1 and 2 of the Governor's Budget Report as submitted to the Legislature.

This document groups agencies by the function of government into which each agency is classified. There are six functions of government into which agencies are grouped, with similar agencies grouped that share similar basic purposes.

Volume I of this publication contains the Overview of the FY 2023 Governor's Budget Report and agencies in General Government.

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

LEGISLATIVE FISCAL ANALYST ASSIGNMENTS—FY 2023

Abstracters' Board of Examiners **SHEIKH, HARRIS** (785-296-7878)
Adjutant General's Department **RIEDEL, MURL** (785-296-3184)
Behavioral Sciences Regulatory Board **DE BOER, MARTIN** (785-296-4439)
Board of Accountancy **LaMUNYON, DAYTON** (785-296-4405)
Board of Barbering **SHEIKH, HARRIS** (785-296-7878)
Board of Cosmetology **SHEIKH, HARRIS** (785-296-7878)
Board of Examiners in Optometry **LaMUNYON, DAYTON** (785-296-4405)
Board of Indigents' Defense Services **DE BOER, MARTIN** (785-296-4439)
Board of Nursing **LEOPOLD, MEGAN** (785-296-4419)
Board of Tax Appeals **LaMUNYON, DAYTON** (785-296-4405)
Board of Technical Professions **SHEIKH, HARRIS** (785-296-7878)
Board of Veterinary Examiners **POTTS, VICTORIA** (785-296-7250)
Citizens' Utility Ratepayer Board **POTTS, VICTORIA** (785-296-7250)
Department for Children and Families **CAINE, CHARDAE** (785-296-3183)
Department of Administration **WU, STEVEN** (785-296-4447)
Emergency Medical Services Board **MORROW, SHIRLEY** (785-296-3542)
Emporia State University **MORROW, SHIRLEY** (785-296-3542)
Fort Hays State University **MORROW, SHIRLEY** (785-296-3542)
Governmental Ethics Commission **CAINE, CHARDAE** (785-296-3183)
Health Care Stabilization Fund Board of Governors **DE BOER, MARTIN** (785-296-4439)
Judicial Branch **WU, STEVEN** (785-296-4447)
Judicial Council **WU, STEVEN** (785-296-4447)
Kansas Board of Hearing Aid Examiners **LaMUNYON, DAYTON** (785-296-4405)
Kansas Board of Pharmacy **MORROW, SHIRLEY** (785-296-3542)
Kansas Bureau of Investigation **CAINE, CHARDAE** (785-296-3183)
Kansas Commission on Peace Officers' Standards and Training **RIEDEL, MURL** (785-296-3184)
Kansas Commission on Veterans Affairs Office **DE BOER, MARTIN** (785-296-4439)
Kansas Corporation Commission **POTTS, VICTORIA** (785-296-7250)
Kansas Dental Board **LEOPOLD, MEGAN** (785-296-4419)
Kansas Department for Aging and Disability Services **MOORE, MATTHEW** (785-296-6684)
Kansas Department of Agriculture **POTTS, VICTORIA** (785-296-7250)
Kansas Department of Commerce **DEAR, DYLAN** (785-296-0665)
Kansas Department of Corrections **RIEDEL, MURL** (785-296-3184)
Kansas Department of Credit Unions **MOORE, MATTHEW** (785-296-6684)
Kansas Department of Health and Environment **LEOPOLD, MEGAN** (785-296-4419)
Kansas Department of Labor **POTTS, VICTORIA** (785-296-7250)
Kansas Department of Revenue **DEAR, DYLAN** (785-296-0665)
Kansas Department of Transportation **DEAR, DYLAN** (785-296-0665)
Kansas Department of Wildlife and Parks **POTTS, VICTORIA** (785-296-7250)
Kansas Guardianship Program **LaMUNYON, DAYTON** (785-296-4405)
Kansas Highway Patrol **LEOPOLD, MEGAN** (785-296-4419)
Kansas Human Rights Commission **SHEIKH, HARRIS** (785-296-7878)
Kansas Insurance Department **DE BOER, MARTIN** (785-296-4439)
Kansas Lottery **LaMUNYON, DAYTON** (785-296-4405)
Kansas Neurological Institute **MOORE, MATTHEW** (785-296-6684)
Kansas Public Employees Retirement System **WU, STEVEN** (785-296-4447)
Kansas Racing and Gaming Commission **LaMUNYON, DAYTON** (785-296-4405)
Kansas Sentencing Commission **RIEDEL, MURL** (785-296-3184)
Kansas State Board of Healing Arts **MORROW, SHIRLEY** (785-296-3542)
Kansas State Board of Mortuary Arts **LaMUNYON, DAYTON** (785-296-4405)
Kansas State Department of Education **HULL, GABRIELLE** (785-296-7879)
Kansas State Fair **POTTS, VICTORIA** (785-296-7250)
Kansas State School for the Blind **HULL, GABRIELLE** (785-296-7879)
Kansas State School for the Deaf **HULL, GABRIELLE** (785-296-7879)
Kansas State University **MORROW, SHIRLEY** (785-296-3542)
KSU-Agricultural Extension **MORROW, SHIRLEY** (785-296-3542)
KSU-Veterinary Medical Center **MORROW, SHIRLEY** (785-296-3542)
Kansas Water Office **POTTS, VICTORIA** (785-296-7250)
Larned State Hospital **MOORE, MATTHEW** (785-296-6684)
Legislative Coordinating Council **DECKARD, AMY** (785-296-4429)
Legislative Division of Post Audit **DECKARD, AMY** (785-296-4429)
Legislative Research Department **DECKARD, AMY** (785-296-4429)
Legislature **DECKARD, AMY** (785-296-4429)
Office of Administrative Hearings **SHEIKH, HARRIS** (785-296-7878)
Office of Information and Technology Services **FISHER, JAMES** (785-296-6490)
Office of the Attorney General **WU, STEVEN** (785-296-4447)
Office of the Governor **DEAR, DYLAN** (785-296-0665)
Office of the Revisor of Statutes **DECKARD, AMY** (785-296-4429)
Office of the Secretary of State **DEAR, DYLAN** (785-296-0665)
Office of the State Bank Commissioner **MOORE, MATTHEW** (785-296-6684)
Office of the State Treasurer **LaMUNYON, DAYTON** (785-296-4405)
Osawatimie State Hospital **MOORE, MATTHEW** (785-296-6684)
Parsons State Hospital **MOORE, MATTHEW** (785-296-6684)
Pittsburg State University **MORROW, SHIRLEY** (785-296-3542)
Pooled Money Investment Board **LaMUNYON, DAYTON** (785-296-4405)
Postsecondary Education Systemwide **MORROW, SHIRLEY** (785-296-3542)
Real Estate Appraisal Board **DE BOER, MARTIN** (785-296-4439)
Real Estate Commission **DE BOER, MARTIN** (785-296-4439)
State Fire Marshal **MORROW, SHIRLEY** (785-296-3542)
State Historical Society **DE BOER, MARTIN** (785-296-4439)
State Institutions for Intellectual Disabilities **MOORE, MATTHEW** (785-296-6684)
State Institutions for Mental Health **MOORE, MATTHEW** (785-296-6684)
State Library **HULL, GABRIELLE** (785-296-7879)
University of Kansas **MORROW, SHIRLEY** (785-296-3542)
University of Kansas Medical Center **MORROW, SHIRLEY** (785-296-3542)
Wichita State University **MORROW, SHIRLEY** (785-296-3542)

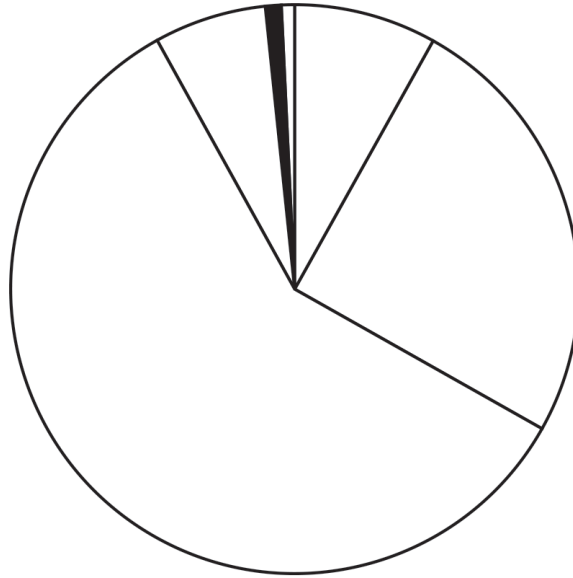
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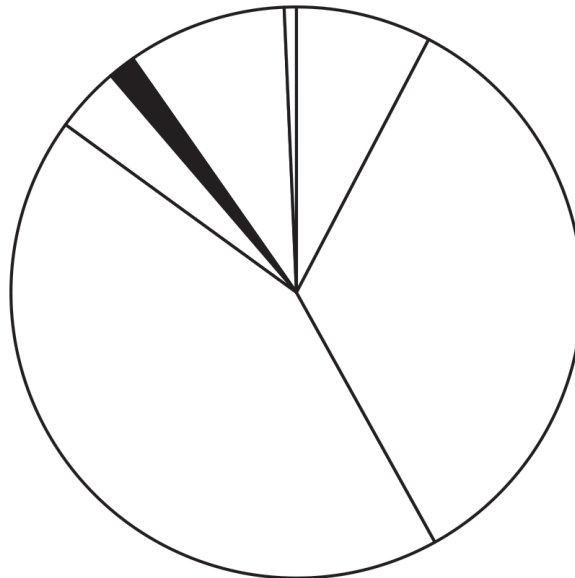
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AGRICULTURE AND NATURAL RESOURCES

State General Fund



All Funds



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

The Governor's FY 2023 recommendation for the Agriculture and Natural Resources function totals \$350.3 million from all funding sources, including \$80.5 million from the State General Fund.

Agencies in this Function:		The FY 2023 recommendation represents a State General Fund increase of 406.6 percent, or \$64.6 million, above the FY 2022 amount. Expenditures from all funds decrease by 6.5 percent, or \$24.4 million, below the FY 2022 amount.
<i>Kansas Department of Agriculture</i>769	
<i>Department of Wildlife and Parks</i>798	
<i>Kansas Water Office</i>828	
<i>Kansas State Fair</i>847	

A total of 1,336.9 FTE positions are recommended by the Governor for the Agriculture and Natural Resources function for FY 2023, which is a decrease of 4.0 FTE positions below FY 2022. Of all state FTE positions, 3.2 percent are in this function.

Agencies in this function comprise 0.9 percent of the total State General Fund budget in FY 2023, which a 0.7 percent increase above the 0.2 percent in FY 2022. They comprise 1.5 percent of expenditures from all funding sources in FY 2023, which is a decrease of 0.1 percent below the 1.6 percent in FY 2022.

KANSAS DEPARTMENT OF AGRICULTURE

FY 2021 – FY 2023 BUDGET ANALYSIS

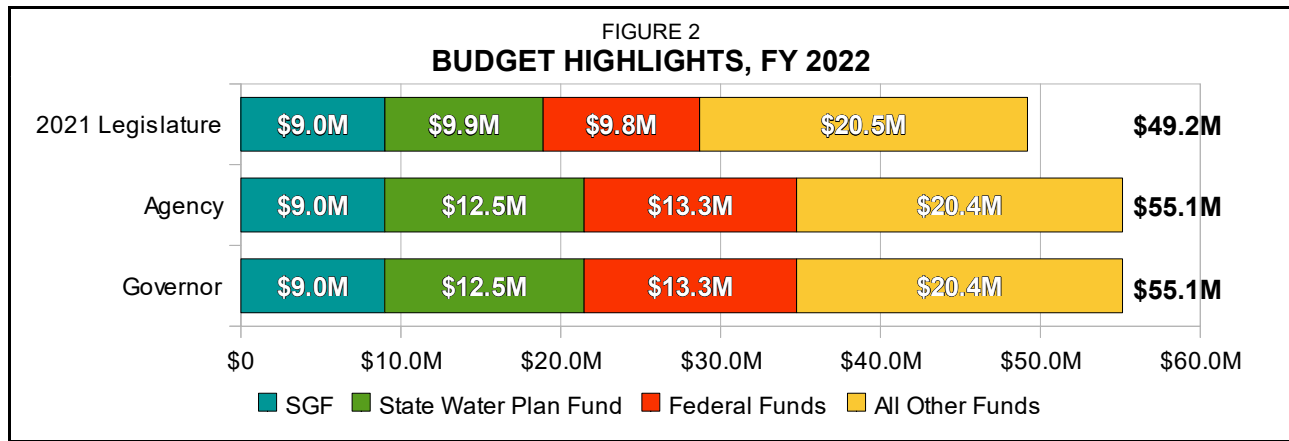
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 9,435,156	\$ 8,994,107	\$ 8,994,107	\$ 10,310,491	\$ 10,128,243
Federal Funds	15,050,991	13,295,867	13,295,867	12,925,358	12,889,358
All Other Funds	28,355,453	32,841,872	32,841,872	31,266,353	31,266,353
<i>Subtotal</i>	<u>\$ 52,841,600</u>	<u>\$ 55,131,846</u>	<u>\$ 55,131,846</u>	<u>\$ 54,502,202</u>	<u>\$ 54,283,954</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 52,841,600</u>	<u>\$ 55,131,846</u>	<u>\$ 55,131,846</u>	<u>\$ 54,502,202</u>	<u>\$ 54,283,954</u>
Percentage Change:					
State General Fund	2.5 %	(4.7) %	(4.7) %	14.6 %	12.6 %
All Funds	2.9 %	4.3 %	4.3 %	(1.1) %	(1.5) %
FTE Positions	297.0	332.0	332.0	345.0	336.0

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

The Kansas Department of Agriculture is responsible for implementing food safety, consumer and environmental protection, and water resource allocation programs. This includes the assurance of safe meat, milk, and egg supply; safety of the food supply through inspection at food processing and retail establishments; the responsible and judicious use of pesticides and nutrients; the protection of Kansas' natural and cultivated plants; the integrity of weighing and measuring devices in commerce; and that the waters of Kansas are put to beneficial use.

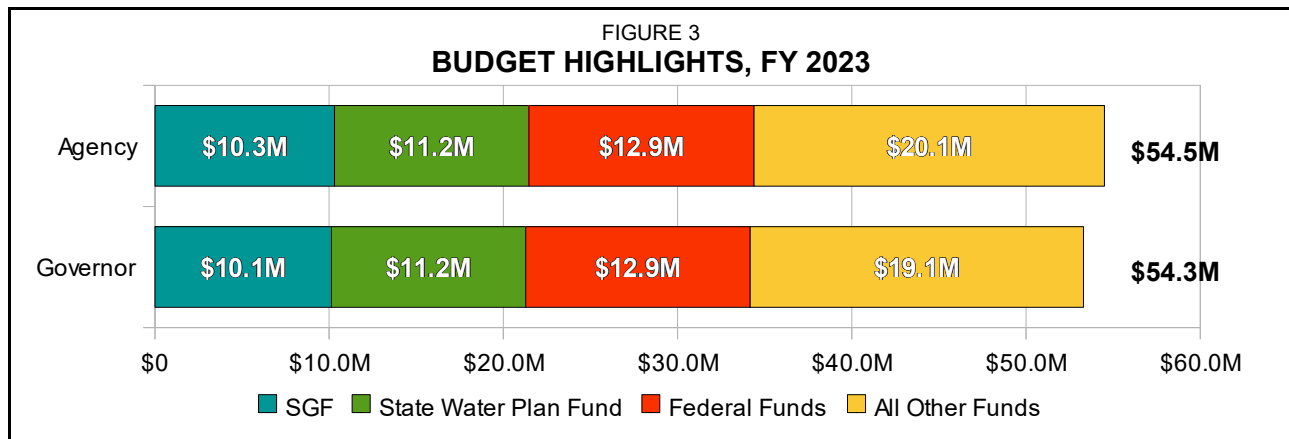
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$49.2 million appropriated to the Kansas Department of Agriculture for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes an increase of \$8,086 based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.



The **agency** estimates FY 2022 revised expenditures of \$55.1 million, including \$9.0 million from the State General Fund (SGF). This is an all funds increase of \$5.9 million, or 12.0 percent, and an SGF decrease of \$20,134, or 0.2 percent, from the FY 2022 approved amount. The all funds increase is primarily due to State Water Plan Fund reappropriations totaling \$2.6 million. The increase is also caused by increased receipt of federal funds for floodplain mapping and animal feed testing. Additionally, the agency estimates increased expenditures on software maintenance in the Conservation program, vehicles, and laboratory equipment.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** requests FY 2023 expenditures of \$54.5 million, including \$10.3 million SGF. This is an all funds decrease of \$629,644, or 1.1 percent, and an SGF increase of \$1.3 million, or 14.7 percent, from the FY 2022 revised estimate. The all funds decrease is primarily due to decreased State Water Plan Fund expenditures, which were higher in FY 2022 due to reappropriations. The decrease is also caused by the completion of a software maintenance project in FY 2022 in the Conservation program, decreased receipt of federal funds, and decreased expenditures on laboratory equipment. These decreases are partially offset by the agency's State Water Plan Fund and SGF enhancements. The SGF increase is due to the agency's enhancement requests.

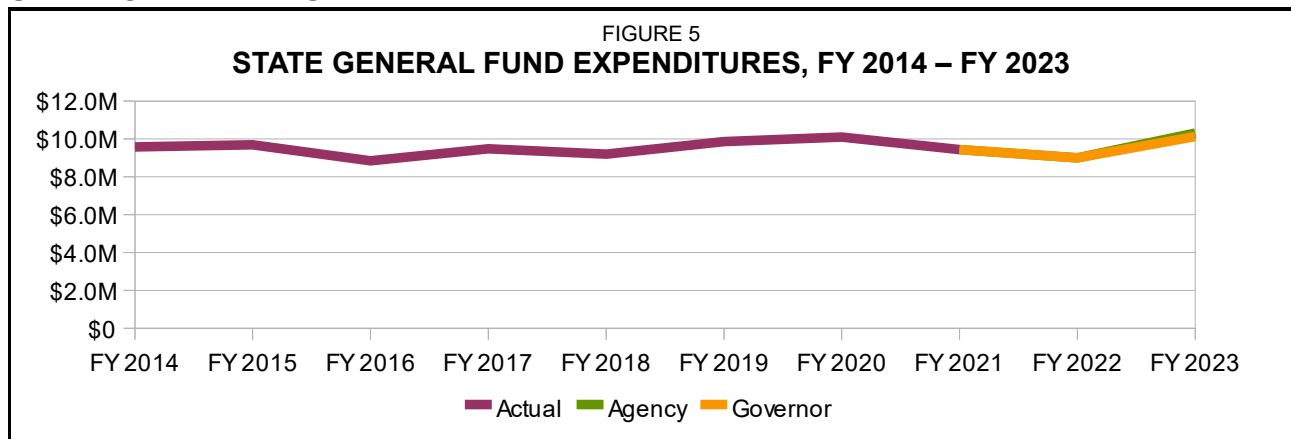
The **Governor** recommends FY 2023 expenditures of \$54.3 million, including \$10.1 million SGF. This is an all funds decrease of \$218,248, or 0.4 percent, and an SGF decrease of \$182,248, or 1.8 percent, below the agency's FY 2023 request. This decrease is due to the Governor not recommending the agency's enhancement requests for salary raises for engineers in the Dam Safety and Water Appropriations programs and for inspectors in the Meat and Poultry programs.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 22,543,730	\$ 24,452,674	\$ 24,452,674	\$ 25,739,147	\$ 25,520,899
Contractual Services	16,961,454	18,728,621	18,728,621	18,138,248	18,138,248
Commodities	767,668	911,277	911,277	905,560	905,560
Capital Outlay	1,580,440	1,102,323	1,102,323	1,105,155	1,105,155
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 41,853,292	\$ 45,194,895	\$ 45,194,895	\$ 45,888,110	\$ 45,669,862
Aid to Local Units	2,192,637	2,223,373	2,223,373	2,473,373	2,473,373
Other Assistance	8,795,671	7,713,578	7,713,578	6,140,719	6,140,719
Subtotal—Operating	\$ 52,841,600	\$ 55,131,846	\$ 55,131,846	\$ 54,502,202	\$ 54,283,954
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 52,841,600	\$ 55,131,846	\$ 55,131,846	\$ 54,502,202	\$ 54,283,954
Financing:					
State General Fund	\$ 9,435,156	\$ 8,994,107	\$ 8,994,107	\$ 10,310,491	\$ 10,128,243
State Water Plan	10,754,576	12,465,535	12,465,535	11,153,315	11,153,315
Fund					
Economic	983,664	983,664	983,664	983,664	983,664
Development					
Initiatives Fund					
Federal Funds	15,050,991	13,295,867	13,295,867	12,925,358	12,889,358
All Other Funds	16,617,213	19,392,673	19,392,673	19,129,374	19,129,374
TOTAL	\$ 52,841,600	\$ 55,131,846	\$ 55,131,846	\$ 54,502,202	\$ 54,283,954
FTE Positions	297.0	332.0	332.0	345.0	336.0

STATE GENERAL FUND



For the Kansas Department of Agriculture, SGF actual expenditures average \$9.5 million from FY 2014 to FY 2021. FY 2022 budgeted expenditures decrease slightly due to the implementation of a reduced resources budget. The agency request for FY 2023 increases due to several SGF enhancement requests. The Governor's recommendation for FY 2023 is a slight decrease from the agency request due to not recommending salary increases for engineers and inspectors.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 9,006,155	\$ 40,189,151	\$ 49,195,306	342.1
1. SGF Reappropriation	8,086	-	8,086	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 9,014,241</i>	<i>\$ 40,189,151</i>	<i>\$ 49,203,392</i>	<i>342.1</i>
Agency Revised Estimate:				
2. State Water Plan Fund Reappropriation	\$ -	\$ 2,566,000	\$ 2,566,000	--
3. Water Structures Federal Funds	-	2,238,812	2,238,812	--
4. FDA Federal Funds	-	950,943	950,943	--
5. Conservation Program Databases	-	250,784	250,784	--
6. Vehicles	-	103,664	103,664	--
7. Laboratory Equipment	-	129,499	129,499	--
8. Unfunded Positions	-	-	-	(10.1)
9. All Other Adjustments	(20,134)	(291,114)	(311,248)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 8,994,107</i>	<i>\$ 40,189,151</i>	<i>\$ 55,131,846</i>	<i>332.0</i>
Governor's Recommendation:				
10. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 8,994,107	\$ 40,189,151	\$ 55,131,846	332.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$49.2 million appropriated to the Kansas Department of Agriculture for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** An increase of \$8,086 based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.

AGENCY ESTIMATE

The **agency** estimates FY 2022 revised expenditures of \$55.1 million, including \$9.0 million SGF. This is an all funds increase of \$5.9 million, or 12.0 percent, and an SGF decrease of \$20,134, or 0.2 percent, from the FY 2022 approved amount.

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

2. **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency's revised estimate includes \$2.6 million in reappropriations from the State Water Plan Fund. The largest reappropriations were in the riparian and wetland, water quality buffer initiative, conservation reserve enhancement, and basin management programs.
3. **WATER STRUCTURES FEDERAL FUNDS.** The agency estimates an additional \$2.2 million in federal grant funds for floodplain mapping and topography acquisition in FY 2022.
4. **FDA FEDERAL FUNDS.** The federal U.S. Food and Drug Administration awarded the agency an additional \$950,943 in federal grant money for the Laboratory Flexible Funding and Animal Feed and Regulatory Program Standards programs. As a

cooperative effort between the Laboratory and the Dairy and Feed Safety programs, grant money will be utilized to analyze animal and human food products in order to maintain the Animal Feed Regulatory Program Standards, which aim to establish uniform standards for the regulation of animal food. The Laboratory Flexible Funding Model aims to enhance the capability and capacity of state human and animal feed testing laboratories in order to create an integrated food safety system.

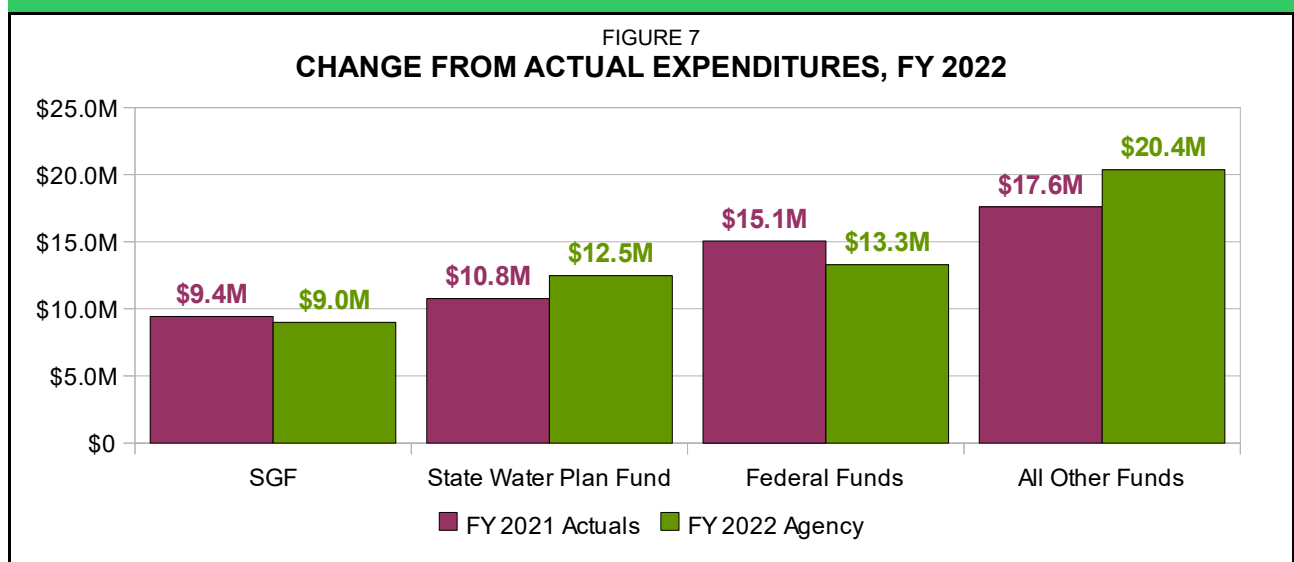
5. **CONSERVATION PROGRAM DATABASES.** The agency estimates increased expenditures in the Conservation program for maintenance on its Reclamation and Ag Lime Information System (RALIS) and its Cost-Share Information Management System (CSIMS) in FY 2022. RALIS is used to license and register manufacturers of liming materials. CSIMS is utilized by the Division of Water Resources to coordinate cost-share projects with conservation districts and other entities. This is a one-time maintenance project causing an increase of \$250,784 in FY 2022.
6. **VEHICLE PURCHASES.** The agency's revised estimate includes an increase of \$103,664, all from special revenue funds, to purchase vehicles across several programs.
7. **LABORATORY EQUIPMENT.** The agency laboratory relocated from Topeka to Manhattan in March 2020. The laboratory works with several agency programs to perform microbial and chemical testing. The agency's revised estimate includes increased expenditures of \$129,499, all from special revenue funds, on equipment for the agency's laboratory.
8. **UNFUNDED POSITIONS.** The agency's approved FTE number included 10.1 unfunded positions that have been removed from the FTE number in the revised estimate.
9. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other minor adjustments for decreased expenditures on items such as rent, communication services, and travel.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2022 revised estimate.

10. **NO CHANGES.** The Governor concurs with the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$55.1 million, including \$9.0 million SGF. This is an all funds increase of \$2.3 million, or 4.3 percent, and an SGF decrease of \$441,049, or 4.7 percent, from the FY 2021 actual expenditures. The SGF decrease is primarily due to the implementation of the agency's reduced resources budget in FY 2022, partially offset by increased expenditures on rent, laboratory expenses, and information technology services. The all funds increase is primarily due to State Water Plan Fund reappropriations.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 8,994,107	\$ 40,189,151	\$ 55,131,846	332.0
Agency Request:				
1. SGF Enhancements	\$ 1,404,505	\$ 245,768	\$ 1,650,273	12.0
2. State Water Plan Fund Enhancements	-	1,603,780	1,603,780	--
3. State Water Plan Fund Reappropriations	-	(2,566,000)	(2,566,000)	--
4. Conservation Program Database	-	(220,784)	(220,784)	--
5. Laboratory Equipment	-	(140,536)	(140,536)	--
6. Federal Funds	-	(616,277)	(616,277)	--
7. Litigation Costs	(30,000)	-	(30,000)	
8. Grain Warehouse Program	(60,000)	-	(60,000)	
9. All Other Adjustments	1,879	(251,979)	(250,100)	1.0
Subtotal—Agency Request	\$ 10,310,491	\$ 38,243,123	\$ 54,502,202	345.0
Governor's Recommendation:				
10. Enhancement- Meat and Poultry Inspector Salary Increases	\$ (36,000)	\$ (36,000)	\$ (72,000)	(3.0)
11. Enhancement- Water Appropriations Engineer Salary Increases	(40,000)	-	(40,000)	--
12. Enhancement- Dam Safety Engineer Salary Increases	(106,248)	-	(106,248)	(3.0)
13. Additional Animal Health FTE Positions	-	-	-	(3.0)
TOTAL	\$ 10,128,243	\$ 38,243,123	\$ 54,283,954	336.0

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$54.5 million, including \$10.3 million SGF. This is an all funds decrease of \$629,644, or 1.1 percent, and an SGF increase of \$1.3 million, or 14.7 percent, from the FY 2022 revised estimate.

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

- 1. SGF ENHANCEMENTS.** The agency request includes enhancements totaling \$1.7 million, including \$1.4 million from the SGF. These enhancements are primarily requested for salaries and wages in the Animal Health, Meat and Poultry, and Division of Water Resources programs. These enhancements are detailed in the Supplemental and Enhancement section of this document.
- 2. STATE WATER PLAN FUND ENHANCEMENTS.** The agency request includes \$1.6 million in enhancements from the State Water Plan Fund. These enhancements are for a variety of programs including the Water Resources Cost Share Program, conservation district aid, and streambank stabilization. These enhancements are detailed in the Supplemental and Enhancement sections in this document.
- 3. STATE WATER PLAN FUND REAPPROPRIATIONS.** As noted in the FY 2022 analysis, \$2.6 million of unspent State Water Plan Fund moneys were carried over from FY 2021 to FY 2022. There are no carry-over funds for FY 2023, which causes a

decrease. This decrease is partially offset by the State Water Plan Fund enhancement requests noted above.

4. **CONSERVATION PROGRAM DATABASE.** In FY 2022, the agency estimated increased expenditures for maintenance for its Reclamation and Ag Lime Information System (RALIS) and its Cost-Share Information Management System (CSIMS). RALIS is used to license and register manufacturers of liming materials. CSIMS is utilized by the Division of Water Resources to coordinate cost-share projects with conservation districts and other entities. The majority of this maintenance project is projected to be completed in FY 2022, reducing expenses for FY 2023.
5. **LABORATORY EQUIPMENT.** The agency's request includes decreased expenditures on laboratory equipment, resulting in a decrease of \$140,536 for FY 2023.
6. **FEDERAL FUNDS.** For FY 2023, the agency is expecting to receive less in federal funding as compared to FY 2022. These funds include grants for the administration of the Watershed Restoration and Protection Strategy Program and one-time grants through the 2018 Farm Bill for education and training on animal disease outbreak.
7. **LITIGATION COSTS.** The 2021 Legislature added \$30,000 SGF for litigation costs for the Audubon of Kansas lawsuit concerning water rights of the Quivira National Wildlife Refuge for FY 2022. These SGF moneys are not budgeted for FY 2023. The case was dismissed in October 2021.
8. **GRAIN WAREHOUSE PROGRAM.** The 2021 Legislature added \$60,000 SGF for a grain inspector position and other Grain Warehouse Program expenditures in FY 2022. These SGF moneys are not budgeted for FY 2023.
9. **ALL OTHER ADJUSTMENTS.** The agency request includes a \$251,979 decrease in miscellaneous operational changes and other adjustments including decreases in information technology services. This is slightly offset by a \$1,879 SGF increase.

The agency request also notes that the agency supports the full restoration of the SGF and Economic Development Initiatives Fund transfers to the State Water Plan Fund for FY 2023.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2023 expenditures of \$54.3 million, including \$10.1 million SGF. This is an all funds decrease of \$218,248, or 0.4 percent, and an SGF decrease of \$182,248, or 1.8 percent, below the agency's FY 2023 request.

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

10. **ENHANCEMENT—MEAT AND POULTRY INSPECTOR SALARY INCREASES.** The Governor does not recommend \$72,000, including \$36,000 SGF, to provide salary increases for the Meat and Poultry program inspectors. The Governor also does not recommend 3.0 of the requested 6.0 FTE positions.
11. **ENHANCEMENT—WATER APPROPRIATIONS ENGINEER SALARY INCREASES.** The Governor does not recommend \$40,000 SGF for salary increases for engineers in the Water Appropriations program.

12. **ENHANCEMENT—DAM SAFETY ENGINEER SALARY INCREASES.** The Governor does not recommend \$106,248 SGF for salary increases for engineers in the Dam Safety program or the requested 3.0 additional FTE positions for additional engineers.
13. **ADDITIONAL POSITIONS.** The Governor recommends filling the requested attorney and Animal Health positions from existing vacant positions rather than adding additional FTE positions.

ENHANCEMENT REQUESTS

The agency's FY 2023 request includes 12 enhancement requests totaling \$3.3 million, including \$1.4 million SGF. Requests 1 through 5 described below are SGF enhancement requests and primarily concern new positions and salary increases. Requests 6 through 12 are State Water Plan Fund enhancements.

REQUEST 1

ANIMAL FACILITIES INSPECTION PROGRAM

Item	SGF	All Funds	FTE
Attorney Position	\$ 94,390	\$ 94,390	1.0
Inspector Positions			
<i>Salaries and Wages</i>	241,339	241,339	2.0
<i>Rent, Travel, Equipment, and Communication Services</i>	58,000	58,000	-
<i>Vehicles</i>	40,000	40,000	-
Shelter Funding	50,000	50,000	-
TOTAL	\$ 483,729	\$ 483,729	3.0

The **agency** requests \$483,729 SGF and 3.0 FTE positions to fully staff and fund resources in the Animal Facilities Inspection Program. Of this amount, \$335,729 is budgeted for salaries and wages for an attorney, two inspector positions, and to provide salary increase for current inspectors; \$58,000 is for travel, communication, equipment, and rent costs for the new inspector positions; \$40,000 is for the purchase of a vehicle for each inspector; and \$50,000 is for a shelter reimbursement program for small animals that have been seized due to health and safety concerns.

The **Governor** recommends \$483,729 for this request. The Governor does not recommend the additional 3.0 FTE positions and recommends filling the requested attorney and Animal Health positions from existing vacant positions rather than adding additional FTE positions.

REQUEST 2

MEAT AND POULTRY PROGRAM INSPECTORS

Item	SGF	All Funds	FTE
Inspector Positions			
<i>Salaries and Wages</i>	\$ 215,767	\$ 431,534	6.0
<i>Rent, Travel, Equipment, and Communication Services</i>	30,000	60,000	-
<i>Vehicles</i>	120,000	120,000	-
TOTAL	\$ 365,767	\$ 611,534	6.0

The **agency** notes that the COVID-19 pandemic has significantly increased the number and volume of local meatpacking and slaughter facilities. To meet the demand for inspections, the agency is requesting \$611,534 in enhancement funding and 6.0 FTE positions for additional inspectors and for salary increases for current inspectors. This program is a cooperative effort with the U.S. Department of Agriculture; all costs will be matched one to one with federal funds, except for vehicle purchases. Of the \$611,534, \$365,767 is SGF moneys and \$245,768 is federal funds.

The **Governor** recommends \$539,534, including \$329,766 SGF, and 3.0 FTE positions for filling vacant inspector positions, travel expenses, and vehicle purchases. The Governor does not recommend the \$72,000 requested for salary increases.

REQUEST 3

WATER APPROPRIATIONS PROGRAM SALARY INCREASES

Item	SGF	All Funds	FTE
Salary Increases	40,000	40,000	-
TOTAL	\$ 40,000	\$ 40,000	\$ -

The **agency** states the Division of Water Resources has high turnover in engineer positions due to private sector competition. To increase retention, the agency is requesting \$40,000, all SGF, to increase salaries for engineer positions. This funding would provide a 5.0 percent increase to 4 water commissioners, 3 assistant water commissioners, and 3 environmental scientists.

The **Governor** does not recommend adoption of this request.

REQUEST 4

DAM SAFETY PROGRAM POSITIONS

Item	SGF	All Funds	FTE
Engineer Positions and Salary Increases			
<i>Salaries and Wages</i>	\$ 403,010	\$ 403,010	3.0
<i>Rent, Travel, Equipment, and Communication Services</i>	15,000	15,000	-
<i>Vehicles</i>	72,000	72,000	-
TOTAL	\$ 490,010	\$ 490,010	\$ 3.0

The **agency** request includes \$490,010, all SGF, and 3.0 FTE positions for additional engineers and to increase existing employee salaries in its Dam Safety Program. This program is responsible for ensuring that dams are constructed to specification and for monitoring existing dams for potential failure. Of the \$490,010, \$403,010 is budgeted for salaries and wages for the 3.0 additional FTE positions and for salary increases; \$15,000 is budgeted for communication, rent, and travel expenditures; and \$72,000 is for new vehicles for the added positions.

The **Governor** recommends \$383,762, all SGF, for filling vacant engineer positions, position expenses, and vehicles purchases. The Governor does not recommend the \$106,248 requested to provide salary increases for current engineers and does not recommend the requested 3.0 additional FTE positions.

REQUEST 5
FERAL SWINE CONTROL CONTRACTS

Item	SGF	All Funds	FTE
Contract Expenditures	25,000	25,000	-
TOTAL	\$ 25,000	\$ 25,000	\$ -

As part of the FY 2022 reduced resources budget, the agency decreased its expenditures for feral swine control contracts by \$25,000. The agency notes that alternative funding available for FY 2022 will not be available for FY 2023 and is requesting \$25,000 SGF.

The **Governor** concurs with this request.

STATE WATER PLAN FUND ENHANCEMENTS

Item	Base Budget Increase	KWA Enhancement	Total
Water Resources Cost Share	\$ 200,000	\$ 250,000	\$ 450,000
Conservation District Aid	250,000	250,000	500,000
Buffer Incentive Program	100,000	-	100,000
Soil Health	103,780	-	103,780
Irrigation Technology	-	100,000	100,000
Streambank Stabilization	-	250,000	250,000
Conservation Reserve	-	100,000	100,000
Enhancement Program			
TOTAL	\$ 653,780	\$ 950,000	\$ 1,603,780

The **agency's** enhancement requests include \$653,780 in base budget increases from the State Water Plan Fund. The agency states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. Under a full restoration model, the agency also requests an additional \$950,000 in State Water Plan Fund enhancements.

REQUEST 6
WATER RESOURCES COST SHARE

The Water Resources Cost Share Program provides financial assistance to landowners for the establishment of conservation practices with the goals of preventing soil erosion, reducing sedimentation, and reducing nutrients and pesticides in public water supply reservoirs. The agency requests a base budget enhancement of \$200,000, all from the State Water Plan Fund, for the program. The agency also states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. With full restoration of the transfers, the agency requests an additional \$250,000 enhancement for the program for a total of \$450,000, all from the State Water Plan Fund.

The **Governor** concurs with this request.

REQUEST 7

CONSERVATION DISTRICT AID

This program provides matching funds to conservation districts to deliver natural resources programs. Most often these funds are used for operating expenditures for the conservation districts. The agency request includes a base budget enhancement of \$250,000, all from the State Water Plan Fund, for the program. The agency also states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. With full restoration of the transfers, the agency requests an additional \$250,000 enhancement for the program for a total of \$500,000, all from the State Water Plan Fund.

The **Governor** concurs with this request.

REQUEST 8

BUFFER INCENTIVE PROGRAM

The Buffer Incentive Program provides financial assistance to landowners to implement forest buffers and grass filter strips to prevent nutrient runoff and sedimentation. The agency requests an enhancement of \$100,000, all from the State Water Plan Fund.

The **Governor** concurs with this request.

REQUEST 9

SOIL HEALTH

This new program would provide technical and financial assistance and outreach and education to landowners to implement soil health principles for the improvement of water resources. The program's goals would include reduction of sedimentation, consumptive water use, and soil erosion. Principles include implementation of improved technology in no-till planting and use of cover crop selection tools.

The **Governor** concurs with this request.

REQUEST 10

IRRIGATION TECHNOLOGY

The **agency** states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. The irrigation technology program provides cost-share assistance to landowners to increase irrigation efficiency through implementation of practices such as soil moisture probes and mobile drip irrigation systems. The agency request includes an enhancement of \$100,000, all from the State Water Plan Fund, for this program upon full restoration of the transfers.

The **Governor** concurs with this request.

REQUEST 11

STREAMBANK STABILIZATION

The **agency** states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. This program's goal is to reduce sedimentation in priority watersheds above reservoirs. The agency is requesting an enhancement of \$250,000, all from the State Water Plan Fund, upon full restoration of the transfers.

The **Governor** concurs with this request.

REQUEST 12

CONSERVATION RESERVE ENHANCEMENT PROGRAM

The **agency** states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund. The Conservation Reserve Enhancement Program (CREP) provides financial assistance to landowners to retire water rights in the Upper Arkansas River Basin. The agency request includes an enhancement of \$100,000, all from the State Water Plan Fund, for this program upon full restoration of the transfers.

The **Governor** concurs with this request.

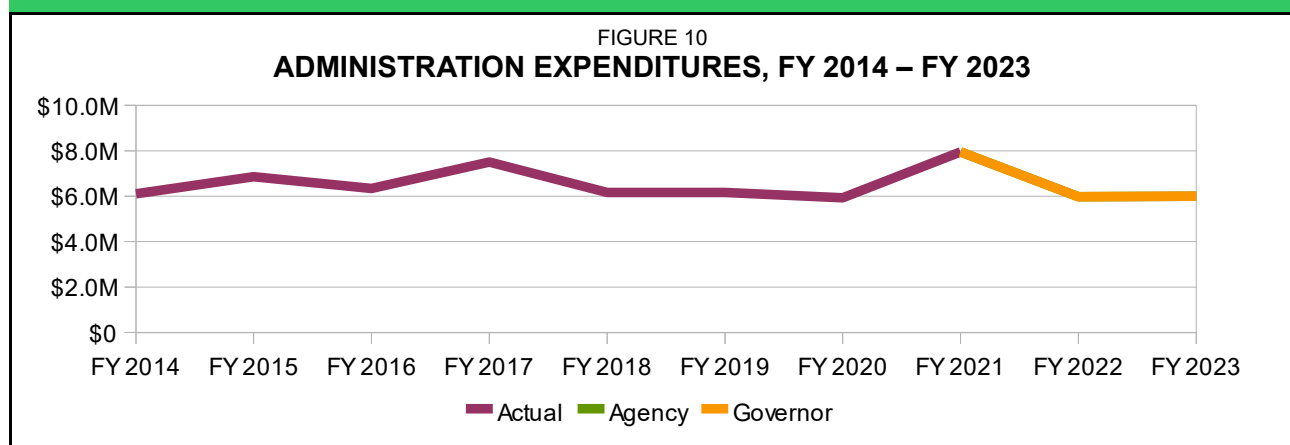
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 7,945,655	\$ 5,972,870	\$ 5,972,870	\$ 6,000,858	\$ 6,000,858
Agri-Business Services	15,348,867	16,993,399	16,993,399	17,511,061	17,439,061
Agriculture Marketing	2,424,859	2,190,152	2,190,152	2,154,970	2,154,970
Animal Health	2,999,262	3,293,520	3,293,520	3,501,827	3,501,827
Division of Water Resources	11,721,352	13,831,191	13,831,191	13,701,376	13,555,128
Conservation	12,401,605	12,850,714	12,850,714	11,632,110	11,632,110
TOTAL	\$ 52,841,600	\$ 55,131,846	\$ 55,131,846	\$ 54,502,202	\$ 54,283,954
FTE Positions:					
Administration	31.0	33.9	33.9	34.9	33.9
Agri-Business Services	165.0	187.2	187.2	194.2	191.2
Agriculture Marketing	9.0	10.5	10.5	10.5	10.5
Animal Health	18.0	20.9	20.9	22.9	20.9
Division of Water Resources	66.0	70.5	70.5	73.5	70.5
Conservation	8.0	9.0	9.0	9.0	9.0
TOTAL	297.0	332.0	332.0	345.0	336.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



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

PROGRAM GOALS:

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

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

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Vouchers per Staff Member*	1,035	1,097	1,088	1,125	1,125
2. Percent of Full-time Employees Retained*	89.5 %	81.8 %	87.4 %	86.0 %	88.5 %
3. Number of Orders Issued by Legal for all Programs*	908	409	790	700	900
4. Average Number of Processing Days for Orders in Legal*	40	29	32	35	35
5. IT User Satisfaction Rating*	95.4 %	94.3 %	94.9 %	95.0 %	96.0 %
Output Measure:					
6. Number of Vouchers Processed in SMART*	4,659	4,388	4,714	4,500	4,500
7. Number of IT Service Desk Requests*	2,678	2,751	2,715	2,800	2,800
8. Number of News Releases*	89	78	84	80	80
9. Number of Open Record Requests*	1,019	1,092	939	950	950
10. Number of Settlement Conferences Held*	98	67	127	150	150

Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,046,445	\$ 1,050,279		\$ 649,207	\$ 705,511
Federal Funds	299,214	3,279,448		169,161	113,000
All Other Funds	4,582,291	3,615,928		5,154,502	5,182,347
TOTAL	\$ 5,927,950	\$ 7,945,655		\$ 5,972,870	\$ 6,000,858
Percentage Change:					
SGF	17.6 %	0.4 %		(38.2) %	8.7 %
All Funds	(3.8) %	34.0 %		(24.8) %	0.5 %
FTE Positions	33.9	31.0		33.9	34.9

*The Governor's Office does not utilize this measure for evaluation purposes.

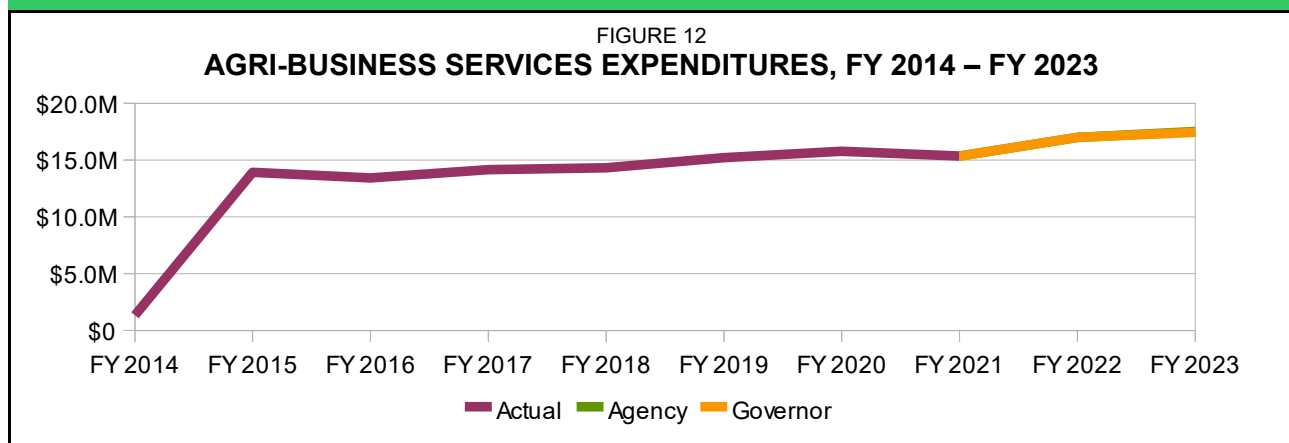
BUDGET ANALYSIS

The **agency** requests FY 2023 Administration program expenditures of \$6.0 million, including \$705,511 SGF. This is an all funds increase of \$27,988, or 0.5 percent, and an SGF increase of \$56,304, or 8.7 percent, above the FY 2022 Administration revised estimate. Both increases are primarily caused by the agency's enhancement request for one attorney who will work with the Animal Facilities Inspection

program. This is partially offset by decreased expenditures on contractual services for attorneys and on vehicle purchases for the program.

The **Governor** concurs with the agency's FY 2023 Administration program request.

AGRI-BUSINESS SERVICES



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

PROGRAM GOALS:

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

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

FIGURE 13
AGRI-BUSINESS SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent in Compliance with FDA Guidelines and National Standards	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Percent of Licensees Whose Paperwork is Reviewed Annually	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
3. Percentage of Passing Feed Samples vs. Deficient Samples Each Fiscal Year*	84.0 %	82.0 %	83.0 %	84.0 %	84.0 %
4. Regulatory Meat and Poultry Sampling in Accordance with Federal and State Requirements*	99.4 %	100.0 %	99.0 %	100.0 %	100.0 %
5. Acres of Compliant Industrial Hemp Harvested*	1,831	761	--	400	400
6. Percent of Failed Price Verification Inspections*	55.0 %	51.0 %	55.0 %	50.0 %	50.0 %
Output Measure:					
7. Percent of Laboratory Staff Completing Proficiency Testing	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
8. Percent of Kansas Food Establishment Inspected Annually	96.3 %	92.2 %	93.6 %	95.0 %	95.0 %
9. Percent of Licensed Warehouses Inspected Annually	92.0 %	78.0 %	89.3 %	85.0 %	100.0 %
10. Percent of Field Inspections Completed Within Established Timeframe	93.0 %	100.0 %	96.7 %	100.0 %	100.0 %
11. Number of Food and Lodging Inspections Performed*	15,836	18,058	18,375	20,500	20,500
12. Total Number of Price Verification Inspections*	361	588	623	500	500
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,024,846	\$ 2,663,715		\$ 2,808,455	\$ 3,080,971
Federal Funds	3,158,769	3,851,253		3,892,362	4,078,909
All Other Funds	9,591,813	8,833,899		10,292,582	10,279,181
TOTAL	\$ 15,775,428	\$ 15,348,867		\$ 16,993,399	\$ 17,439,061
Percentage Change:					
SGF	(0.5) %	(11.9) %		5.4 %	9.7 %
All Funds	3.6 %	(2.7) %		10.7 %	2.6 %
FTE Positions	178.0	165.0		187.2	191.2

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2023 Agri-Business Services program expenditures of \$17.5 million, including \$3.1 million SGF. This is an all funds increase of \$517,662, or 3.0 percent, and an

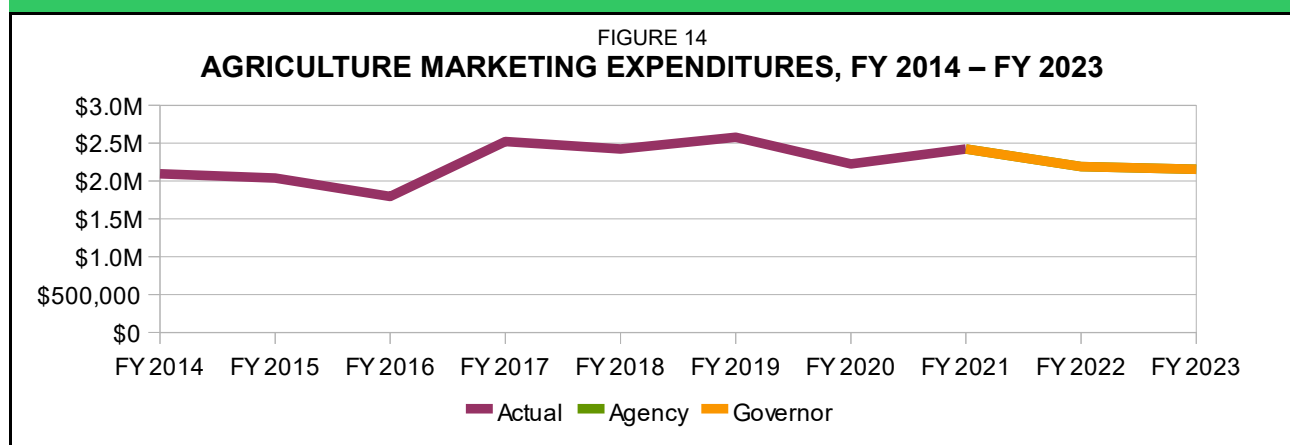
SGF increase of \$308,561, or 11.0 percent, above the FY 2022 Agri-Business Services revised estimate. Both increases are primarily caused by the agency's enhancement request

for six inspector positions. This is partially offset by decreased expenditures on laboratory equipment.

The **Governor** recommends FY 2023 Agri-Business Services program expenditures of \$17.4 million, including \$3.1 million SGF. This is an all funds decrease of \$72,000, or 0.4

percent, and an SGF decrease of \$36,000, or 1.2 percent, below the agency's FY 2023 Agri-Business Services program request. This decrease is due to the Governor not recommending the agency's enhancement request for salary increases for Meat and Poultry program inspectors.

AGRICULTURE MARKETING



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

PROGRAM GOALS:

- Serve all Kansans through innovative programming and delivering solutions designed to create an environment that facilitates growth and expansion in agriculture while increasing pride in and awareness of the state's largest industry-agriculture.
- Increase the awareness of making Kansas a potential state for the relocation or expansion of agriculture business.
- Increase and enhance export opportunities for Kansas farmers, ranchers, and agribusinesses.

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

FIGURE 15
AGRICULTURE MARKETING, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.State and Country Contribution (In Billions)*	\$ 49.2	\$ 47.3	\$ 15.7	\$ 47.5	\$ 48.5
2.International Market Development/ Total Agricultural Trade Value (In Billions)*	\$ 3.8	\$ 4.0	\$ 2.6	\$ 4.1	\$ 4.1
3.Annual Percent Growth in Kansas Dairy Industry	2.0%	8.0%	4.0%	4.0%	4.0%
Output Measure:					
4.From the Land of Kansas Membership*	349	333	328	350	360
5.Total Sales Generated by FLOK E-Commerce Member Marketing Initiatives*	\$ 62,309	\$ 70,633	\$ 62,674	\$ 71,000	\$ 72,500
6.Strategic Growth Initiatives Community Facilitations*	2	1	3	3	4
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 725,801	\$ 694,801		\$ 415,034	\$ 415,034
Federal Funds	249,768	296,649		200,870	200,869
All Other Funds	1,250,749	1,433,410		1,574,248	1,539,067
TOTAL	\$ 2,226,318	\$ 2,424,860		\$ 2,190,152	\$ 2,154,970

Percentage Change:					
SGF	0.01 %	(4.3) %		(40.3) %	-- %
All Funds	(13.7) %	8.9 %		(9.7) %	(1.6) %
FTE Positions	10.5	9.0		10.5	10.5

* The Governor's Office does not utilize this measure for evaluation purposes.

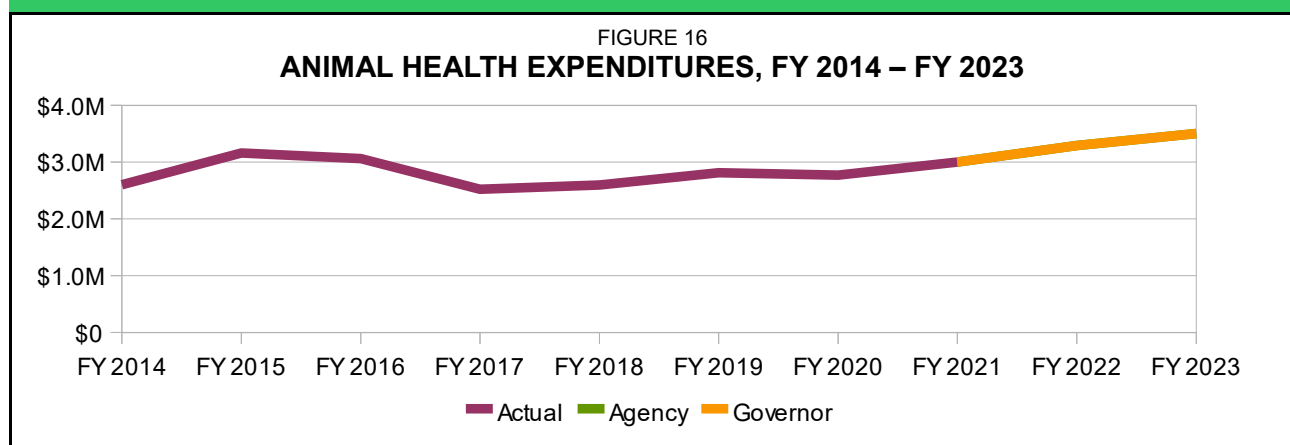
BUDGET ANALYSIS

The **agency** requests FY 2023 Agriculture Marketing program expenditures of \$2.2 million, including \$415,034 SGF. This is a decrease of \$35,182, or 1.6 percent, all from special revenue funds, below the FY 2022 Agriculture Marketing revised estimate. This decrease is

primarily due to decreased expenditures for contracts with Kansas State University.

The **Governor** concurs with the agency's Agriculture Marketing program request for FY 2023.

ANIMAL HEALTH



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

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

The Animal Health program ensures the public health, safety, and welfare of Kansas' citizens and enhances the economic viability of the state's livestock production through livestock identification, animal health planning and preparedness, disease prevention, and control and eradication of infectious and contagious livestock and domestic animal disease in Kansas. The program also regulates

facilities that produce, sell, board, train, rescue, offer for adoption, or harbor companion animals and enforces the laws governing such facilities. The program directs a Brand Registration and Inspection program, identifies ownership of lost or stolen livestock, informs the public of the status of the health of livestock in the state, and promotes understanding and gains public assistance in achieving this mission.

FIGURE 16
ANIMAL HEALTH, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Respond to Foreign Animal Disease Investigation Requests within a 4-hour Time Frame of Report*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Conduct Routine Inspections of Licensed Facilities as Outlined in Statutes, Regulations, and Internal Policies, and Conduct Pet Animal Complaint Inspections within 3 Days*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
3. Conduct and Develop at least 1 Emergency Management Exercise and Participate in 1 Non-agency Sponsored Exercise per Year*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
4. Utilize All Available Funds that are Provided from USDA and DHS in a Responsible and Effective Manner*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

FIGURE 16
ANIMAL HEALTH, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
5. Number of Foreign Animal Disease Investigations*	99	229	115	50	50
6. Number of Certificate of Veterinary Inspections*	51,614	51,110	51,126	52,000	52,000
7. Number of Official Calfhood Vaccinations*	169,000	175,000	170,000	170,000	170,000
8. Number of Avian Influenza Tests by State Staff*	1,707	3,490	2,406	3,400	3,400
9. Number of Facility Licenses Managed*	169,000	175,000	170,000	170,000	170,000
10. Percent of Animal Complaints Responded to Within Five Days	70.0%	81.0%	70.3%	85.0%	85.0%
11. Percent of Kansas Livestock Markets Inspected per Six Month Period	96.0%	95.0%	95.5%	100.0%	100.0%
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 696,426	\$ 699,055		\$ 697,776	\$ 1,112,124
Federal Funds	501,934	485,947		613,662	492,428
All Other Funds	1,573,345	1,814,260		1,982,082	1,897,276
TOTAL	\$ 2,771,705	\$ 2,999,262		\$ 3,293,520	\$ 3,501,828
Percentage Change:					
SGF	(1.0) %	0.4 %		(0.2) %	59.4 %
All Funds	(1.5) %	8.2 %		9.8 %	6.3 %
FTE Positions	18.9	18.0		20.9	22.9

*The Governor's Office does not utilize this measure for evaluation purposes.

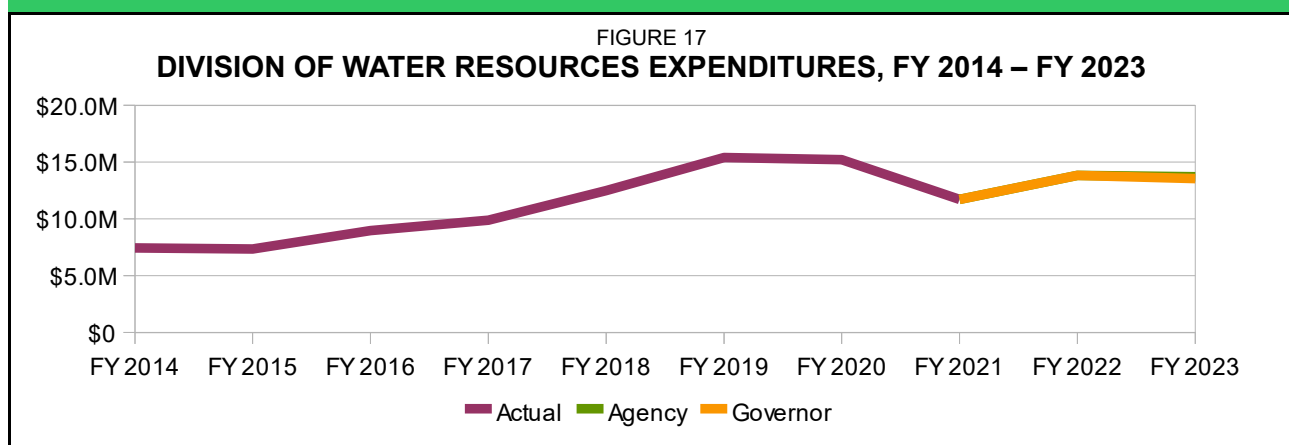
BUDGET ANALYSIS

The **agency** requests FY 2023 Animal Health program expenditures of \$3.5 million, including \$1.1 million SGF. This is an all funds increase of \$208,307, or 6.3 percent, and an SGF increase of \$414,348, or 59.4 percent, above the FY 2022 Animal Health revised estimate. Both increases are primarily due to the agency's enhancement requests for two inspector

positions and additional resources in the Animal Facilities Inspection program and for feral swine control contracts.

The **Governor** concurs with the agency's Animal Health Program request for FY 2023.

DIVISION OF WATER RESOURCES



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

PROGRAM GOALS:

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

The Division of Water Resources program includes Water Appropriations, Water Management, and Water Structures. The Water Management Services program is responsible for administrative, fiscal, legal, and legislative functions, in addition to supervising water conservation issues, data entry for the Water Rights Information System, management of the Geographic Information System, hydrologic studies, coordination with other water-related

agencies, and facilitating the stakeholder process in the state. The Water Appropriations program administers the Kansas Water Appropriations Act and rules and regulations pertaining to the management of water resources. The Water Structures program regulates human activities that affect the flow of rivers and streams to ensure such activities are properly planned, constructed, operated, and maintained.

FIGURE 18
DIVISION OF WATER RESOURCES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Protect Kansas Entitlement Under Arkansas River Compact (In Acre-feet of Water)*	147,189	98,174	137,318	150,000	150,000

FIGURE 18

DIVISION OF WATER RESOURCES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
2. Protect Kansas Entitlement Under Republican River Compact (In Acre-feet of Water)*	333,300	247,750	253,610	250,000	250,000
3. Community Interaction to Produce Accurate Floodplain Maps Based on Number of Effective Maps per Year*	1	5	3	5	5
4. Reduce NFIP** Claims Through Regulation, Community Engagement, and Public Awareness (Net Total NFIP Claims)*	\$ 99,580	\$ 730,021	\$ 3,921,207	\$ 1,000,000	\$ 1,000,000
5. Percent of Water Use Data Received Online*	90.0 %	91.2 %	89.8 %	95.0 %	95.0 %
6. Amount of Water Conserved (In Acre-feet)*	11,876	11,951	11,890	12,000	12,000
Output Measure:					
7. Acres of Colorado Inspected for Compact Compliance*	21,500	22,300	22,033	22,300	22,300
8. Hydrological Evaluations to Facilitate LEMAs, WCAs, and Management Strategies (In Staff Hours)*	5,408	5,500	5,543	5,600	5,800
9. Processing Time for Dam Permits (In Days)*	112	221	139	120	120
10. RiskMAP Public Meetings Conducted*	84	92	79	75	75
11. Water Use Reports Processed*	12,121	12,153	12,109	12,110	12,100
12. Number of Water Conservation Areas (WCAs)*	50	53	49	50	50
13. Percent of Completed Stream Obstruction, Levee, Floodplain Fill, and Channel Change Permits Processed within Established Time Frame	97.0%	97.0%	96.3%	100.0%	100.0%
14. Percent of Completed Dam Permits Processed Within Established Timeframe	100.0 %	94.0 %	92.0 %	100.0 %	100.0 %
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 4,126,352	\$ 3,890,922		\$ 3,940,655	\$ 4,331,001
Federal Funds	8,956,325	5,771,413		6,796,954	6,796,958
All Other Funds	2,127,340	2,059,017		3,093,582	2,427,169
TOTAL	\$ 15,210,017	\$ 11,721,352		\$ 13,831,191	\$ 13,555,128
Percentage Change:					
SGF	2.8 %	(5.7) %		1.3 %	9.9 %
All Funds	(1.2) %	(22.9) %		18.0 %	(2.0) %
FTE Positions	69.5	66.0		70.5	70.5

*The Governor's Office does not utilize this measure for evaluation purposes.

**National Flood Insurance Program

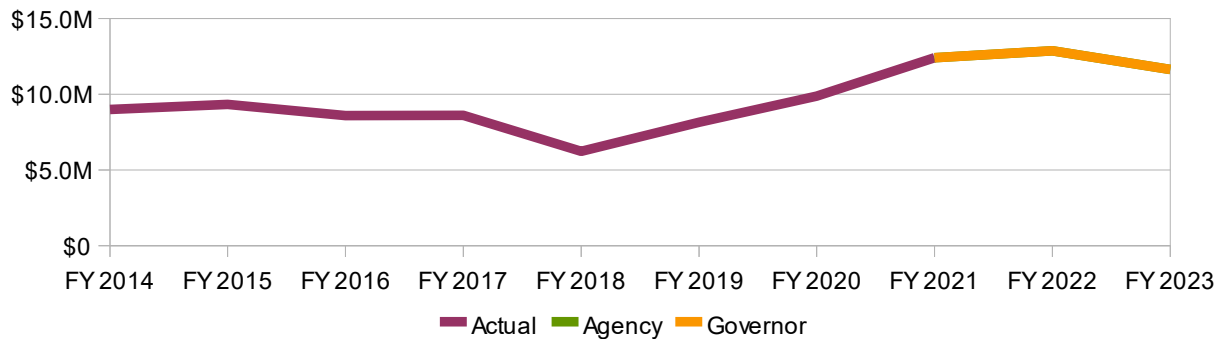
BUDGET ANALYSIS

The **agency** requests FY 2023 Division of Water Resources expenditures of \$13.7 million, including \$4.5 million SGF. This is an all funds decrease of \$129,815, or 0.9 percent, and an SGF increase of \$536,594, or 13.6 percent, from the FY 2022 Division of Water Resources revised estimate. The SGF increase is due to the agencies enhancement requests for salary increases in the Water Appropriations program and for 3.0 FTE positions and salary increases in the Dam Safety program. The all funds decrease is caused by decreased State Water Plan Fund expenditures for basin management and interstate water issues, which were higher in FY 2022 due to State Water Plan Fund reappropriations.

The **Governor** recommends FY 2023 Division of Water Resources expenditures of \$13.6 million, including \$4.3 million SGF. This is an all funds decrease of \$146,248, or 1.1 percent, and an SGF decrease of \$146,248, or 3.3 percent, below the agency's FY 2023 Division of Water Resources request. This decrease is due to the Governor not recommending the agency's enhancement requests for salary increases for engineers in the Dam Safety and Water Appropriations programs.

CONSERVATION

FIGURE 19
CONSERVATION EXPENDITURES, FY 2014 – FY 2023



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

PROGRAM GOALS:

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

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

FIGURE 20
CONSERVATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Conserve and Extend the High Plains Aquifer by Retiring Water Rights in CREP and WaterTAP Program (In Irrigated Acres Retired)*	N/A	275	--	1,288	1,144
2. Secure, Protect, and Restore Kansas Reservoirs by Implementing Streambank Stabilization Projects (In Tons of Soil Reduced)*	35,969	50,539	43,254	45,000	45,000
3. Improve Water Quality by Targeting Conservation Efforts to High Priority Areas (In Acres Protected)*	43,156	33,313	36,269	35,000	40,000
4. Effectively Provide Technical Assistance to Implement Conservation Practices on Private Land (Number of Contracts)*	36	40	37	40	36

Output Measure:										
5. Conserve and Extend High Plains Aquifer by Retiring Water Rights (Dollars Spent on CREP and WaterTAP)*	\$	-	\$	24,861	\$	20,596	\$	446,593	\$	396,593
6. Improve Water Quality by Targeting Conservation Efforts to High Priority Areas (Dollars Spent)*	\$	1,730,080	\$	1,161,121	\$	1,460,764	\$	1,800,000	\$	1,900,000
7. Effectively Provide Technical Assistance to Implement Conservation Practices on Private Land (Federal Funding Leveraged)*	\$	1,017,120	\$	1,366,281	\$	961,522	\$	1,622,858	\$	1,207,194
8. Percent of Available Funds Directed to Soil Health Programs		100.0%		100.0%		100.0%		100.0%		100.0%
Financing		Actual FY 2020		Actual FY 2021				Governor FY 2022		Governor FY 2023
SGF	\$	482,468	\$	436,384				\$ 482,980	\$	483,602
Federal Funds		1,017,120		1,366,281				1,622,858		1,207,194
All Other Funds		8,361,467		10,598,940				10,744,876		9,941,314
TOTAL	\$	9,861,055	\$	12,401,605				\$ 12,850,714	\$	11,632,110
Percentage Change:										
SGF		(0.1) %		(9.6) %				10.7 %		0.1 %
All Funds		21.0 %		25.8 %				3.6 %		(9.5) %
FTE Positions		8.0		8.0				9.0		9.0

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

The **agency** requests FY 2023 Conservation program expenditures of \$11.6 million, including \$483,602 SGF. This is an all funds decrease of \$1.2 million, or 9.5 percent, and an SGF increase of \$622, or 0.1 percent, from the FY 2022 Conservation revised estimate. The all funds decrease is primarily due to decreased expenditures on riparian and wetland, nonpoint source pollution assistance, and watershed dam construction program expenditures, which were higher in FY 2022 due to State Water Plan Fund reappropriations. These decreases are

partially offset by the agency's enhancement requests for the water resources cost-share, conservation district aid, water quality buffer initiatives, soil health, streambank stabilization, and irrigation technology programs.

The **Governor** concurs with the agency's FY 2023 Conservation program expenditures request.

DEPARTMENT OF WILDLIFE AND PARKS

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

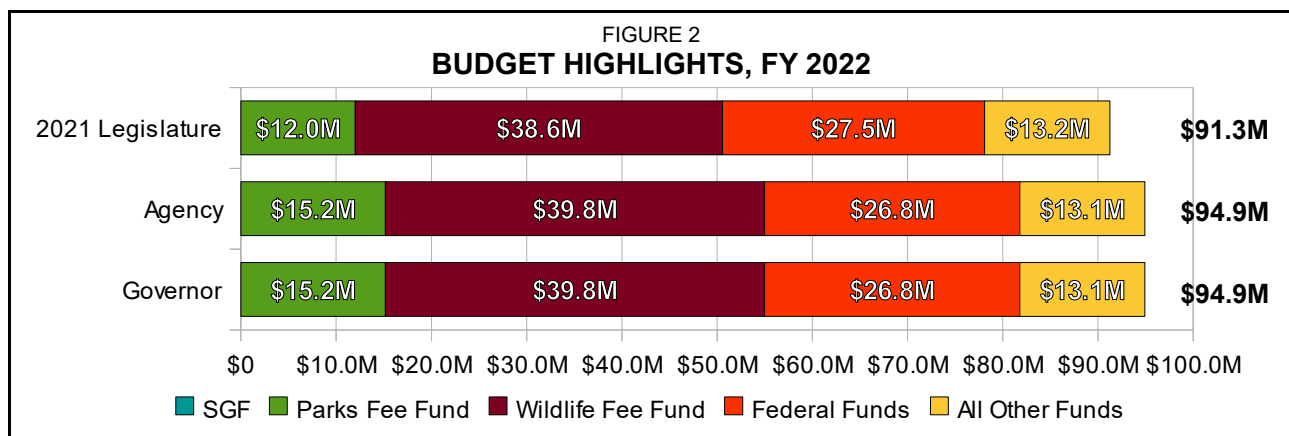
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	22,302,962	22,732,109	22,732,109	23,138,471	23,138,471
All Other Funds	52,980,674	57,906,331	57,906,331	57,644,141	57,644,141
<i>Subtotal</i>	<i>\$ 75,283,636</i>	<i>\$ 80,638,440</i>	<i>\$ 80,638,440</i>	<i>\$ 80,782,612</i>	<i>\$ 80,782,612</i>
Capital Improvements:					
State General Fund	\$ 951,371	\$ -	\$ -	\$ -	\$ -
Federal Funds	13,447,929	4,075,250	4,075,250	5,747,500	5,747,500
All Other Funds	8,682,122	10,217,250	10,217,250	11,249,000	11,249,000
<i>Subtotal</i>	<i>\$ 23,081,422</i>	<i>\$ 14,292,500</i>	<i>\$ 14,292,500</i>	<i>\$ 16,996,500</i>	<i>\$ 16,996,500</i>
TOTAL	\$ 98,365,058	\$ 94,930,940	\$ 94,930,940	\$ 97,779,112	\$ 97,779,112
Percentage Change:					
State General Fund	(9.3) %	(100.0) %	(100.0) %	-- %	-- %
All Funds	5.5 %	(3.5) %	(3.5) %	3.0 %	3.0 %
FTE Positions	465.0	453.0	453.0	453.0	453.0

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

The Department of Wildlife and Parks is a cabinet-level agency administered by the Secretary of Wildlife and Parks. The Secretary is appointed by the Governor, subject to confirmation by the Kansas Senate. The Kansas Wildlife and Parks Commission, a seven-member board appointed by the Governor, serves in an advisory role to the Secretary. The Commission has the authority to approve the agency's rules and regulations. The Secretary of Wildlife and Parks and Assistant Secretary for Administration are located in the Topeka administrative offices, while the Assistant Secretary for Operations is located in Pratt. The agency is administered by staff in the Topeka office while field operations are managed from the Pratt office.

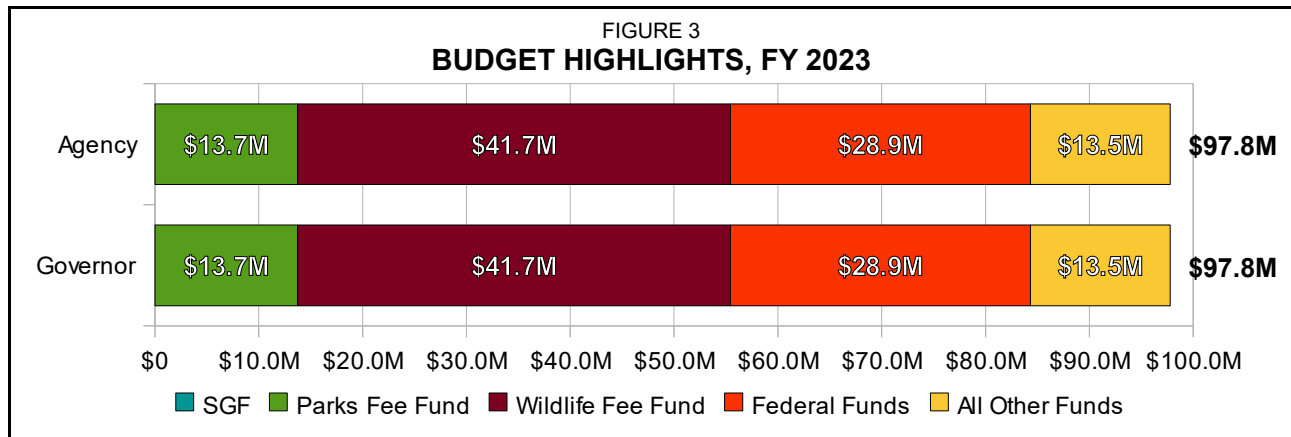
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, no adjustments were made to the \$91.3 million appropriated to the Department of Wildlife and Parks for FY 2022.



The **agency** estimates revised FY 2022 expenditures of \$94.9 million, all from special revenue funds. This is an increase of \$3.7 million, or 4.0 percent, above the FY 2022 approved amount. This increase is primarily due to the \$3.8 million in supplemental requests for record-keeping software and body cameras for the Law Enforcement Division, state park repairs, and land maintenance equipment. This increase is partially offset by decreased expenditures primarily for gasoline and utility costs.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** requests FY 2023 expenditures of \$97.8 million, all from special revenue funds. This is an increase of \$2.8 million, or 3.0 percent, above the FY 2022 revised estimate. This increase is primarily due to increased expenditures for capital improvement projects, primarily for parks and fish and wildlife maintenance. Of this increase, \$1.7 million comes from federal funds. Projects include campground improvements, dock and dam repairs, storage building in various wildlife areas, and fish hatchery improvements. The agency also estimates increased receipt of federal funds for FY 2023, primarily for the Public Lands program and public land maintenance.

The agency's enhancement requests for operations total \$918,457, which is a decrease of \$219,508 from the agency's FY 2022 supplemental requests for operations. FY 2023 operations enhancement requests include funding to combat aquatic nuisance species, to purchase boats, and for land maintenance equipment.

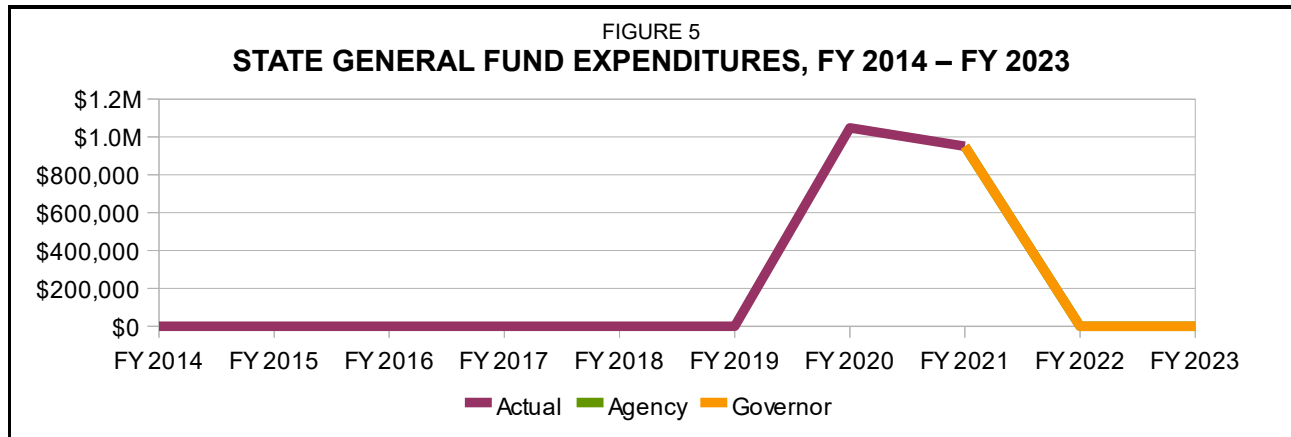
The **Governor** concurs with the agency's FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

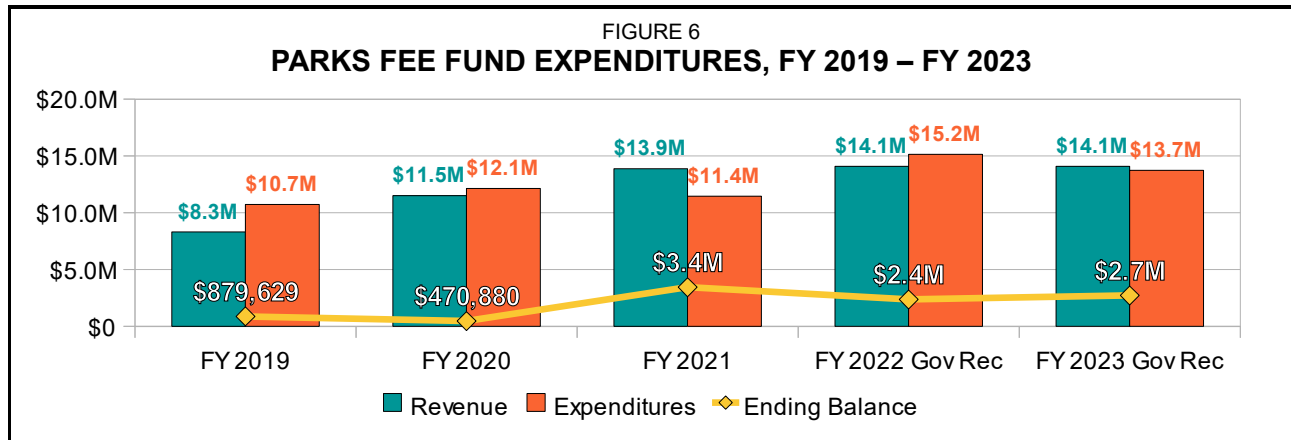
Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 34,248,217	\$ 35,345,517	\$ 35,345,517	\$ 35,697,432	\$ 35,697,432
Contractual Services	25,173,102	28,351,920	28,351,920	28,645,551	28,645,551
Commodities	7,596,467	9,375,772	9,375,772	10,046,522	10,046,522
Capital Outlay	7,832,948	6,030,831	6,030,831	4,858,707	4,858,707
Debt Service Interest	51,082	-	-	-	-
<i>Subtotal</i>	<i>\$ 74,901,816</i>	<i>\$ 79,104,040</i>	<i>\$ 79,104,040</i>	<i>\$ 79,248,212</i>	<i>\$ 79,248,212</i>
Aid to Local Units	316,339	1,444,400	1,444,400	1,444,400	1,444,400
Other Assistance	65,481	90,000	90,000	90,000	90,000
<i>Subtotal—Operating</i>	<i>\$ 75,283,636</i>	<i>\$ 80,638,440</i>	<i>\$ 80,638,440</i>	<i>\$ 80,782,612</i>	<i>\$ 80,782,612</i>
Capital Improvements	22,941,047	14,292,500	14,292,500	16,996,500	16,996,500
Debt Service Principal	140,375	-	-	-	-
TOTAL	\$ 98,365,058	\$ 94,930,940	\$ 94,930,940	\$ 97,779,112	\$ 97,779,112
Financing:					
State General Fund	\$ 951,371	\$ -	\$ -	\$ -	\$ -
Economic Development Initiatives Fund	5,055,278	3,565,123	3,565,123	3,565,123	3,565,123
Parks Fee Fund	11,446,105	15,154,617	15,154,617	13,733,220	13,733,220
Wildlife Fee Fund	32,367,427	39,840,829	39,840,829	41,701,049	41,701,049
Federal Funds	35,750,891	26,807,359	26,807,359	28,885,971	28,885,971
All Other Funds	12,793,986	9,563,012	9,563,012	9,893,749	9,893,749
TOTAL	\$ 98,365,058	\$ 94,930,940	\$ 94,930,940	\$ 97,779,112	\$ 97,779,112
FTE Positions	465.0	453.0	453.0	453.0	453.0

STATE GENERAL FUND



From FY 2013 to FY 2019, the agency did not receive any SGF moneys. In FY 2020, the Governor recommended and the Legislature approved \$2.0 million for emergency park repairs after the spring 2019 flooding. The agency expended \$1.0 million of that amount in FY 2020 and \$951,371 in FY 2021.

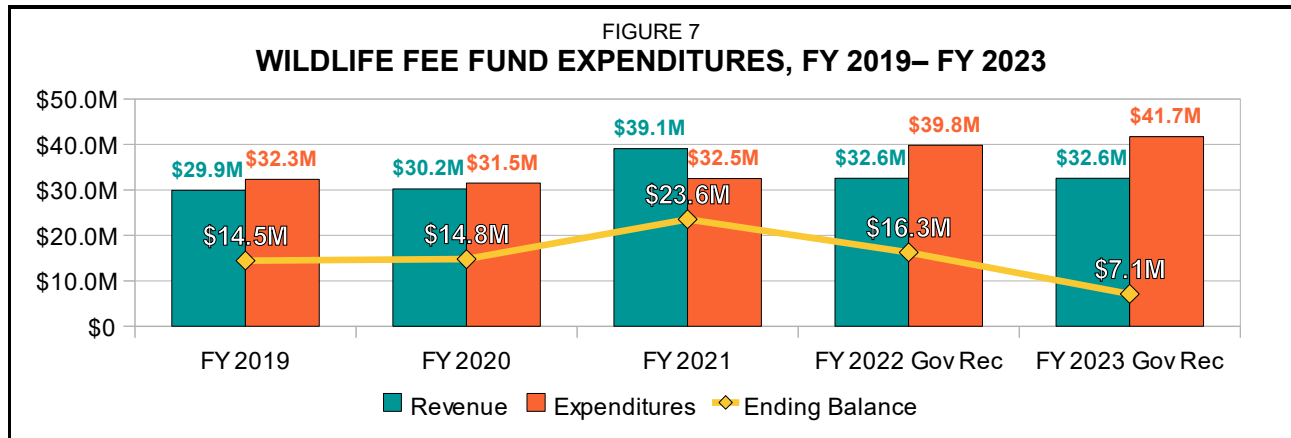
PARKS FEE FUND



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

The increase in expenditures from FY 2019 to FY 2020 is primarily due to increased expenditures on capital improvement projects. The agency estimates increased expenditures in FY 2022 due to the agency's supplemental requests for state park repairs and land maintenance equipment.

WILDLIFE FEE FUND



The major sources of receipts to the Wildlife Fee Fund are from the sale of hunting, fishing, and trapping licenses. The fees to be collected from the issuance of such licenses are established by the Kansas Wildlife and Parks Commission through the approval of rules and regulations submitted by the Secretary of Wildlife and Parks.

The agency estimates increased Wildlife Fee Fund expenditures across multiple programs in FY 2022. The agency increased expenditures in FY 2022 following the COVID-19 pandemic. The increase is primarily due to increased expenditures for land maintenance, capital improvements projects, and the agency's supplemental requests for the Law Enforcement Division.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 91,257,966	\$ 91,257,966	452.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 91,257,966</i>	<i>\$ 91,257,966</i>	<i>452.0</i>
Agency Revised Estimate:				
2. Supplementals	\$ -	\$ 3,792,965	\$ 3,792,965	--
3. All Other Adjustments	-	(119,991)	(119,991)	1.0
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 94,930,940</i>	<i>\$ 94,930,940</i>	<i>453.0</i>
Governor's Recommendation:				
4. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ -	\$ 94,930,940	\$ 94,930,940	453.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$91.3 million appropriated to the Department of Wildlife and Parks for FY 2022.

1. **NO CHANGES.** Subsequent to the 2021 Session, no adjustments were made to the \$91.3 million appropriated to the Department of Wildlife and Parks for FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$94.9 million, all from special revenue funds. This is an increase of \$3.7 million, or 4.0 percent, above the FY 2022 approved amount.

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

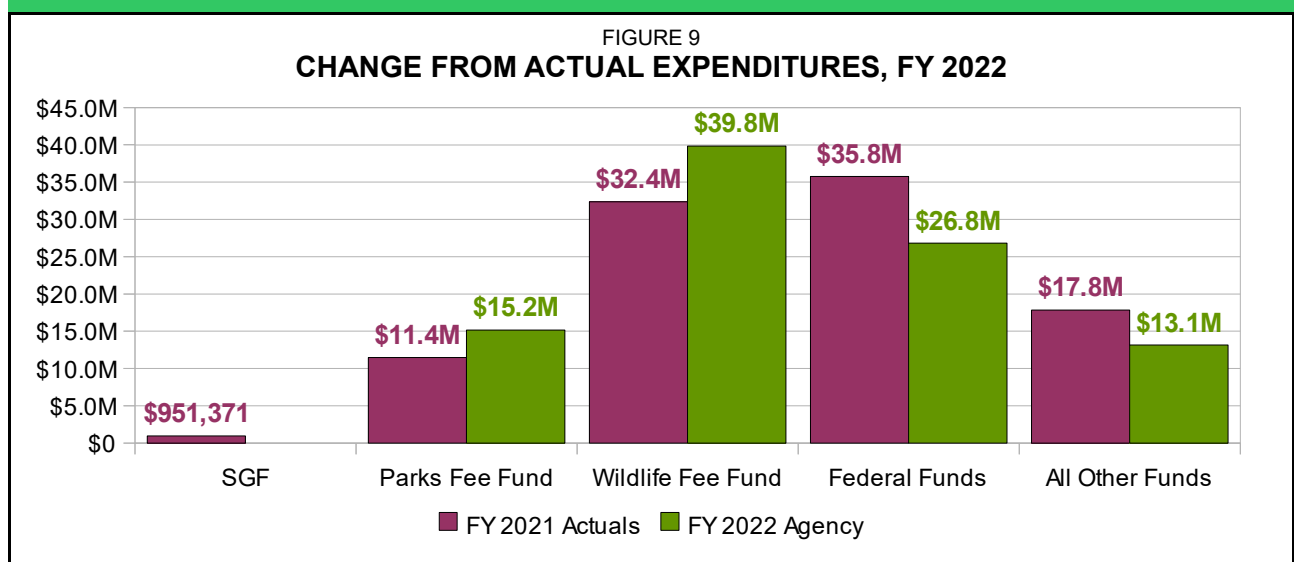
2. **SUPPLEMENTAL REQUESTS.** The agency's revised estimate includes \$3.8 million in supplemental requests for record-keeping software and body cameras for the Law Enforcement Division, state park repairs, and land maintenance equipment.
3. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes decreased expenditures of \$119,991, primarily for gasoline and utility costs.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2022 revised estimate.

4. **NO CHANGES.** The Governor concurs with the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$94.9 million, all from special revenue funds. This is a decrease of \$3.4 million, or 3.5 percent, below the agency's FY 2021 actual expenditures. This decrease is primarily caused by the transfer of the Tourism Division to the Department of Commerce, beginning in FY 2022.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 94,930,940	\$ 94,930,940	453.0
Agency Request:				
1. Operating Enhancements	\$ -	\$ (219,508)	\$ (219,508)	--
2. Capital Improvements	-	2,704,000	2,704,000	--
3. Operating Federal Funds	-	406,362	406,362	--
4. All Other Adjustments	-	(42,682)	(42,682)	--
<i>Subtotal—Agency Request</i>	\$ -	\$ 97,779,112	\$ 97,779,112	453.0
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ -	\$ 97,779,112	\$ 97,779,112	453.0

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$97.8 million, all from special revenue funds. This is an increase of \$2.8 million, or 3.0 percent, above the FY 2022 revised estimate.

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

- 1. OPERATING ENHANCEMENTS.** The agency's operating enhancement requests total \$918,457, which is a decrease of \$219,508 below the agency's FY 2022 supplemental requests. FY 2023 enhancement requests include funding to combat aquatic nuisance species, to purchase boats and for land maintenance equipment.
- 2. CAPITAL IMPROVEMENTS.** The agency estimates increased capital improvements expenditures for FY 2023, primarily for parks and fish and wildlife maintenance. Of this increase, \$1.7 million comes from federal funds. Projects include campground improvements, dock and dam repairs, storage building in various wildlife areas, and fish hatchery improvements.
- 3. OPERATING FEDERAL FUNDS.** The agency estimates increased receipt of federal funds for FY 2023, primarily for the Public Lands program and public land maintenance.
- 4. ALL OTHER ADJUSTMENTS.** The agency request includes a decrease of \$42,682 for other miscellaneous expenditures including decreased expenditures on vehicles.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2023 request.

- 5. NO CHANGES.** The Governor concurs with the agency's FY 2023 request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

Item	FY 2022	FY 2023	Total
Law Enforcement Division	\$ 793,965	\$ -	\$ 793,965
Land Maintenance Equipment	320,000	200,000	520,000
Parks Flooding Repairs	2,655,000	450,000	3,105,000
Public Affairs	24,000	24,000	48,000
Fisheries Equipment	-	470,000	470,000
Aquatic Nuisance Species Management	-	224,457	224,457
TOTAL	\$ 3,792,965	\$ 1,368,457	\$ 5,161,422

REQUEST 1

LAW ENFORCEMENT DIVISION

The agency is requesting \$793,965, all from special revenue funds, for the Law Enforcement Division to purchase record management software and body cameras. Of this amount, \$535,300 is budgeted to replace the Division's record management software. The agency notes that its current system is aging and updates will soon be unavailable. The agency also notes the new system will provide complete accuracy and compliance with state and federal reporting requirements. Records will be centralized, and the new system offers a more efficient dispatch system, electronic ticketing, and interagency data sharing. Half of this project's cost will be reimbursed by federal grants. The agency is also requesting \$258,665 to replace 61 body cameras and purchase 110 additional body cameras. Three of the agency's divisions have sworn law enforcement personnel. The Law Enforcement Division personnel have utilized body cameras since 2016; the Parks and Public Lands Divisions law enforcement personnel do not currently utilize body cameras. The agency notes that it hopes to improve transparency by providing all sworn law enforcement personnel with cameras, and updating current cameras will allow for easier data downloading.

The Governor concurs with this request.

REQUEST 2

LAND MAINTENANCE EQUIPMENT

The agency is requesting \$320,000 in FY 2022 and \$200,000 for FY 2023 to purchase two excavators, three skid steers, and a forestry mulcher. The agency notes that the spring 2019 flooding caused "immense" damage to state parks infrastructure and landscapes. Aging equipment has prevented the completion of certain repairs.

The Governor concurs with this request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 3

PARK FLOODING REPAIRS

The agency is requesting \$2.7 million in FY 2022 and \$450,000 for FY 2023, all from the Parks Fee Fund, for state park repairs due to the spring 2019 flooding. The agency notes that it continues to work with the Federal Emergency Management Agency (FEMA), but has not yet received funding for repairs. Immediate projects include campground, boat ramp, and parking lot repairs at Milford, Perry, Clinton, and Hillsdale state parks. Each of these projects will be submitted to FEMA for reimbursement.

The Governor concurs with this request.

REQUEST 4

PUBLIC AFFAIRS

The agency is requesting \$24,000, all from the Wildlife Fee Fund, in both FY 2022 and FY 2023 for the Public Affairs section. Of this amount, \$15,000 is budgeted to allow the agency to produce Spanish-language versions of its *Kansas Hunting and Furharvesting Regulations Summary* and *Kansas Fishing Regulations Summary* publications. An additional \$9,000 is budgeted to provide staff with subscriptions to key newspapers and to provide media monitoring to produce tailored media reports for the Executive Management team.

The Governor concurs with this request.

REQUEST 5

FISHERIES EQUIPMENT

The agency is requesting an enhancement of \$470,000, all from the Wildlife Fee Fund, to purchase five boats and one barge for FY 2023. Of this amount, \$350,000 is budgeted to purchase five electrofishing boats. The agency notes that its current boats are nearly 20 years old and the manufacturer is no longer building replacement parts for them. This has increased maintenance costs, and replacement parts are not available. The agency also notes that the data collection equipment on the boats no longer meets the standards of the American Fisheries Society, resulting in data that is incompatible with contemporary models. The agency is requesting \$120,000 to purchase a barge to transport rock and gravel for habitat control. The agency notes that its current barges are unable to transport rock and gravel, so the agency is unable to improve habitats affected by reservoir sedimentation.

The Governor concurs with this request.

REQUEST 6

AQUATIC NUISANCE SPECIES MANAGEMENT

The agency is requesting an enhancement of \$224,457, all from the State Water Plan Fund, to combat aquatic nuisance species in Kansas lakes and reservoirs for FY 2023. The agency notes non-indigenous aquatic nuisance species are the cause of significant ecological problems for water users in Kansas. Examples of aquatic nuisance species include zebra mussels, white perch, and Asian carp, which can be spread by sport fishing activities and recreational boater movements. The agency's request includes funding for scientific equipment for the program.

The Governor concurs with this request.

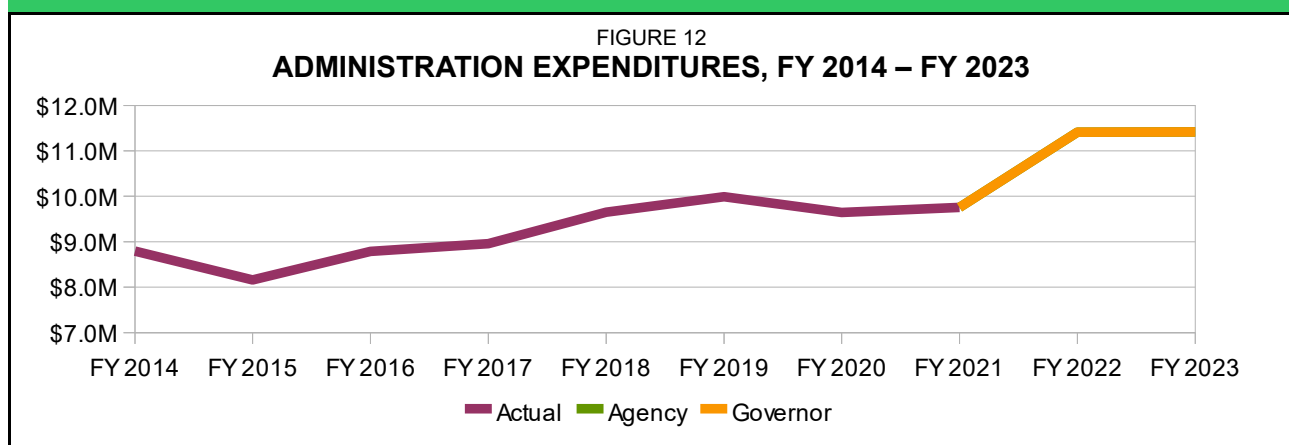
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 9,757,238	\$ 11,411,185	\$ 11,411,185	\$ 11,415,761	\$ 11,415,761
Ecological Services	2,063,469	3,622,861	3,622,861	3,645,478	3,645,478
Education	1,608,818	2,365,122	2,365,122	2,537,713	2,537,713
Fish	9,114,612	9,271,219	9,271,219	9,956,727	9,956,727
Law Enforcement	8,298,586	9,545,350	9,545,350	8,757,949	8,757,949
Parks	16,347,190	15,043,392	15,043,392	15,000,951	15,000,951
Public Lands	16,152,595	13,366,602	13,366,602	13,457,691	13,457,691
Tourism	3,156,485	-	-	-	-
Wildlife	11,592,883	14,797,709	14,797,709	14,795,342	14,795,342
Grants	473,505	1,215,000	1,215,000	1,215,000	1,215,000
Debt Service	191,457	-	-	-	-
Capital Improvements	19,608,220	14,292,500	14,292,500	16,996,500	16,996,500
TOTAL	\$ 98,365,058	\$ 94,930,940	\$ 94,930,940	\$ 97,779,112	\$ 97,779,112
FTE Positions:					
Administration	70.0	70.0	70.0	70.0	70.0
Ecological Services	12.0	12.0	12.0	12.0	12.0
Education	14.0	14.0	14.0	14.0	14.0
Fish	51.0	51.0	51.0	51.0	51.0
Law Enforcement	90.0	90.0	90.0	90.0	90.0
Parks	116.0	116.0	116.0	116.0	116.0
Public Lands	54.0	54.0	54.0	54.0	54.0
Tourism	12.0	-	-	-	-
Wildlife	46.0	46.0	46.0	46.0	46.0
Grants	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	465.0	453.0	453.0	453.0	453.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



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

PROGRAM GOALS:

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

The Administration program includes the Office of the Secretary and is divided between Topeka and Pratt, with each location supervised by an assistant secretary. The Topeka office includes planning, legal, budget, and engineering sections. The Pratt office includes operations, environmental services, human resources, information technology, and

education sections. The program also includes the Kansas Wildlife and Parks Commission. The Pratt office also includes support services of aircraft operations, accounting, business management, licensing and permitting, purchasing, and facility maintenance operations.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Fishing Licenses Sold	251,349	218,895	216,541	200,000	200,000
2.Number of Hunting Licenses Sold	117,082	130,537	124,900	130,000	130,000
3.Wildlife Fee Fund Revenue (License and Permit Sales) (In Millions)*	\$ 30.2	\$ 32.6	\$ 30.9	\$ 32.0	\$ 32.0
Output Measure:					
4.Number of Combo Hunting/Fishing Licenses Sold*	41,490	42,390	40,091	41,000	41,000
5.Number of Lifetime Licenses Sold*	958	1,352	1,159	1,200	1,200
6.Number of Deer Permits Sold	184,334	196,359	188,449	190,000	190,000
7.Boating Fee Fund Revenue*	\$ 1,272,922	\$ 1,917,760	\$ 1,415,377	\$ 1,200,000	\$ 1,200,000
Financing	FY 2020	FY 2021		FY 2022	FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	580,599	731,483		301,913	363,901
All Other Funds	9,063,320	9,025,755		11,109,272	11,051,860
TOTAL	\$ 9,643,919	\$ 9,757,238		\$ 11,411,185	\$ 11,415,761
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(3.5) %	1.2 %		17.0 %	0.0 %
FTE Positions	69.0	70.0		70.0	70.0

*The Governor's Office does not utilize this measure for evaluation purposes.

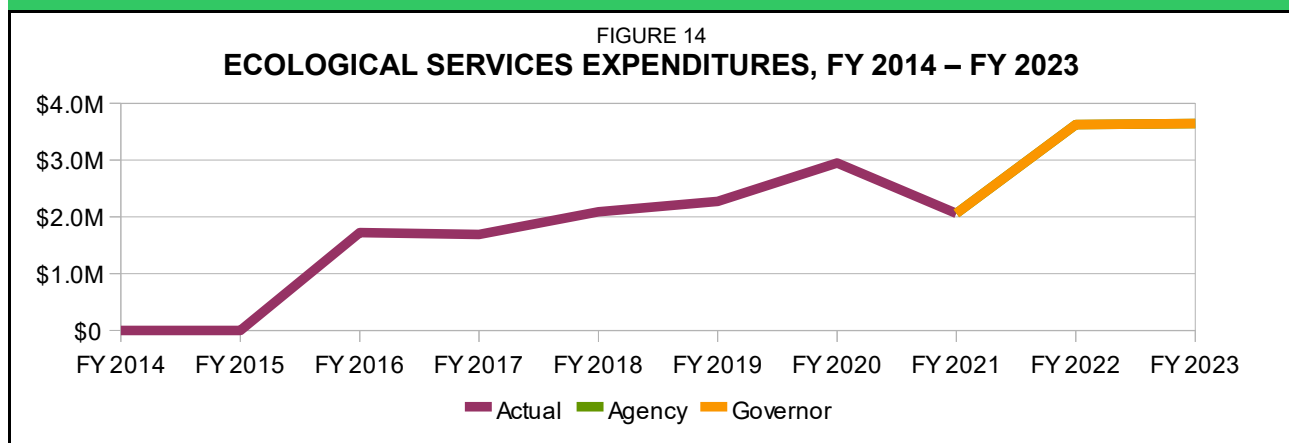
BUDGET ANALYSIS

The **agency** requests FY 2023 Administration program expenditures of \$11.4 million, all from special revenue funds. This is an increase of \$4,576, or less than 0.1 percent, above the FY 2022 revised estimate. This increase is

primarily due to the purchase of computer equipment.

The **Governor** concurs with the agency's FY 2023 Administration program request.

ECOLOGICAL SERVICES



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

PROGRAM GOALS:

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

The Ecological Services program is responsible for the protection, research, management, and recovery of all non-game species in the state, representing approximately 98.0 percent of aquatic and terrestrial fauna in Kansas.

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

FIGURE 15
ECOLOGICAL SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Projects Reviewed for KNESCA*	2,093	2,464	2,118	2,500	2,200
2.Number of Scientific Collection Permits*	114	128	126	125	125
3.Annual Average Number of Action Permits Required per Projects Reviewed*	1.2 %	0.8 %	1.0 %	1.0 %	1.0 %
4.Average Number of Days for Response for Review (30 Days Mandated Timeline)*	23.7	25.4	24.3	25.0	25.0
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	1,826,716	993,810		1,600,068	1,615,219
All Other Funds	1,121,943	1,069,659		2,022,793	2,030,259
TOTAL	\$ 2,948,659	\$ 2,063,469		\$ 3,622,861	\$ 3,645,478
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	29.8 %	(30.0) %		75.6 %	0.6 %
FTE Positions	12.0	12.0		12.0	12.0

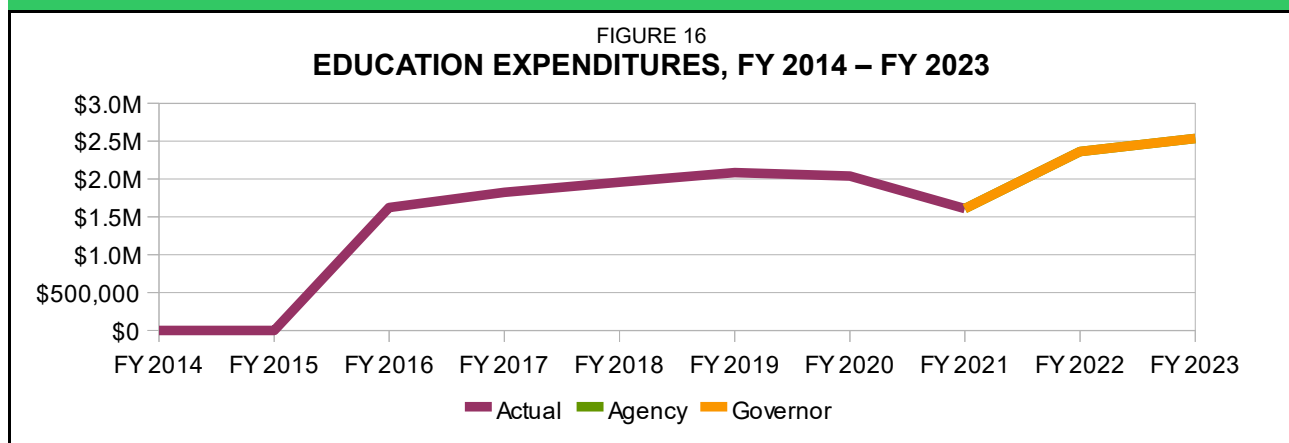
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The Ecological Services program requests FY 2023 expenditures of \$3.6 million, all from special revenue funds. This is an increase of \$22,617, or 0.6 percent, above the FY 2022 revised estimate. This increase is entirely due to increased expenditures on seasonal employees.

The **Governor** concurs with the agency's FY 2023 Ecological Services program request.

EDUCATION



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

PROGRAM GOALS:

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

The Education program is responsible for outdoor-related educational programs that help citizens learn about, use, and enjoy the Kansas outdoors and Kansas fish and wildlife resources. The program offers outdoor skills workshops, training, and activities. In addition, the program operates five nature centers and offers environmental education programs and

outreach designed to enhance knowledge, understanding, and appreciation of Kansas natural resources. The program is divided into three components: Wildlife Education, Hunter Education, and Boating Education.

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

FIGURE 17
EDUCATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Visitors at All Nature Centers*	239,591	209,361	232,591	250,000	250,000
2. Number of Hunter Education Public Programs*	230	265	265	300	300
3. Number of Boater Education Public Programs*	50	7	59	100	100
4. Number of Schools Teaching Outdoor Skills Programs*	394	402	393	450	500
Output Measure:					
5. Total Nature Center Program Participants*	15,117	23,030	41,745	85,000	85,000
6. Number of Hunter Education Students Certified*	5,216	5,970	6,282	8,000	8,000
7. Number of Boater Education Students Certified*	2,370	2,423	2,181	2,000	2,000
8. Number of Hunter Education In Our Schools Student Participants*	701	1,135	912	1,000	1,000
9. Number of Student Air Rifle Participants*	38	132	57	250	500
10. Number of National Archery In the Schools Participants*	10,383	7,294	9,757	12,000	12,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	386,369	360,654		435,003	439,078
All Other Funds	1,654,117	1,248,164		1,930,119	2,098,635
TOTAL	\$ 2,040,486	\$ 1,608,818		\$ 2,365,122	\$ 2,537,713
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(2.0) %	(21.2) %		47.0 %	7.3 %
FTE Positions	14.0	14.0		14.0	14.0

*The Governor's Office does not utilize this measure for evaluation purposes.

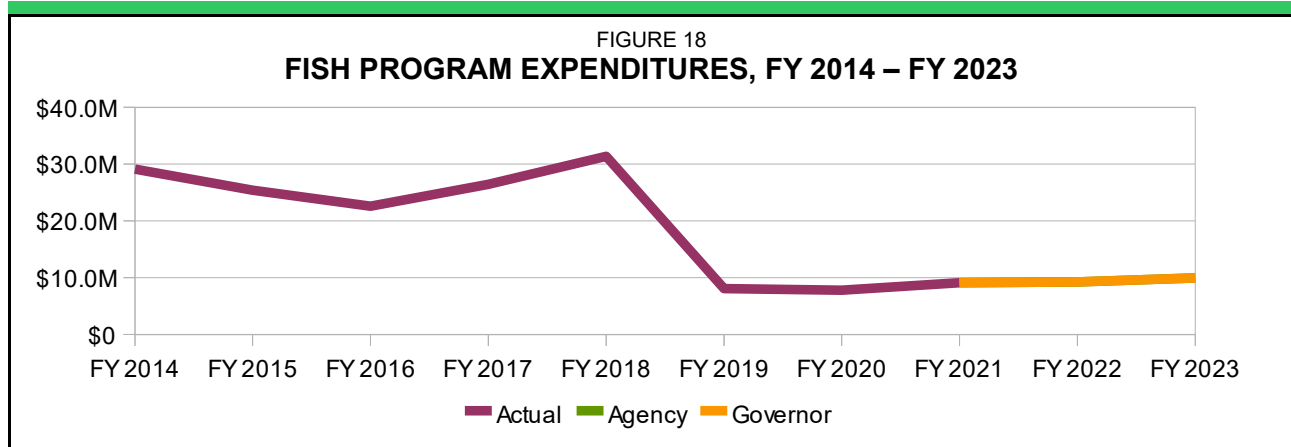
BUDGET ANALYSIS

The **agency** requests FY 2023 Education program expenditures of \$2.5 million, all from special revenue funds. This is an increase of \$172,591, or 7.3 percent, above the FY 2022 revised estimate. This increase is primarily for

materials for education workshops, utilities, and advertising.

The **Governor** concurs with the agency's FY 2023 Education program request.

FISH



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

PROGRAM GOALS:

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

The Fish program is responsible for maintaining and creating fishing opportunity and improving fish quality across the state. It is also responsible for conserving and enhancing fisheries' resources. The program is organized

into three sections: management, research, and fish culture.

Prior to FY 2019, the Fish program was included with the Public Lands and Wildlife programs.

FIGURE 19
FISH, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Core-panel Gill Nets Deployed for Monitoring Trends in Fish Populations*	900	933	899.7	900	900
2. Number of Completed Research Projects*	8	8	8	8	8
3. Number of Bait Shops Inspected for ANS*	125	-	76	90	90
4. Number of City and County Entities Receiving Community Fisheries Assistance Program Leases*	124	123	124	124	124
5. Angler Satisfaction Derived from Cree Surveys (Percent Rating Their Trip 2 or Higher Out of a Scale of 1 to 5)*	70 %	N/A	80 %	N/A	70 %
6. Number of Aquatic Education Events Conducted*	200	200	199	200	200
Output Measure:					
7. Number of Predacious Fingerlings*	1,471,846	1,099,849	1,335,796	1,500,000	2,100,000
8. Number of Channel Catfish*	322,636	348,806	350,962	350,000	350,000
9. Pounds of Channel Catfish Stocked*	107,090	107,444	107,242	107,000	107,000
10. Pounds of Trout Stocked from Commercial Vendors in Designated Waters*	86,000	86,000	85,727	86,000	86,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	4,047,394	4,549,447		4,304,309	4,302,788
All Other Funds	3,761,341	4,565,165		4,966,910	5,653,939
TOTAL	\$ 7,808,735	\$ 9,114,612		\$ 9,271,219	\$ 9,956,727
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(3.4) %	16.7 %		1.7 %	7.4 %
FTE Positions	50.0	51.0		51.0	51.0

*The Governor's Office does not utilize this measure for evaluation purposes.

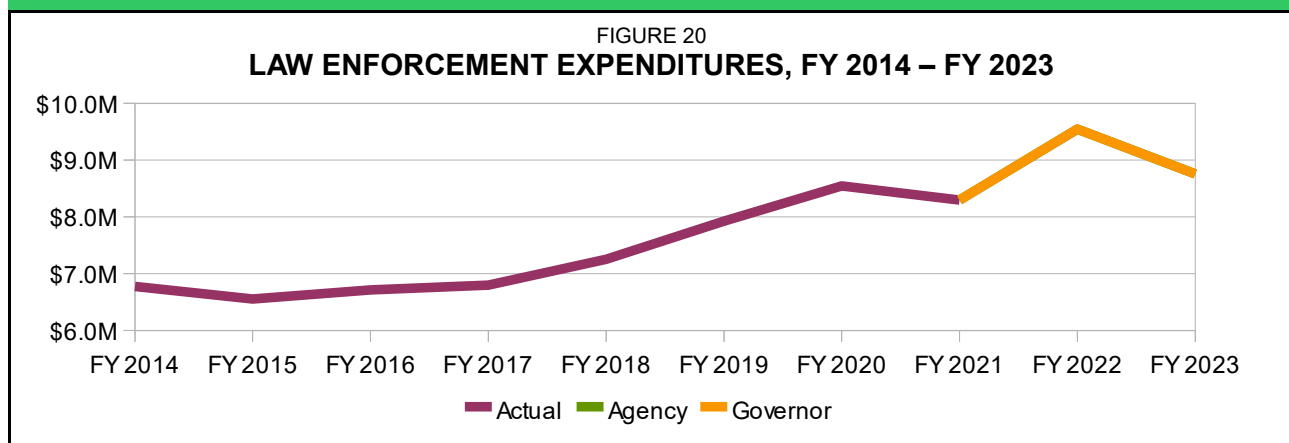
BUDGET ANALYSIS

The **agency** requests FY 2023 Fish program expenditures of \$10.0 million, all from special revenue funds. This is an increase of \$685,508, or 7.4 percent, above the FY 2022 revised estimate. This increase is entirely due to the

agency's supplemental requests for boats and equipment to detect aquatic nuisance species.

The **Governor** concurs with the agency's FY 2023 Fish program request.

LAW ENFORCEMENT



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

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

The Law Enforcement program is responsible for statewide enforcement of both state and federal fish and wildlife laws, boating laws, and regulation of public lands. The program is composed of Natural Resource Officers who

are sworn law enforcement personnel with jurisdiction on public and private lands. These officers also provide assistance to other federal, state, and local law enforcement agencies when requested.

FIGURE 21
LAW ENFORCEMENT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Licensed Hunters Checked*	6,430	6,904	8,505	6,500	6,500
2. Licensed Anglers Checked*	14,262	13,208	14,286	15,000	15,000
3. Licensed Furharvesters Checked*	606	578	733	600	600
4. Sportsmen Contacts*	23,763	19,087	23,916	24,000	24,000
5. Landowner Contacts*	2,875	2,459	3,213	2,900	2,900
6. Boating Inspections*	1,499	N/A	1,762	1,700	1,800
Output Measure:					
7. Boating Violations*	1,202	N/A	1,220	1,000	1,000
8. Wildlife Damage Complaints*	366	371	379	375	375
9. Alcohol Related Contacts*	218	192	222	225	225
10. Operation Game Thief Complaints*	236	407	269	250	250
11. Drug Arrests*	9	21	22	20	20
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	486,382	736,783		635,524	637,265
All Other Funds	8,058,250	7,561,803		8,909,826	8,120,684
TOTAL	\$ 8,544,632	\$ 8,298,586		\$ 9,545,350	\$ 8,757,949
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	7.8 %	(2.9) %		15.0 %	(8.2) %
FTE Positions	90.0	90.0		90.0	90.0

*The Governor's Office does not utilize this measure for evaluation purposes.

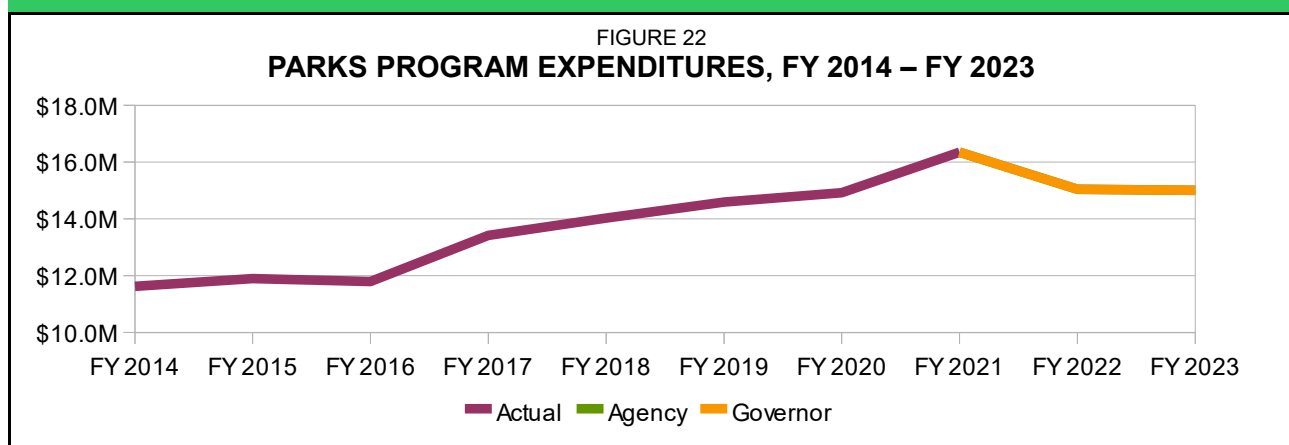
BUDGET ANALYSIS

The Law Enforcement program requests FY 2023 expenditures of \$8.8 million, all from special revenue funds. This is a decrease of \$787,401, or 8.2 percent, below the FY 2022 revised estimate. This decrease is due to the agency's FY 2022 supplemental requests for

record management software and body cameras, which do not reoccur for FY 2023.

The **Governor** concurs with the agency's FY 2023 Law Enforcement program request.

PARKS



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

PROGRAM GOALS:

- Effectively manage, protect, and administer the state's parks, its visitors, and associated wildlife efficiently, while providing a diversity of quality outdoor recreation experiences with special regard toward natural resource protection.
- Promote Kansas' quality outdoor recreation activities and quality of life experiences.
- Enhance the public's knowledge of the importance of outdoor recreation to the Kansas economy.

The Parks program manages the 27 state parks and the Prairie Spirit Trail. The following 27 parks have been designated as part of the state park system: Cedar Bluff State Park (Trego Co.); Cheney State Park (Kingman Co. and Reno Co.); Clinton State Park (Douglas Co.); Cross Timbers State Park at Toronto Lake (Woodson Co.); Eisenhower State Park (Osage Co.); El Dorado State Park (Butler Co.) Elk City State Park (Montgomery Co.); Fall River State Park (Greenwood Co.); Flint Hills Trail State Park; Glen Elder State Park (Mitchell Co.); Hillsdale State Park (Miami Co.); Kanopolis State Park (Ellsworth Co.); Kaw River State

Park (Shawnee Co.); Lake Crawford State Park (Crawford Co.); Lake Meade State Park (Meade Co.); Lake Scott State Park (Scott Co.); Little Jerusalem Badlands State Park (Logan Co.); Lovewell State Park (Jewell Co.); Milford State Park (Geary Co.); Mushroom Rock State Park (Ellsworth Co.); Perry State Park (Jefferson Co.); Pomona State Park (Osage Co.); Prairie Dog State Park (Norton Co.); Sand Hills State Park (Reno Co.); Tuttle Creek State Park (Pottawatomie Co. and Riley Co.); Webster State Park (Rooks Co.); and Wilson State Park (Russell Co.).

FIGURE 23
PARKS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Park Fee Fund Revenue (In Millions)	\$ 11.5	\$ 14.0	\$ 11.3	\$ 11.0	\$ 11.0
2. Cabin Fee Fund Revenue (In Millions)	\$ 1.3	\$ 1.8	\$ 1.4	\$ 1.7	\$ 1.7
3. Park Vehicle Permits Sold	185,976	202,205	187,581	175,000	175,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	779,468	799,886		631,594	677,834
All Other Funds	14,141,538	15,547,304		14,411,798	14,323,117
TOTAL	\$ 14,921,006	\$ 16,347,190		\$ 15,043,392	\$ 15,000,951
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	2.3 %	9.6 %		(8.0) %	(0.3) %
FTE Positions	115.0	116.0		116.0	116.0

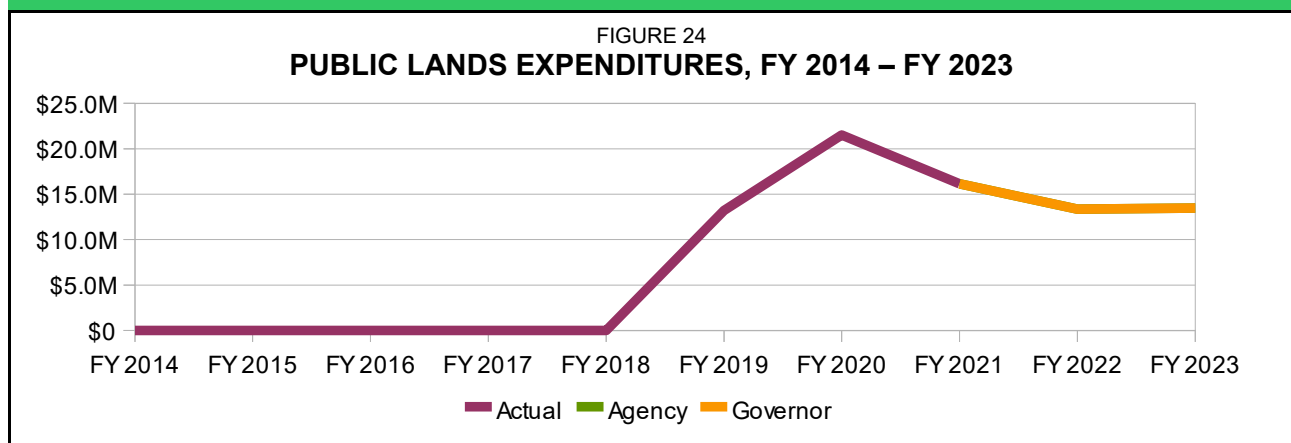
BUDGET ANALYSIS

The **agency** requests FY 2023 Parks program expenditures of \$15.0 million, all from special revenue funds. This is a decrease of \$42,441, or 0.3 percent, below the FY 2022 revised estimate. This decrease is due to decreased expenditures for land maintenance equipment after the spring 2019 flooding. The

agency is requesting \$320,000 in FY 2022 and \$200,000 for FY 2023. This decrease is partially offset by increased expenditures for seasonal workers.

The **Governor** concurs with the agency's FY 2023 Parks program request.

PUBLIC LANDS



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

PROGRAM GOALS:

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

The Public Lands program is responsible for the habitat management of 412,000 acres of land and water. The program's primary responsibility is to provide a multitude of diverse habitats for wildlife species of Kansas.

Prior to FY 2019, the Public Lands program was included with the Fisheries and Wildlife programs.

FIGURE 25 PUBLIC LANDS, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Miles of Roads and Trails Maintained*	450	450	450	450	450
2.Number of Public-Use Facilities Maintained*	935	935	906	935	940
3.Miles of Fence Maintained*	630	630	630	650	675
4.Number of Buildings Maintained*	220	224	220	224	228
5.Law Enforcement Patrol Hours*	4,500	5,000	4,500	6,000	6,500
Output Measure:					
6.Land Management Manhours*	65,577.8	73,346.3	61,508.2	64,000	65,000
7.Fence Maintenance Manhours*	3,032.3	3,821.8	3,590.8	3,600	3,610
8.Equipment Maintenance Manhours*	22,152.3	22,841.5	21,746.3	22,300	22,500
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	11,386,627	8,984,887		4,774,325	5,053,785
All Other Funds	10,116,662	7,167,708		8,592,277	8,403,906
TOTAL	\$ 21,503,289	\$ 16,152,595		\$ 13,366,602	\$ 13,457,691
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	62.9 %	(24.9) %		(17.2) %	0.7 %
FTE Positions	54.0	54.0		54.0	54.0

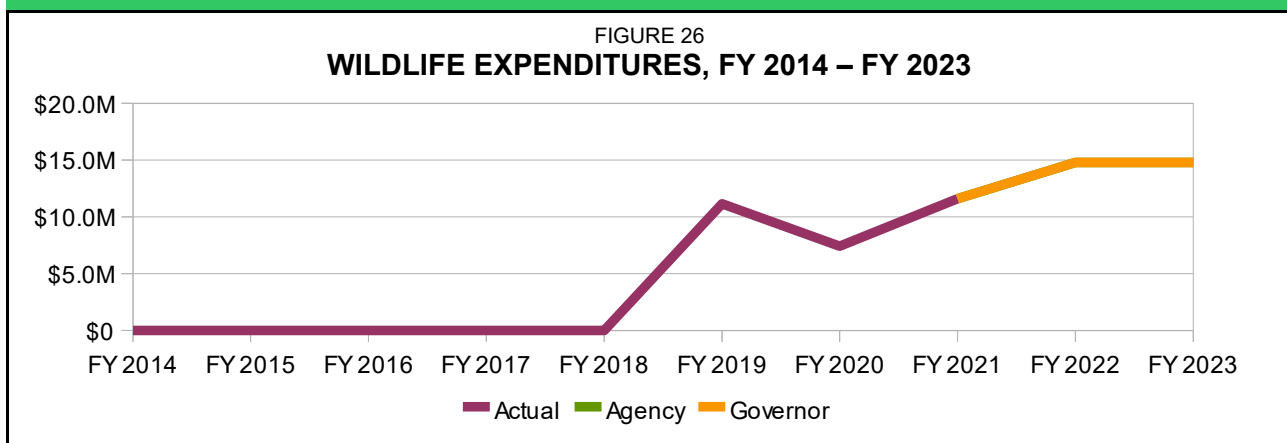
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2023 Public Lands program expenditures of \$13.5 million, all from special revenue funds. This is an increase of \$91,089, or 0.7 percent, above the FY 2022 revised estimate. This increase is due to increased expenditures on chemicals and other land maintenance materials.

The **Governor** concurs with the agency's FY 2023 Public Lands program request.

WILDLIFE



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

PROGRAM GOALS:

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

The Wildlife program conducts research, surveys, and wildlife management. The Wildlife program is funded from the Wildlife Fee Fund, with most projects qualifying for 75 percent reimbursement through the U.S. Fish and Wildlife Service federal aid to the Wildlife Restoration Program. The research and survey sections provide projects that measure trends in big game, upland game birds, migratory game

birds, and furbearers. The wildlife management section provides for a statewide initiative to improve upland game populations by improving habitats.

Prior to FY 2019, the Wildlife program was included with the Fisheries and Public Lands programs.

FIGURE 27
WILDLIFE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Hunter and Landowner Surveys	11	11	11.3	12	12
2. Wildlife Population Monitoring	16	16	15.7	14	15
3. Habitat First Impacted Acres	245,000	302,789	222,596	305,000	310,000
4. Hunting Access Program Acres	1,195,366	1,181,461	1,190,183	1,158,997	1,200,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	4,107,160	6,787,537		8,949,373	8,948,601
All Other Funds	3,314,870	4,805,346		5,848,336	5,846,741
TOTAL	\$ 7,422,030	\$ 11,592,883		\$ 14,797,709	\$ 14,795,342
Percentage Change:					
SGF	-- %	--%		--%	-- %
All Funds	(33.4) %	56.2 %		27.6 %	(0.0) %
FTE Positions	46.0	46.0		46.0	46.0

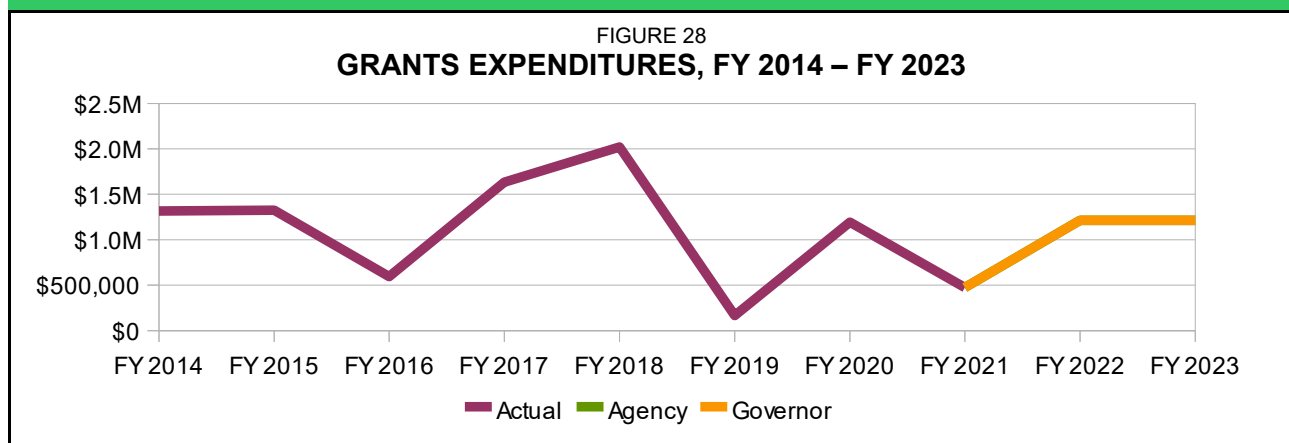
BUDGET ANALYSIS

The **agency** requests FY 2023 Wildlife program expenditures of \$14.8 million, all from special revenue funds. This is a decrease of \$2,367, or less than 0.1 percent, below the FY 2022 revised estimate. This increase is entirely

due to decreased expenditures on salaries and wages benefits.

The **Governor** concurs with the agency's FY 2023 Wildlife program request.

GRANTS



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

PROGRAM GOALS: • N/A

The Grants program administers a number of local aid and assistance programs to encourage local units of government to improve outdoor recreation opportunities. There are two federal grant programs: the National Rails to Trails Grant program and the Land and Water Conservation Fund Grant program. The agency's Grants program also administers four state grant programs: Community Lake

Assistance, Outdoor Wildlife Learning Sites, Shooting Ranges, and Boating Access. The Grants program includes funding for projects and programs for local units of government and for organizations. The agency serves as the entity administering the distribution of state and federal funds related to wildlife, parks, and recreation.

FIGURE 29
GRANTS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
There were no agency performance measures submitted for this program.					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
Financing					
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	828,178	276,938		1,100,000	1,100,000
All Other Funds	363,970	196,567		115,000	115,000
TOTAL	\$ 1,192,148	\$ 473,505		\$ 1,215,000	\$ 1,215,000
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	2.2 %	(60.3) %		156.6 %	-- %
FTE Positions	--	--		--	--

BUDGET ANALYSIS

The **agency** requests FY 2023 Grants program expenditures of \$1.2 million, all from special revenue funds. This is the same amount as the FY 2022 revised estimate.

The **Governor** concurs with the agency's FY 2023 Grants program request.

CAPITAL IMPROVEMENTS

FIGURE 30 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Parks Maintenance	\$ 1,315,673	\$ 1,205,000	\$ 1,205,000	\$ 2,250,000	\$ 2,250,000
Public Land Maintenance	1,534,140	112,500	112,500	150,000	150,000
Fish and Wildlife Maintenance	8,465,714	880,000	880,000	5,001,500	5,001,500
Bridge Maintenance	9,500	200,000	200,000	200,000	200,000
Road Maintenance	1,814,095	1,700,000	1,700,000	1,700,000	1,700,000
Dam Maintenance	2,298,874	1,000,000	1,000,000	1,000,000	1,000,000
Building Maintenance	-	200,000	200,000	200,000	200,000
Land and Water Development	809,760	700,000	700,000	1,500,000	1,500,000
Wetlands Development	361,728	650,000	650,000	650,000	650,000
Land Acquisition	62,693	1,473,000	1,473,000	400,000	400,000
Cabin Site Prep	131,393	300,000	300,000	300,000	300,000
Motorboat Access	246,343	967,000	967,000	945,000	945,000
Coast Guard	129,144	200,000	200,000	200,000	200,000
River Access	148,632	150,000	150,000	150,000	150,000
Shooting Range Development	885,526	1,200,000	1,200,000	1,200,000	1,200,000
Trails Development	873,953	700,000	700,000	700,000	700,000
Park Flooding Repairs	951,371	2,655,000	2,655,000	450,000	450,000
Cheyenne Bottoms Renovation	2,854,699	-	-	-	-
Other	47,809	-	-	-	-
<i>Subtotal–Projects</i>	<i>\$ 22,941,047</i>	<i>\$ 14,292,500</i>	<i>\$ 14,292,500</i>	<i>\$ 16,996,500</i>	<i>\$ 16,996,500</i>
Debt Service Principal:					
Kansas City District Office	\$ 140,375	\$ -	\$ -	\$ -	\$ -
<i>Subtotal–Debt</i>	<i>\$ 140,375</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 23,081,422	\$ 14,292,500	\$ 14,292,500	\$ 16,996,500	\$ 16,996,500
Financing:					
SGF	\$ 951,371	\$ -	\$ -	\$ -	\$ -
Federal Funds	13,447,929	4,075,250	4,075,250	5,747,500	5,747,500
All Other Funds	8,682,122	10,217,250	10,217,250	11,249,000	11,249,000
TOTAL	\$ 23,081,422	\$ 14,292,500	\$ 14,292,500	\$ 16,996,500	\$ 16,996,500

FY 2022 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvements expenditures of \$14.3 million, all from special revenue funds. This is an increase of \$2.7 million, or 22.8 percent, above the approved amount. This increase is due to the

agency's supplemental request for park repairs after the spring 2019 flooding.

The **Governor** concurs with the agency's FY 2022 revised capital improvements estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests FY 2023 capital improvements expenditures of \$17.0 million, all from special revenue funds. This is an increase of \$2.7 million, or 18.9 percent, above the FY 2022 revised estimate. This increase is primarily for parks and fish and wildlife maintenance. Of this increase, \$1.7 million

comes from federal funds. Projects include campground improvements, dock and dam repairs, storage building in various wildlife areas, and fish hatchery improvements.

The **Governor** concurs with the agency's FY 2023 capital improvements request.

CAPITAL IMPROVEMENT PROJECTS

- **PARKS MAINTENANCE.** These projects include campground improvements including utility and shower house upgrades.
- **PUBLIC LANDS MAINTENANCE.** Wildlife area repairs comprise most of these projects.
- **FISH AND WILDLIFE MAINTENANCE.** The agency estimates expenditures for repairs and new construction at multiple hatcheries. Projects include construction of storage buildings, improving fishing access, pump station upgrades, and pond upgrades.
- **BRIDGE MAINTENANCE.** The agency is responsible for basic maintenance needs of multiple bridges across the state.
- **DAM MAINTENANCE.** These projects include restoration and modernization of the agency's dams. Specific projects include clearing and removing trees, repairing failing inlets and outlets, and repairing structure of the dams.
- **ROAD MAINTENANCE.** The agency maintains and develops access roads in state parks and other wildlife areas.
- **BUILDING MAINTENANCE.** In FY 2021, the agency initiated a program of upkeep and repair to agency buildings. The program aims to increase the lifespan of buildings.
- **LAND AND WATER DEVELOPMENT.** This federally funded program focuses on increasing and improving outdoor development and acquisition for recreational activities. Past projects include campground improvements, splash pad construction, and boat slip and cabin construction.
- **WETLANDS DEVELOPMENT.** Funding for this program is used to acquire and develop wetlands to provide habitat for threatened and endangered migratory species in Kansas. The lands are also used for recreational bird watching.
- **LAND ACQUISITION.** The agency notes it has management control over approximately 0.2 percent of the land in Kansas. It also notes that to meet the agency's goals of habitat management and preservation and providing recreational opportunities, additional lands must be purchased.
- **CABIN SITE PREPARATION.** Funding for this program will be used to construct foundations and utilities in future cabin sites.

- **MOTORBOAT ACCESS.** The U.S. Fish and Wildlife Service requires that at least 15.0 percent of federal aid funds received by the agency be utilized for motorboat access projects. Projects include dock construction/replacement, boat ramp construction, toilet block construction, and parking access.
- **COAST GUARD ACCESS.** This funding will be utilized to construct/maintain boat houses for storage of law enforcement vessels.
- **RIVER ACCESS.** The agency notes in order to promote recreational opportunity on Kansas rivers, it is vital to create river access. Projects include road access, parking, lighting, and boat launch facilities.
- **SHOOTING RANGE DEVELOPMENT.** The agency states that facilities to practice marksmanship and the safe handling of firearms are important to the agency's mission, as firearms are vital to many recreational activities of the agency. This project includes construction of facilities and repair of current facilities.
- **TRAILS DEVELOPMENT.** This federally funded program increases and improves trails access for hiking, riding, and walking.

KANSAS WATER OFFICE

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 1,013,608	\$ 949,813	\$ 949,813	\$ 1,027,686	\$ 1,027,686
Federal Funds	167,086	301,473	301,473	379,730	379,730
All Other Funds	9,063,638	13,386,183	15,524,202	12,261,902	12,261,902
<i>Subtotal</i>	<i>\$ 10,244,332</i>	<i>\$ 14,637,469</i>	<i>\$ 16,775,488</i>	<i>\$ 13,669,318</i>	<i>\$ 13,669,318</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	2,138,019	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ 2,138,019</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 10,244,332	\$ 16,775,488	\$ 16,775,488	\$ 13,669,318	\$ 13,669,318
Percentage Change:					
State General Fund	(0.6) %	(6.3) %	(6.3) %	8.2 %	8.2 %
All Funds	7.6 %	63.8 %	63.8 %	(18.5) %	(18.5) %
FTE Positions	16.0	18.0	18.0	19.0	18.0

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

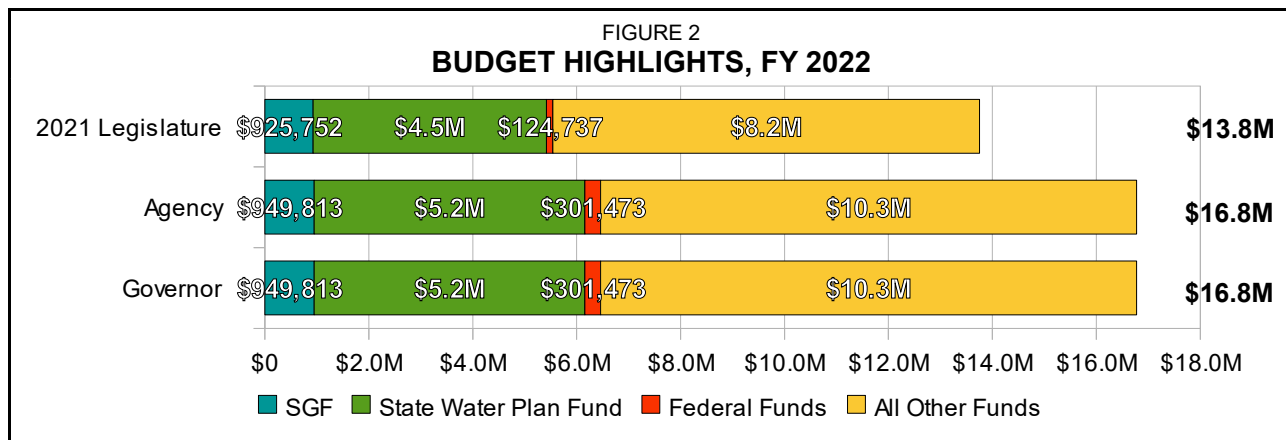
The Kansas Water Office is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority, develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw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

Through the agency's operations and the guidance of the Kansas Water Authority, the Kansas Water Office focuses on water policy planning, including developing the State Water Plan, which details the management, conservation, and development of water resources for the state. Working with the 12 major river basins, the agency develops basin planning sections for the State Water Plan, which documents objectives and critical issues occurring in each of the basins. Additionally, the agency provides the coordination function in focusing action on priority issues as identified in the basin sections of the Kansas Water Plan.

The Kansas Water Authority provides water policy advice to the Governor, Legislature, and the Director of the Kansas Water Office. Its 24-member board is responsible for approving water storage sales, the State Water Plan, federal contracts, and regulations and legislation proposed by the Kansas Water Office.

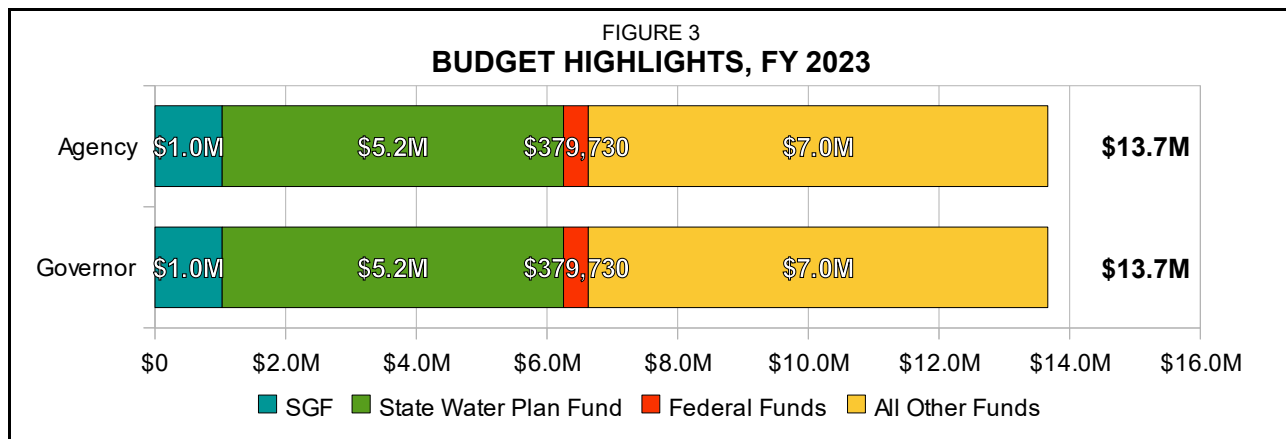
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 from the State General Fund (SGF), appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.



The **agency** estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$3.0 million, or 22.0 percent, and an SGF increase of \$24,061, or 2.6 percent, from the FY 2022 approved amount. The all funds increase and the SGF increase are primarily due to the agency's three supplemental requests to pay off a water supply storage contract, increased operation costs for reservoirs, and a water resources planner position. The all funds increase is also due to State Water Plan Fund reappropriations.

The **Governor** concurs with the agency's FY 2022 revised estimate. The Governor's recommendation recategorizes \$2.1 million as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.



The **agency** requests FY 2023 expenditures of \$13.7 million, including \$1.0 million SGF. This is an all funds decrease of \$3.1 million, or 18.5 percent, and an SGF increase of \$77,873, or 8.2 percent, from the FY 2022 revised estimate. The all funds decrease is primarily due to a one-time payment to pay off a water supply storage contract in FY 2022 that is not reoccurring for FY 2023. This decrease is also caused by decreased expenditures on conservation projects in the Republican River Basin and on reservoir operations and maintenance. These decreases are partially offset by the agency's enhancement requests for a water resources planner position and multiple State Water Plan Fund programs.

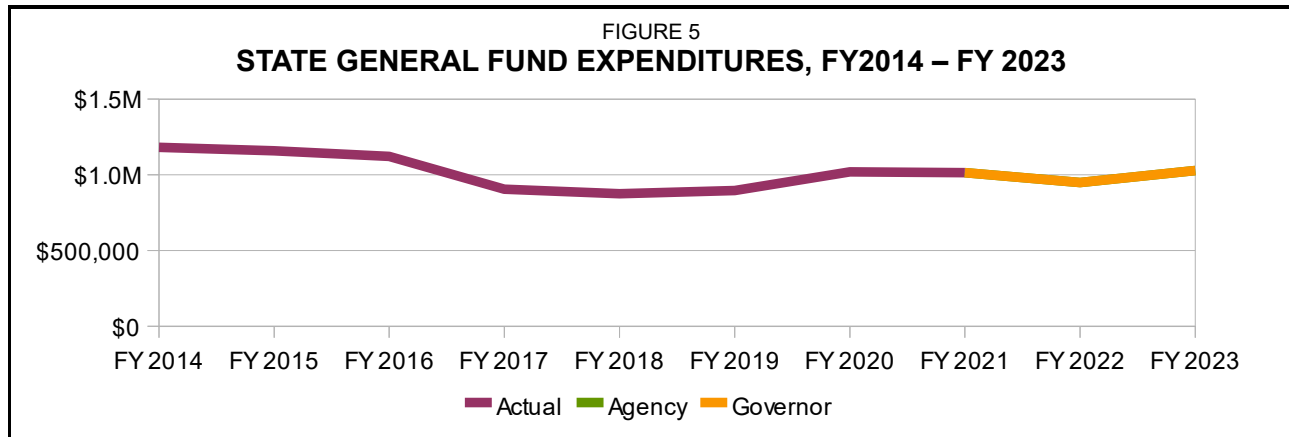
The **Governor** concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

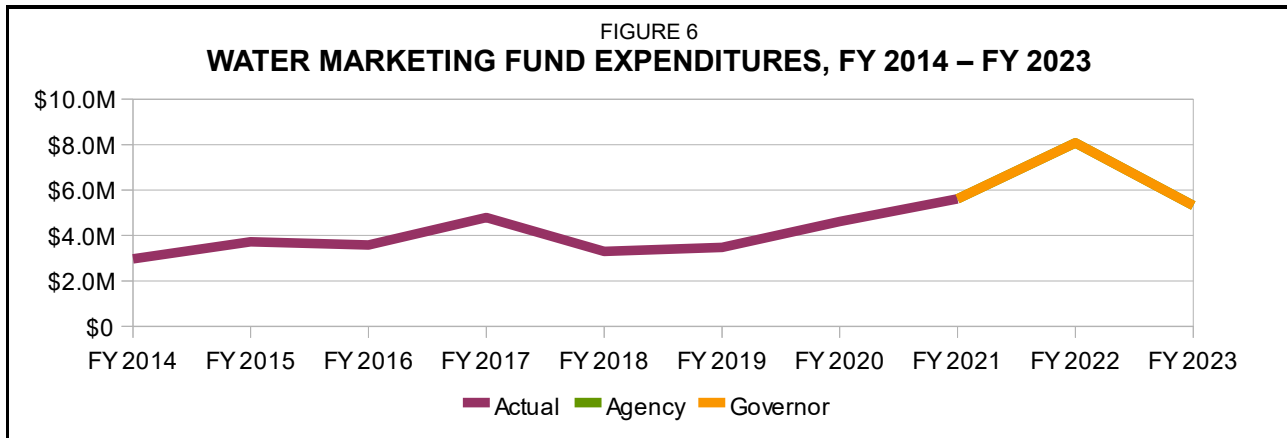
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 1,347,981	\$ 1,606,029	\$ 1,606,029	\$ 1,689,198	\$ 1,689,198
Contractual Services	8,193,357	11,672,305	13,810,949	10,701,395	10,701,395
Commodities	10,375	124,400	124,400	121,225	121,225
Capital Outlay	60,149	24,110	24,110	27,500	27,500
Debt Service Interest	-	625	-	-	-
Subtotal	\$ 9,611,862	\$ 13,427,469	\$ 15,565,488	\$ 12,539,318	\$ 12,539,318
Aid to Local Units	500,000	-	-	-	-
Other Assistance	132,470	1,210,000	1,210,000	1,130,000	1,130,000
Subtotal—Operating	\$ 10,244,332	\$ 14,637,469	\$ 16,775,488	\$ 13,669,318	\$ 13,669,318
Capital Improvements	-	-	-	-	-
Debt Service	-	2,138,019	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 10,244,332	\$ 16,775,488	\$ 16,775,488	\$ 13,669,318	\$ 13,669,318
Financing:					
State General Fund	\$ 1,013,608	\$ 949,813	\$ 949,813	\$ 1,027,686	\$ 1,027,686
State Water Plan	2,164,175	5,206,722	5,206,722	5,228,122	5,228,122
Fund	-	-	-	-	-
Federal Funds	167,086	301,473	301,473	379,730	379,730
All Other Funds	6,899,463	10,317,480	10,317,480	7,033,780	7,033,780
TOTAL	\$ 10,244,332	\$ 16,775,488	\$ 16,775,488	\$ 13,669,318	\$ 13,669,318
FTE Positions	16.0	18.0	18.0	19.0	18.0

STATE GENERAL FUND



For the Kansas Water Office, SGF expenditures increased from FY 2019 to FY 2020 when the 2019 Legislature added \$100,000 SGF for a water resource planner position. The SGF decrease in FY 2022 is primarily due to implementation of the agency's reduced resources budget, partially offset by the agency's supplemental request for a water resources planner.

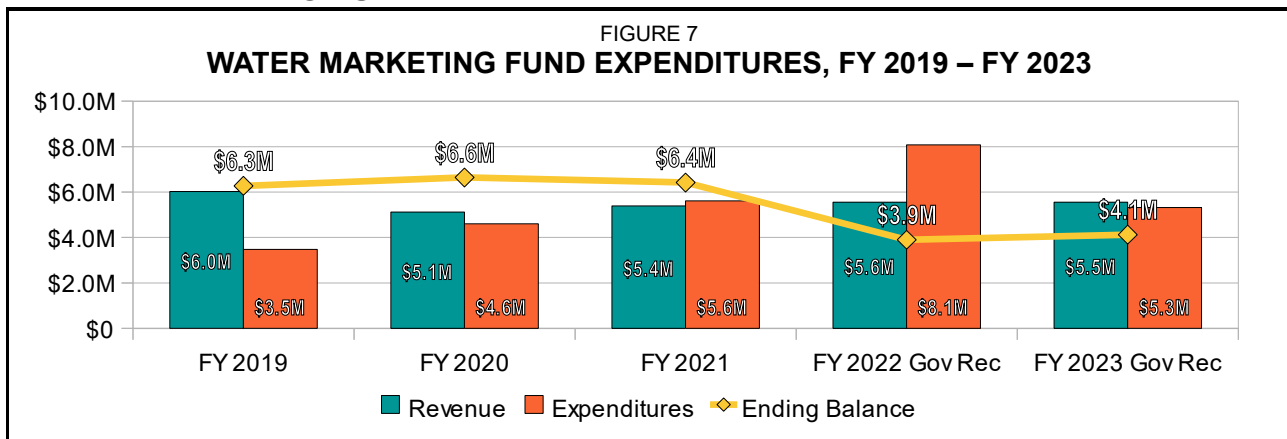
WATER MARKETING FUND



Under the federal Water Supply Act of 1958, federal reservoirs constructed in Kansas for the purpose of flood control were authorized to include storage space for municipal and industrial water supplies. In 1961, the Legislature provided financial assurance for inclusion of water storage in the federal reservoirs constructed in the state. In 1974, the Legislature passed the State Water Plan Storage Act, which authorizes the agency to contract with water purchasers for the sale of water from any reservoir included in the Kansas Water Marketing program. The Water Marketing Fund was created by the 1991 Legislature.

Revenue for the Water Marketing program is generated by the sale of water supplied under contracts with public water suppliers and industries from state-owned storage in federal lakes purchased from the U.S. Army Corps of Engineers. The price for water is set annually according to an established formula and is not negotiable. The fund is then used to meet the State's contractual water storage obligations to the federal government through transfers to the State Conservation Storage Water Supply Fund.

WATER MARKETING FUND



The Water Marketing Fund expenditures are estimated to increase in FY 2022 due to the agency's supplemental request to pay off the balance of the water supply storage contract for Hillsdale reservoir.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 922,239	\$ 12,827,918	\$ 13,750,157	21.0
1. SGF Reappropriation	3,513	-	3,513	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 925,752</i>	<i>\$ 12,827,918</i>	<i>\$ 13,753,670</i>	<i>21.0</i>
Agency Revised Estimate:				
2. State Water Plan Fund Reappropriation	\$ -	\$ 713,592	\$ 713,592	--
3. Supplementals	25,958	2,287,678	2,313,636	--
4. All Other Adjustments	(1,897)	(3,513)	(5,410)	(3.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 949,813</i>	<i>\$ 15,825,675</i>	<i>\$ 16,775,488</i>	<i>18.0</i>
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 949,813	\$ 15,825,675	\$ 16,775,488	18.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 SGF, appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.

1. **SGF REAPPROPRIATION.** Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 SGF, appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$3.0 million, or 22.0 percent, and an SGF increase of \$24,061, or 2.6 percent, from the FY 2022 approved amount.

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

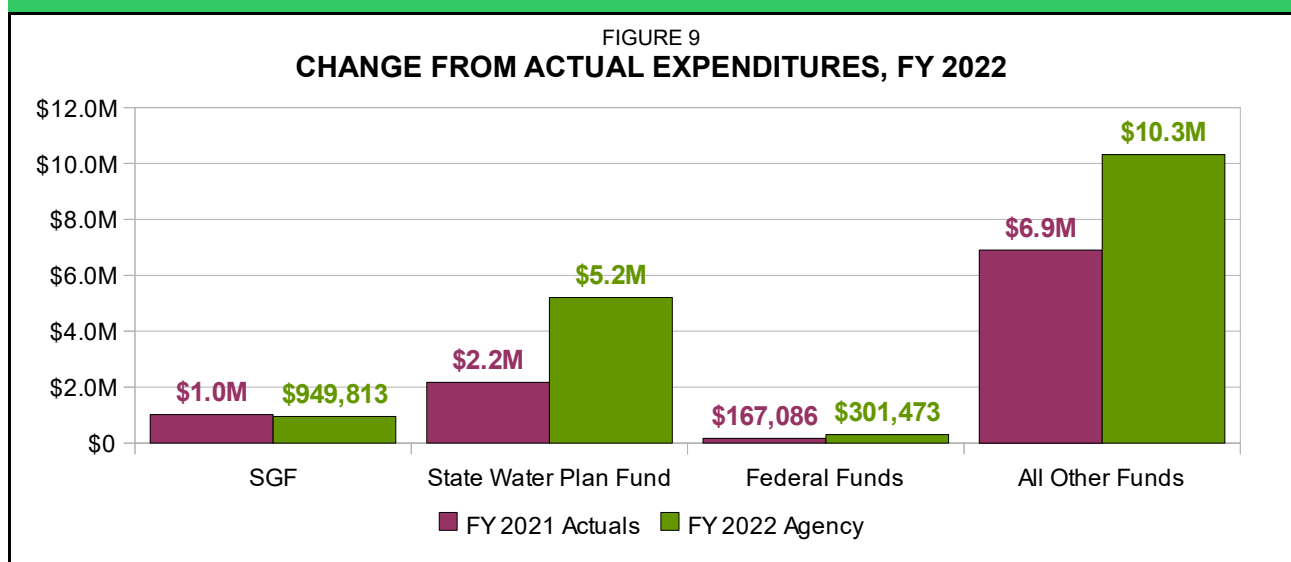
2. **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency carried over \$713,592 in unspent State Water Plan Fund moneys from FY 2021 to FY 2022. Reappropriations were primarily for conservation projects in the Milford Lake watershed, data collection projects on water quality and storage capacity, and water technology farms.
3. **SUPPLEMENTAL REQUESTS.** The agency is requesting three supplemental requests in FY 2022 for payment of a water supply storage contract, increased operation costs for reservoirs, and a water resources planner position.
4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes adjustments for miscellaneous other items, including decreased expenditures on computer equipment.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2022 revised estimate. The Governor's recommendation recategorizes \$2.1 million as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.

5. **NO CHANGES.** The Governor concurs with the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$6.5 million, or 63.8 percent, and an SGF decrease of \$63,795, or 6.3 percent, below FY 2021 actual expenditures. The SGF decrease is primarily due to implementation of the agency's reduced resources budget in FY 2022, partially offset by the agency's supplemental request for a water resources planner. This all funds increase is primarily due to the agency's supplemental requests. The increase is also due to additional State Water Plan Fund projects added by the 2021 Legislature, such as water injection dredging, flood study, and study of the Arbuckle formation. The increase is also due to State Water Plan Fund reappropriations.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 949,813	\$ 15,825,675	\$ 16,775,488	18.0
Agency Request:				
1. State Water Plan Fund Enhancements	\$	\$ 1,234,992	\$ 1,234,992	1.0
2. State Water Plan Fund Reappropriations	-	(713,592)	(713,592)	--
3. SGF Enhancements	80,635	-	80,635	--
4. Debt Service	-	(2,138,644)	(2,138,644)	--
5. Republican River Projects	-	(405,000)	(405,000)	--
6. Reservoir Maintenance	-	(809,282)	(809,282)	--
7. State Water Plan Fund Projects	-	(500,000)	(500,000)	--
8. All Other Adjustments	(2,762)	147,483	144,721	--
Subtotal—Agency Request	\$ 1,027,686	\$ 12,641,632	\$ 13,669,318	19.0
Governor's Recommendation:				
9. Vacant Position	\$ -	\$ -	\$ -	(1.0)
TOTAL	\$ 1,027,686	\$ 12,641,632	\$ 13,669,318	18.0

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$13.7 million, including \$1.0 million SGF. This is an all funds decrease of \$3.1 million, or 18.5 percent, and an SGF increase of \$77,873, or 8.2 percent, from the FY 2022 revised estimate.

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

- STATE WATER PLAN FUND ENHANCEMENTS.** The agency's FY 2023 request includes \$1.2 million in State Water Plan Fund enhancements including increased funding for watershed conservation practice implementation, flood studies, study of the Arbuckle formation, and water technology farms.
- STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency carried over \$713,592 in unspent State Water Plan Fund moneys from FY 2021 to FY 2022. These carry-over funds are not available for FY 2023, causing a decrease in State Water Plan Fund expenditures. This decrease is offset by the agency's State Water Plan Fund enhancements.
- STATE GENERAL FUND ENHANCEMENTS.** The agency is requesting SGF moneys to fill a vacant water resources planner position in FY 2022 and for FY 2023.
- DEBT SERVICE.** In FY 2022, the agency is requesting \$2.1 million, all from special revenue funds, to pay off a water supply storage contract for Hillsdale reservoir. This is a one-time payment that is not reoccurring for FY 2023.
- REPUBLICAN RIVER PROJECTS.** In 2015, Nebraska paid Kansas \$5.5 million as a result of the U.S. Supreme Court ruling on the Kansas vs. Nebraska lawsuit regarding violations of the Republican River Compact. House Sub. for SB 112 (2015) provided that \$3.5 million of those funds would be allocated to the Kansas Water Office for

conservation projects in the Republican River Basin. The agency estimates a decrease in expenditures from this fund for FY 2023.

6. **RESERVOIR MAINTENANCE.** The agency's request includes decreased expenditures for operation and maintenance of water storage space purchased in federal lakes from the U.S. Army Corps of Engineers.
7. **STATE WATER PLAN FUND PROJECTS.** The agency is requesting \$1.2 million in State Water Plan Fund enhancements for FY 2023. This increase is partially offset by decreased expenditures from State Water Plan Fund reappropriations that occurred in FY 2022. These enhancements are also offset by overall decrease in State Water Plan Fund expenditures, particularly for conservation projects in the Milford Lake watershed, watershed conservation practice implementation, and reservoir studies.
8. **ALL OTHER ADJUSTMENTS.** The agency's FY 2023 request includes increases for other expenditures including federal funds for floodplain mapping.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

9. **VACANT POSITION.** The Governor concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

State General Fund Request			
Item	FY 2022	FY 2023	Total
Water Resources Planner	\$ 25,958	\$ 106,593	\$ 132,551

REQUEST 1

WATER RESOURCES PLANNER

As part of the FY 2022 reduced resources budget, the agency held open a water resources planner position. The agency is requesting SGF moneys to fill the vacant position for the remainder of FY 2022 and for FY 2023. Duties of a water resources planner include project implementation leadership, Regional Advisory Committee coordination, and Kansas Water Plan development.

The Governor concurs with this request.

Water Marketing Fund Requests	
Item	FY 2022
Reservoir Operations and Maintenance	\$ 149,034
Hillsdale Reservoir Payment	2,138,644
TOTAL	\$ 2,287,678

REQUEST 2

RESERVOIR OPERATIONS AND MAINTENANCE

The agency is requesting \$149,034, all from special revenue funds, for increased expenditures for operations and maintenance of water storage space purchased in federal lakes from the U.S. Army Corps of Engineers. Kansas has contracts with the Corps of Engineers for purchase of water supply storage in 14 reservoirs.

The Governor concurs with this request.

REQUEST 3

HILLSDALE RESERVOIR PAYMENT

The State is obligated to fully pay the capital costs of the water supply storage reserved by Kansas in federal reservoirs. These payments have been delayed until the additional storage is needed and the storage is called into service. Additional storage has not been needed from Hillsdale Reservoir since 2014. However, future debt service payments on additional storage have continued to accrue interest. The agency is requesting \$2.1 million, all from special revenue funds, to mitigate some of this interest and decrease the amount being compounded.

The Governor concurs with this request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

State Water Plan Fund Requests	
Item	FY 2023
Assessment and Evaluation	\$ 150,000
Milford Lake Watershed Projects	50,000
Vision Strategic Education Plan	125,000
Water Technology Farms	100,000
Flood Study	150,000
Watershed Conservation Practice Implementation	500,000
Arbuckle Study	90,000
Water Injection Dredging	69,992
TOTAL	\$ 1,234,992

The agency states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund.

REQUEST 4

ASSESSMENT AND EVALUATION

The Assessment and Evaluation line of the State Water Plan Fund is utilized for a variety of data collection and studies to provide information for the water planning process. The agency is requesting \$150,000, all from the State Water Plan Fund, for projects including a harmful algal bloom study in cooperation with the U.S. Geological Survey.

The Governor concurs with this request.

REQUEST 5

MILFORD LAKE WATERSHED PROJECTS

The Regional Conservation Partnership Program (RCPP) is a Natural Resource Conservation Service initiative that encourages stakeholders to increase the restoration and sustainable use of soil, water, wildlife and related natural resources in watersheds. Since 2018, the agency has coordinated projects in the Milford Lake Watershed RCPP specifically targeted at reducing nutrient runoff and decreasing the formation of harmful algae blooms in Milford Lake. The agency will reach its initial \$1.0 million contribution in FY 2022. The agency is requesting \$50,000, all from the State Water Plan Fund, to extend the project.

The Governor concurs with this request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 6

VISION STRATEGIC EDUCATION PLAN

The Vision Strategic Education Plan aims to continue and grow programs that focus on water resource education. In FY 2021, the Kansas Water Authority performed its five-year update of the Kansas Water Plan, the primary document used to address current water resource issues and to plan for future needs. As a part of this updated Plan, the Kansas Water Authority recommended increased efforts for the "Kansas Runs on Water" campaign. Proposed activities include a statewide summit for educators, a grant program for water education organization to provide curriculum and resources, and coordination of workshops among higher education institutions and industry stakeholders. The agency is requesting an enhancement request of \$125,000, all from the State Water Plan Fund, for FY 2023 for this program.

The Governor concurs with this request.

REQUEST 7

WATER TECHNOLOGY FARMS

Water technology farms receive cost-share assistance to install and test new irrigation technologies and soil moisture management methods. Technology farms allow for the opportunity to evaluate the effectiveness of conservation practice implementation in reducing sediment and nutrient runoff. There are currently 14 water technology farms in Kansas. The agency is requesting an enhancement of \$100,000, all from the State Water Plan Fund, to increase the number of water technology farms.

The Governor concurs with this request.

REQUEST 8

FLOOD STUDY

The 2019 Special Committee on Natural Resources recommended funding for a basin-by-basin evaluation of flood risk in Kansas to identify areas of recurring flooding and identify potential mitigation projects to lessen future damage. The agency is requesting an enhancement of \$150,000, all from the State Water Plan Fund, to continue and expand this study.

The Governor concurs with this request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 9

WATERSHED CONSERVATION PRACTICE IMPLEMENTATION

The Watershed Conservation Practice Implementation provides financial assistance to landowners within targeted watersheds to implement conservation practices that reduce sediment runoff. Project examples include cover crops, buffer strips, and grassed waterways. The agency is requesting an enhancement of \$500,000, all from the State Water Plan Fund, for this program.

The Governor concurs with this request.

REQUEST 10

ARBUCKLE STUDY

The 2021 Legislature added \$60,000, all from the State Water Plan Fund, for a study of the Arbuckle formation in FY 2022. The Arbuckle formation is a sequence of sedimentary rocks that is used for fluid-waste disposal, oil production, storage, and fresh water. Recent tests have indicated that the storage capacity of the formation is decreasing. Funding in FY 2022 was budgeted for a preliminary study of the techniques to measure fluid levels and storage capacity. The agency is requesting an enhancement of \$90,000, all from the State Water Plan Fund, to continue and expand this program.

The Governor concurs with this request.

REQUEST 11

WATER INJECTION DREDGING

The 2021 Legislature added \$850,000, all from the State Water Plan Fund, for a water injection dredging project in FY 2022. The agency will implement a water injection dredging (WID) project at Tuttle Creek Lake to promote reservoir sediment management. WID is a process in which large volumes of water are injected at low pressure into the sediment bed to allow the sediment to flow to deeper areas. FY 2022 funding and the FY 2023 enhancement of \$69,992, all from the State Water Plan Fund, will be used to construct the WID apparatus for the demonstration.

The Governor concurs with this request.

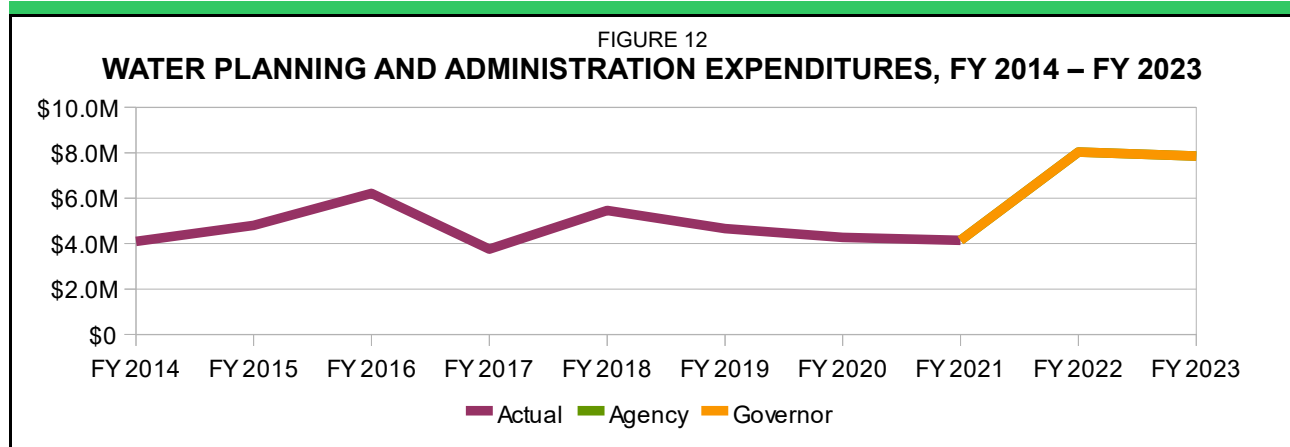
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Water Planning and Administration	\$ 4,145,743	\$ 8,028,664	\$ 8,028,664	\$ 7,850,388	\$ 7,850,388
Public Water Supply	6,098,589	8,746,824	8,746,824	5,818,930	5,818,930
TOTAL	\$ 10,244,332	\$ 16,775,488	\$ 16,775,488	\$ 13,669,318	\$ 13,669,318
FTE Positions:					
Water Planning and Administration	6.0	8.0	8.0	9.0	8.0
Water Supply Contracts	10.0	10.0	10.0	10.0	10.0
TOTAL	16.0	18.0	18.0	19.0	18.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

WATER PLANNING AND ADMINISTRATION



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

PROGRAM GOALS:

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

The Water Planning and Implementation program covers the major agency responsibility for the development of the Kansas Water Plan. The administration of the Kansas Water Planning Act, Kansas Weather Modification Act, and portions of the Water Appropriations and Water Transfer acts are housed in this program.

The Water Planning and Implementation program also houses the Kansas Water Authority, which is statutorily within the Kansas Water Office. The Authority is responsible for advising the Governor, Legislature, and the

Director of the Kansas Water Office on water policy issues; approving the Kansas Water Plan; accounting for and making recommendations on the expenditures of State Water Plan Fund moneys; and approving water storage sales, water marketing rates, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office. The Authority is composed of 24 members that represent stakeholder groups and are informed of water-related issues representing water users, water interests, environmental interests, and the general public.

FIGURE 13 WATER PLANNING AND ADMINISTRATION, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Vision Action Items Underway or Completed	249	258	242	262	263
2.Number of People Engaged in Public Meetings and Conferences*	2,462	2,947	2,634	2,970	N/A
3.Number of Digital Interactions*	799,807	524,239	754,468	575,000	N/A
Output Measure:					
4.State of the Resource Reports Underway or Completed*	14	14	14	14	N/A
5.Research and Technical Studies Underway and Completed	15	16	15	16	15
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,020,024	\$ 1,013,608		\$ 949,813	\$ 1,027,686
Federal Funds	200,511	167,086		301,473	379,730
All Other Funds	3,048,685	2,965,049		6,777,378	6,442,972
TOTAL	\$ 4,269,220	\$ 4,145,743		\$ 8,028,664	\$ 7,850,388
Percentage Change:					
SGF	15.9 %	(0.6) %		(6.3) %	8.2 %
All Funds	(8.1) %	(2.9) %		93.7 %	(2.2) %
FTE Positions	9.0	6.0		8.0	8.0

*The Governor's Office does not utilize this measure for evaluation purposes.

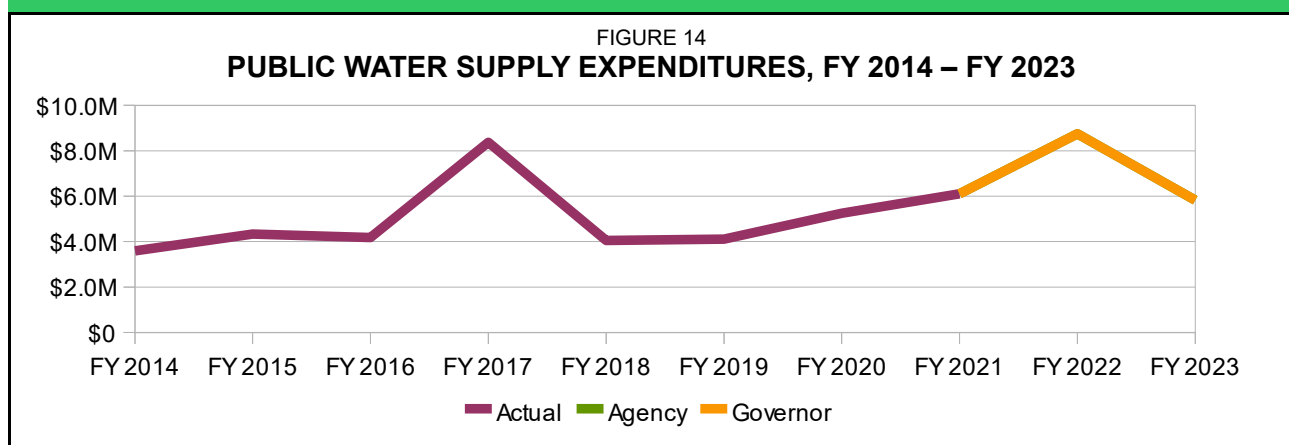
BUDGET ANALYSIS

The **agency** requests FY 2023 Water Planning and Administration program expenditures of \$7.9 million, including \$802,787 SGF. This is an all funds decrease of \$178,276, or 2.2 percent, and an SGF increase of \$80,741, or 11.2 percent, from the program's FY 2022 revised estimate. The SGF increase is due to the agency's enhancement request for a water resources planner position. The all funds decrease is primarily due to decreased expenditures on conservation projects in the Republican River Basin, partially offset by increased receipt of federal funds for a

floodplain mapping study. This program also contains all of the agency's State Water Plan Fund enhancement requests. This increase is offset by decreased State Water Plan Fund reappropriations.

The **Governor** concurs with the agency's FY 2023 Water Planning and Administration program funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

PUBLIC WATER SUPPLY



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

PROGRAM GOALS:

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

The Public Water Supply program administers supply programs to ensure an adequate supply of water for Kansans receiving water from state-owned storage in federal and state reservoirs. These programs include the water marketing, water assurance, Lower Smoky Hill access district, and the public water

supply components of the Multipurpose Small Lakes program (KSA 82a-1601 *et seq.*). The Kansas Water Office negotiates with the federal government for water supply storage in federal lakes and coordinates reservoir operations to meet multiple uses, primarily benefiting municipal and industrial customers.

FIGURE 15
PUBLIC WATER SUPPLY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
Outcome Measure:					
1.Number of People Directly Served (Based on Population Estimates)*	1,245,959	1,258,914	1,246,030	1,272,084	N/A
2.Number of Industrial Customers Directly Served*	15	15	15	15	N/A
3.Number of Irrigation Water Rights Directly Served	51	51	51	51	51
Output Measure:					
4.Percent of Time Demands of All Public Water Supply Programs Are Met	100%	100%	100%	100%	100%
Financing					
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	5,251,121	6,098,589		8,746,824	5,818,930
TOTAL	<u>\$ 5,251,121</u>	<u>\$ 6,098,589</u>		<u>\$ 8,746,824</u>	<u>\$ 5,818,930</u>

FIGURE 15
PUBLIC WATER SUPPLY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	27.9 %	16.1 %		43.4 %	(33.5) %
FTE Positions	11.0	10.0		10.0	10.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests FY 2023 Public Water Supply program expenditures of \$5.8 million, all from special revenue funds. This is a decrease of \$2.9 million, or 33.5 percent, below the program's FY 2022 revised estimate. This decrease is primarily due to the agency's FY

2022 supplemental request for a one-time payment to pay off a water supply storage contract for Hillsdale reservoir.

The **Governor** concurs with the agency's FY 2023 Public Water Supply program request.

CAPITAL IMPROVEMENTS

FIGURE 16 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Debt Service Principal:					
Hillsdale Reservoir	\$ -	\$ 2,138,019	\$ -	\$ -	\$ -
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	2,138,019	-	-	-
TOTAL	\$ -	\$ 2,138,019	\$ -	\$ -	\$ -

FY 2022 DEBT SERVICE

The **agency** estimates revised debt service expenditures of \$2.1 million, all from special revenue funds. This is an increase of \$2.1 million from the FY 2022 approved debt service amount. This increase is due to the agency's supplemental request to pay off a water supply contract for Hillsdale reservoir. The State is obligated to fully pay the capital costs of the water supply storage reserved by Kansas in federal reservoirs. These payments have been delayed until the additional storage is needed and the storage is called into service. Additional

storage has not been needed from Hillsdale Reservoir since 2014. However, future debt service payments on additional storage have continued to accrue interest. The agency is requesting \$2.1 million, all from special revenue funds, to mitigate some of this interest and decrease the amount being compounded.

The **Governor** recommends the funding for the water supply storage contract. However, this payment has been recategorized as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.

KANSAS STATE FAIR

FY 2021 – FY 2023 BUDGET ANALYSIS

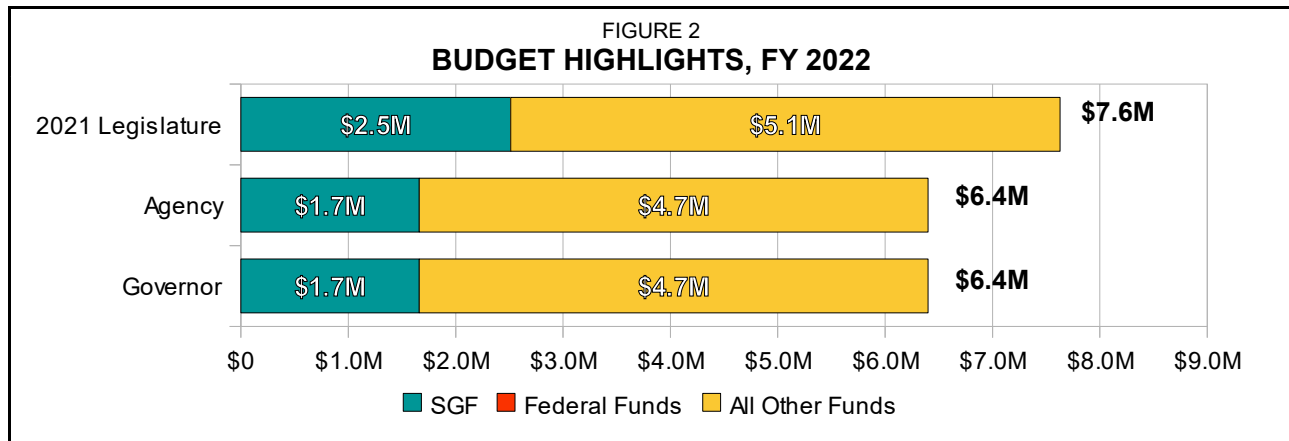
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 1,073,832	\$ 1,661,506	\$ 1,661,506	\$ 135,000	\$ 135,000
Federal Funds	75,771	-	-	-	-
All Other Funds	1,693,817	3,972,672	3,972,672	5,492,932	5,492,932
<i>Subtotal</i>	<u>\$ 2,843,420</u>	<u>\$ 5,634,178</u>	<u>\$ 5,634,178</u>	<u>\$ 5,627,932</u>	<u>\$ 5,627,932</u>
Capital Improvements:					
State General Fund	\$ 700,000	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	131,057	765,978	765,978	763,358	763,358
<i>Subtotal</i>	<u>\$ 831,057</u>	<u>\$ 765,978</u>	<u>\$ 765,978</u>	<u>\$ 763,358</u>	<u>\$ 763,358</u>
TOTAL	<u>\$ 3,674,477</u>	<u>\$ 6,400,156</u>	<u>\$ 6,400,156</u>	<u>\$ 6,391,290</u>	<u>\$ 6,391,290</u>
Percentage Change:					
State General Fund	47.4 %	(6.3) %	(6.3) %	(91.9) %	(91.9) %
All Funds	(49.8) %	74.2 %	74.2 %	(0.1) %	(0.1) %
FTE Positions	20.0	25.0	25.0	25.0	25.0

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

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

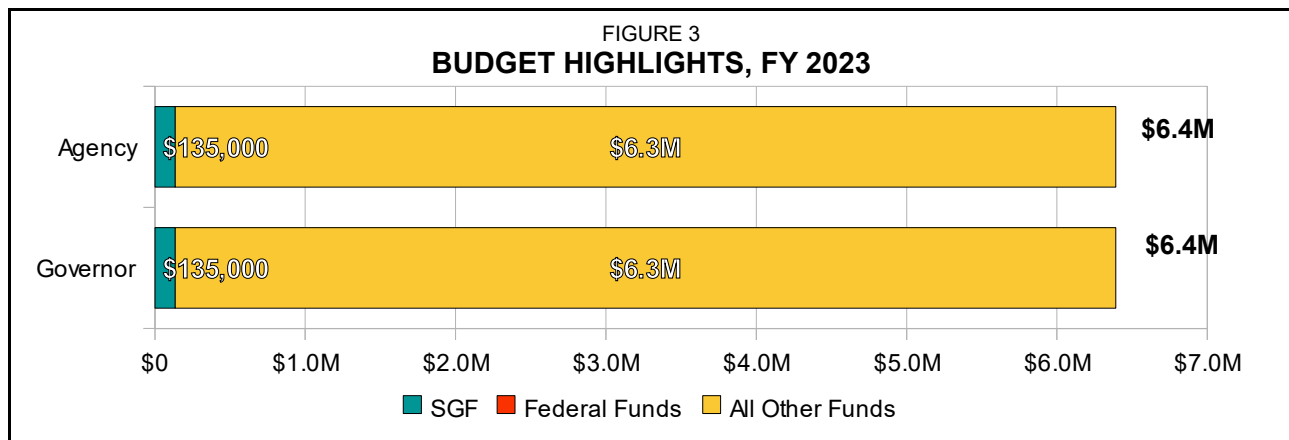
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$6.1 million, including \$985,500 from the State General Fund (SGF), appropriated to the Kansas State Fair for FY 2022. The agency carried over \$1.5 million in unspent SGF moneys into FY 2022. In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of the SGF to replace lost revenue due to the cancellation of the 2020 State Fair event. The Fair carried over funds into FY 2022 to cover expenditures for the 2021 State Fair event. This adjustment changes the current year approved amount without any legislative action required.



The **agency** estimates revised FY 2022 expenditures of \$6.4 million, including \$1.7 million SGF. This is an all funds decrease of \$1.2 million, or 16.1 percent, and an SGF decrease of \$850,500, or 33.9 percent, below the FY 2022 approved amount. The SGF decrease is due to decreased expenditures on debt service for bonds for the State Fair Master Plan. During FY 2001, the State Fair began implementing a six-year capital plan to repair the infrastructure of the State Fairgrounds. This plan was completed in FY 2006. The agency was not scheduled to pay off the bonds for these projects until FY 2024; during FY 2022, the Department of Administration refinanced several SGF bonds and chose to pay off these bonds. The all funds decrease is due to the agency reappropriating \$1.5 million SGF from FY 2021 to FY 2022. The agency redesignated expenditures previously budgeted to use special revenue funds to instead use these reappropriated SGF moneys. This decrease is partially offset by increased expenditures on salaries and wages to rehire furloughed positions and on expenditures such as advertising and entertainers.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** requests FY 2023 expenditures of \$6.4 million, including \$135,000 SGF. This is an all funds decrease of \$8,866, or 0.1 percent, and an SGF decrease of \$1.5 million, or 91.9 percent, below the FY 2022 revised estimate. The all funds decrease is primarily due to decreased expenditures on advertising, and debt service principal for renovation of the Expo Center. The SGF decrease is due to SGF reappropriations that were present in FY 2022 but not FY 2023. In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of the SGF to replace lost revenue due to the cancellation of the 2020 State Fair event. Of that amount, \$1.5 million was reappropriated into FY 2022. For FY 2023, those SGF moneys are no longer available, and the agency plans to replace them with fee fund moneys.

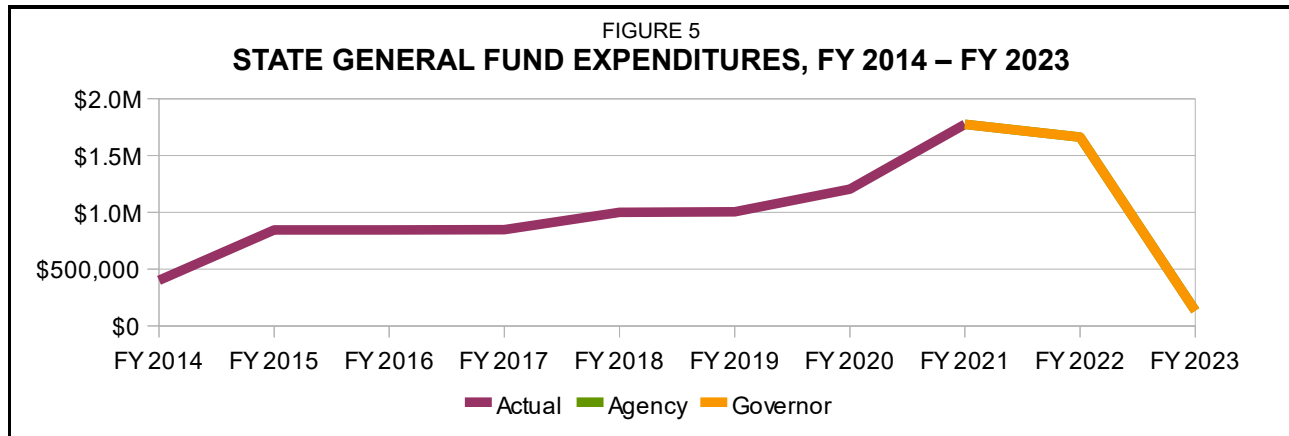
The **Governor** concurs with the agency's FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

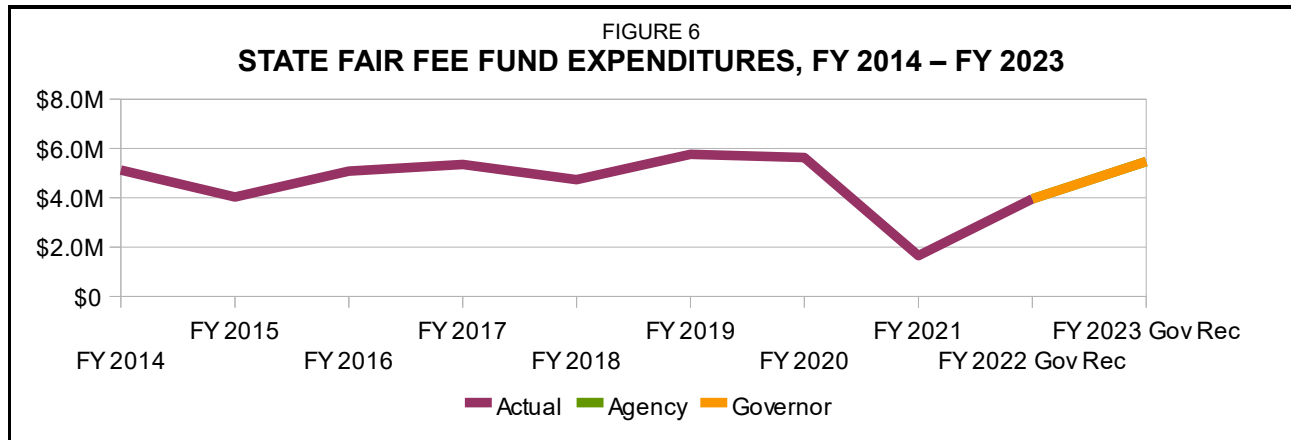
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 1,278,487	\$ 2,057,101	\$ 2,057,101	\$ 2,057,058	\$ 2,057,058
Contractual Services	1,217,817	3,173,522	3,173,522	3,159,700	3,159,700
Commodities	195,407	283,050	283,050	288,050	288,050
Capital Outlay	1,371	104,600	104,600	104,600	104,600
Debt Service Interest	150,338	15,905	15,905	18,524	18,524
Subtotal	\$ 2,843,420	\$ 5,634,178	\$ 5,634,178	\$ 5,627,932	\$ 5,627,932
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
Subtotal—Operating	\$ 2,843,420	\$ 5,634,178	\$ 5,634,178	\$ 5,627,932	\$ 5,627,932
Capital Improvements	131,057	594,500	594,500	594,500	594,500
Debt Service	700,000	171,478	171,478	168,858	168,858
Principal					
TOTAL	\$ 3,674,477	\$ 6,400,156	\$ 6,400,156	\$ 6,391,290	\$ 6,391,290
Financing:					
State General Fund	\$ 1,773,832	\$ 1,661,506	\$ 1,661,506	\$ 135,000	\$ 135,000
State Fair Fee Fund	1,601,162	3,956,767	3,956,767	5,474,408	5,474,408
Federal Funds	75,771	-	-	-	-
State Fair Capital	223,712	781,883	781,883	781,882	781,882
Improvements					
Fund					
TOTAL	\$ 3,674,477	\$ 6,400,156	\$ 6,400,156	\$ 6,391,290	\$ 6,391,290
FTE Positions	20.0	25.0	25.0	25.0	25.0

STATE GENERAL FUND



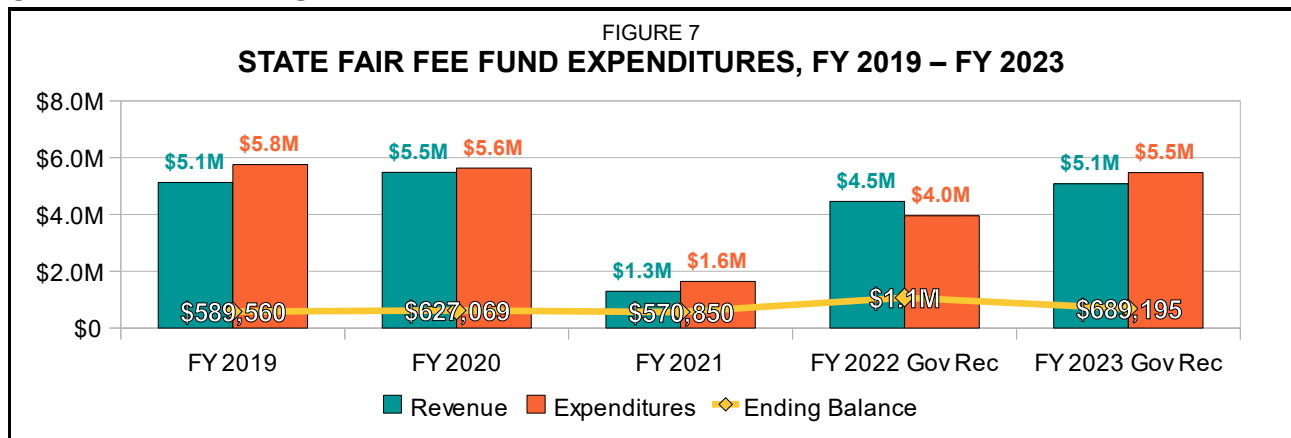
Prior to FY 2018, SGF moneys were used only for debt service expenditures for the Fair. Beginning in FY 2018, the agency also budgeted \$150,000 SGF for utilities costs. In FY 2020, the agency received \$205,000 from the Coronavirus Relief Account of the SGF to replace lost revenue from non-State Fair events and RV Park reservations that were canceled due to the COVID-19 pandemic. In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of SGF to replace lost revenue due to the cancellation of the 2020 State Fair Event. Approximately half of those funds were expended in FY 2021, and the remainder reappropriated to FY 2022. In FY 2023, the agency anticipates decreased SGF expenditures due to paying off the bonds for the State Fair Master Plan in FY 2022.

STATE FAIR FEE FUND



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

STATE FAIR FEE FUND



The State Fair Fee Fund experienced lower revenue and expenditures in FY 2021 due to the cancellation of the 2020 State Fair event. In FY 2022, reappropriated SGF moneys are available for use, decreasing the amount expended from the State Fair Fee Fund. Those SGF moneys are no longer available in FY 2023, increasing the amount spent from the State Fair Fee Fund.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 985,500	\$ 5,115,965	\$ 6,101,465	22.0
1. SGF Reappropriation	1,526,506	-	1,526,506	--
Subtotal—Legislative Approved	\$ -	\$ -	\$ 7,627,971	--
Agency Revised Estimate:				
2. Funding Swap	\$ -	\$ (1,526,506)	\$ (1,526,506)	--
3. State Fair Master Plan Debt Service	(850,500)	-	(850,500)	--
4. Expo Center Repair Debt Service	-	(15,784)	(15,784)	--
5. Capital Improvements	-	169,500	169,500	--
6. Vacant Positions	-	189,030	189,030	3.0
7. Fair-time Workers	-	440,223	440,223	--
8. Advertising	-	100,000	100,000	--
9. Entertainers	-	120,000	120,000	--
10. All Other Adjustments	-	146,222	146,222	--
Subtotal—Agency Revised Estimate	\$ (850,500)	\$ (377,315)	\$ 6,400,156	3.0
Governor's Recommendation:				
11. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ (850,500)	\$ (377,315)	\$ 6,400,156	3.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$6.1 million, including \$985,500 SGF, appropriated to the Kansas State Fair for FY 2022. This adjustment changes the current year approved amount without any legislative action required:

1. **SGF REAPPROPRIATION.** The agency carried over \$1.5 million in unspent SGF moneys in FY 2022. In FY 2021, the agency received \$2.3 million SGF from the Coronavirus Relief Account of the SGF to replace lost revenue due to the cancellation of the 2020 State Fair event. The Fair carried over funds into FY 2022 to cover expenditures for the 2021 State Fair event.

AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$6.4 million, including \$1.7 million SGF. This is an all funds decrease of \$1.2 million, or 16.1 percent, and an SGF decrease of \$850,500, or 33.9 percent, below the FY 2022 approved amount.

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

2. **FUNDING SWAP.** The agency reappropriated \$1.5 million SGF from FY 2021 to FY 2022. The agency redesignated expenditures previously budgeted to use special revenue funds to instead use these reappropriated SGF moneys.
3. **STATE FAIR MASTER PLAN DEBT SERVICE.** During FY 2001, the State Fair began implementing a six-year capital plan to repair the infrastructure of the State Fairgrounds. This plan was completed in FY 2006. The agency was not scheduled to pay off the bonds for these projects until FY 2024; during FY 2022, the Department of

Administration refinanced several SGF bonds and chose to pay off these bonds. This caused a decrease of \$850,500 in debt service expenditures in FY 2022.

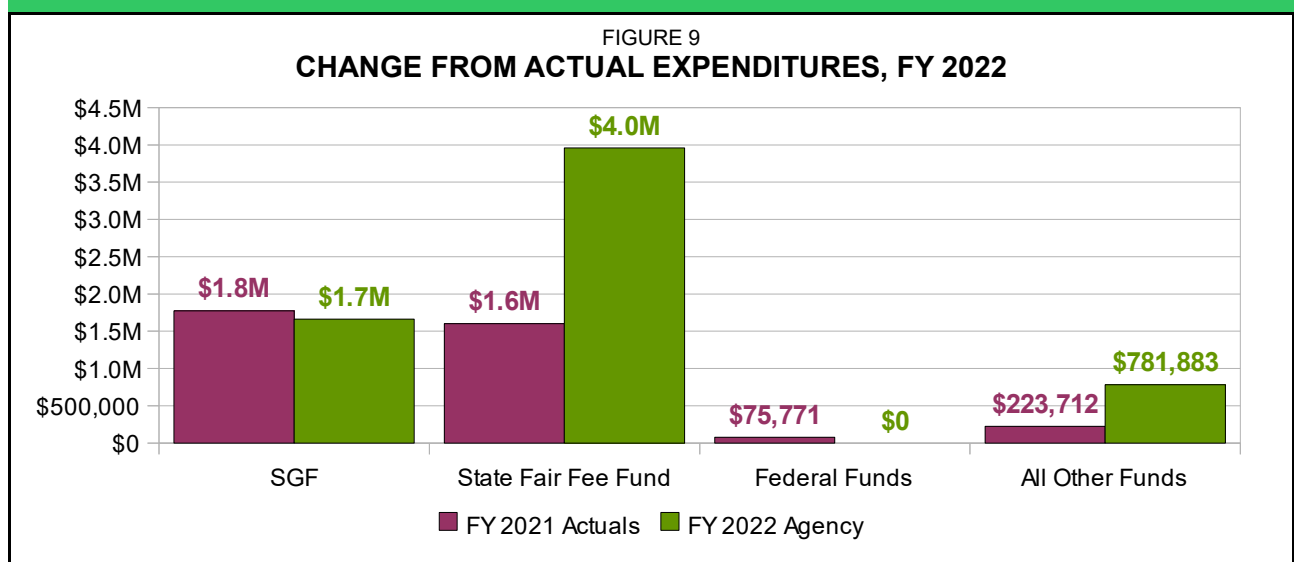
4. **EXPO CENTER REPAIR.** The agency's FY 2022 revised estimate includes a reduced estimate for the cost of repair of the Expo Center, resulting in a reduction of \$15,784 SGF.
5. **CAPITAL IMPROVEMENTS.** The agency's revised estimate includes increased expenditures of \$169,500 for capital improvements in FY 2022. The agency originally estimated decreased capital improvement expenditures in FY 2022 due to decreased revenue due to the cancellation of the 2020 State Fair event.
6. **VACANT POSITIONS.** After the cancellation of the 2020 State Fair event, the agency furloughed several employees, and some employees resigned. With revenue returning to normal levels and additional SGF appropriations, the agency hopes to rehire those positions, causing an increase in expenditures of \$189,030.
7. **FAIR-TIME WORKERS.** The agency's revised estimate includes increased expenditures of \$440,223 for temporary fair-time employees. The Fair relies on these temporary employees to assist with the execution of the State Fair event.
8. **ADVERTISING.** The agency estimates increased advertising and marketing expenditures of \$100,000 in FY 2022.
9. **ENTERTAINERS.** The agency estimates increased expenditures of \$120,000 on entertainers.
10. **OTHER ADJUSTMENTS.** The agency's revised estimate includes other minor adjustments such as increased expenditures on building and ground maintenance, vehicles, gasoline, and electricity.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

11. **NO CHANGES.** The Governor does not recommend any changes in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$6.4 million, including \$1.7 million SGF. This is an all funds increase of \$2.7 million, or 74.2 percent, and an SGF decrease of \$112,326, or 6.3 percent, from the FY 2021 actual expenditures. These changes are caused by the following:

- SGF DECREASE.** For both FY 2021 and FY 2022, the agency received a higher than normal level of SGF appropriation. In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of the SGF. The agency expended approximately half of the funds in FY 2021 and reappropriated the rest into FY 2022. The decrease is primarily due to decreased expenditures for debt service due to the agency paying off its bonds for the State Fair Master Plan.
- SPECIAL REVENUE FUNDS.** The agency estimates increased expenditures from its special revenue funds in FY 2022 due to holding the State Fair event that was canceled in FY 2021.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ (850,500)	\$ (377,315)	\$ 6,400,156	3.0
Agency Request:				
1. Funding Swap	\$ (1,526,506)	\$ 1,526,506	\$ -	--
2. Gasoline	-	5,000	5,000	--
3. Advertising	-	(15,000)	(15,000)	--
4. All Other Adjustments	-	1,134	1,134	--
<i>Subtotal—Agency Estimate</i>	\$ (2,377,006)	\$ 1,140,325	\$ 6,391,290	3.0
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ (2,377,006)	\$ 1,140,325	\$ 6,391,290	3.0

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$6.4 million, including \$135,000 SGF. This is an all funds decrease of \$8,866, or 0.1 percent, and an SGF decrease of \$1.5 million, or 91.9 percent, below the FY 2022 revised estimate.

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

- FUNDING SWAP.** In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of the SGF to replace lost revenue due to the cancellation of the 2020 State Fair event. Of that amount, \$1.5 million was reappropriated for FY 2022. For FY 2023, those SGF moneys are no longer available and the agency plans to replace the moneys with fee fund moneys.
- GASOLINE.** The agency's revised estimate includes decreased expenditures of \$5,000 on gasoline.
- ADVERTISING.** The agency estimates reduced expenditures of \$15,000 on advertising for FY 2023.
- OTHER ADJUSTMENTS.** The agency's FY 2023 request includes other minor adjustments including decreased expenditures on Kansas Public Employees Retirement System (KPERs) benefits and debt service principal for renovation of the Expo Center. These are offset by small increases in expenditures on debt service interest and group health insurance.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2023 request.

- NO CHANGES.** The Governor does not recommend any changes for FY 2023.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

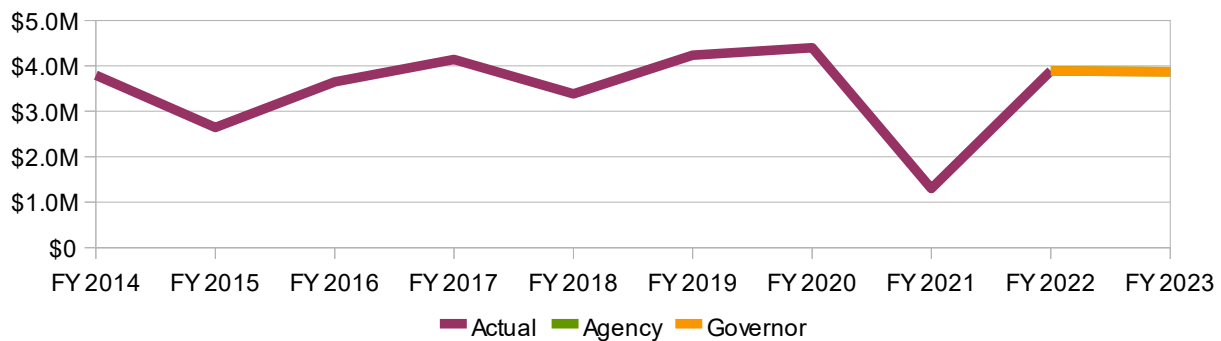
FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 1,298,490	\$ 3,886,199	\$ 3,886,199	\$ 3,868,667	\$ 3,868,667
Facilities	1,394,592	1,732,074	1,732,074	1,740,741	1,740,741
Management					
Debt Service	850,338	187,383	187,383	187,382	187,382
Capital Improvements	131,057	594,500	594,500	594,500	594,500
TOTAL	\$ 3,674,477	\$ 6,400,156	\$ 6,400,156	\$ 6,391,290	\$ 6,391,290
FTE Positions:					
Administration	11.0	13.0	13.0	13.0	13.0
Facilities	9.0	12.0	12.0	12.0	12.0
Management					
Debt Service	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	20.0	25.0	25.0	25.0	25.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 12
ADMINISTRATION EXPENDITURES, FY 2014 – FY 2023



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

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

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

The Administration program provides for the administration of the agency as well as the planning, marketing, and advertising of the

State Fair event. The Administration program also markets non-State Fair use of the State Fairgrounds in Hutchinson.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Increase Attendance at Fair*	281,000	N/A	204,667	325,000	325,000
2. Total Number of Impressions Views through Social Media Platforms (In Millions)*	7.5	12.5	10.0	14.0	16.0
3. Number of Full-time employees retained*	15	21	21	26	26
4. Percent of Returning Exhibitors	87.0 %	N/A	--	85.0 %	90.0 %
5. Percent of Fair Attendees also Attending Grandstand Event	100.0 %	N/A	--	95.0 %	100.0 %
6. Cost of Grandstand Acts as Percent of Grandstand Ticket Sales	95.0 %	N/A	--	119.0 %	95.0 %
Output Measure:					
7. Increase Grandstand Entertainment Lineup*	-	450,000	396,111	375,000	675,000
8. Increase Sponsorship Opportunities at Kansas State Fair Ground*	\$ 648,000	\$ 598,675	\$ 626,592	\$ 584,000	\$ 662,000
9. Number of Non-State Fair Events per Year*	560	540	550	570	570

10. Percent of Available Spaces Occupied or Filled	100.0 %	N/A	--	95.0 %	100.0 %
11. Percent of Counties with Kansas Youth Participation	70.0 %	N/A	--	52.0 %	70.0 %
12. Percent of School Districts with Kansas Youth Participation	46.8 %	N/A	--	31.0 %	48.0 %
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 200,000	\$ 310,201		\$ 1,149,995	\$ -
Federal Funds	360	75,771		-	-
All Other Funds	4,022,262	912,518		2,736,204	3,868,667
TOTAL	\$ 4,222,622	\$ 1,298,490	-	\$ 3,886,199	\$ 3,868,667
Percentage Change:					
SGF	100.0 %	55.1 %		270.7 %	(100.0) %
All Funds	(3.0) %	(69.2) %		199.3 %	(0.5) %
FTE Positions	14.0	11.0		13.0	13.0

*The Governor's Office does not utilize this measure for evaluation purposes.

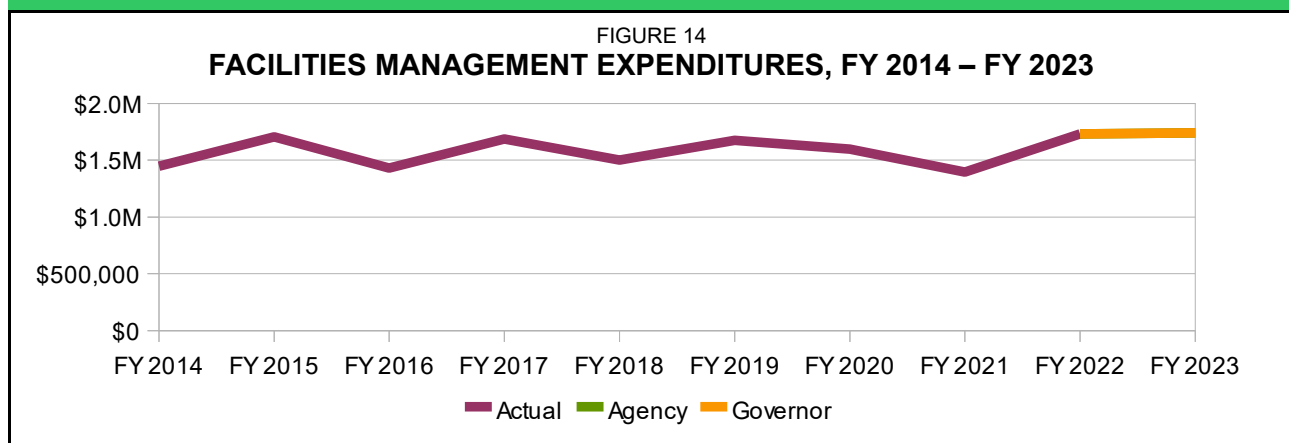
BUDGET ANALYSIS

The **agency** requests FY 2023 Administration program expenditures of \$3.9 million, all from special revenue funds. This is an all funds decrease of \$17,532, or 0.5 percent, and an SGF decrease of \$1.1 million, or 100.0 percent, below the FY 2022 revised estimate. The SGF decrease is due to reappropriations that occurred in FY 2022 that will not reoccur in

FY 2023. This decrease is mostly offset by increased expenditure of special revenue funds to replace these SGF moneys. The net decrease is caused by decreased expenditures on advertising.

The **Governor** concurs with the agency's FY 2023 Administration program request.

FACILITIES MANAGEMENT



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

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

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

The Facilities Management program works to provide convenient, safe, and attractive buildings and grounds to patrons of the State Fair and non-State Fair activities on the State Fairgrounds. The Facilities Management program is staffed by 12.0 FTE positions, along

with contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility, whose work includes painting, cleaning, mowing, carpentry projects, and other maintenance jobs.

FIGURE 15
FACILITIES MANAGEMENT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.No loss of Life, Injury, or Property Damage due to Safety Issues*	-	-	-	-	-
2.Rentals from Fairgrounds Facilities-Fairtime and Non-Fairtime (In Millions)*	\$ 0.8	\$ 0.4	\$ 0.8	\$ 1.0	\$ 1.4
Output Measure:					
3.Conducting Risk Assessments for Facilities (Monthly)*	12	12	12	12	12
4.Major Facility Upgrades or Remodels*	1	2	1	4	3
Financing					
SGF	\$ 155,000	\$ 613,293		\$ 511,511	\$ 135,000
Federal Funds	-	-		-	-
All Other Funds	1,440,437	781,299		1,220,563	1,605,741
TOTAL	\$ 1,595,437	\$ 1,394,592	-	\$ 1,732,074	\$ 1,740,741

Percentage Change:					
SGF	3.3 %	295.7 %		(16.6) %	(73.6) %
All Funds	(4.9) %	(12.6) %		24.2 %	0.5 %
FTE Positions	9.0	9.0		12.0	12.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2023 Facilities Management expenditures of \$1.7 million, including \$135,000 SGF. This is an all funds increase of \$8,667, or 0.5 percent, and an SGF decrease of \$376,511, or 73.6 percent, from the FY 2022 revised estimate. This SGF decrease is mostly offset by increased expenditure of

special revenue funds to replace the SGF moneys. The net increase is caused by increased expenditures on gasoline.

The **Governor** concurs with the agency's FY 2023 Facilities Management program request.

CAPITAL IMPROVEMENTS

FIGURE 16
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Ongoing Maintenance	\$ 131,057	\$ 319,500	\$ 319,500	\$ 469,500	\$ 469,500
Asphalt Repairs	-	125,000	125,000	125,000	125,000
Grandstand Repair	-	150,000	150,000	-	-
<i>Subtotal–Projects</i>	<i>\$ 131,057</i>	<i>\$ 594,500</i>	<i>\$ 594,500</i>	<i>\$ 594,500</i>	<i>\$ 594,500</i>
Debt Service Principal:					
Expo Center Repair	\$ -	\$ 171,478	\$ 171,478	\$ 168,858	\$ 168,858
State Fair Master Plan	700,000	-	-	-	-
TOTAL	\$ 831,057	\$ 765,978	\$ 765,978	\$ 763,358	\$ 763,358
Financing:					
SGF	\$ 700,000	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	131,057	765,978	765,978	763,358	763,358
TOTAL	\$ 831,057	\$ 765,978	\$ 765,978	\$ 763,358	\$ 763,358

FY 2022 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvement expenditures of \$765,978, all from special revenue funds, in FY 2022. This is an all funds decrease of \$572,239, or 42.8 percent, and an SGF decrease of \$735,000, or 100.0 percent, below the FY 2022 approved capital improvements amount. Both decreases are caused by a decrease in expenditures for debt service principal payments for the State Fair Master Plan. The bonds were originally scheduled to be paid off in FY 2024; however,

during FY 2021, the Department of Administration refinanced several SGF bonds and chose to pay off these bonds. This decrease is partially offset for increased expenditures for the Grandstand repair and ongoing maintenance.

The **Governor** concurs with the agency's FY 2022 capital improvements revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

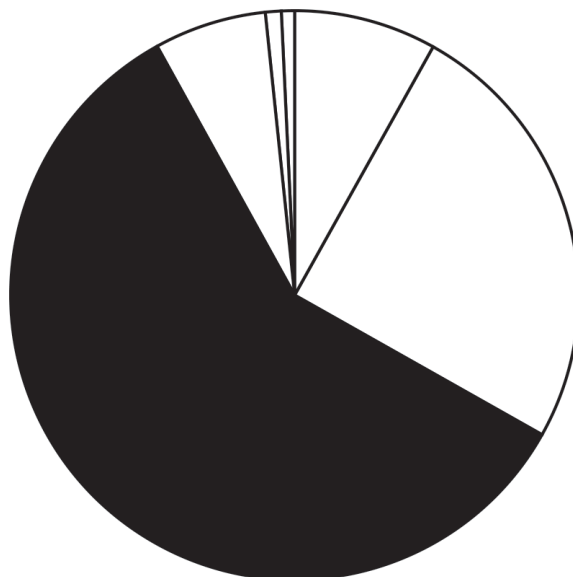
The **agency** requests FY 2023 capital improvement expenditures of \$763,358, all from special revenue funds. This is a decrease of \$2,620, or 0.3 percent, below the FY 2022 revised capital improvements estimate. This decrease is due to decreased expenditures on

the Grandstand repair, partially offset by increased expenditures on ongoing maintenance.

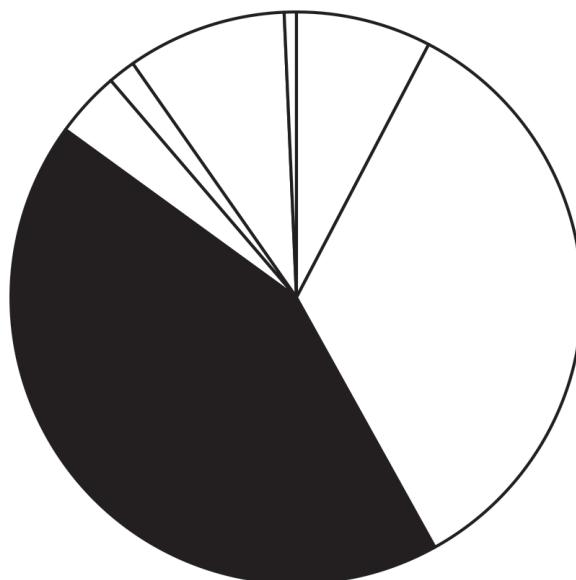
The **Governor** concurs with the agency's FY 2023 capital improvements request.

EDUCATION

State General Fund



All Funds



The Education function of government provides educational services to Kansans through agencies under the supervision of the State Board of Education and the Board of Regents, as well as indirect services provided by the State Historical Society and the State Library. This function includes the following agencies under authority of the State Board of Education: the Kansas State Department of Education, the Kansas State School for the Blind, and the Kansas State School for the Deaf. The function also includes the state-funded universities under the supervision of the Board of Regents.

The Governor's FY 2023 recommendation for the Education function totals \$9.7 billion from all funding sources, including \$5.2 billion from the State General Fund.

Agencies in this Function:	
<i>Kansas State Department of Education.....</i>	<i>863</i>
<i>Postsecondary Education Systemwide.....</i>	<i>898</i>
<i>State Historical Society.....</i>	<i>932</i>
<i>Kansas State School for the Blind.....</i>	<i>952</i>
<i>Kansas State School for the Deaf.....</i>	<i>972</i>
<i>State Library.....</i>	<i>995</i>

The FY 2023 recommendation represents a State General Fund decrease of 4.7 percent, or \$259.8 million, below the FY 2022 amount. Expenditures from all funds decrease by 2.4 percent, or \$241.2 million, below the FY 2022 amount.

A total of 19,815.8 FTE positions are recommended by the Governor for the Education function in FY 2023, which is an increase of 57.9 FTE positions above the FY 2022 number. Of all state FTE positions, 47.5 percent are in this function.

Agencies in this function comprise 58.8 percent of the total State General Fund budget for FY 2023, which is 0.1 percent less than the FY 2022 amount. The agencies comprise 43.1 percent of expenditures from all funding sources for FY 2023, which is 0.2 percent less than the FY 2022 amount.

KANSAS STATE DEPARTMENT OF EDUCATION

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 3,930,804,138	\$ 4,173,621,580	\$ 4,567,752,170	\$ 4,361,540,454	\$ 4,209,268,134
Federal Funds	659,786,851	854,043,761	854,043,761	994,061,677	994,061,677
All Other Funds	1,076,280,039	1,095,515,679	1,105,834,322	1,122,382,958	1,147,334,708
<i>Subtotal</i>	<i>\$ 5,666,871,028</i>	<i>\$ 6,123,181,020</i>	<i>\$ 6,527,630,253</i>	<i>\$ 6,477,985,089</i>	<i>\$ 6,350,664,519</i>
Capital Improvements:					
State General Fund	- \$	- \$	- \$	- \$	-
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 5,666,871,028	\$ 6,123,181,020	\$ 6,527,630,253	\$ 6,477,985,089	\$ 6,350,664,519
Percentage Change:					
State General Fund	(1.2) %	6.2 %	16.2 %	4.5 %	(7.8) %
All Funds	2.5 %	8.1 %	15.2 %	5.8 %	(2.7) %
FTE Positions	261.9	269.3	269.3	269.3	270.3

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

The Kansas State Department of Education (KSDE) is overseen by the ten-member elected State Board of Education (State Board), which is established by the *Kansas Constitution*. The State Board is responsible for the general supervision of public schools and educational interests of the State not under the jurisdiction of the Kansas Board of Regents. Its duties include accrediting elementary and secondary schools, establishing standard courses of study in the public schools, certifying teachers and administrators, approving public and private teacher education programs, and administering a variety of state and federal aid programs.

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

The **Office of the Commissioner** oversees those agency functions that provide services to the entire agency, including human resources and legal services.

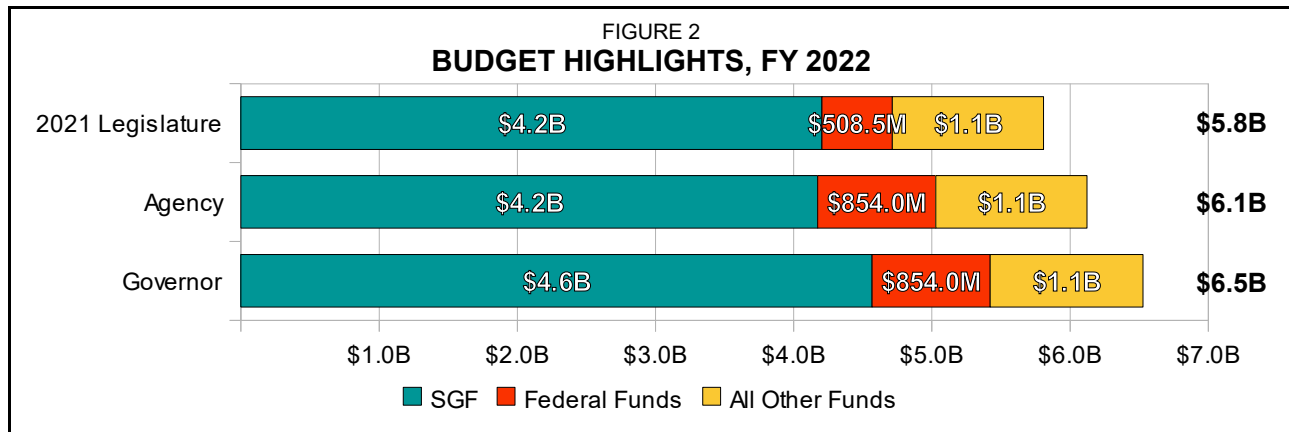
The **Division of Fiscal and Administrative Services** supervises the financial aspects of the agency including preparation of the budget for KSDE and the distribution and audit of state aid payments to schools.

The **Division of Learning Services** oversees the State's assessed and non-assessed curricular standards; state assessments; planning, research, data analysis, and reporting requirements; educator licensure; and the review of educator training programs at all Kansas institutions of higher education.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$5.8 billion, including \$4.2 billion from the State General Fund (SGF), for the Kansas State Department of Education for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency includes the following:

- **SGF REAPPROPRIATIONS.** The agency had \$12.7 million SGF in unspent funds that reappropriated from FY 2021 into FY 2022. This includes \$7.8 million for Kansas Public Employees Retirement System (KPERs) contributions, \$1.3 million for the School District Juvenile Detention Facilities, \$150,117 for Special Education Services Aid, and \$3.4 million for State Foundation Aid.



The **agency** requests a revised estimate of \$6.1 billion, including \$4.2 billion SGF, in FY 2022. This is an all funds increase of \$314.3 million, or 5.4 percent, and an SGF decrease of \$31.3 million, or 0.7 percent, from the amount approved by the 2021 Legislature. Significant items in the agency estimate include the following:

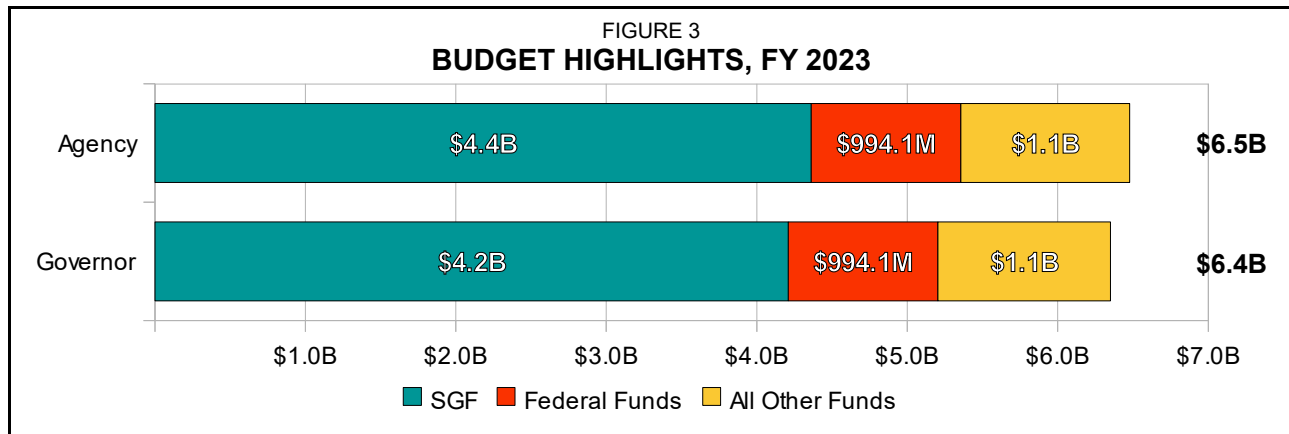
- **FEDERAL COVID-19 FUNDING.** The agency's revised estimate in FY 2022 includes \$345.0 million from federal COVID-19-relief funding. The majority of this funding will be awarded to unified school districts (USDs) for COVID-19-related expenditures. More information on this funding can be found online in the KLRD memorandum "COVID-19 Federal Funds for K-12 Education." This includes:
 - Lapsing \$9.0 million, all from the federal Elementary and Secondary School Emergency Relief (ESSER) Fund, which was appropriated by the 2021 Legislature for School Safety and Security Grants, the Mental Health Intervention Team (MHIT) Pilot Program, and Communities in Schools;
 - Adding \$329.0 million to reflect a portion of the federal ESSER Fund moneys appropriated by Congress in federal legislation, including the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act (ARPA);
 - Adding \$16.3 million to reflect federal Emergency Assistance to Nonpublic Schools (EANS) funding for private schools; and
 - Adding \$8.7 million for emergency child nutrition funding under CRRSAA.

- **KPERS EMPLOYER CONTRIBUTION RATE DECREASE.** The agency's revised estimate includes the deletion of \$31.3 million from the approved amount to reflect decreased KPERS employer contribution rates for KPERS-USDs and KPERS Non-USDs. This is partially offset by the reappropriations noted above.
- **SPECIAL REVENUE FUND REAPPROPRIATIONS.** The agency requests \$452,055, all from the Children's Initiative Fund and KEY Fund, be reappropriated from FY 2021 to FY 2022.

The **Governor** recommends expenditures of \$6.5 billion, including \$4.6 billion SGF, in FY 2022. This is an increase of \$404.4 million, or 6.6 percent, including an SGF increase of \$394.1 million, or 9.4 percent, above the agency's FY 2022 revised estimate. The increase is primarily attributable to the Governor recommending a one-time appropriation to eliminate delayed school payments and to pay off the KPERS layering payments in FY 2022. Significant items in the Governor's recommendation include the following:

- **EDUCATION CONSENSUS ADJUSTMENT.** The Governor recommends adoption of the fall 2021 education consensus estimates in FY 2022. For school finance, the Governor recommends decreased expenditures of \$34.8 million, including \$45.1 million SGF, below the approved amount and below the agency's revised estimate. For KPERS, the Governor recommends decreased expenditures of \$35.1 million, all SGF, below the approved amount and below the agency's revised estimate. The individual components of the fall 2021 education consensus estimate are described in the Special Topics section of this budget analysis.
- **EDUCATION SUPERHIGHWAY.** The Governor recommends additional expenditures of \$178,986 SGF for the state match for the Education SuperHighway program in FY 2022. The Education SuperHighway program supports school building access to high-speed internet. USD 361 Chaparral notified KSDE that its E-rate funding application was approved in FY 2022, which would require additional funding.
- **ELIMINATE DELAYED SCHOOL PAYMENT.** The Governor recommends additional expenditures of \$199.6 million SGF to eliminate delayed state aid payments to school districts in FY 2022. This one-time expenditure will allow the state to make timely payments for obligations incurred in the same fiscal year and will end the current accounting practice.
- **KPERS LAYERING PAYMENT PAYOFF.** The Governor recommends additional expenditures of \$253.9 million SGF in FY 2022, to pay off the KPERS-School payments to eliminate the debt owed to the State's retirement system. This recommendation by the Governor is estimated to save the state an aggregate of \$189.9 million in interest payments over each loan's final maturity.

The **Governor's** recommendation also includes 269.3 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.



The **agency** requests \$6.5 billion, including \$4.4 billion SGF, for FY 2023. This is an all funds increase of \$354.8 million, or 5.8 percent, including an SGF increase of \$187.9 million, or 4.5 percent, above the FY 2022 revised estimate. The increase is primarily due to anticipated school finance increases, additional federal COVID-19 pandemic relief funding, and 12 enhancement requests totaling \$84.7 million, including \$83.7 million SGF. The FY 2023 agency request includes 269.3 FTE positions, which is the same number as the FY 2022 revised estimate. Significant items in the agency request include the following:

- **FEDERAL COVID FUNDING.** The agency request includes \$479.1 million to reflect federal ESSER (\$458.2 million) and EANS (\$20.8 million) funds for FY 2023. This is an increase of \$124.9 million above the FY 2022 revised estimate.
- **APPROVED SCHOOL FINANCE INCREASES.** The agency request includes school finance increases approved by the 2021 Legislature, including increases to Special Education State Aid (\$7.5 million), State Foundation Aid (\$86.6 million), Supplemental State Aid (\$10.4 million), and Capital Outlay State Aid (\$2.4 million) above the FY 2022 revised estimate.
- **KPERS RATE ADJUSTMENTS.** The agency's request includes KPERS rate adjustments totaling \$9.8 million, all SGF.

The **Governor** recommends expenditures of \$6.4 billion, including \$4.2 billion SGF, for FY 2023. This is a decrease of \$127.3 million, including an SGF decrease of \$152.3 million, below the agency's FY 2023 request. The overall decrease is primarily attributable to the Governor recommending adoption of the fall 2021 education consensus adjustment. The SGF decrease is also partially attributable to the decrease in KPERS layering payment expenditures due to the Governor's recommendation to pay off the KPERS layering payments in FY 2022. Additional decreases in the Governor's recommendation include the following:

- **ENHANCEMENT—SPECIAL EDUCATION SERVICES STATE AID.** The Governor's recommendation includes a decrease of \$74.1 million SGF to not recommend adoption of the agency's enhancement request for Special Education State Aid for FY 2023.
- **ENHANCEMENT—COMMUNITIES IN SCHOOLS.** The Governor's recommendation includes a decrease of \$35,000 SGF to not recommend adoption of the agency's enhancement request to increase the funding for the Communities in Schools program.

Partially offsetting these decreases in the Governor's recommendation are several recommendations for additional expenditures, including recommending adoption of 5, and partial adoption of 1, of the agency's 12 enhancement requests. The Governor also recommends expenditures of \$31.1 million, all from special revenue funds, for the Children's Cabinet for FY 2023. This is an increase of \$500,000, all from the Children's Initiatives Fund (CIF), above the agency's FY 2023 request. This increase is attributable to the Governor recommending expenditures of \$500,000 for Dolly Parton's Imagination Library.

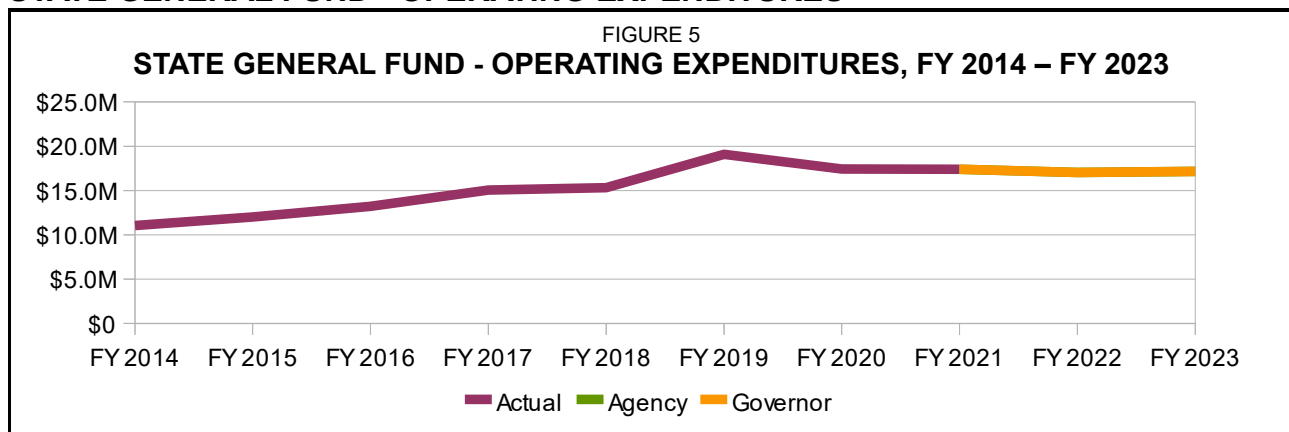
The **Governor's** recommendation also includes 270.3 FTE positions, which is 1.0 FTE position above the agency's FY 2023 request. This additional FTE position is attributable to the Governor's recommendation for a Dyslexia Coordinator. The Governor also recommends a transfer from the KEY Fund to the CIF in the amount of \$52.3 million for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

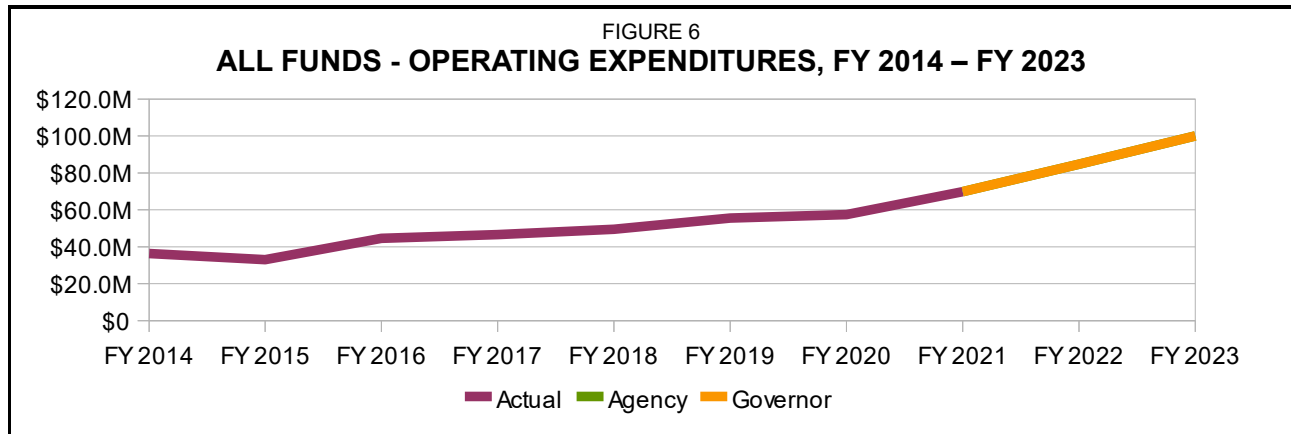
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 20,412,616	\$ 21,989,683	\$ 21,989,683	\$ 22,115,253	\$ 22,115,253
Contractual Services	48,302,786	62,028,833	62,028,833	77,246,562	77,246,562
Commodities	508,845	497,587	497,587	417,485	417,485
Capital Outlay	617,011	210,715	210,715	188,400	188,400
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 69,841,258</i>	<i>\$ 84,726,818</i>	<i>\$ 84,726,818</i>	<i>\$ 99,967,700</i>	<i>\$ 99,967,700</i>
Aid to Local Units	5,516,118,960	5,973,155,965	6,377,605,198	6,309,449,272	6,181,733,702
Other Assistance	80,910,810	65,298,237	65,298,237	68,568,117	68,963,117
<i>Subtotal—Operating</i>	<i>\$ 5,666,871,028</i>	<i>\$ 6,123,181,020</i>	<i>\$ 6,527,630,253</i>	<i>\$ 6,477,985,089</i>	<i>\$ 6,350,664,519</i>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 5,666,871,028	\$ 6,123,181,020	\$ 6,527,630,253	\$ 6,477,985,089	\$ 6,350,664,519
Financing:					
State General Fund	\$ 3,930,804,138	\$ 4,173,621,580	\$ 4,567,752,170	\$ 4,361,540,454	\$ 4,209,268,134
Children's Initiative Fund	32,725,495	33,048,169	33,048,169	35,143,256	35,643,256
Expanded Lottery Act Revenues Fund	41,640,023	41,143,515	41,143,515	43,431,547	41,389,547
Special Revenue Funds	198,332,035	211,086,864	208,086,864	216,829,492	213,829,492
Federal Funds	659,786,851	854,043,761	854,043,761	994,061,677	994,061,677
All Other Funds	803,582,486	810,237,131	823,555,774	826,978,663	856,472,413
TOTAL	\$ 5,666,871,028	\$ 6,123,181,020	\$ 6,527,630,253	\$ 6,477,985,089	\$ 6,350,664,519
FTE Positions	261.9	269.3	269.3	269.3	270.3

STATE GENERAL FUND - OPERATING EXPENDITURES



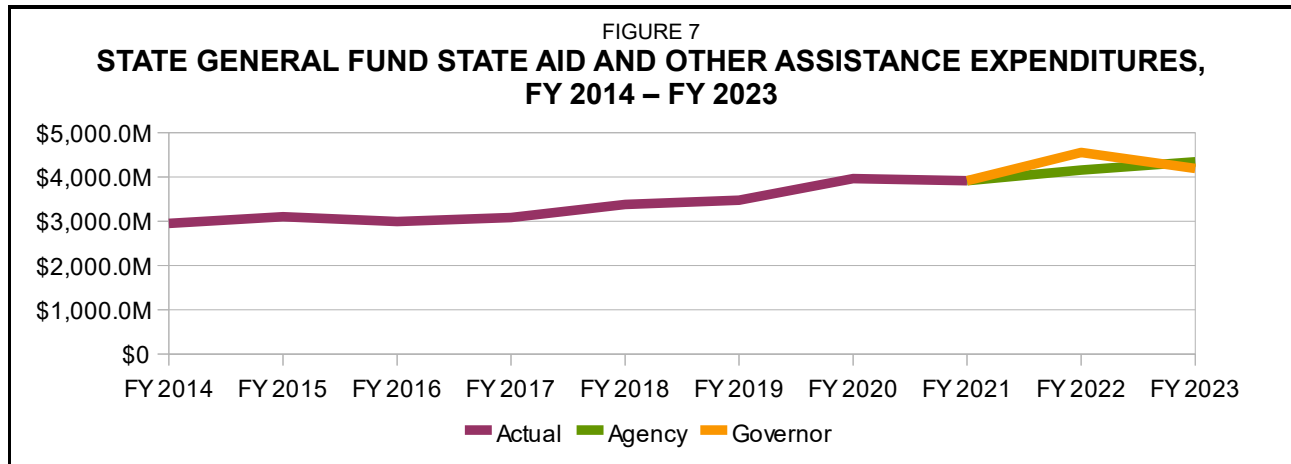
For the Kansas State Department of Education, the Governor recommends SGF operating expenditures of \$17.0 million in FY 2022 and \$17.2 million for FY 2023. In FY 2022, this is a decrease of \$12.7 million, or 42.7 percent, below the FY 2022 approved amount. For FY 2023, this is an increase of \$117,028, or 0.8 percent, above the FY 2022 revised estimate.

ALL FUNDS - OPERATING EXPENDITURES



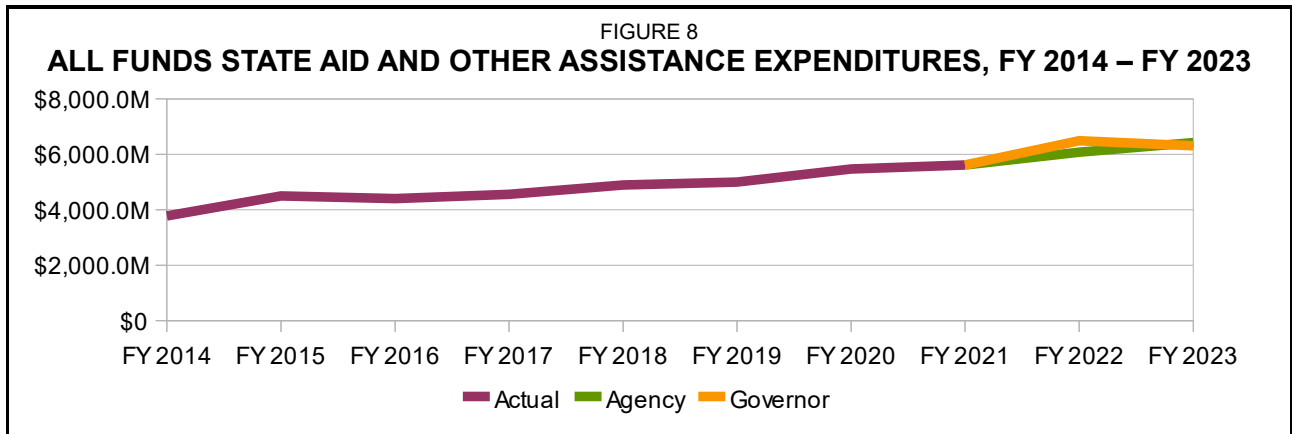
The Governor recommends operating expenditures from all funds totaling \$84.7 million in FY 2022 and \$100.0 million for FY 2023. This is an FY 2022 increase of \$15.6 million, or 22.5 percent, above the FY 2022 approved amount and an increase for FY 2023 of \$15.2 million, or 18.0 percent, above the FY 2022 recommendation.

STATE GENERAL FUND - STATE AID AND OTHER ASSISTANCE



For the Kansas State Department of Education, the Governor recommends SGF expenditures for state aid and other assistance of \$4.6 billion in FY 2022 and \$4.2 billion for FY 2023. In FY 2022, this is an increase of \$375.3 million above the FY 2022 approved amount. For FY 2023, this is a decrease of \$358.4 million below the FY 2022 Governor's recommendation.

ALL FUNDS - STATE AID AND OTHER ASSISTANCE



The Governor recommends state aid and other assistance expenditures from all funds of \$6.0 billion in FY 2022 and \$6.3 billion for FY 2023. In FY 2022, this is an increase of \$742.0 million, or 5.2 percent, above the FY 2022 approved amount. For FY 2023, this is a decrease of \$183.6 million below the FY 2022 Governor's recommendation.

FY 2022 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 4,192,259,257	\$ 1,603,971,271	\$ 5,796,230,528	261.9
1. SGF Reappropriations	12,662,838	-	12,662,838	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 4,204,922,095</i>	<i>\$ 1,603,971,271</i>	<i>\$ 5,808,893,366</i>	<i>261.9</i>
Agency Revised Estimate:				
2. ESSER Fund - School Safety and Security Grants	\$ -	\$ (5,000,000)	\$ (5,000,000)	--
3. ESSER Fund - MHIT Pilot Program	-	(3,924,160)	(3,924,160)	--
4. ESSER Fund - Communities in Schools	-	(100,000)	(100,000)	--
5. ESSER Fund Expenditures	-	329,019,395	329,019,395	--
6. EANS Private School Funding	-	16,291,727	16,291,727	--
7. Dolly Parton Imagination Library Lapse	-	(75,000)	(75,000)	--
8. KPERS Decrease	(31,327,160)	-	(31,327,160)	--
9. CRRSAA Child Nutrition Funding	-	8,710,230	8,710,230	--
10. Special Revenue Fund Reappropriations	-	452,055	452,055	--
11. All Other Adjustments	26,645	213,922	240,567	7.4
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 4,173,621,580</i>	<i>\$ 1,949,559,440</i>	<i>\$ 6,123,181,020</i>	<i>269.3</i>
Governor's Recommendation:				
12. Education Consensus Adjustment	\$ (59,469,261)	\$ 10,318,643	\$ (49,150,618)	--
13. Education Superhighway	178,986	-	178,986	--
14. Eliminate Delayed School Payment	199,554,843	-	199,554,843	--
15. KPERS Layering Payment Payoff	253,866,022	-	253,866,022	--
TOTAL	\$ 4,567,752,170	\$ 1,959,878,083	\$ 6,527,630,253	269.3

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$5.8 billion appropriated to the Kansas State Department of Education for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** The agency approved amount includes \$12.7 million, all SGF, to reflect funding reappropriated from FY 2021 to FY 2022. This includes \$7.7 million for KPERS, \$1.3 million for the School District Juvenile Detention Facilities, \$150,117 for Special Education Services Aid, and \$3.4 million for State Foundation Aid.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$6.1 billion, including \$4.2 billion SGF, in FY 2022. This is an increase of \$314.3 million, or 5.4 percent, and an SGF decrease of \$31.3 million, or 0.8 percent, from the amount approved by the 2021 Legislature. The agency estimate includes the following adjustments:

2. **ESSER FUND - SCHOOL SAFETY AND SECURITY GRANTS.** The revised estimate includes the deletion of \$5.0 million, all from the federal ESSER Fund moneys received under federal COVID-19 pandemic relief legislation. The 2021 Legislature appropriated

\$5.0 million for this program provided that KSDE certified it was an allowable use of the funding according to federal guidelines. In a letter dated July 14, 2021 (certification letter), KSDE certified that this funding would not be expended for this program as it did not fit any of the allowable purposes.

3. **ESSER FUND - MHIT PILOT PROGRAM.** The revised estimate includes the deletion of \$3.9 million, all from the federal ESSER Fund moneys received under federal COVID-19 pandemic relief legislation. The 2021 Legislature appropriated \$3.9 million for this program provided that KSDE certified it was an allowable use of the funding according to federal guidelines. Per the certification letter, while mental health services is an allowable purpose, this funding was not expended because the State Board had already allocated the entirety of the state portion of ESSER Fund moneys.
4. **ESSER FUND - COMMUNITIES IN SCHOOLS.** The revised estimate includes the deletion of \$100,000, all from the federal ESSER Fund moneys received under federal COVID-19 pandemic relief legislation. The 2021 Legislature appropriated \$100,000 for this program provided that KSDE certified it was an allowable use of the funding according to federal guidelines. Per the certification letter, the funding could not be used because the program was not COVID-19 related, and funding for summer and after-school programming was already allocated by the State Board.
5. **ESSER FUND EXPENDITURES.** The revised estimate includes \$329.0 million to reflect additional ESSER Fund expenditures from moneys received under the CARES Act, CRRSAA, and ARPA. This is an estimate based on the total amount of the awarded funding, how long the funding is available, and when KSDE assumes school district will begin spending the funding.
6. **EANS PRIVATE SCHOOL FUNDING.** The revised estimate includes \$16.3 million to reflect additional federal funding received under CRRSAA and ARPA to be awarded to private schools for COVID-related expenditures.
7. **DOLLY PARTON IMAGINATION LIBRARY LAPSE.** The revised estimate includes the deletion of \$75,000 from federal funds for the Dolly Parton Imagination Library to reflect the decreased funding for the program. The 2021 Legislature approved the use of up to \$425,000 for this program.
8. **KPERS DECREASE.** The revised estimate includes the lapse of \$31.3 million SGF to reflect KPERS contribution rate adjustments approved by the 2021 Legislature.
9. **CRRSAA CHILD NUTRITION FUNDING.** The revised estimate includes additional federal Child Nutrition Programs Emergency Costs funding received after July 1, 2021.
10. **SPECIAL REVENUE FUND REAPPROPRIATIONS.** The agency approved amount includes \$452,055 to reflect the reappropriation of Children's Initiative Fund and KEY Fund moneys from FY 2021 into FY 2022.
11. **ALL OTHER ADJUSTMENTS.** The revised estimate includes other adjustments totaling \$240,567 all funds, including \$26,645 SGF.

The **agency** estimate also includes 269.3 FTE positions, which is an increase of 7.4 FTE positions above the FY 2022 approved number. The increased FTE positions reflect newly created positions, including 4.0 FTE positions to administer COVID-19 pandemic relief funds, 1.0 FTE

position for a federal Student Longitudinal Data System grant, 1.0 FTE position for an applications designer to redesign the Child Nutrition and Wellness website, and 1.0 FTE position for a new auditor position. The agency's shrinkage rate is 8.3 percent for salaries and wages paid from the SGF. However, shrinkage is not applied to the State Board of Education or certain Career and Technical Education salaries, so the shrinkage rate is slightly higher in certain programs.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends an FY 2022 revised estimate of \$6.5 billion, including \$4.6 billion SGF. This is an increase of \$404.4 million, or 6.6 percent, including an SGF increase of \$394.1 million, or 9.4 percent, above the agency's FY 2022 revised estimate. This increase is primarily attributable to the Governor recommending the elimination of delayed school payments and paying off KPERS layering payments in FY 2022. The **Governor's** recommendation includes the following adjustments:

12. **EDUCATION CONSENSUS ADJUSTMENT.** The Governor recommends adoption of the fall 2021 education consensus estimates in FY 2022. For school finance, the Governor recommends decreased expenditures of \$49.2 million, including \$59.5 million SGF, below the approved amount and below the agency's revised estimate. For KPERS, the Governor recommends decreased expenditures of \$35.1 million, all SGF, below the approved amount and below the agency's revised estimate. The individual components of the fall 2021 education consensus estimate are described in the Special Topics section of this budget analysis.
13. **EDUCATION SUPERHIGHWAY.** The Governor recommends additional expenditures of \$178,986 SGF for the state match for the Education SuperHighway program in FY 2022. The Education SuperHighway program supports school building access to high-speed internet. The program requires a 10.0 percent state match to gain 90.0 percent federal funding from the Universal Service Schools and Libraries Program, commonly known as "E-rate" funding. KSDE did not request this funding from the 2021 Legislature in its initial FY 2022 budget because it believed that all school buildings in Kansas requiring the state match for the E-rate funding would be approved before the end of FY 2021. However, USD 361 Chaparral notified KSDE that its E-rate funding application was approved in FY 2022, which would require this additional state funding.
14. **ELIMINATE DELAYED SCHOOL PAYMENT.** The Governor recommends additional expenditures of \$199.6 million SGF to eliminate delayed state aid payments to school districts in FY 2022. The 2003 Legislature, as a result of the economic downturn, delayed state aid payments to school districts. In June 2003, the state delayed \$183.8 million associated with General State Aid (State Foundation Aid) and \$29.2 million in Supplemental General State Aid payments. This allowed the state to decrease SGF expenditures in FY 2003 by \$213.0 million.

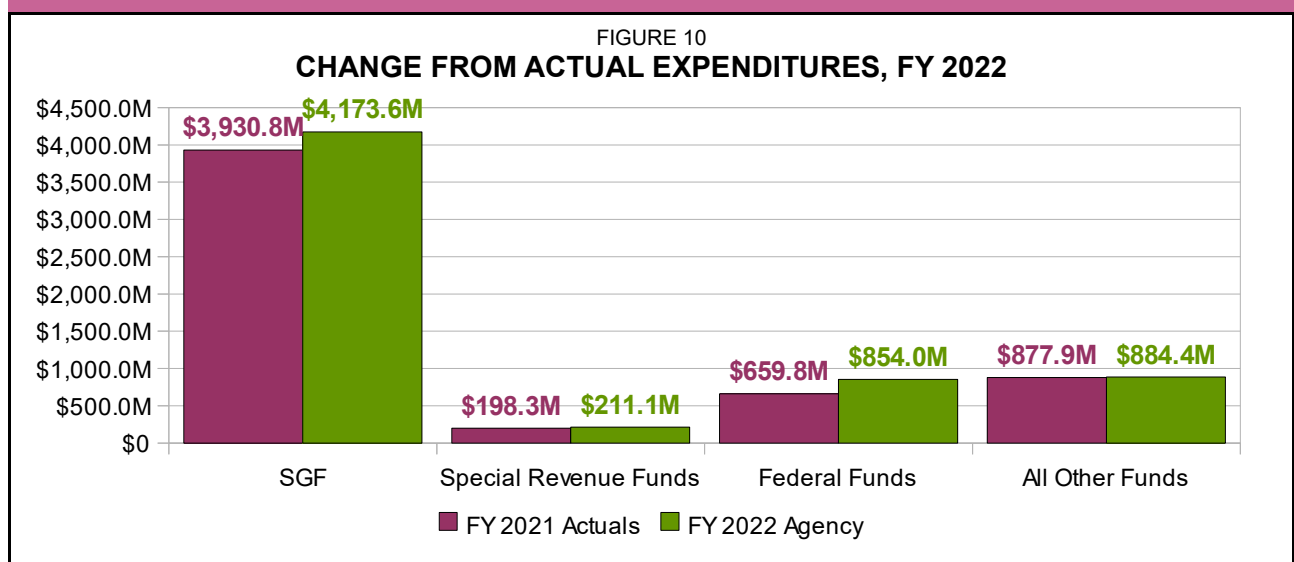
This practice of delayed payments by the State has occurred each year since FY 2003. This requires the KSDE to utilize new appropriations at the beginning of the fiscal year to pay a prior-year obligation. The Governor recommends ending this accounting practice in FY 2022 by appropriating one-time funds of \$199.6 million SGF total, which amounts to \$161.3 million for State Foundation Aid and \$38.2 million for Supplemental State General Funds in FY 2022. This one-time expenditure will allow the state to make timely payments for obligations incurred in the same fiscal year and will end this accounting practice.

15. **KPERS LAYERING PAYMENT PAYOFF.** The Governor recommends additional expenditures of \$253.9 million SGF to pay off the debt of KPERS-School payments to the State's retirement system in FY 2022. During times of fiscal hardship, the State has not fully funded its current-year obligations for KPERS-School payments to the State's retirement system as a means to reduce expenditures. During FY 2017, the State withheld \$64.0 million, and in FY 2019, the state withheld \$194.0 million in employer contributions for KPERS-School payments to the State's retirement system.

To keep the retirement system whole, the state agreed to annual "layering payments" for 20 years for each of the missed payments, which is financed at the KPERS assumed rate of return of 7.75 percent. The Governor recommends paying off the debt for both missed payments in FY 2022 by appropriating the remaining balance for both missed payments, totaling \$253.9 million SGF. This recommendation by the Governor is estimated to save the State an aggregate of \$189.9 million in interest payments over each loan's final maturity.

The **Governor's** recommendation also includes 269.3 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency's FY 2022 revised estimate is an all funds increase of \$456.3 million, or 8.1 percent, including an SGF increase of \$242.8 million, or 6.2 percent, above the FY 2021 actual expenditures. This increase is primarily due to additional federal COVID-19 pandemic relief funds and SGF increases to reflect statutorily required school finance increases.

FY 2023 ANALYSIS

FIGURE 11
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 4,173,621,580	\$ 1,949,559,440	\$ 6,123,181,020	269.3
Agency Request:				
1. Enhancement– CTE Transportation	\$ 1,482,338	\$ -	\$ 1,482,338	--
2. Enhancement– Dyslexia Coordinator	100,000	-	100,000	--
3. Enhancement– Children's Cabinet	-	2,450,773	2,450,773	--
4. Enhancement– Professional Development for Teachers	5,030,693	-	5,030,693	--
5. Enhancement– MHIT Pilot Program	3,000,000	-	3,000,000	--
6. Enhancement– Special Education Services State Aid	74,143,547	-	74,143,547	--
7. Enhancement– Communities in Schools	35,000	-	35,000	--
8. KPERS Rate Adjustment	2,055,636	-	2,055,636	--
9. School Finance System Increases	107,721,037	20,406,893	128,127,930	--
10. Federal COVID Funding	-	120,042,461	120,042,461	--
11. All Other Adjustments	(5,649,377)	23,985,068	18,335,691	--
Subtotal–Agency Request	\$ 4,361,540,454	\$ 2,116,444,635	\$ 6,477,985,089	269.3
Governor's Recommendation:				
12. Education Consensus Adjustment	\$ (49,393,773)	\$ 24,451,750	\$ (24,942,023)	--
13. KPERS Layering Payment Payoff	(25,800,000)	-	(25,800,000)	--
14. Enhancement– CTE Transportation	-	-	-	--
15. Enhancement– Dyslexia Coordinator	-	-	-	1.0
16. Enhancement– Children's Cabinet	-	-	-	--
17. Enhancement– Professional Development for Teachers	(2,900,000)	-	(2,900,000)	--
18. Enhancement– MHIT Pilot Program	-	-	-	--
19. Enhancement– Special Education Services State Aid	(74,143,547)	-	(74,143,547)	--
20. Enhancement– Communities in Schools	(35,000)	-	(35,000)	--
21. Imagination Library	-	500,000	500,000	--
TOTAL	\$ 4,209,268,134	\$ 2,141,396,385	\$ 6,350,664,519	270.3

AGENCY REQUEST

The **agency** requests \$6.5 billion, including \$4.4 billion SGF, for FY 2023. This is an all funds increase of \$354.8 million, or 5.8 percent, including an SGF increase of \$187.9 million, or 4.5 percent, above the FY 2022 revised estimate. The increase is primarily due to anticipated school finance increases, additional federal COVID-19 pandemic relief funding, and 12 enhancement requests totaling \$84.7 million all funds, including \$83.7 million SGF. The FY 2023 agency request includes 269.3 FTE positions, which is the same number as the FY 2022 revised estimate. The agency request includes the following adjustments:

- 1. ENHANCEMENT–CAREER and TECHNICAL EDUCATION (CTE) TRANSPORTATION.** The agency request includes an enhancement request of \$1.5 million, all SGF, to reinstate funding for CTE transportation at the FY 2020 level for FY 2023. This funding was eliminated as part of the Governor's allotment plan in July 2020.

2. **ENHANCEMENT–DYSLEXIA COORDINATOR.** The agency request includes an enhancement request of \$100,000 SGF for funding the dyslexia coordinator position for FY 2023. The Legislative Task Force on Dyslexia has recommended this position in its reports to the Governor and Legislature in 2019, 2020, and 2021. In FY 2022, this position is being funded by the agency with federal ESSER Fund moneys.
3. **ENHANCEMENTS–CHILDREN'S CABINET.** The agency request includes Children's Cabinet enhancement requests totaling \$2.5 million, all from the Children's Initiative Fund. These requests are to increase funding for the Early Childhood Block Grant and new funding for the All In For Kansas Kids strategic plan.
4. **ENHANCEMENTS–PROFESSIONAL DEVELOPMENT.** The agency request includes a total of \$5.0 million SGF for various professional development enhancement requests. This includes requests for \$3.6 million to reinstate funding for the professional development programs; \$1.0 million to expand the mentor teacher program; \$360,693 for the Governor's Teaching Excellence Scholarships/National Board Certification; \$35,000 for the Kansas Foundation for Agriculture in the Classroom; and \$35,000 for the Kansas Association for Conservation and Environmental Education.
5. **ENHANCEMENT–MHIT PILOT PROGRAM.** The agency request includes an enhancement request of \$3.0 million SGF to expand the MHIT Pilot Program. This would bring the total funding for the program to \$10.5 million, all SGF. The additional \$3.0 million would expand the program to another 15 to 25 USDs. There are currently 55 school districts participating in the pilot program in FY 2022.
6. **ENHANCEMENT–SPECIAL EDUCATION SERVICES STATE AID.** The agency request includes an enhancement request of \$74.1 million SGF to increase the Special Education State Aid. This request is part of a five-year plan to reach the 92.0 percent of excess costs provided for in KSA 72-3422. This additional funding would bring the total Special Education State Aid to \$594.5 million, all SGF, for FY 2023, which would account for 74.6 percent of excess costs.
7. **ENHANCEMENT–COMMUNITIES IN SCHOOLS.** The agency request includes an enhancement request for \$35,000 SGF to increase the funding for the Communities in Schools program. Currently the program receives \$50,000 from the Family and Children Investment Fund, but it has received SGF in the past for the program.
8. **KPERS RATE ADJUSTMENT.** The agency request includes \$2.1 million SGF to reflect increased employer contributions due to KPERS rate adjustments approved by the 2021 Legislature, partially offset by the end of one-time funding reappropriated from FY 2021 into FY 2022.
9. **SCHOOL FINANCE INCREASES.** The agency requests \$128.1 million, including \$107.7 million SGF, to reflect school finance increases.
10. **FEDERAL COVID FUNDING.** The agency request includes \$120.0 million, all from federal funds, to reflect the allocation of federal COVID-19 pandemic relief moneys. This primarily reflects increased expenditures for ESSER III Fund moneys.
11. **ALL OTHER ADJUSTMENTS.** The agency request includes other adjustments totaling \$18.3 million to reflect special revenue funds increases, partially offset by SGF decreases due to the end of reappropriations from FY 2021 into FY 2022.

The **agency** also makes the following requests and recommendations for FY 2023:

- The agency requests continued authority to allow the Director of the Budget to transfer funds between the agency's SGF accounts for FY 2023. Beginning in 2019, the Legislature has authorized this language annually.
- The agency requests proviso language allowing the agency to distribute state aid from the State Safety Fund whenever funds are available, instead of by November 1, for FY 2023. The Legislature approved a \$1.6 million transfer from the State Safety Fund to the SGF beginning in FY 2017, which was an increase of \$500,000 over prior year transfers. After KSDE expressed concern with the cash balance carried over year to year, the Legislature approved language allowing KSDE to make this distribution when funds are available in FY 2018, FY 2019, FY 2020, FY 2021, and FY 2022.
- The agency requests proviso language authorizing the distribution of \$14,227 to all Kansas school districts. Under KSA 79-3221n, taxpayers may donate all or a portion of their income tax refund or donate funds in addition to their tax liability to a named USD. This funding is from donations where the USD number was incorrect or left blank.
- The agency notes that KSA 72-5462 provides that Capital Improvement State Aid will be funded by a demand transfer from the SGF, except during FY 2020, FY 2021, and FY 2022, in which it will be a revenue transfer. To continue Capital Improvement State Aid as a revenue transfer, the statute would be required to be amended.

The Kansas Children's Cabinet also recommends that, pursuant to KSA 38-2102, the transfer from the Kansas Endowment for Youth (KEY) Fund to the Children's Initiative Fund equal 102.5 percent of the FY 2022 transfer (approximately \$51.7 million).

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$6.4 billion, including \$4.2 billion SGF, for FY 2023. This is an all funds decrease of \$127.3 million, including an SGF decrease of \$152.3 million, below the agency's FY 2023 request. The **Governor's** recommendation includes the following adjustments:

12. **EDUCATION CONSENSUS ADJUSTMENT.** The Governor recommends adoption of the fall 2021 education consensus estimates for FY 2023. For school finance, the Governor recommends decreased expenditures of \$24.9 million, including \$49.4 million SGF, below the approved amount and below the agency's request. For KPERS, the Governor recommends decreased expenditures of \$26.2 million, all SGF, below the approved amount and below the agency's request. The individual components of the fall 2021 education consensus estimate are described in the Special Topics section of this budget analysis.
13. **KPERS LAYERING PAYMENT PAYOFF.** The Governor recommends a decrease of \$25.8 million SGF for FY 2023 due to the Governor's recommendation to pay off KPERS layering payments in FY 2022. The agency's request originally included continuing the KPERS layering payments on the same payment schedule.
14. **ENHANCEMENT—CTE TRANSPORTATION.** The Governor recommends adopting the agency's enhancement request of \$1.5 million SGF for the CTE transportation enhancement for FY 2023. Adoption of this enhancement request will reinstate funding

for CTE transportation at the FY 2020 level for FY 2023. This funding was eliminated as part of the Governor's allotment plan in July 2020.

15. **ENHANCEMENT–DYSLEXIA COORDINATOR.** The Governor recommends adopting the agency's enhancement request for \$100,000 SGF for a statewide Dyslexia Coordinator for FY 2023. The Governor also recommends the addition of 1.0 FTE position for this purpose. The Legislative Task Force on Dyslexia has recommended this position in its reports to the Governor and Legislature in 2019, 2020, and 2021. In FY 2022, this position is being funded by the agency with federal ESSER Fund moneys.
16. **ENHANCEMENT–CHILDREN'S CABINET.** The Governor recommends adoption of the agency's enhancement request of \$1.1 million, all from the Children's Initiatives Fund for FY 2023. These additional expenditures would fund Grants for Communities Aligned in Early Development and Education (\$1.0 million) and autism diagnosis programs (\$50,000).
17. **ENHANCEMENT–PROFESSIONAL DEVELOPMENT FOR TEACHERS.** The Governor recommends decreased expenditures of \$2.9 million SGF to partially adopt the agency's professional development enhancement request for FY 2023. This includes the Governor's recommendation of \$1.8 million SGF for Professional Development State Aid for FY 2023. Professional Development State Aid is to promote the continuous professional development of all certified personnel serving in K-12 schools in Kansas. The Governor also recommends adopting the agency's enhancement request for \$363,963 SGF for FY 2023 to restore funding for the Governor's Teaching Excellence and National Board Certification program.

The Governor does not recommend adoption of the agency's request for \$35,000 SGF for the Kansas Foundation for Agriculture in the Classroom, \$35,000 SGF for the Kansas Association for Conservation and Environmental Education enhancement requests, or \$1.0 million SGF for the Mentor Teacher Program for FY 2023.
18. **ENHANCEMENT–MHIT PILOT PROGRAM.** The Governor recommends adoption of the agency's enhancement request of \$3.0 million SGF to expand the MHIT Pilot Program for FY 2023. This would bring the total funding for the program to \$10.5 million, all SGF. The additional \$3.0 million would expand the program to another 15 to 25 USDs.
19. **ENHANCEMENT–SPECIAL EDUCATION SERVICES STATE AID.** The Governor's recommendation includes a decrease of \$74.1 million SGF to not recommend adoption of the agency's enhancement request for Special Education State Aid for FY 2023.
20. **ENHANCEMENT–COMMUNITIES IN SCHOOLS.** The Governor's recommendation includes a decrease of \$35,000 SGF to not recommend adoption of the agency's enhancement request to increase the funding for the Communities in Schools program.
21. **IMAGINATION LIBRARY.** The Governor recommends expenditures of \$31.1 million, all from special revenue funds, for the Children's Cabinet for FY 2023. This is an increase of \$500,000, all from the Children's Initiatives Fund, above the agency's FY 2023 request. This increase is attributable to the Governor recommending expenditures of \$500,000 for Dolly Parton's Imagination Library.

The **Governor's** recommendation also includes 270.3 FTE positions, which is 1.0 FTE position above the agency's FY 2023 request. This additional FTE position is attributable to the Governor's recommendation for the Dyslexia Coordinator position.

The **Governor** recommends a transfer from the KEY Fund to the CIF in the amount of \$52.3 million for FY 2023.

ENHANCEMENT REQUESTS

STATE AID AND OTHER ASSISTANCE ENHANCEMENT REQUESTS

REQUEST 1

SPECIAL EDUCATION STATE AID

KSA 72-3422 provides for Special Education Services State Aid to equal 92.0 percent of excess costs for special education in Kansas. Percent excess costs for FY 2023 were expected to equal 65.3 percent during the fall 2020 education consensus estimates. While federal COVID-19 pandemic relief funding will increase percent excess costs, it will still not equal 92.0 percent. The percentage of excess costs covered by State Aid has decreased over the last several years, due to costs for special education services increasing at a faster rate than the State Aid. Since federal and state law requires the provision of special education services, school districts must finance any excess costs not funded by the State from their general funds or supplemental general funds, reducing the amount available for general education services.

SPECIAL EDUCATION STATE AID ENHANCEMENT REQUEST				
Item	FY 2023	FY 2024	F 2025	FY 2026
State Aid	\$ 594,524,365	\$ 668,667,913	\$ 742,811,460	\$ 816,955,008
Additional Cost	74,143,547	74,143,547	74,143,547	74,143,547
TOTAL	\$ 668,667,912	\$ 742,811,460	\$ 816,955,007	\$ 891,098,555

The agency requests \$74.1 million, all SGF, for FY 2023. This would increase the percent excess costs to 74.6 percent for FY 2023. The agency has developed a five-year plan to reach 92.0 percent excess costs, the first four years of which are noted above. If the Legislature appropriated the requested funding in each fiscal year, the percent excess cost would equal 79.9 percent in FY 2024, 84.6 percent in FY 2025, 88.6 percent in FY 2026, and 92.0 percent in FY 2027. The plan also assumes special education excess costs growth of 5.0 percent per year.

The Governor does not recommend adoption of this request.

REQUEST 2

CTE TRANSPORTATION ENHANCEMENT REQUEST

CTE TRANSPORTATION ENHANCEMENT REQUEST				
Item	Agency Request		Governor's Recommendation	
	SGF	All Funds	SGF	All Funds
CTE Transportation	\$ 1,482,338	\$ 1,482,338	\$ 1,482,338	\$ 1,482,338

The agency requests \$1.5 million to reinstate Career and Technical Education (CTE) transportation funding at the FY 2020 level. This program reimburses school districts for a portion of the costs to transport 11th- and 12th-grade students to postsecondary CTE programs. The 2020 Legislature appropriated \$650,000 for this program for FY 2021. However, this funding was allotted by the Governor in the June 29, 2020, allotment plan. No funding was approved for FY 2022.

The Governor does recommend adoption of this request.

REQUEST 3

PROFESSIONAL DEVELOPMENT ENHANCEMENT REQUESTS

PROFESSIONAL DEVELOPMENT ENHANCEMENT REQUESTS				
Item	Agency Request		Governor's Recommendation	
	SGF	All Funds	SGF	All Funds
1. Professional Development	\$ 3,600,000	\$ 3,600,000	\$ 1,770,000	\$ 1,770,000
2. Governor's Teaching Excellence Scholarships/ National Board Certification	360,693	360,693	360,693	360,693
3. Kansas Foundation for Agriculture in the Classroom	35,000	35,000	-	-
4. Kansas Association for Conservation and Environmental Education	35,000	35,000	-	-
5. Mentor Teacher Program	1,000,000	1,000,000	-	-
TOTAL	\$ 5,030,693	\$ 5,030,693	\$ -	\$ -

1. **PROFESSIONAL DEVELOPMENT.** The agency requests \$3.6 million for the Professional Development program provided for in KSA 72-2544 through 72-2553 for FY 2023. Per KSA 72-2551, Professional Development State Aid should be the lesser of 0.5 percent of a school district's general fund or 50.0 percent of actual expenditures for an approved professional development program. Professional Development State Aid is to promote the continuous professional development of all certified personnel serving in K-12 schools in Kansas for FY 2023. To encourage such activities, state law allows for the distribution of professional development state aid to school districts. Since FY 2018, state aid appropriated for this purpose has not been sufficient to cover the state aid entitlement allowed by statute. From FY 2018 through FY 2021, annual SGF appropriations of \$1.7 million were made, with funds in FY 2022 being eliminated.

The Governor recommends \$1.8 million SGF for the Professional Development program for FY 2023.

2. **GOVERNOR'S TEACHING EXCELLENCE SCHOLARSHIPS AND AWARDS/ NATIONAL BOARD CERTIFICATION.** The agency requests \$360,693 SGF for National Board Certification for FY 2023. KSA 72-2166 authorizes the State Board to provide scholarships of \$1,100 to teachers who are accepted to participate in the National Board for Professional Teaching Standards Certification Incentive Program and \$500 to teachers accepted to participate in the program to renew their certification. Additionally, teachers who have attained National Board Certification are to be paid an incentive bonus of \$1,000 by the employing school district, as long as the teacher retains a valid master teacher's certificate. The school district is entitled to receive state aid equal to the amount of any bonuses paid.

The Governor recommends adoption of this enhancement request.

3. **KANSAS FOUNDATION FOR AGRICULTURE IN THE CLASSROOM.** The agency requests \$35,000 SGF to support the professional development activities of the Foundation, including training on incorporating agricultural topics into classrooms, for FY 2023. The Legislature annually appropriated funding of \$35,000 for the Foundation and trainings prior to FY 2011.

4. **KANSAS ASSOCIATION FOR CONSERVATION AND ENVIRONMENTAL EDUCATION.** The agency requests \$35,000 SGF for FY 2023 to support the Association's professional development activities to incorporate environmental education in the classroom. Prior to FY 2010, the Legislature appropriated \$35,000 annually to support the Association's professional development.
5. **MENTOR TEACHER PROGRAM.** The agency requests \$1.0 million SGF to provide additional funding for the Mentor Teacher Program for FY 2023. This program is governed by KSA 72-2561 through 72-2564, and specifies that probationary teachers are provided support and assistance from an on-site mentor teacher for the first three years of the probationary teacher's career. The additional funding would provide stipends for mentors assisting first year teachers (\$1,000) and mentors assisting second year teachers (\$367) for the program's full three years. State law provides for aid to school districts for up to \$1,000 per mentor teacher.

The Governor does not recommend adoption of enhancement requests 3, 4, or 5.

REQUEST 4

MHIT PILOT PROGRAM ENHANCEMENT REQUEST

The agency requests \$3.0 million SGF for additional Mental Health Intervention Team (MHIT) Pilot Program funding. This would bring the total funding for the Program to \$10.5 million, all SGF. The agency estimates that the additional funding would expand the program to another 15 to 25 USDs, depending on the size of the USDs and their programs.

The Governor recommends adoption of this request.

REQUEST 5

COMMUNITIES IN SCHOOLS ENHANCEMENT REQUEST

The agency requests \$35,000, all SGF, to provide additional funding for Communities in Schools. Communities in Schools receives \$50,000 annually through the Family and Children Investment Fund. The Legislature appropriated \$250,000, all SGF, for Communities in Schools in FY 2014 and FY 2015.

The Governor does not recommend adoption of this request.

REQUEST 6

OPERATING BUDGET ENHANCEMENT REQUEST – DYSLEXIA COORDINATOR

The agency requests \$100,000, all SGF, to fund the salary and operating expenses for a new Program Manager to serve as a state dyslexia coordinator. As required by 2018 Sub. for HB 2602, the Legislative Task Force on Dyslexia issued its report in January 2019 to the Governor, Legislature, and State Board. The report recommended the creation of a position within KSDE to direct and implement statewide dyslexia and early literacy initiatives. The position was not approved by the 2020 or 2021 Legislature. The agency anticipates expending federal ESSER administration funds for this position in FY 2022.

The Governor recommends adoption of this request, and recommends the addition of 1.0 FTE position for this purpose for FY 2023.

CHILDREN'S CABINET ENHANCEMENT REQUESTS

The Children's Cabinet requests the State replace the \$3.8 million, all from the Children's Initiative Fund (CIF), for the Children's Mental Health Waiver expenditures in the Kansas Department for Aging and Disability Services' budget with SGF moneys. Currently, the CIF funds are utilized as a state match to draw down additional federal Medicaid moneys. The agency requests the CIF savings generated be moved to the Early Childhood Block Grant (ECBG) in the Children's Cabinet, Maternal Child Health Home Visiting in the Kansas Department for Health and Environment (KDHE) (\$1.4 million), and Early Childhood Infrastructure. This would result in no expenditures changes to the total statewide CIF budget if the enhancement requests below are funded.

REQUEST 7

ECGB ENHANCEMENT REQUEST

The Children's Cabinet requests \$1.6 million, all CIF, for FY 2023 to increase funding for the ECBG. Along with the shifting of CIF moneys from the Children's Mental Health Waiver, the Children's Cabinet requests shifting \$1.0 million appropriated for Communities Aligned in Early Development into the ECBG appropriation. The agency believes this would better streamline the grant-making process.

The Governor recommends adoption of this request.

REQUEST 8

EARLY CHILDHOOD INFRASTRUCTURE ENHANCEMENT REQUEST

The Children's Cabinet requests \$850,773, all from the CIF, to add a new line item for Early Childhood Infrastructure. The agency believes dedicated funding for infrastructure will support the long-term vision of the All In For Kansas Kids strategic plan and help the agency fulfill its statutory responsibilities. The total appropriation would be \$1.4 million. This would include \$800,000 from the Children's Mental Health Waiver switch described above, existing funding in the KDHE fund for the Infant Toddler Hearing Aid Bank (\$50,773), and existing resources in the Children's Cabinet for the Child Care Quality Initiative (\$500,000) and Autism Diagnosis program (\$50,000).

The Governor recommends adoption of this request.

SPECIAL TOPICS

FY 2022 EDUCATION CONSENSUS ADJUSTMENT

The Governor recommends adoption of the fall 2021 education consensus estimates in FY 2022. For school finance, the Governor recommends decreased expenditures of \$49.2 million, including \$59.5 million SGF, below the approved amount and below the agency's revised estimate. For KPERS, the Governor recommends decreased expenditures of \$35.1 million SGF below the approved amount and below the agency's revised estimate. The individual components of the fall 2021 education consensus estimate for FY 2022 are described below:

SCHOOL FINANCE–STATE FOUNDATION AID. The Governor recommends expenditures of \$3.2 billion, including \$2.4 billion SGF, for State Foundation Aid in FY 2022. This is an all funds decrease of \$45.3 million, including an SGF decrease of \$58.6 million, below the FY 2022 approved number. This decrease includes an expenditure reduction of \$283,000 from the Mineral Production Education Fund, partially offset by an increase of \$7.6 million from the statewide 20-mill property tax. The School District Finance Fund (optional local property taxes) number is an increase of \$6.0 million above the approved number. The all funds decrease is primarily attributable to a decrease in weighted FTE student enrollment from the fall 2020 estimates due to a decrease in weighted FTE students by 10,800 attributable to the COVID-19 pandemic. In particular, the at-risk weighted FTE student population decreased because all students were eligible for the federal free lunch program without submitting an application.

SCHOOL FINANCE–SUPPLEMENTAL STATE AID. The Governor recommends expenditures of \$534.0 million SGF for Supplemental State Aid in FY 2022. This is an increase of \$10.3 million above the FY 2022 approved amount. Supplemental State Aid provides equalization aid for school districts' Local Option Budgets.

SCHOOL FINANCE–SPECIAL EDUCATION STATE AID. The Governor recommends expenditures of \$513.4 million SGF for Special Education State Aid in FY 2022. This is the same as the approved amount. The fall 2021 education consensus estimates project that Special Education State Aid will cover 76.4 percent of excess costs in FY 2022.

SCHOOL FINANCE–CAPITAL OUTLAY STATE AID. The Governor recommends expenditures of \$79.0 million SGF for Capital Outlay State Aid in FY 2022. This is an increase of \$500,000 above the FY 2022 approved amount. Capital Outlay State Aid provides equalization aid for school districts' optional capital outlay property taxes, which may not exceed eight mills. Expenditures for Capital Outlay State Aid are a demand transfer from the SGF. They are considered normal SGF expenditures, however there is no line-item appropriation in the appropriations bill.

SCHOOL FINANCE–CAPITAL IMPROVEMENT STATE AID. The Governor recommends expenditures of \$202.0 million, all from special revenue funds, for Capital Improvement State Aid in FY 2022. This is a decrease of \$3.0 million below the FY 2022 approved amount. The all funds decrease is primarily attributable to the COVID-19 pandemic delaying bond elections and a provision in 2017 SB 19. Capital Improvement State Aid provides equalization aid for school districts' bonded indebtedness incurred for capital construction projects.

KPERS–USDs. The Governor recommends expenditures of \$508.6 million SGF for KPERS-USDs in FY 2022. This is a decrease of \$35.1 million below the FY 2022 approved amount.

KPERS–Non-USDs. The Governor recommends expenditures of \$77.2 million, including \$36.1 million SGF, for KPERS-Non-USDs in FY 2022. This is a decrease of \$7.8 million SGF below the FY 2022 approved amount.

SPECIAL TOPICS

FY 2023 EDUCATION CONSENSUS ADJUSTMENT

The Governor recommends adoption of the fall 2021 education consensus estimates for FY 2023. For school finance, the Governor recommends decreased expenditures of \$24.9 million, including \$49.4 million SGF, below the approved amount and below the agency's request. For KPERS, the Governor recommends decreased expenditures of \$26.2 million, all SGF, below the prior estimate and the agency's request. The individual components of the fall 2021 education consensus estimate for FY 2023 are described below:

SCHOOL FINANCE–STATE FOUNDATION AID. The Governor recommends expenditures of \$3.3 billion, including \$2.5 billion SGF, for State Foundation Aid for FY 2023. This is an all funds decrease of \$36.9 million, and an SGF decrease of \$66.4 million, below the FY 2023 approved amount. The decrease in SGF is partially offset by an increase of \$18.9 million from the 20-mill Local Property Tax and an increase of \$4.6 million from the Mineral Production Fund. The School District Finance Fund (optional local property taxes) number is also an increase of \$6.0 million above the approved number. This decrease is primarily attributable to a decrease in weighted FTE student enrollment for FY 2023.

SCHOOL FINANCE–SUPPLEMENTAL STATE AID. The Governor recommends expenditures of \$550.0 million SGF for Supplemental State Aid for FY 2023. This is an increase of \$15.8 million SGF above the FY 2023 prior estimate. Supplemental State Aid provides equalization aid for school districts' Local Option Budgets.

SCHOOL FINANCE–SPECIAL EDUCATION STATE AID. The Governor recommends expenditures of \$520.4 million SGF for Special Education State Aid for FY 2023. This is the same as the FY 2023 agency request. The fall 2021 education consensus estimates project that Special Education State Aid will cover 70.8 percent of excess costs for FY 2023.

SCHOOL FINANCE–CAPITAL OUTLAY STATE AID. The Governor recommends expenditures of \$82.0 million SGF for Capital Outlay State Aid for FY 2023. This is an increase of \$1.1 million above the FY 2023 agency request. Capital Outlay State Aid provides equalization aid for school districts' optional capital outlay property taxes, which may not exceed eight mills. Expenditures for Capital Outlay State Aid are a demand transfer from the SGF. As such, they are considered normal SGF expenditures, however there is no line-item appropriation in the appropriations bill.

SCHOOL FINANCE–CAPITAL IMPROVEMENT STATE AID. The Governor recommends expenditures of \$205.0 million, all from special revenue funds, for Capital Improvement State Aid for FY 2023. This is a decrease of \$3.0 million below the FY 2023 agency request.

KPERS–USDs. The Governor recommends expenditures of \$520.8 million SGF for KPERS-USDs for FY 2023. This is a decrease of \$26.2 million below the FY 2023 agency request.

KPERS–Non-USDs. The Governor recommends expenditures of \$79.1 million, including \$37.7 million SGF, for KPERS-Non-USDs for FY 2023. This is a decrease of \$1.3 million SGF below the FY 2023 agency request.

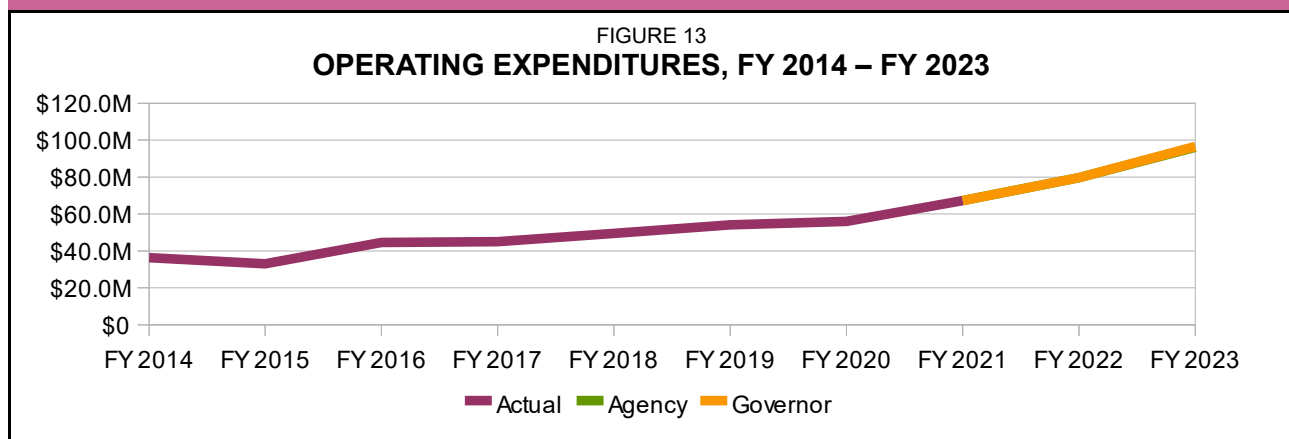
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 12 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 147,335,978	\$ 372,940,379	\$ 372,940,379	\$ 499,989,664	\$ 499,989,664
Career & Technical Education	1,712,413	1,532,090	1,532,090	1,561,796	1,561,796
Child Nutrition & Wellness	3,367,090	3,634,055	3,634,055	3,122,993	3,122,993
Children's Cabinet	33,380,281	27,516,572	27,516,572	30,621,078	31,121,078
Financial Aid	5,449,303,616	5,690,588,460	6,095,037,693	5,905,925,114	5,778,104,544
Governance of Education	351,585	405,838	405,838	426,749	426,749
Special Education Services	17,855,317	12,649,018	12,649,018	17,350,598	17,350,598
Standards & Assessments	9,365,088	9,703,813	9,703,813	9,598,563	9,598,563
Title Programs & Services	4,199,660	4,210,795	4,210,795	9,388,534	9,388,534
TOTAL	\$ 5,666,871,028	\$ 6,123,181,020	\$ 6,527,630,253	\$ 6,477,985,089	\$ 6,350,664,519
FTE Positions:					
Administration	141.3	147.7	147.7	147.7	147.7
Career & Technical Education	12.9	13.4	13.4	13.4	13.4
Child Nutrition & Wellness	32.8	32.7	32.7	32.6	32.6
Children's Cabinet	7.0	7.0	7.0	7.0	7.0
Financial Aid	-	-	-	-	-
Governance of Education	1.0	1.0	1.0	1.0	1.0
Special Education Services	26.3	26.6	26.6	26.6	26.6
Standards & Assessments	26.2	26.2	26.2	26.2	27.2
Title Programs & Services	14.5	14.8	14.8	14.8	14.8
TOTAL	261.9	269.3	269.3	269.3	270.3

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

OPERATING EXPENDITURES (EXCLUDING CHILDREN'S CABINET)



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

PROGRAM GOALS:

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

Operating Expenditures include all Kansas Children's Cabinet. Expenditures for the expenditures for state operations within KSDE, Children's Cabinet are detailed in a subsequent table, with the exception of expenditures for the table.

FIGURE 14
OPERATING EXPENDITURES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. SGF cost per assessment administered*	\$ N/A	\$ 1.39	\$ --	\$ 1.17	\$ 1.12
2. Total cost per assessment administered*	N/A	5.97	--	5.08	4.78
3. Total amount of state aid savings generated by KSDE fiscal auditing (In Thousands)	\$ 18,646	\$ 22,562	\$ 19,656	\$ 17,000	\$ 17,000
Output Measure:					
4. Total number of state interim assessments administered (regular and predictive)*	544,540	518,155	542,692	575,000	650,000
5. Total number of licenses issued per year*	20,570	24,551	21,815	22,000	22,000

6. Number of accredited systems in Kansas under KESA (cumulative)*	51	79	53	173	360
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 17,432	\$ 17,397		\$ 17,041	\$ 17,158
Federal Funds	34,930	46,926		57,968	71,710
All Other Funds	3,527	2,842		4,650	7,188
TOTAL	\$ 55,889	\$ 67,165		\$ 79,659	\$ 96,056
Percentage Change:					
SGF	(8.7) %	(0.2) %		(2.0) %	0.7 %
All Funds	3.5 %	20.2 %		18.6 %	20.6 %
FTE Positions	261.2	254.9		262.3	263.3
*The Governor's Office does not utilize this measure for evaluation purposes.					

PERFORMANCE AND BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency requests a revised operating expenditures budget of \$79.7 million, including \$17.0 million SGF, in FY 2022. This is an all funds increase of \$28.1 million, or 54.6 percent, including an SGF decrease of \$25,749, or 0.2 percent, from the amount approved by the 2021 Legislature. The FY 2022 revised estimate includes:

SALARIES AND WAGES.

\$21.4 million for salaries and wages, which is an increase of \$394,849, or 1.9 percent, above the FY 2022 approved amount. This increase is primarily due to the creation of new FTE positions, including 4.0 FTE positions to administer COVID-19 pandemic relief funds, 1.0 FTE position for a federal Student Longitudinal Data System grant, 1.0 FTE position for an applications designer to redesign the Child Nutrition and Wellness website, and 1.0 FTE position for a new auditor position.

CONTRACTUAL SERVICES.

\$57.6 million for contractual services expenditures, which is an increase of \$27.7 million, or 93.0 percent, above the FY 2022 approved amount.

This increase is primarily due to contractual services associated with COVID-19 pandemic expenditures from federal ESSER Fund moneys and \$2.8 million for ACT/WorkKeys to allow all 9th- and 11th-grade students to take the assessments at no cost.

COMMODITIES.

\$491,059 for commodities expenditures, which is an increase of \$375, or less than 0.1 percent, above the FY 2022 approved amount.

CAPITAL OUTLAY.

\$210,715 for capital outlay, which is the same as the FY 2022 approved amount.

The **Governor** concurs with the agency's FY 2022 operating expenditures revised estimate.

FY 2023 AGENCY REQUEST

The agency requests \$96.0 million, including \$17.2 million SGF, for operating expenditures for FY 2023. This is an all funds increase of \$16.4 million, or 20.6 percent, including an increase of \$117,028 SGF, or 0.7 percent, above the FY 2022 revised estimate. The FY 2023 request includes:

SALARIES AND WAGES.

\$21.5 million for salaries and wages, which is an increase of \$126,842, or 0.6 percent, above the FY 2022 revised estimate. This increase is primarily due to increased health insurance costs.

CONTRACTUAL SERVICES.

\$73.9 million for contractual services expenditures, which is an increase of \$16.4 million, or 28.4 percent, above the FY 2022 revised estimate.

This increase is primarily due to contractual services associated with COVID-19 pandemic expenditures from federal ESSER Fund

moneys and increased expenditures for Teacher Assistance System Network contracts for special education.

COMMODITIES.

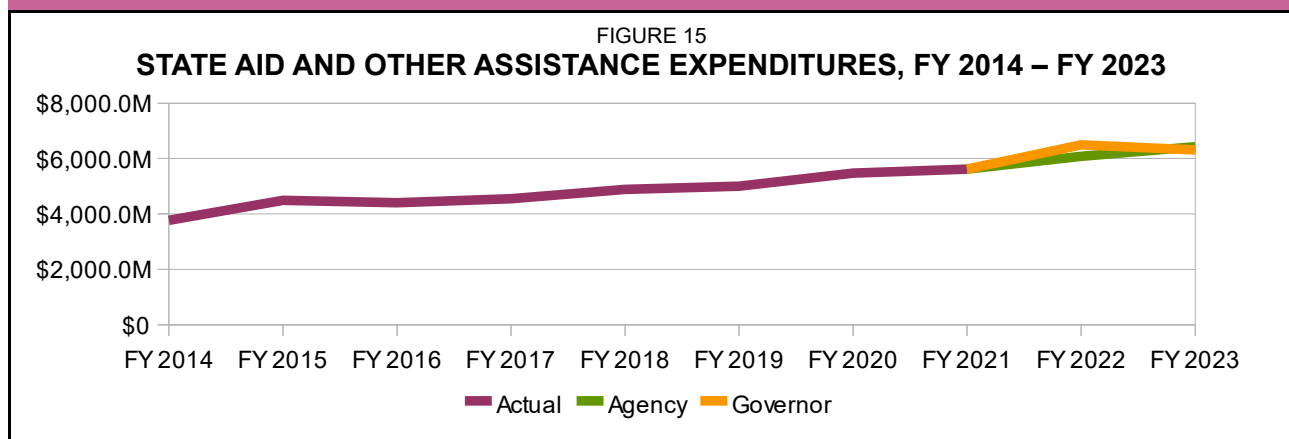
\$413,702 for commodities expenditures, which is a decrease of \$77,357, or 15.8 percent, below the FY 2022 revised estimate.

CAPITAL OUTLAY.

\$188,400 for capital outlay expenditures, which is a decrease of \$22,315, or 10.6 percent, below the FY 2022 revised estimate. This includes \$108,400 for the replacement of four vehicles and \$80,000 for laptops, desktops, and tablet computers.

The **Governor** concurs with the agency's FY 2023 request for operating expenditures.

STATE AID AND OTHER ASSISTANCE



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

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

State Aid and Other Assistance includes all grants provided to local agencies and state aid to school districts, as well as most individuals.

FIGURE 16
STATE AID AND OTHER ASSISTANCE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Five-year Postsecondary Success Rate*	55.9 %	55.7 %	55.5 %	58.0 %	60.0 %
2. Five-year Postsecondary Effectiveness Rate*	48.3 %	48.3 %	48.2 %	50.0 %	52.0 %
3. Number of high school students enrolled in tuition-free college, career, and technical education courses	13,934	10,000	12,536	14,000	14,000
4. High school graduation rate*	88.3 %	88.1 %	88.0 %	90.0 %	91.0 %
5. Percent of students with disabilities graduating from high school	78.4 %	80.0 %	78.6 %	80.5 %	81.0 %
Output Measure:					
6. Number of contacts made by TASN** staff to local agencies and school districts with the purpose of assisting in improving student academic performance*	1,570	1,779	1,660	1,800	1,900
7. Number of USDs with approved preschool-aged at-risk programs*	226	244	228	255	260

8. Number of CTE students who have earned at least two credits in an approved CTE career cluster/pathway course* sequence	29,920	20,000	24,807	25,000	26,000
9. Statewide dropout rate*	1.3	N/A	--	1.4	1.0
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,960,010	\$ 3,913,407		\$ 4,550,532	\$ 4,192,110
Federal Funds	453,096	634,715		841,395	979,079
All Other Funds	1,058,212	1,072,924		1,100,602	1,137,755
TOTAL	\$ 5,471,318	\$ 5,621,046		\$ 6,492,529	\$ 6,308,944
Percentage Change:					
SGF	(99.0) %	(1.2) %		16.3 %	(7.9) %
All Funds	(99.0) %	2.7 %		15.5 %	(2.8) %
FTE Positions	264.2	261.9		269.3	270.3
*The Governor's Office does not utilize this measure for evaluation purposes.					
**Technical Assistance System Network					

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency** requests an FY 2022 revised estimate of \$6.0 billion, including \$4.2 billion SGF for state aid and other assistance. This is an all funds increase of \$298.7 million, or 5.2 percent, including an SGF decrease of \$18.6 million, or 0.4 percent, from the amount approved by the 2021 Legislature. The all funds increase is primarily due to additional federal COVID-19 pandemic relief funds and school finance funding, partially offset by decreased KPERS expenditures to reflect changes to KPERS employer contribution rates.

The **Governor** recommends expenditures of \$6.5 billion, including \$4.6 billion SGF, for state aid and other assistance in FY 2022. This is an all funds increase of \$410.8 million and an SGF increase of \$394.0 million, above the agency's FY 2022 revised estimate. The all funds and SGF increases are primarily attributable to the Governor's recommendation to pay off KPERS layering payments and eliminating the delayed school payment in FY 2022. Other increases are attributable to adjustments to the Education Consensus adjustment, including an increase in the 20-mill property tax and School District Finance Fund in FY 2022.

FY 2023 AGENCY REQUEST

The **agency** requests \$6.4 billion, including \$4.3 billion SGF, for FY 2023 for state aid and other assistance. This is an all funds increase of

\$339.5 million, or 5.6 percent, including an SGF increase of \$187.7 million, or 4.5 percent, above the FY 2022 revised estimate.

The **Governor** recommends expenditures of \$6.3 billion, including \$4.2 billion SGF, for state aid and other assistance for FY 2023. This is an all funds decrease of \$117.1 million, and an SGF decrease of \$152.2 million, below the agency's request. The all funds and SGF decreases are primarily attributable to the Education Consensus adjustment, including a decrease in State Foundation Aid and Special Education Aid. The remaining decrease is primarily attributable to a decrease in KPERS layering payments, due to the Governor's recommendation to pay off the KPERS layering payments in FY 2022.

**FIGURE 17
STATE AID AND OTHER ASSISTANCE
SUMMARY OF EXPENDITURES, FY 2021 – FY 2023**

Program	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Est. FY 2023	Gov. Rec. FY 2023
State General Fund					
State Foundation Aid	\$ 2,261,165,172	\$ 2,441,050,347	\$ 2,543,804,806	\$ 2,524,235,833	\$ 2,457,805,046
Supplemental State Aid	513,400,000	523,748,000	572,229,398	534,190,000	550,000,000
Special Education State Aid	505,416,348	513,030,935	513,030,935	594,524,365	520,380,818
Capital Outlay State Aid	72,776,380	78,500,000	79,000,000	80,900,000	82,000,000
KPERS–USDs	485,620,476	516,599,488	508,558,178	519,382,255	520,780,609
KPERS–Non-USDs	32,124,101	39,712,893	36,103,928	38,985,762	37,714,422
KPERS Layering Payment (FY 2017)	6,400,000	6,400,000	260,266,022	6,400,000	-
KPERS Layering Payment (FY 2019)	19,400,000	19,400,000	19,400,000	19,400,000	-
Mental Health Pilot Program	7,201,571	7,534,722	7,534,722	10,534,722	10,534,722
Juvenile Detention Grants	3,737,791	6,383,265	6,383,265	5,060,528	5,060,528
School Safety & Security Grants	-	-	-	-	-
School Food Assistance	2,510,486	2,510,486	2,510,486	2,510,486	2,510,486
Evidence-Based Reading Programs	-	-	-	-	-
Professional Development	1,700,000	-	-	3,600,000	1,770,000
Mentor Teacher Program	1,300,000	1,300,000	1,300,000	2,300,000	1,300,000
Technical Ed. Transportation	-	-	-	1,482,338	1,482,338
Teach for America	-	-	-	-	-
Teacher Excellence Grant/Scholarships	224,775	-	-	360,693	360,693
Technical Ed. Incentive	-	-	-	-	-
Education SuperHighway	46,750	-	-	-	-
Juvenile Transitional Crisis Center Pilot	-	300,000	300,000	300,000	300,000
Deaf-Blind Program Aid	110,000	110,000	110,000	110,000	110,000
Governor's Scholar Program	-	-	-	-	-
Other State Grants	-	-	-	105,000	-
Discretionary Grants	273,165	-	-	-	-
Subtotal–State General Fund	\$ 3,913,407,015	\$ 4,156,580,136	\$ 4,550,531,740	\$ 4,344,381,982	\$ 4,192,109,662
Other State Funds					
20 Mill Local Property Tax	\$ 736,317,577	\$ 752,398,146	\$ 760,000,000	\$ 770,579,633	\$ 789,500,000
School District Finance Fund	58,401,760	52,000,000	58,000,000	52,000,000	58,000,000
KPERS-ELARF	41,640,023	41,143,515	41,143,515	43,431,547	41,389,547
Capital Improvement State Aid	194,603,245	205,000,000	202,000,000	208,000,000	205,000,000
Mineral Production Fund	8,576,380	4,840,211	4,557,000	4,065,617	8,639,000
Communities in Schools	50,000	50,000	50,000	50,000	50,000
Driver Education Aid	942,153	1,415,000	1,536,900	1,735,636	1,735,636
USD Checkoff Fund	42,231	50,000	50,000	50,000	50,000
Private Gifts and Grants	-	-	27,905	22,878	22,878
Children's Cabinet–Family & Children Investment Fund	-	563,965	563,965	-	-
Subtotal–Other State Funds	\$ 1,040,573,369	\$ 1,057,460,837	\$ 1,067,929,285	\$ 1,079,935,311	\$ 1,104,387,061

(Note: This table previously included some contractual services expenditures because the primary beneficiaries of the contracts were local education agencies. These items have now been removed from the table. The table only shows those expenditures categorized as state aid to local units of government or other assistance.)

**STATE AID AND OTHER ASSISTANCE
SUMMARY OF EXPENDITURES, FY 2020 – FY 2023**

Program	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Est. FY 2023	Gov. Rec. FY 2023
Children's Initiatives Fund					
Parent Education (Parents as Teachers)	\$ 8,454,860	\$ 8,556,522	\$ 8,556,522	\$ 8,437,635	\$ 8,437,635
Kansas Preschool Program (Pre-K Pilot)	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000
Children's Cabinet–Early Childhood Block Grant	18,145,635	18,366,647	18,366,647	20,729,848	20,729,848
Children's Cabinet–Child Care Quality Initiative	500,000	500,000	500,000	-	-
Children's Cabinet–Autism Diagnosis Program	50,000	50,000	50,000	-	-
Children's Cabinet–Communities Aligned in Early Dev. & Ed.	1,000,000	1,000,000	1,000,000	-	-
Subtotal-Children's Initiatives Fund	\$ 32,350,495	\$ 32,673,169	\$ 32,673,169	\$ 33,367,483	\$ 33,367,483
Selected Federal Funds					
Special Education	\$ 109,498,784	\$ 105,420,830	\$ 105,420,830	\$ 106,652,259	\$ 106,652,259
School Food Assistance	260,634,521	216,572,195	217,152,504	209,490,558	210,032,617
Elementary and Secondary Education Act (ESEA) Prog.	193,001,218	455,326,037	455,326,037	593,469,632	593,469,632
TANF Children's Programs	4,024,127	4,132,317	4,132,317	4,132,317	4,132,317
Children's Cabinet–Community-Based Child Abuse Prevention	778,004	742,889	742,889	775,000	775,000
All Other Federal Funding	66,778,836	52,712,628	58,620,318	53,960,428	64,017,023
Subtotal-Federal Funds	\$ 634,715,490	\$ 834,906,896	\$ 841,394,895	\$ 968,480,194	\$ 979,078,848
Total-All Other Funds	\$ 1,707,639,354	\$ 1,925,040,902	\$ 1,941,997,349	\$ 2,081,782,988	\$ 2,116,833,392
GRAND TOTAL	\$ 5,621,046,369	\$ 6,081,621,038	\$ 6,492,529,089	\$ 6,426,164,970	\$ 6,308,943,054

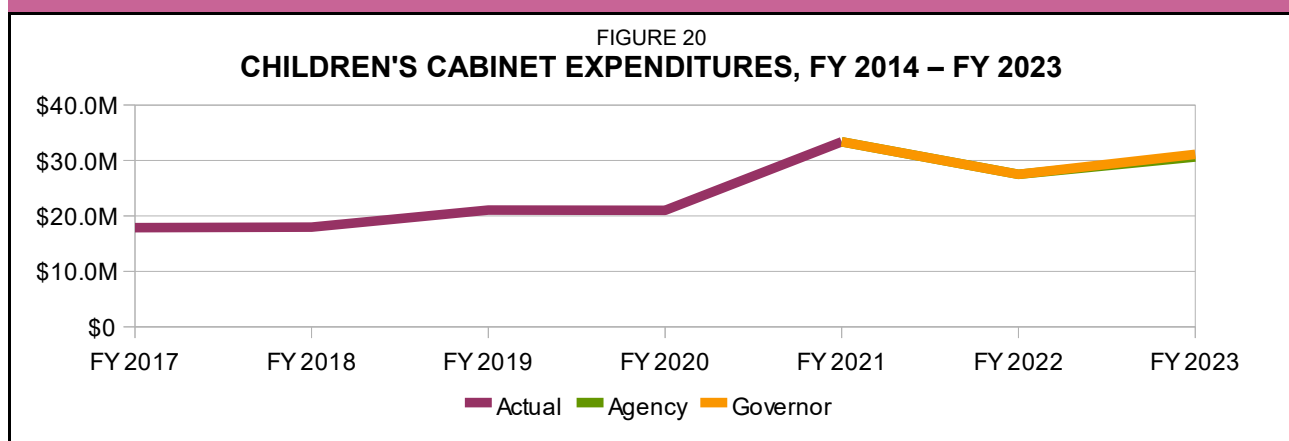
FIGURE 18
**STATE FOUNDATION AID
SUMMARY OF EXPENDITURES, FY 2020 – FY 2022**

Funding Source	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Est. FY 2023	Gov. Rec. FY 2023
State General Fund	\$ 2,261,165,172	\$ 2,441,050,347	\$ 2,543,804,806	\$ 2,524,235,833	\$ 2,457,805,046
20 Mill Local Property Tax	736,317,577	752,398,146	760,000,000	770,579,633	789,500,000
School District Finance Fund	58,401,760	52,000,000	58,000,000	52,000,000	58,000,000
Mineral Production Fund	8,576,380	4,840,211	4,557,000	4,065,617	8,639,000
TOTAL	\$ 3,064,460,889	\$ 3,250,288,704	\$ 3,366,361,806	\$ 3,350,881,083	\$ 3,313,944,046

FIGURE 19
**BASE AID FOR STUDENT EXCELLENCE (BASE)
FY 2021 – FY 2023**

Fiscal Year	Current Law	Agency Request	Governor's Rec.
2021	\$ 4,569	\$ 4,569	\$ 4,569
2022	4,706	4,706	4,706
2023	4,846	4,846	4,846

CHILDREN'S CABINET



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

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

The Children's Cabinet is established pursuant to KSA 38-1901. Its responsibilities include:

- Evaluating program funding through the Children's Initiatives Fund; and
- Making recommendations to the Legislature and the Governor on how best to allocate funds to achieve the Cabinet's charge.
- Assisting the Governor in developing and implementing a coordinated, comprehensive delivery system to improve the health and well-being of families and children in Kansas;

Effective July 1, 2016, KSDE became the fiscal and administrative agency for the Kansas Children's Cabinet.

FIGURE 21
CHILDREN'S CABINET, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of toddler classrooms funded by the ECBG meeting high quality standards for classroom instruction*	59.0%	75.0%	69.3%	**No data, the COVID-19 Crisis has posed special challenges to programs serving children and families, which have often needed to reallocate resources to meet the challenging needs of the families they serve, adopt new health and safety protocols, and maintain adequate staffing in an increasing tight labor	
2. Percent of pre-K classrooms funded by the ECBG meeting high quality standards for classroom instruction*	62.0%	72.0%	69.3%		
3. Percent of toddler classrooms funded by the CAEDE meeting high quality standards for classroom instruction*	55.0%	44.0%	47.7 %		
4. Percent of pre-K classrooms funded by the CAEDE meeting high quality standards for classroom instruction*	35.0%	14.0%	23.0 %		

FIGURE 21
CHILDREN'S CABINET, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:				market. These distributions are likely to continue and, in the absence of increased funding, will affect the number of children programs can serve, as well as the resources that can be devoted to professional development and quality improvement.	
5. Number of children served through ECBG programs*	7,163	6,074	6,898		
6. Number of children served through CAEDE programs*	653	511	502		
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	20,131	13,310		6,304	7,855
All Other Funds	791	20,282		21,213	23,266
TOTAL	\$ 20,922	\$ 33,592		\$ 27,517	\$ 31,121
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(0.6) %	60.6 %		(18.1) %	13.1 %
FTE Positions	3.0	7.0		7.0	7.0

*The Governor's Office does not utilize this measure for evaluation purposes.

**Submitted by the agency

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency requests a revised estimate of \$27.5 million, all from special revenue funds, for the Children's Cabinet in FY 2022. This is an all funds increase of \$262,755, or 1.0 percent, above the amount approved by the 2021 Legislature. The FY 2022 revised estimate includes:

SALARIES AND WAGES.

The agency's FY 2022 revised estimate includes \$598,431 for salaries and wages, which is an increase of \$2,106 or 0.4 percent, above the FY 2022 approved amount. The increase is primarily due to increased salaries and unemployment compensation expenditures, partially offset by decreased employer retirement contributions and group health insurance costs.

CONTRACTUAL SERVICES.

The agency's revised estimate includes \$4.5 million for contractual services expenditures,

which is an increase of \$98,850 or 2.3 percent, above the FY 2022 approved amount. The majority of the contractual service expenditures (\$3.1 million) is for contracts associated with the Preschool Development Birth-5 Renewal grant (PDG-R).

STATE AID AND OTHER ASSISTANCE.

The agency's FY 2022 revised estimate includes \$22.4 million for aid and other assistance, which is a decrease of \$425,000 for aid to local units of government and an increase of \$586,799 for other assistance. This is a total increase of \$161,799, or 7.3 percent, above the FY 2022 approved amount. The increase is due to the reappropriation of \$236,799 from the ECBG and the shift of \$350,000 from the Dolly Parton Imagination Library to the PDG-R grant. This increase is partially offset by the deletion of the aid to local units of government. KSDE, in conjunction with the Children's Cabinet, has started updating accounting codes used for aid payments during FY 2023. As a result, the

Children's Cabinet will have aid to local units of government expenditures moving forward. However, this change was not fully implemented in FY 2021 and expenditures were budgeted as other assistance.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 AGENCY REQUEST

The agency requests \$30.6 million, all from special revenue funds, for the Children's Cabinet for FY 2023. This is an all funds increase of \$3.1 million, or 11.3 percent, above the FY 2022 revised estimate. The FY 2023 agency request includes:

SALARIES AND WAGES.

The agency's FY 2023 request includes \$597,159 for salaries and wages, which is a decrease of \$1,272, or 0.2 percent, below the FY 2022 revised estimate. The decrease is primarily due to decreased unemployment compensation costs.

CONTRACTUAL SERVICES.

The agency's FY 2023 request includes \$3.3 million for contractual services expenditures, which is a decrease of \$1.2 million, or 25.8

percent, below the FY 2022 revised estimate. The decrease is primarily due to the ending of contracts for professional development.

COMMODITIES.

The agency's FY 2023 request includes \$3,783 for commodities, which is a decrease of \$2,745, or 42.0 percent, below the FY 2022 revised estimate. The decrease is primarily due to decreased office supply expenditures.

OTHER ASSISTANCE.

The agency's FY 2023 request includes \$26.7 million for other assistance, which is an increase of \$4.3 million, or 19.0 percent, above the FY 2022 revised estimate. The increase is due to the budgeting of a subgrant to the Center for Public Partnerships and Research and the University of Kansas as other assistance rather than a transfer.

The **Governor** recommends expenditures of \$31.1 million, all from special revenue funds, for the Children's Cabinet for FY 2023. This is an increase of \$500,000, all from the Children's Initiatives Fund, above the agency's FY 2023 request. This increase is attributable to the Governor recommending expenditures of \$500,000 for Dolly Parton's Imagination Library.

POSTSECONDARY EDUCATION SYSTEMWIDE

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 824,355,267	\$ 904,485,223	\$ 904,485,223	\$ 996,007,167	\$ 977,431,180
Federal Funds	550,901,975	569,093,240	569,093,240	423,389,757	423,389,757
All Other Funds	1,590,728,364	1,784,751,899	1,784,751,899	1,794,086,418	1,794,086,418
<i>Subtotal</i>	<u>\$ 2,965,985,606</u>	<u>\$ 3,258,330,362</u>	<u>\$ 3,258,330,362</u>	<u>\$ 3,213,483,342</u>	<u>\$ 3,194,907,355</u>
Capital Improvements:					
State General Fund	\$ 607,350	\$ 615,086	\$ 615,086	\$ 25,661,978	\$ 25,661,978
Federal Funds	-	132,712	132,712	132,712	132,712
All Other Funds	122,526,463	151,031,007	151,031,007	127,879,274	127,879,274
<i>Subtotal</i>	<u>\$ 123,133,813</u>	<u>\$ 151,778,805</u>	<u>\$ 151,778,805</u>	<u>\$ 153,673,964</u>	<u>\$ 153,673,964</u>
TOTAL	<u>\$ 3,089,119,419</u>	<u>\$ 3,410,109,167</u>	<u>\$ 3,410,109,167</u>	<u>\$ 3,367,157,306</u>	<u>\$ 3,348,581,319</u>
Percentage Change:					
State General Fund	(1.4) %	9.7 %	9.7 %	12.9 %	10.8 %
All Funds	3.6 %	10.4 %	10.4 %	(1.3) %	(1.8) %
FTE Positions	19,005.5	19,147.6	19,147.6	19,205.5	19,205.5

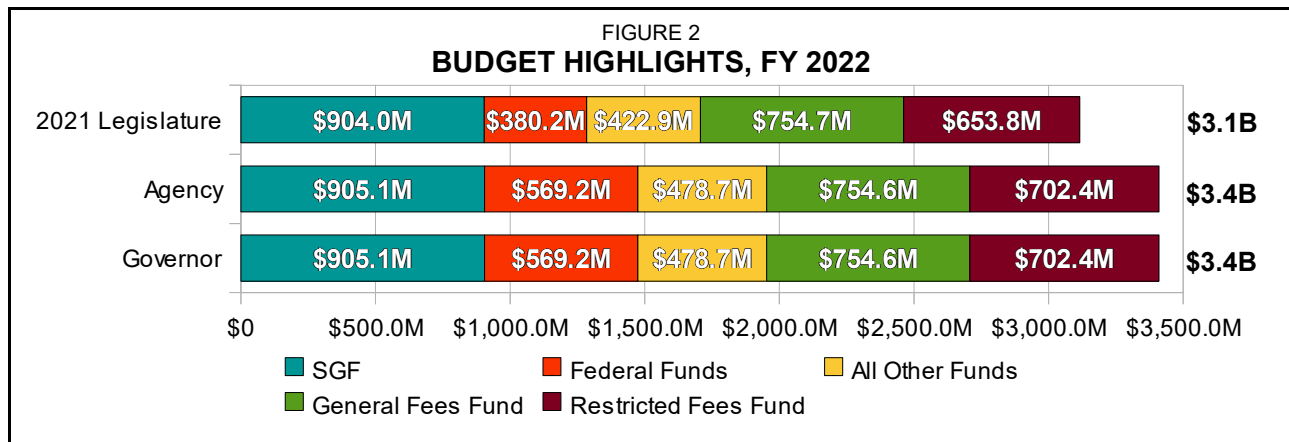
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

Postsecondary Education Systemwide summarizes state expenditures for higher education. The State operates six state universities under the control of the Board of Regents. The state universities are divided into nine budget units. Separate analysis for each of these units follow this overview. The State also provides financial assistance to local postsecondary educational institutions and student financial aid through the budget of the Board of Regents. Only the State's share of the local postsecondary educational institutions' budgets are reflected in the state budget.

EXECUTIVE SUMMARY

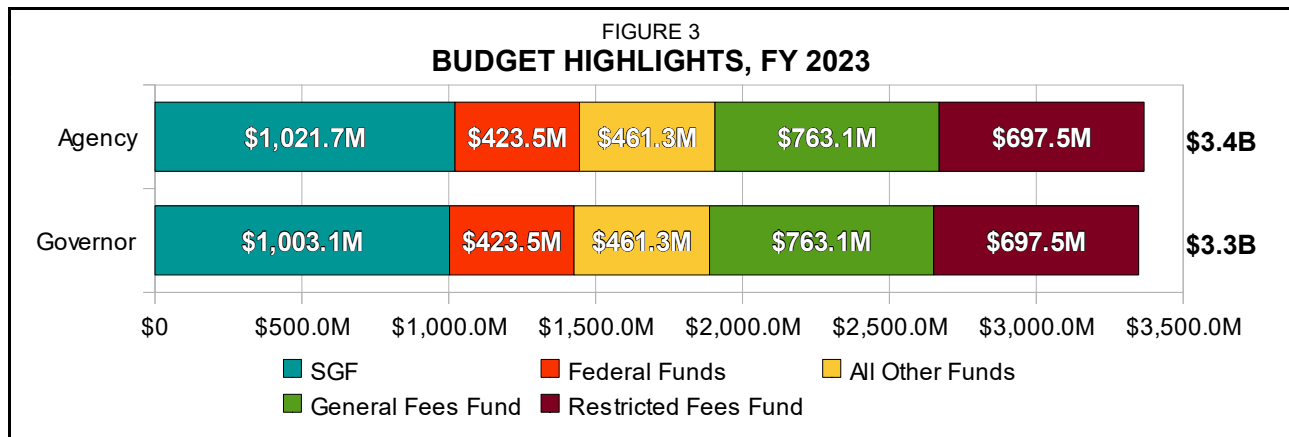
The 2021 Legislature approved a budget of \$3.1 billion, including \$903.9 million from the State General Fund (SGF), for Postsecondary Education Systemwide for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency includes the following:

- **REAPPROPRIATIONS.** There is \$3.2 million in unspent SGF moneys that reappropriated from FY 2021 into FY 2022. Of the total, \$2.7 million is in the Board of Regents and includes mostly scholarships. The remaining amount of \$535,254 is in the University of Kansas Medical Center, primarily for medical scholarship and the rural health bridging psychiatry program.



The **agencies** submitted a revised estimate of \$3.4 billion, including \$905.1 million SGF, in FY 2022. This is an increase of \$275.5 million, or 8.8 percent, above the approved amount, from all funding sources. The increased expenditures are primarily in contractual services (\$107.6 million), commodities (\$26.1 million), capital outlay (\$31.2 million), and other assistance (\$65.7 million). The major increases in revenue are in federal funds of \$176.8 million, restricted fee funds of \$48.6 million, and carry forward of \$39.1 million of the Educational Building Fund.

The **Governor** concurs with the agencies' revised estimates in FY 2022.



The **agencies** request \$3.4 billion, including \$1.0 billion SGF, for FY 2023. This is a decrease of \$43.0 million, or 1.3 percent, below the FY 2022 revised estimate. This is a decrease in all expenditure categories except aid to local units, which increases by \$124.2 million, or 56.8 percent, primarily due to an enhancement request. There is also an SGF increase of \$116.6 million, or 12.9 percent, due to an enhancement request, partially offset by the \$43.0 million included in the FY 2022 budget for the maintenance of effort requirement for federal pandemic relief funds. The decrease is primarily in federal funds of approximately \$139.0 million.

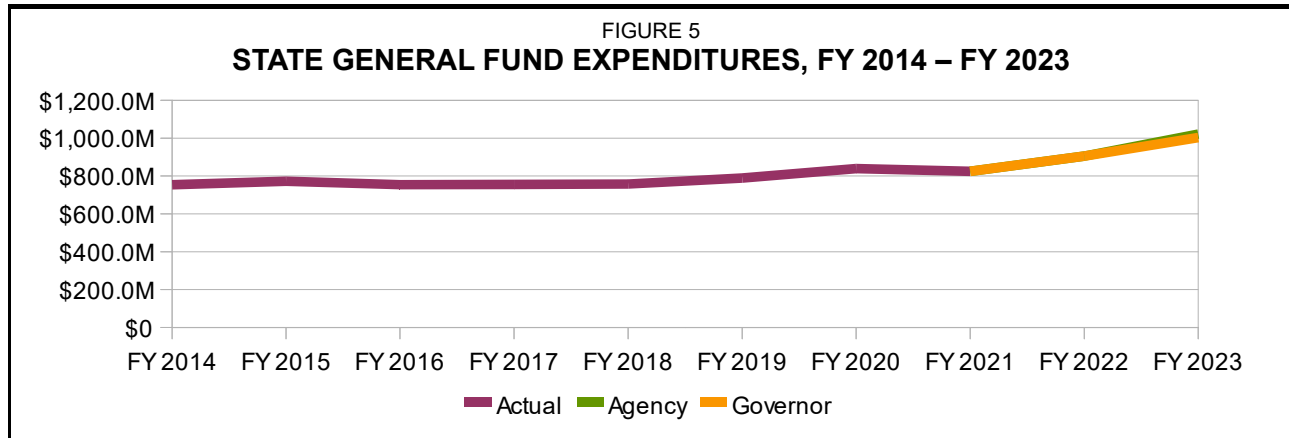
The **Governor** recommends \$3.3 billion, including \$1.0 billion SGF, for FY 2023. This is a decrease of \$18.6 million SGF, or 0.6 percent, below the agencies' requests. This is a decrease of \$43.6 million in aid to local units and an increase of \$25.0 million to other assistance, primarily due to the enhancement requests.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 1,711,472,157	\$ 1,795,604,545	\$ 1,795,604,545	\$ 1,788,653,377	\$ 1,788,653,377
Contractual Services	497,089,953	575,170,526	575,170,526	551,861,264	551,861,264
Commodities	100,560,786	116,489,739	116,489,739	105,394,428	105,394,428
Capital Outlay	93,512,585	106,257,395	106,257,395	87,041,608	87,041,608
Debt Service Interest	32,836,982	30,846,298	30,846,298	29,817,093	29,817,093
<i>Subtotal</i>	<i>\$ 2,435,472,463</i>	<i>\$ 2,624,368,503</i>	<i>\$ 2,624,368,503</i>	<i>\$ 2,562,767,770</i>	<i>\$ 2,562,767,770</i>
Aid to Local Units	214,070,874	218,641,309	218,641,309	342,850,812	299,274,825
Other Assistance	316,442,269	415,320,550	415,320,550	307,864,760	332,864,760
<i>Subtotal – Operating</i>	<i>\$ 2,965,985,606</i>	<i>\$ 3,258,330,362</i>	<i>\$ 3,258,330,362</i>	<i>\$ 3,213,483,342</i>	<i>\$ 3,194,907,355</i>
Capital Improvements	76,873,955	102,918,952	102,918,952	102,725,803	102,725,803
Debt Service Principal	46,259,858	48,859,853	48,859,853	50,948,161	50,948,161
TOTAL	\$ 3,089,119,419	\$ 3,410,109,167	\$ 3,410,109,167	\$ 3,367,157,306	\$ 3,348,581,319
Financing:					
State General Fund	\$ 824,962,617	\$ 905,100,309	\$ 905,100,309	\$ 1,021,669,145	\$ 1,003,093,158
General Fees Fund	696,904,110	754,625,302	754,625,302	763,112,493	763,112,493
Restricted Fees Fund	657,531,078	702,420,211	702,420,211	697,544,722	697,544,722
Federal Funds	550,901,975	569,225,952	569,225,952	423,522,469	423,522,469
All Other Funds	358,819,639	478,737,393	478,737,393	461,308,477	461,308,477
TOTAL	\$ 3,089,119,419	\$ 3,410,109,167	\$ 3,410,109,167	\$ 3,367,157,306	\$ 3,348,581,319
FTE Positions	19,005.5	19,147.6	19,147.6	19,205.5	19,205.5

STATE GENERAL FUND



For Postsecondary Education Systemwide, SGF expenditures decreased slightly by 1.4 percent between FY 2020 and FY 2021. However, SGF expenditures increased by \$80.1 million, or 9.7 percent, between FY 2021 and FY 2022 due to the restoration of the Governor's allotment in FY 2021, the restoration of the reduced resources, and the funds added to meet the maintenance of effort requirements for federal COVID-19 pandemic relief funds for FY 2022 during the 2021 Session.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 900,714,618	\$ 2,230,621,665	\$ 3,131,336,283	19,005.5
1. SGF Reappropriations	3,230,373	-	3,230,373	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 903,944,991</i>	<i>\$ 2,230,621,665</i>	<i>\$ 3,134,566,656</i>	<i>19,005.5</i>
Agency Revised Estimate:				
2. Adjustments to Benefit Rates	\$ 1,185,239	\$ -	\$ 1,185,239	--
3. KUMC Lapse	(29,921)	-	(29,921)	--
4. FTE Adjustment	-	-	-	142.1
5. Federal Funds	-	176,845,569	176,845,569	--
6. EBF Carry Forward	-	39,146,586	39,146,586	--
7. Restricted Fee Fund Adjustments	-	48,625,117	48,625,117	--
8. All Other Adjustments	-	9,769,921	9,769,921	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 905,100,309</i>	<i>\$ 2,446,613,820</i>	<i>\$ 3,410,109,167</i>	<i>19,147.6</i>
Governor's Recommendation:				
9. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 905,100,309	\$ 2,446,613,820	\$ 3,410,109,167	19,147.6

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$900,714,618 appropriated to Postsecondary Education Systemwide for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** There was a total of \$3.2 million SGF in reappropriations in FY 2022, including \$2.7 million in Board of Regents scholarships and Technical Education Tuition and \$535,254 in the University of Kansas Medical Center, primarily for the Psychiatry Medical Scholarships.

This changes the approved SGF amount to \$903.9 million in FY 2022.

AGENCY ESTIMATE

The **agencies** request a revised estimate of \$3.4 billion, including \$905.1 million SGF, in FY 2022. This is an increase of \$275.5 million, or 8.8 percent, from all funding sources. The revised estimate is an SGF increase of \$1.2 million, or 0.1 percent. The increased expenditures are primarily in contractual services (\$107.6 million), commodities (\$26.1 million), capital outlay (\$31.2 million), and other assistance (\$65.7 million). The major increases in revenue are in federal funds of \$176.8 million, restricted fee funds of \$48.6 million, and carry forward of \$39.1 million from the Educational Building Fund. There is a decrease of \$4.1 million, or 11.8 percent, of debt service interest.

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

2. **ADJUSTMENTS TO BENEFIT RATES.** There were \$1.2 million SGF in adjustments made to the group health insurance, KPERS, and unemployment employer contribution rates in FY 2022.

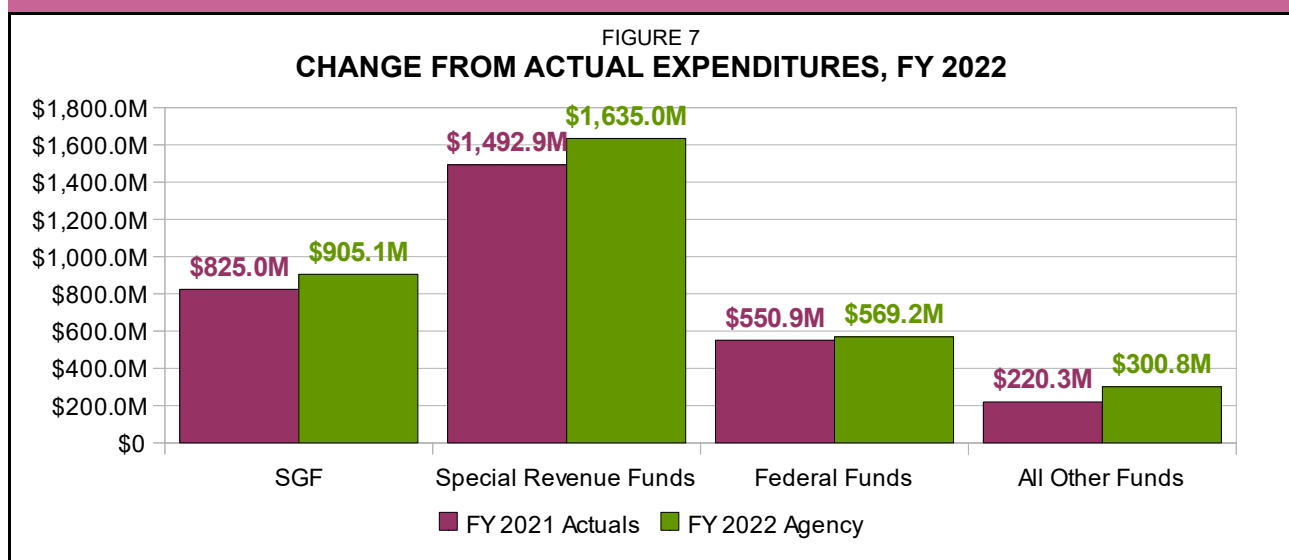
3. **KUMC LAPSE.** The University of Kansas Medical Center (KUMC) lapsed \$29,921 from the Rural Health Bridging Psychiatry Fund due to low participation in the program in FY 2022.
4. **FTE POSITIONS ADJUSTMENTS.** University FTE positions increased by 142.1 positions in FY 2022 due to changes in grants, research, and programs.
5. **FEDERAL FUNDS.** There is an increase of \$176.8 million in federal funds that includes COVID-19 pandemic relief funds as well as the University Federal funds, federal Pell Grants, and other federal funds in FY 2022.
6. **EBF CARRY FORWARD.** There is a carry forward of \$39.1 million of the Educational Building Fund due to the universities having up to two years to expend each years' allocation.
7. **RESTRICTED FEE FUND ADJUSTMENTS.** There is an increase of expenditures of the Restricted Fees Fund of \$48.6 million in FY 2022.
8. **ALL OTHER ADJUSTMENTS.** Other adjustments of \$9.8 million from special revenue funds includes increased expenditures primarily in research, housing, and parking funds in FY 2022.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agencies' revised estimate in FY 2022.

9. **NO CHANGES.** The Governor concurs with the agencies' revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



Postsecondary Education Systemwide requests a revised estimate in FY 2022 of \$3.4 billion, including \$905.1 million SGF. This is an increase of \$321.0 million, or 10.4 percent, from all funds including an SGF increase of \$80.1 million, or 9.7 percent, above the actual expenditures in FY 2021. The all funds increase includes \$48.1 million in research, \$56.4 million in student financial assistance and student aid, \$84.1 million in salaries and wages, \$78.1 million in contractual services, and \$26.0 million in capital improvements.

The SGF increase includes the restoration of the Governor's allotment in FY 2021, the restoration of the reduced resources, and funds added during the 2021 Session to meet the maintenance of effort requirements for federal COVID-19 pandemic relief for FY 2022.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 901,899,857	\$ 2,446,613,820	\$ 3,410,109,167	19,147.6
Agency Request:				
1. Enhancements	\$ 161,635,454	\$ -	\$ 161,635,454	--
2. Maintenance of Effort	(43,000,000)	-	(43,000,000)	--
3. FTE Adjustments	-	-	-	58.0
4. General Fees Fund	-	8,487,191	8,487,191	--
5. Restricted Fees Fund	-	(4,875,489)	(4,875,489)	--
6. Federal Funds Adjustments	-	(145,703,483)	(145,703,483)	--
7. All Other Adjustments - Benefits	1,133,834	(20,629,368)	(19,495,534)	--
Subtotal—Agency Request	\$ 1,021,669,145	\$ 2,283,892,671	\$ 3,367,157,306	19,205.6
Governor's Recommendation:				
8. Enhancements	(18,575,987)	-	(18,575,987)	-
TOTAL	\$ 1,003,093,158	\$ 2,283,892,671	\$ 3,348,581,319	19,205.6

AGENCY REQUEST

The **agencies** request \$3.4 billion, including \$1.0 billion SGF, for FY 2023. This is a decrease of \$43.0 million from all funding sources, or 1.3 percent, below the FY 2022 revised estimate. This is a decrease in all expenditure categories except aid to local units, which increases by \$124.2 million, or 56.8 percent, primarily due to an enhancement request. There is an SGF increase of \$116.6 million, or 12.9 percent, due to the enhancement request. This increase is partially offset by the reduction of \$43.0 million that was included in the FY 2022 budget for the maintenance of effort requirement for federal COVID-19 pandemic relief funds, which was not included in the FY 2023 request. The all funds decrease is primarily in federal funds of approximately \$145.7 million.

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

1. **ENHANCEMENTS.** The Board of Regents is requesting thirteen enhancements totaling \$161.6 million SGF for state universities, community and technical colleges, student scholarships, capital improvements, and the Board office. These requests are explained in the next section.
2. **MAINTENANCE OF EFFORT.** There was a decrease of \$43.0 million, all SGF, for the additional funds that were added during the 2021 Session to meet the maintenance of effort requirements for federal COVID-19 pandemic relief funds, which were not requested in the FY 2023 request.
3. **FTE POSITIONS ADJUSTMENTS.** University FTE positions increased by 58.0 positions for FY 2023, attributable to changes in grants, research, and programs.
4. **GENERAL FEE FUNDS.** Expenditures from the General Fees Fund increased by \$8.5 million for additional expenditures to meet the mission of the agencies.
5. **RESTRICTED FEES FUND.** Expenditures from the Restricted Fees Fund decreased by \$4.9 million, attributable to reduced revenue from student enrollment.

6. **FEDERAL FUNDS ADJUSTMENTS.** Federal funds decreased by \$145.7 million, which includes COVID-19 pandemic relief funds as well as other university federal funds.
7. **ALL OTHER ADJUSTMENTS.** Miscellaneous expenditures decreased by \$20.6 million from special revenue funds and increased by \$1.1 million SGF for employer contributions to fringe benefits including group health insurance, the Kansas Public Employees Retirement System (KPERs), and unemployment benefit rates for FY 2023.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$3.3 billion, including \$1.0 billion SGF, for FY 2023. This is a decrease of \$18.6 million SGF, or 0.6 percent, below the agencies' requests. This is a decrease of \$43.6 million in aid to local units and an increase of \$25.0 million in other assistance, primarily due to the enhancement requests.

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

8. **ENHANCEMENTS.** The Governor recommends \$143.1 million in SGF enhancements, which is a reduction of \$18.6 million, or 11.5 percent, below the agencies' request for enhancements for FY 2023. The enhancement descriptions are detailed below.

ENHANCEMENT REQUESTS

REQUESTS FOR FY 2023

The Board of Regents is requesting 13 items totaling \$161.6 million, all SGF, for state universities, community and technical colleges, student scholarships, capital improvements, and the Board office.

ENHANCEMENTS			
Item	SGF	Other Funds	Total
1. Restore State University Funding	\$ 45,700,000	\$ -	\$ 45,700,000
2. Student Financial Aid	25,000,000	-	25,000,000
3. Enhance Student Support	5,000,000	-	5,000,000
4. Capital Renewal Initiative	25,000,000	-	25,000,000
5. Grants for Economic Development	10,000,000	-	10,000,000
6. Information Technology Infrastructure	20,000,000	-	20,000,000
7. Washburn University Programs	2,130,000	-	2,130,000
8. Excel in Career Technical Education	2,500,000	-	2,500,000
9. Fund Two-Year Colleges Cost Model	6,000,000	-	6,000,000
10. Technical Education Capital Outlay	4,000,000	-	4,000,000
11. One-Time Projects at Colleges	15,000,000	-	15,000,000
12. National Guard Scholarships	1,000,000	-	1,000,000
13. Regents Office Administration	305,454	-	305,454
TOTAL	\$ 161,635,454	\$ -	\$ 161,635,454

Request 1: The Board of Regents requests \$45.7 million, all SGF, to restore the state investment in state universities to the prior level, recognizing inflationary cost increases to operate and freeze student tuition.

The Governor recommends adoption of this request.

Request 2: The Board of Regents requests \$25.0 million, all SGF, to invest in student financial aid for Kansans, with a private match to generate \$50.0 million total for students' benefit.

The Governor recommends adoption of this request as the Kansas Access Partnership Grant.

Request 3: The Board of Regents requests \$5.0 million, all SGF, to enhance student supports to improve retention and graduation of all students. The Board has adopted a plan to use the \$11.7 million in round 2 of the Governor's Emergency Education Relief (GEER 2) for Kansas to addressing opportunity gaps, improving student well-being, helping high school students with their postsecondary plans, and reducing the costs to students for textbooks by incentivizing wider adoption of open educational resources. To coincide with this plan, the Board seeks \$5.0 million SGF to improve student advising, promote clear pathways to students from enrollment to graduation, improve students' sense of belonging on campus, and implement other high-impact practices to improve student outcomes.

The Governor does not recommend adoption of this request.

Request 4: The Board of Regents requests \$25.0 million, all SGF, to engage the State as a partner with the Board's capital renewal initiative as a boost to improvements to the state university facilities. The funds will be used by each university dependent on their refined capital priorities based on the Board's Facilities Capital Renewal Initiative and focus on renovation, infrastructure modernization, and building systems upgrades.

The Governor recommends adoption of this request.

Request 5: The Board of Regents requests \$10.0 million, all SGF, to provide competitive grants for economic development initiatives that incorporate partnerships with private industry.

The Governor recommends adoption of this request but locates it within the Department of Commerce as a grants program.

Request 6: The Board of Regents requests \$20.0 million, all SGF, to invest in information technology infrastructure and bolster cybersecurity efforts across the system.

The Governor recommends adoption of this request.

Request 7: The Board of Regents requests \$2.1 million, all SGF, to fund programs at Washburn University including Business Resources for Innovation and Ensuring Pathways to Student Success.

The Governor does not recommend adoption of this request, but adds an amount to the agency's budget to bring the total allocation up to \$14.0 million.

Request 8: The Board of Regents requests \$2.5 million, all SGF, to fully fund the Excel in Career Technical Education program, which was launched with SB 155 in 2012. The program has grown from approximately 3,475 students to just under 14,000 students.

The Governor recommends adoption of this request.

Request 9: The Board of Regents requests \$6.0 million, all SGF, to fund a greater proportion of the State's calculated share of the cost model for tiered and non-tiered courses. In 2011, SB 143 created a new postsecondary technical education formula. The gap is the difference between the calculated state share and the amount received by each college. The gap calculated in the fall of 2020 indicated the gap for tiered courses is \$3.0 million and the non-tiered gap is \$12.3 million. The current funding of the tiered courses is \$61.0 million and the non-tiered courses is \$80.0 million.

The Governor recommends adoption of this request.

Request 10: The Board of Regents requests \$4.0 million, all SGF, to address State Aid for Career Technical Education capital outlay.

The Governor recommends adoption of this request in part with \$1.0 million.

Request 11: The Board of Regents requests \$15.0 million, all SGF, to fund one-time projects at the community and technical colleges. The funds would be devoted to expenses related to recruitment and equipment needs for expanding technical programs that lead to employment in occupations critical to the state's economy and expanding apprenticeship opportunities.

The Governor recommends adoption of this request.

Request 12: The Board of Regents requests \$1.0 million, all SGF, to fully fund the National Guard Tuition Assistance scholarship to meet greater demand. Current funding provides scholarships to approximately 500 National Guard members each year. The Kansas National Guard Assistance Act was amended in 2018 HB 2541 to allow all eligible guard members enrolled at a Kansas educational institution and participating in the educational assistance program to receive an amount equal to tuition and fees for not more than 15 credit hours per semester.

The Governor recommends adoption of this request.

Request 13: The Board of Regents requests \$305,454, all SGF, to restore state funding of the Board office for operations; provide staff to administer the Promise Scholarship Act; and the capital renewal initiative.

The Governor recommends adoption of this request.

SPECIAL TOPIC

DEFERRED MAINTENANCE

This provides an overview of deferred maintenance at the state universities throughout the years. It also provides the history of the Educational Building Fund (EBF) and the new Board of Regents policy regarding deferred maintenance.

HISTORY OF THE EDUCATIONAL BUILDING FUND

The EBF was created during the 1941 Legislative Session. It added a one-quarter mill on all property in the state. The EBF was to be used for construction of buildings, equipment, and repair of the buildings at the state universities. Throughout the years, the Legislature has changed the law, and the mill levy was increased to 1 mill in 1955, which is the current rate. The allocation began with specific funding to each university for specific construction projects. In the late 1990s, the Board of Regents received the entire allocation, and the universities received an amount calculated by the square footage of critical use buildings (classrooms) at each university.

Currently, the EBF is a no-limit fund within the Board of Regents, and there is no language in the appropriations bill for specific amounts to be distributed to each university. However, the FY 2023 EBF distribution to the universities was made according to the adjusted gross square footage of mission-critical buildings.

DEFERRED MAINTENANCE ISSUES OVER THE YEARS

There have been two legislative initiatives since the 1990s to help reduce the deferred maintenance backlog. The first was in 1996 when the Legislature authorized the issuance of \$156.5 million in bonds. This initiative was referred to as the "Crumbling Classroom" Initiative. However, the bonds were paid using the EBF, so routine maintenance was not provided adequately through the payment of the bonds, and the backlog of maintenance projects increased.

In 2007, the Legislature passed the State Educational Institution Long-Term Infrastructure Maintenance Program. The Program planned that beginning in FY 2008, the State would make annual transfers to the Board to fund deferred maintenance projects. The annual transfer would total \$90.0 million. Due to the national recession, this project was never funded.

FUNDING

The Board of Regents approved a new policy in June of 2021 for university building maintenance. Beginning in FY 2023, and each year thereafter, each university shall calculate a maintenance assessment as a percentage of the professionally estimated cost of mission-critical buildings according to an assessment schedule, culminating in a sustainable 2.0 percent of current replacement value as approved by the Board on an annual basis.

Each state university shall identify and expend campus funds, excluding EBF allocations, annually for the purpose of addressing annual maintenance. Funding for the maintenance assessment may include contributions from university, state, federal and philanthropic sources. The Board voted to allow the universities a six-year escalator to ultimately arrive at the 2.0 percent current replacement value.

It is the stated intent of the Board to use the 2.0 percent of current replacement value funds to annually maintain the buildings in proper working order and focus the use of the EBF on strategic projects to reduce the backlog of deferred maintenance.

STATE GENERAL FUND OPERATING BUDGET

	Actual FY 2021	Agency Estimate FY 2022	Gov. Rec. FY 2022	Agency Request FY 2023	Gov. Rec. FY 2023
Emporia State University	\$ 32,742,400	\$ 34,818,733	\$ 34,818,733	\$ 34,084,241	\$ 34,084,241
Fort Hays State University	34,748,540	36,867,679	36,867,679	36,057,149	36,057,149
Kansas State University	105,649,279	115,652,549	115,652,549	111,598,335	111,598,335
KSU-ESARP	51,124,375	50,647,247	50,647,247	50,714,314	50,714,314
KSU-Veterinary Medical Center	15,237,798	15,539,449	15,539,449	15,559,460	15,559,460
Pittsburg State University	36,997,875	38,908,389	38,908,389	38,037,077	38,037,077
University of Kansas	137,274,924	145,728,207	145,728,207	142,309,109	142,309,109
KU Medical Center	112,296,342	115,189,484	115,189,484	112,280,967	112,280,967
Wichita State University	82,337,830	86,062,047	86,062,047	84,392,999	84,392,999
<i>Subtotal</i>	<i>\$ 608,409,363</i>	<i>\$ 639,413,784</i>	<i>\$ 639,413,784</i>	<i>\$ 625,033,651</i>	<i>\$ 625,033,651</i>
Technical Colleges Capital Outlay	\$ 71,585	\$ 71,585	\$ 71,585	\$ 71,585	\$ 1,071,585
Washburn University	12,445,987	13,110,987	13,110,987	12,445,987	14,000,000
Non-Tiered Course Credit Hour Grant	79,989,649	79,995,039	79,995,039	79,995,039	83,995,039
Postsecondary Tiered Technical Education State Aid	60,967,448	60,967,448	60,967,448	60,967,448	62,967,448
Adult Basic Education	1,457,022	1,457,031	1,457,031	1,457,031	1,457,031
Postsecondary Operating Grant	-	-	-	135,330,000	45,700,000
Other Enhancements	-	-	-	-	62,500,000
<i>Subtotal</i>	<i>\$ 154,931,691</i>	<i>\$ 155,602,090</i>	<i>\$ 155,602,090</i>	<i>\$ 290,267,090</i>	<i>\$ 271,691,103</i>
TOTAL	\$ 763,341,054	\$ 795,015,874	\$ 795,015,874	\$ 915,300,741	\$ 834,224,754

The **postsecondary educational institutions**, which include the state universities, community colleges, technical colleges, and Washburn University, request \$915.3 million SGF for operating budgets for FY 2023. This is an increase of \$120.3 million, or 15.1 percent, above the FY 2022 revised estimate. The increase is primarily due to enhancement requests of \$135.3 million and additional expenditures for salaries and wages fringe benefits.

The **Governor** recommends expenditures of \$896.7 million SGF. This is a decrease of \$18.6 million, or 0.6 percent, below the FY 2023 agencies' requests. The decrease is attributable to not recommending all the enhancements the agencies requested, but some of these enhancements are recommended in the Department of Commerce budget.

TECHNICAL COLLEGES CAPITAL OUTLAY. The **Board of Regents** requests \$71,585 for FY 2023 for the Technical Colleges Capital Outlay. This is the same amount as the last two years requested amounts. However, the Board of Regents is requesting an enhancement totaling \$4.0 million, all SGF, due to the increased need of capital outlay funding.

The **Governor** recommends expenditures of \$1.1 million. The Governor's recommendation includes an increase of \$1.0 million for the enhancement for FY 2023.

MUNICIPAL UNIVERSITY OPERATING GRANT. The **Board of Regents** requests \$12.4 million for FY 2023 for the Municipal University Operating Grant. SB 345 (1999) applies the same funding formula for state support for Washburn University as is used for community colleges. However, the enhancement request for Washburn University in the Postsecondary Operating Grant totals \$2.1 million, all SGF, for Business Resources for Innovation and Ensuring Pathways to Student Success for FY 2023.

The **Governor** recommends expenditures of \$14.0 million SGF, which is \$575,987, or 3.9 percent, below the agency's request for FY 2023, which included an enhancement.

COMMUNITY AND TECHNICAL COLLEGE OPERATING GRANTS. The **Board of Regents** requests \$80.0 million SGF for FY 2023 for non-tiered course credit hour grants for general education and \$61.0 million for postsecondary tiered technical education state aid for technical education courses to support the 19 community colleges and 7 technical colleges in the state. The request is the same as the FY 2022 revised estimate, however, the agency is asking the 2022 Legislature to consider an enhancement request of \$6.0 million SGF to fund a larger portion of the State's calculated share of the cost model for both tiered and non-tiered courses.

The **Governor** recommends expenditures of \$84.0 million SGF for FY 2023 for non-tiered course credit hour grants for general education and \$63.0 million for postsecondary tiered technical education state aid. The Governor concurs with the enhancement request.

ADULT BASIC EDUCATION. The **Board of Regents** requests \$5.1 million, including \$1.5 million SGF, to support the 30 adult education centers in the state for FY 2023. The request is the same amount as the FY 2022 revised estimate.

The **Governor** concurs with the agencies' request for FY 2023.

OTHER STATE FUNDING

The **Board of Regents** and **universities** request \$4.6 million from the other centrally appropriated state funds for the benefit of the universities from the Economic Development Initiatives Fund and the State Water Plan Fund for FY 2023.

ECONOMIC DEVELOPMENT INITIATIVES FUND

The following are the budgeted expenditures from the Economic Development Initiatives Fund for the Board of Regents:

- \$2.5 million for technical education capital outlay;
- \$179,284 for the Technology Innovation and Internship program;
- \$993,265 for the Experimental Program to Stimulate Competitive Research;
- \$500,000 for community college comparative grants; and
- \$307,939 for research at Kansas State University–Extension Systems and Agricultural Research Programs.

STATE WATER PLAN FUND

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

- \$26,841 for the Kansas Geological Survey at the University of Kansas.

The **Governor** concurs with the agencies' requests for FY 2023.

STATE UNIVERSITIES

TUITION AND GENERAL FEES. State university tuition and fees are set with the approval of the Board of Regents. With the exception of certain designated fees credited to restricted use funds, tuition and general fees are credited to the General Fees Fund of each institution. Although subject to appropriation, under the State University Operating Grant Plan, the General Fees Fund moneys are appropriated to the institutions without an expenditure limit, permitting maximum flexibility in the use of those funds. For FY 2022, the Board of Regents set tuition rates after the adjournment of the 2021 Legislative Session, and the same schedule is anticipated for FY 2023. The budgets submitted by the universities assume no increase in tuition rates in FY 2023.

The following compares estimated General Fees Fund expenditures for the current fiscal year as presented to the 2021 Legislature, the revised current fiscal year estimate, and the current estimate for FY 2023.

STATE UNIVERSITY GENERAL FEE FUND EXPENDITURES

Institution	Original Estimate FY 2022	Revised Est./ Gov. Rec FY 2022	Difference	Gov. Rec. for FY 2023
University of Kansas	\$ 300,153,355	\$ 294,600,000	\$ (5,553,355)	\$ 300,000,000
KU—Medical Center	51,530,496	49,291,277	(2,239,219)	52,778,801
Kansas State University	195,776,226	205,706,677	9,930,451	205,873,887
KSU—Veterinary Medical Center	19,085,496	18,638,560	(446,936)	18,657,314
KSU—ESARP	-	-	-	-
Emporia State University	28,315,330	29,091,186	775,856	26,893,694
Fort Hays State University	45,364,618	39,780,333	(5,584,285)	43,247,307
Pittsburg State University	32,000,000	32,000,000	-	30,823,366
Wichita State University	82,559,632	86,033,663	3,474,031	87,814,152
TOTAL	\$ 754,785,153	\$ 755,141,696	\$ 356,543	\$ 766,088,521

STUDENT FINANCIAL AID

STUDENT FINANCIAL AID. The **Board of Regents** administers a number of student financial aid programs as well as other special programs. The agency requests \$25.5 million SGF to support state-sponsored student financial aid programs for FY 2023. The FY 2023 request includes an enhancement request of an additional \$1.0 million SGF for the National Guard scholarship.

The **Governor** concurs with the agency's request, including the additional \$1.0 million for the national Guard scholarship enhancement for FY 2023.

Need-Based Aid

KANSAS COMPREHENSIVE GRANT PROGRAM (KSA 74-32,120). Created by the 1998 Legislature, the Comprehensive Grant program provides grants to financially needy students. The program provides need-based grants to full-time (taking 12 credit hours or more per semester) undergraduate students with no previous baccalaureate degrees who have submitted the federal student financial aid application by the priority deadline and who are Kansas residents enrolled in accredited Kansas colleges and universities. The program is intended to provide up to half of the average tuition and fees of state educational institutions. However, it is subject to available appropriations. The maximum annual award is \$1,500 for a student enrolled at a state educational institution or municipal university and \$3,500 for a student enrolled at an independent institution.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 16,258,338	\$ 16,258,338	9,500	\$ 16,258,338	\$ 16,258,338	9,500

KANSAS STATE SCHOLARSHIP PROGRAM (KSA 72-6810). The State Scholarship program was enacted in 1963 and is the oldest state-supported financial aid program. State scholars are selected on the basis of merit (high school seniors who complete the Kansas Scholars Curriculum based on an index number utilizing ACT composite score and seventh semester grade point average (GPA)). Recipients must be financially needy undergraduate Kansas residents with no previous baccalaureate degree, enrolled full-time, and have submitted the federal student financial aid application and state application. Recipients must maintain a 3.0 college GPA measured at the end of each spring semester.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,010,919	\$ 1,010,919	1,179	\$ 1,010,919	\$ 1,010,919	1,179

KANSAS ETHNIC MINORITY SCHOLARSHIP (KSA 74-3284). The Kansas Ethnic Minority Scholarship program was enacted in 1989 to increase the enrollment in Kansas colleges and universities of academically able ethnic and minority Kansas residents. The program assists financially needy Native American, Asian, Pacific Islander, Black, and Hispanic scholars who desire to become full-time students at an accredited Kansas institution. Students may attend Regents institutions, Washburn University, public community colleges, and accredited private colleges and universities for undergraduate studies. The program provides a maximum grant of \$1,850 to graduating high school seniors who complete the Kansas Scholars Curriculum and who are competitive in test scores, GPA, and class rank.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 296,498	\$ 296,498	160	\$ 296,498	\$ 296,498	160

KANSAS CAREER WORK-STUDY PROGRAM (KSA 74-3274). The purpose of the Kansas Career Work-Study program is to provide work-related experiences to Kansas residents enrolled at Regents institutions and Washburn University. The program provides that at least one-half of a student's wages are paid by the employer and up to one-half are paid by the educational institution. Students work 15 to 20 hours per week and must be enrolled at least half-time. Funding is allocated among the institutions by the Board of Regents based on historical award patterns and recommendations by the participating schools. Approximately 13.0 percent of the funds are earmarked for students providing tutoring to elementary and secondary students at the school site and do not require matching funds.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 546,813	\$ 546,813	300	\$ 546,813	\$ 546,813	300

DECEASED PUBLIC SAFETY OFFICER/MILITARY PERSONNEL/PRISONER OF WAR TUITION WAIVER (KSA 75-4364). 2021 HB 2021 and HB 2072 (2005) expanded the number of tuition waivers available to certain students. Under current law, the following Kansas residents are eligible for enrollment without charge for tuition or fees for ten semesters at a Kansas educational institution: spouses or dependents of public safety officers killed in the line of duty; spouses or dependents of military personnel who died as a result of military service after September 11, 2001; and military personnel declared to be a prisoner of war after July 1, 1960. The statute also requires the Board of Regents to reimburse the educational institutions for the amount of the tuition and fees of the individuals.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 350,000	\$ 350,000	14	\$ 350,000	\$ 350,000	14

KANSAS NURSE EDUCATOR SCHOLARSHIP PROGRAM (2006 HB 2968). The purpose of the Kansas Nurse Educator Scholarship program is to increase the number of qualified nursing faculty in Kansas. The program was established by proviso during the 2006 Session to encourage registered nurses to pursue graduate education in order to enable them to become full-time nursing faculty. Scholarship recipients must be Kansas residents who are registered nurses and enrolled in an accredited program leading to a master of science degree in nursing or a doctorate degree in nursing at a state educational institution or another institution of higher education located in Kansas. The scholarship award shall not exceed 70.0 percent of the cost of attendance for an individual enrolled at a state educational institution. These grants shall be matched on the basis of \$2 from the nurse educator scholarship program account for every \$1 from the state educational institution located in Kansas.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 188,126	\$ 188,126	80	\$ 188,126	\$ 188,126	80

SERVICE-BASED AID

KANSAS TEACHER SERVICE SCHOLARSHIP PROGRAM (KSA 74-32,100). The Kansas Teacher Service Scholarship program was established in 1990 and provides financial assistance to students who plan to teach in a discipline or an underserved geographic area where there is a critical shortage of teachers, as determined by the State Board of Education. Up to 80.0 percent of the scholarships are typically awarded to students majoring in special education. Recipients of the award must teach in a hard-to-fill discipline or underserved geographic area for one year for each year they receive a scholarship or repay the scholarship with interest. Students must be Kansas residents, and priority is given to upper-class students, followed by high school students who demonstrate high achievement on the ACT with high GPA and class rank. The maximum award for the program is \$5,100 annually, with an average award of \$4,000 annually.

Agency Request FY 2022			Governor's Recommendation FY 2022		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 1,547,023	\$ 1,547,023	386	\$ 1,547,023	\$ 1,547,023	386

NURSING SERVICE SCHOLARSHIP PROGRAM (KSA 74-3291). The Nursing Service Scholarship program was established in 1989 for the purpose of providing financial assistance to nursing students in order to reduce the impact of nurse shortages, especially in rural areas of Kansas. Students seeking a nursing scholarship also must have a sponsor (a medical facility, a state agency that employs nurses, or a psychiatric hospital) that provides financial assistance to the student. Urban facilities must pay one-half of the \$2,500 (licensed practical nurse) or \$3,500 (registered nurse) annual scholarship. Rural and small approved facilities pay \$1,000. Students must be enrolled full-time in a Kansas nursing program and agree to provide one year of nursing service to the sponsor for each year of scholarship support. Recipients who do not serve must repay both the State and the sponsor with interest.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 417,255	\$ 567,255	190	\$ 417,255	\$ 567,255	190

CAREER TECHNICAL WORKFORCE GRANT (KSA 72-4460). The Career Technical Workforce Grant was created in 1986 to recognize, with financial assistance, students who receive high scores on a standardized vocational skills test and who enroll in one- or two-year vocational programs. The program provides for a maximum individual grant of \$1,000. Students must be undergraduate Kansas residents with no previous baccalaureate degree, enrolled full-time, and have taken the Differential Aptitude Test. Funding is allowed for a second year if the recipient is enrolled in a program longer than one academic year. During the 2012 Session, this scholarship program was revised to include students pursuing certificate programs and part-time enrollment with a focus on those who are pursuing studies that lead to jobs in high-demand areas of the state's economy. Recipients must be Kansas residents attending Kansas postsecondary educational institutions that award associate and certificate degrees. The Differential Aptitude Test will no longer be given to determine eligibility.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 114,075	\$ 114,075	114	\$ 114,075	\$ 114,075	114

OSTEOPATHIC MEDICAL SERVICE SCHOLARSHIP PROGRAM (KSA 74-3265). The Osteopathic Scholarship program was enacted in 1982 to provide financial assistance to Kansas residents who are enrolled in an accredited program leading to the degree of doctor of osteopathy. For each year the student receives a scholarship, the student must fulfill a service obligation by practicing in an underserved area or pay back the scholarship with interest. The maximum award is \$15,000 per year, and a maximum of 15 awards to first-time recipients may be made in any one year.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ -	\$ 105,000	3	\$ 0	\$ 105,000	3

OPTOMETRY SERVICE SCHOLARSHIP PROGRAM (KSA 76-721A). The Kansas Legislature authorized contracts between the Board of Regents and selected schools of optometry for approximately 40 students to attend out-of-state school at resident tuition rates. Depending on the school attended, the recipient may be required to practice optometry in Kansas for one year for

each year of financial assistance or repay the assistance at the interest rate under the federal Parent Loan for Undergraduate Students program at the time the student entered into the agreement plus five percentage points. Students are ranked academically by the optometry schools and are funded in that order.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 107,089	\$ 107,089	30	\$ 107,089	\$ 107,089	30

RESERVE OFFICERS' TRAINING CORPS (ROTC) SERVICE SCHOLARSHIP PROGRAM (KSA 74-3255). The ROTC Service Scholarship program was established in 1979 to provide for the payment of tuition for eligible ROTC students each year at state and municipal universities that have a ROTC program. There is a statutory maximum of 160 recipients. In exchange, scholarship recipients agree to serve four years in the Kansas National Guard to repay the benefits plus interest. The average award for the program is \$7,256.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 175,335	\$ 175,335	22	\$ 175,335	\$ 175,335	22

KANSAS NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM (KSA 74-32,145). The Kansas National Guard Educational Assistance program was created in 1996 for the purpose of assisting students who are eligible National Guard members with tuition and fees for postsecondary education. The program provides 100.0 percent of the cost of tuition and fees for eligible guard members enrolled in an area vocational technical school, college, community college, municipal university, state educational institution, or accredited independent postsecondary institutions within Kansas. The students receiving assistance must agree to complete their current service obligation in the Kansas National Guard, plus three months service, for each semester of assistance they have received. Failure to do so results in the student repaying the State an amount equal to the total amount of assistance received. The annual award is projected to be \$3,300.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 5,400,000	\$ 5,400,000	500	\$ 5,400,000	\$ 5,400,000	500

MILITARY SERVICE SCHOLARSHIP (2007 SB 357). The Kansas Military Service Scholarship was established by proviso during the 2007 Session to assist individuals who had served after September 11, 2001, in one or more of the following military operations: Enduring Freedom, Noble Eagle, or Iraqi Freedom. The scholarship provides payment of tuition and fees at eligible institutions, including technical schools, community colleges, the municipal university, and state universities.

Agency Request FY 2023			Governor's Recommendation FY 2023		
SGF	All Funds	Students	SGF	All Funds	Students
\$ 500,314	\$ 500,314	160	\$ 500,314	\$ 500,314	160

ENROLLMENT TRENDS. The Board of Regents changed the way students are counted starting fall 2018. In the past, the agency used headcount, whereas now the agency is using full-time equivalent (FTE) students, which is calculated by taking the total credit hours enrolled and dividing by 30 hours per year (which is considered a full-time student). Full-time equivalent students enrolled at the public universities, private colleges and universities, community colleges, technical colleges, and other institutions in fall 2021 totaled 136,381, which is a decrease of 8,856 FTE students, or 6.1 percent, below the fall 2019 enrollment. Not included in this data are students enrolled in proprietary schools, and vocational education students who are not attending a community college or technical college. The following table compares the FTE students for fall 2019, 2020, and 2021.

Full-Time Equivalent Students

Institution	Fall 2019	Fall 2020	Fall 2021	Change Fall 2019- Fall 2021	Percent
Emporia State University	4,416	4,314	4,066	(350)	(7.9) %
Fort Hays State University	9,562	9,291	8,488	(1,074)	(11.2)
Kansas State University	17,528	16,629	16,057	(1,471)	(8.4)
KSU - Veterinary Medical Center	732	730	778	46	6.3
Pittsburg State University	5,844	5,501	5,141	(703)	(12.0)
University of Kansas	21,329	20,614	20,552	(777)	(3.6)
University of Kansas Medical Center	2,774	2,785	2,801	27	1.0
Wichita State University	11,397	11,042	11,288	(109)	(1.0)
<i>Subtotal - Regents Institutions</i>	<i>73,582</i>	<i>70,906</i>	<i>69,171</i>	<i>(4,411)</i>	<i>(6.0) %</i>
Washburn University	4,710	4,394	4,212	(498)	(10.6)
Community Colleges	40,545	35,808	36,233	(4,312)	(10.6)
Technical Colleges	5,947	5,429	5,486	(461)	(7.8)
Washburn Institute of Technology	1,232	932	1,036	(196)	9.8
Independent Colleges and Universities	19,221	18,912	19,429	208	1.1
<i>Subtotal - Other Institutions</i>	<i>71,655</i>	<i>65,475</i>	<i>66,396</i>	<i>(5,259)</i>	<i>(7.3) %</i>
TOTAL	145,237	136,381	135,567	(9,670)	(6.7) %

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

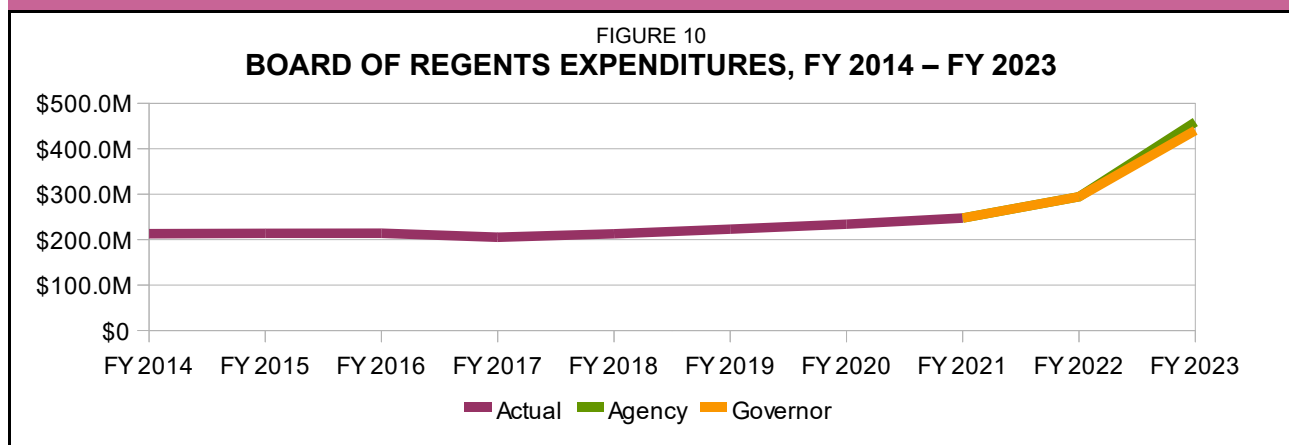
FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Board of Regents	\$ 247,629,887	\$ 294,344,337	\$ 294,344,337	\$ 458,641,007	\$ 440,065,020
Emporia State	99,221,095	113,450,226	113,450,226	94,911,661	94,911,661
Fort Hays State	145,893,400	144,503,408	144,503,408	141,698,138	141,698,138
Kansas State	554,920,226	649,984,286	649,984,286	575,047,680	575,047,680
KSU-ESARP	139,356,580	157,925,755	157,925,755	157,999,952	157,999,952
KSU-VMC	64,244,632	72,614,394	72,614,394	72,705,916	72,705,916
KU	767,086,183	799,759,908	799,759,908	758,047,966	758,047,966
KUMC	458,914,847	499,684,080	499,684,080	499,601,251	499,601,251
Pittsburg State	112,758,976	141,903,791	141,903,791	106,957,863	106,957,863
Wichita State	499,093,593	535,938,982	535,938,982	501,545,872	501,545,872
TOTAL	\$ 3,089,119,419	\$ 3,410,109,167	\$ 3,410,109,167	\$ 3,367,157,306	\$ 3,348,581,319
FTE Positions:					
Board of Regents	62.5	63.5	63.5	63.5	63.5
Emporia State	775.0	738.5	738.5	738.5	738.5
Fort Hays State	1,013.5	1,013.5	1,013.5	1,013.5	1,013.5
Kansas State	3,651.1	3,609.1	3,609.1	3,609.1	3,609.1
KSU-ESARP	1,116.5	1,134.5	1,134.5	1,134.5	1,134.5
KSU-VMC	483.7	526.7	526.7	526.7	526.7
KU	5,340.5	5,340.5	5,340.5	5,340.5	5,340.5
KUMC	3,443.8	3,602.4	3,602.4	3,602.4	3,602.4
Pittsburg State	909.7	909.7	909.7	909.7	909.7
Wichita State	2,209.2	2,209.2	2,209.2	2,267.1	2,267.1
TOTAL	19,005.5	19,147.6	19,147.6	19,205.5	19,205.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

The Board of Regents is the only agency within Postsecondary Education Systemwide with performance measures pursuant to 2016 HB 2739. The state universities each have performance agreements with the Board of Regents and are exempted from the performance-based budgeting requirements.

BOARD OF REGENTS



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

C

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

FIGURE 11
BOARD OF REGENTS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Ave.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Administrative costs to total budget	3.00 %	2.10 %	2.73 %	2.50 %	2.90 %
2. Student Success Index Rate	62.3	64.4	62.4	64.5	64.5
3. Scholarships Processed	4,818	5,357	4,881	6,000	6,000
Output Measure:					
4. Systemwide transfer courses	91	100	92	108	115
5. Credentials Awarded	43,939	42,936	43,961	43,000	43,000
6. Scholarship Recipients	12,365	11,303	11,896	15,000	12,500
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 217,872,833	\$ 216,553,254		\$ 265,656,525	\$ 378,059,507
Federal Funds	9,403,175	25,359,570		22,857,565	11,187,302
All Other Funds	6,109,380	5,717,063		5,830,247	50,818,211
TOTAL	\$ 233,385,388	\$ 247,629,887		\$ 294,344,337	\$ 440,065,020
Percentage Change:					
SGF	4.6 %	(0.6) %		18.9 %	42.3 %
All Funds	5.0 %	6.1 %		-- %	49.5 %
FTE Positions	62.5	62.5		63.5	63.5

BOARD OF REGENTS

Article 6 of the *Kansas Constitution* directs the Legislature to provide for a Board of Regents composed of nine members appointed by the Governor and subject to confirmation by the Senate. One member is to be from each congressional district, with the remaining members appointed at

large. The Board of Regents is responsible for coordination of all postsecondary education in the state and supervising the operation of the six state Regents universities. In carrying out this responsibility, the Board 1) appoints a chief executive officer to administer each university; 2) reviews the mission, role, and curriculum of each university; 3) sets tuition, fees, and charges to be collected at each university; 4) submits requests to the Legislature for funds to operate its universities and central office staff and for funds to construct, maintain, and equip university buildings; 5) administers student financial aid programs; 6) determines the eligibility of private postsecondary Kansas institutions to confer academic or honorary degrees; 7) registers courses conducted in Kansas by postsecondary institutions located outside the state; and 8) administers state aid to Washburn University. The 1999 Legislature expanded the duties of the Board with the passage of the Higher Education Coordination Act (SB 345). Under the Act, the Board is charged with the coordination of all higher education and is responsible for state assistance in support of community colleges, vocational technical schools, and adult basic education.

BOARD OF REGENTS SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 5,369,468	\$ 5,423,127	\$ 5,423,127	\$ 5,729,710	\$ 5,729,710
Contractual Services	1,504,306	1,385,362	1,385,362	1,395,945	1,395,945
Commodities	11,988	12,304	12,304	12,319	12,319
Capital Outlay	30,556	104,185	104,185	104,215	104,215
Debt Service	-	-	-	-	-
<i>Subtotal - Operations</i>	<i>\$ 6,916,318</i>	<i>\$ 6,924,978</i>	<i>\$ 6,924,978</i>	<i>\$ 7,242,189</i>	<i>\$ 7,242,189</i>
Aid to Local Units	213,440,063	217,993,121	217,993,121	342,202,624	298,626,637
Other Assistance	27,273,506	69,426,238	69,426,238	39,196,194	64,196,194
TOTAL	<u>\$ 247,629,887</u>	<u>\$ 294,344,337</u>	<u>\$ 294,344,337</u>	<u>\$ 388,641,007</u>	<u>\$ 370,065,020</u>
Financing:					
State General Fund	\$ 216,553,254	\$ 265,686,525	\$ 265,686,525	\$ 371,635,494	\$ 353,059,507
All Other Funds	31,076,633	28,657,812	28,657,812	17,005,513	17,005,513
TOTAL	<u>\$ 247,629,887</u>	<u>\$ 294,344,337</u>	<u>\$ 294,344,337</u>	<u>\$ 388,641,007</u>	<u>\$ 370,065,020</u>
FTE Positions	62.5	63.5	63.5	63.5	63.5

The **agency** requests an operating budget of \$388.6 million, including \$371.6 million SGF, for FY 2023. This is an all funds increase of \$94.3 million, or 32.0 percent, including an SGF increase of \$105.9 million, or 39.9 percent, above the FY 2022 revised estimate. The increase is primarily due to the enhancement requests (\$136.6 million) to increase funding for the universities and colleges, fully fund the Excel in Career Technical Education Program, provide additional scholarships, increase the capital outlay for the technical colleges, and add funding for capital improvements. Absent the enhancement requests, the Board of Regents FY 2023 budget has a decrease of \$11.7 million in federal fund expenditures.

The **Governor** recommends operating expenditures of \$370.1 million, including \$353.1 million SGF, for FY 2023. This is an all funds decrease of \$18.6 million, or 4.2 percent, including an SGF decrease of \$18.6 million, or 4.9 percent, below the agency's request due to not all enhancements being recommended.

EMPORIA STATE UNIVERSITY

Emporia State University (ESU) was originally established in 1863 as the Kansas State Normal School to provide teachers for Kansas. In 1970, ESU became a Regents institution under the

direction of the Board of Regents. The institution received its present name in 1977. ESU instructional programs include both baccalaureate and advanced degree work, as well as specialized continuing education for professional practitioners. ESU offers programs in arts and sciences disciplines, teacher education programs, business programs, and library and information management. In fall 1993, ESU enrolled its first class of nine students pursuing the Ph.D. degree in library and information management. The William Allen White Library is a major source of academic support for the university. ESU fosters research and other forms of creative and scholarly activity, and also makes the expertise of its faculty available for public service to provide information, advice, and other services to the public. **The FTE students attending Emporia State University during the fall 2021 semester is 4,066, which is a decrease of 248 FTE students, or 5.8 percent, below the fall 2020 semester number.**

EMPORIA STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 60,173,418	\$ 64,030,379	\$ 64,030,379	\$ 63,211,014	\$ 63,211,014
Contractual Services	12,330,574	13,841,135	13,841,135	11,791,514	11,791,514
Commodities	1,920,737	2,458,212	2,458,212	2,458,212	2,458,212
Capital Outlay	2,623,742	1,865,590	1,865,590	1,264,149	1,264,149
Debt Service	1,515,461	1,440,650	1,440,650	1,322,349	1,322,349
<i>Subtotal - Operations</i>	<i>\$ 78,563,932</i>	<i>\$ 83,635,966</i>	<i>\$ 83,635,966</i>	<i>\$ 80,047,238</i>	<i>\$ 80,047,238</i>
Aid to Local Units	-	1,500	1,500	1,500	1,500
Other Assistance	12,353,634	17,699,776	17,699,776	11,064,530	11,064,530
TOTAL	\$ 90,917,566	\$101,337,242	\$101,337,242	\$ 91,113,268	\$ 91,113,268
Financing:					
State General Fund	\$ 32,742,400	\$ 34,818,733	\$ 34,818,733	\$ 34,084,241	\$ 34,084,241
All Other Funds	58,175,166	66,518,509	66,518,509	57,029,027	57,029,027
TOTAL	\$ 90,917,566	\$101,337,242	\$101,337,242	\$ 91,113,268	\$ 91,113,268
FTE Positions	775.0	738.5	738.5	738.5	738.5

The **agency** requests an operating budget of \$91.1 million, including \$34.1 million SGF, for FY 2023. This is an all funds decrease of \$10.2 million, or 10.1 percent, including an SGF decrease of \$734,492, or 2.1 percent, below the FY 2022 revised estimate. The decrease is primarily due to reduced expenditures in contractual services (\$2.0 million) and other assistance (\$6.6 million), while the SGF decrease is due to the increase of one-time SGF expenditures from the 2021 Session in FY 2022 to fulfill maintenance of effort requirements for federal COVID-19 pandemic relief funds. The other assistance decrease is due to the increase of one-time SGF expenditures in need-based aid from the 2021 Session in the FY 2022 budget to fulfill maintenance of effort requirements for federal COVID-19 pandemic relief funds, which are not part of the FY 2023 budget. The expenditure of federal funds also decreases for FY 2023. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

FORT HAYS STATE UNIVERSITY

Fort Hays State University (FHSU) is located on land that was once the Fort Hays Military Reservation. In March 1900, the U.S. Congress passed legislation granting the abandoned Fort Hays Military Reservation to the State of Kansas for the purpose of establishing an experiment station of the Kansas State Agricultural College, a western branch of the State Normal School, and

a public park. The land grant was accepted by the 1901 Kansas Legislature. Over the years, the school has been termed the Fort Hays Kansas Normal School (1914); Kansas State Teachers College of Hays (1922); Fort Hays Kansas State College (1931); and Fort Hays State University (1977). The activities of FHSU are those generally found in liberal and applied arts universities. Liberal arts degrees are offered in most basic disciplines on the bachelor's and master's levels. Applied arts degrees are offered in agriculture, business, elementary education, home economics, industrial arts, physical education, and nursing. Teacher training is offered in all disciplines where applicable, and professional curricula also are available. **The FTE students attending Fort Hays State University during the fall 2021 semester is 8,488, which is a decrease of 803 FTE students, or 8.7 percent, below the fall 2020 semester number.**

FORT HAYS STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 83,453,529	\$ 82,239,219	\$ 82,239,219	\$ 82,377,744	\$ 82,377,744
Contractual Services	16,619,824	15,388,465	15,388,465	15,450,559	15,450,559
Commodities	5,855,481	5,031,893	5,031,893	5,031,893	5,031,893
Capital Outlay	4,134,793	3,049,089	3,049,089	3,049,089	3,049,089
Debt Service	1,307,510	1,272,215	1,272,215	1,208,768	1,208,768
<i>Subtotal - Operations</i>	<i>\$ 111,371,137</i>	<i>\$106,980,881</i>	<i>\$ 106,980,881</i>	<i>\$ 107,118,053</i>	<i>\$ 107,118,053</i>
Aid to Local Units	560,453	560,453	560,453	560,453	560,453
Other Assistance	23,994,009	25,153,451	25,153,451	22,376,692	22,376,692
TOTAL	\$ 135,925,599	\$132,694,785	\$ 132,694,785	\$ 130,055,198	\$130,055,198
Financing:					
State General Fund	\$ 34,748,540	\$ 36,867,679	\$ 36,867,679	\$ 36,057,149	\$ 36,057,149
All Other Funds	101,177,059	95,827,106	95,827,106	93,998,049	93,998,049
TOTAL	\$ 135,925,599	\$132,694,785	\$ 132,694,785	\$ 130,055,198	\$130,055,198
FTE Positions	1,013.5	1,013.5	1,013.5	1,013.5	1,013.5

The **agency** requests an operating budget of \$130.1 million, including \$36.1 million SGF, for FY 2023. This is an all funds decrease of \$2.6 million, or 2.0 percent, including an SGF decrease of \$810,530, or 2.2 percent, below the FY 2022 revised estimate. The decrease is primarily due to reduced expenditures in other assistance (\$2.8 million), while the SGF decrease is due to the increase of one-time SGF expenditures from the 2021 Session in FY 2022 to fulfill maintenance of effort requirements for federal COVID-19 pandemic relief funds. The other assistance decrease is due to the increase of one-time SGF expenditures in need-based aid from the 2021 Session in the FY 2022 budget to fulfill maintenance of effort requirements for federal COVID-19 pandemic relief funds, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

KANSAS STATE UNIVERSITY

Kansas State University (KSU) was established in 1863, becoming the first land grant institution under the provisions of the Morrill Act of 1862. KSU is a comprehensive research institution. KSU offers instruction in agriculture, architecture planning and design, arts and sciences, business administration, education, engineering, health and human sciences, technology, and veterinary Medicine, and offers a full compliment of graduate studies. KSU's Veterinary Medical School in Manhattan and its Agricultural Research program are treated as

separate agencies for budget preparation purposes. Separate analyses of these entities are included below. KSU is fully accredited by the North Central Accrediting Association and by various professional accrediting agencies. **The FTE students attending Kansas State University during the fall 2021 semester is 16,057, which is a decrease of 572 FTE students, or 3.4 percent, below the fall 2020 semester number.**

KANSAS STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 312,889,019	\$ 345,297,383	\$ 345,297,383	\$ 336,365,061	\$ 336,365,061
Contractual Services	71,971,193	100,823,938	100,823,938	85,275,543	85,275,543
Commodities	20,304,162	27,625,857	27,625,857	21,163,948	21,163,948
Capital Outlay	20,911,175	19,138,563	19,138,563	11,213,563	11,213,563
Debt Service	12,321,660	12,367,936	12,367,936	11,583,661	11,583,661
<i>Subtotal - Operations</i>	<i>\$ 438,397,209</i>	<i>\$ 505,253,677</i>	<i>\$ 505,253,677</i>	<i>\$ 465,601,776</i>	<i>\$ 465,601,776</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	86,184,997	107,671,461	107,671,461	88,244,414	88,244,414
TOTAL	\$ 524,582,206	\$ 612,925,138	\$ 612,925,138	\$ 553,846,190	\$ 553,846,190
Financing:					
State General Fund	\$ 105,649,279	\$ 115,652,549	\$ 115,652,549	\$ 111,598,335	\$ 111,598,335
All Other Funds	418,932,927	497,272,589	497,272,589	442,247,855	442,247,855
TOTAL	\$ 524,582,206	\$ 612,925,138	\$ 612,925,138	\$ 553,846,190	\$ 553,846,190
FTE Positions	3,651.1	3,609.1	3,609.1	3,609.1	3,609.1

The **agency** requests an operating budget of \$553.8 million, including \$111.6 million SGF, for FY 2023. This is an all funds decrease of \$59.1 million, or 9.6 percent, including an SGF decrease of \$4.1 million, or 3.5 percent, below the FY 2022 revised estimate. The decrease is due to reductions in all expenditure categories mostly due to the decrease of federal funds for FY 2023. The SGF decrease is due to the operating grant transfer and need-based aid transfers from the Board of Regents after the 2021 Session in the FY 2022 budget, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

KSU-EXTENSION AND AGRICULTURE RESEARCH PROGRAMS

Kansas State University–Extension Systems and Agricultural Research Programs (ESARP) was established as a separate budget unit in FY 1993 by the merger of the Kansas Agricultural Experiment Station (KAES), the Cooperative Extension Service (CES), and the International Grain, Meat, and Livestock programs. All programs were previously part of the KSU budget (except for the Office of Academic programs and Office of the Dean) and are included in this separate agency administered by the Dean of Agriculture.

KAES and CES are programs mandated by both federal and state legislation. The systems included participation by the land grant universities, including KSU, and the U.S. Department of Agriculture (USDA). Base formula funds are provided by the USDA. KAES conducts research statewide at 2 research centers, 2 research-extension centers, and 11 experimental fields in addition to the main station in Manhattan. The research is conducted by KAES in five colleges of KSU: Agriculture, Health and Human Sciences, Engineering, Arts and Sciences, and Veterinary

Medicine. CES is a research-based educational system with extension agents in each county and with specialists in five area offices and in four colleges on the KSU campus. Specialists are housed in the colleges of Agriculture, Health and Human Sciences, Engineering, and Veterinary Medicine.

KSU - EXTENSION AND AGRICULTURE RESEARCH PROGRAMS					
SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 98,393,468	\$ 109,765,784	\$ 109,765,784	\$ 109,893,324	\$ 109,893,324
Contractual Services	16,033,455	18,578,146	18,578,146	18,600,897	18,600,897
Commodities	8,787,877	10,380,088	10,380,088	10,380,088	10,380,088
Capital Outlay	3,490,526	5,363,969	5,363,969	5,363,969	5,363,969
Debt Service	22,564	19,938	19,938	13,844	13,844
<i>Subtotal - Operations</i>	<i>\$ 126,727,890</i>	<i>\$ 144,107,925</i>	<i>\$ 144,107,925</i>	<i>\$ 144,252,122</i>	<i>\$ 144,252,122</i>
Aid to Local Units	70,358	86,235	86,235	86,235	86,235
Other Assistance	11,077,074	13,576,595	13,576,595	13,576,595	13,576,595
TOTAL	\$ 137,875,322	\$ 157,770,755	\$ 157,770,755	\$ 157,914,952	\$ 157,914,952
Financing:					
State General Fund	\$ 51,124,375	\$ 50,647,247	\$ 50,647,247	\$ 50,714,314	\$ 50,714,314
All Other Funds	86,750,947	107,123,508	107,123,508	107,200,638	107,200,638
TOTAL	\$ 137,875,322	\$ 157,770,755	\$ 157,770,755	\$ 157,914,952	\$ 157,914,952
FTE Positions	1,116.5	1,134.5	1,134.5	1,134.5	1,134.5

The **agency** requests an operating budget of \$157.9 million, including \$50.7 million SGF, for FY 2023. This is an all funds increase of \$144,197, or 0.1 percent, and an SGF increase of \$67,067, or 0.1 percent, above the FY 2022 revised estimate. The increase is primarily due to additional salaries and wages fringe benefit expenditures. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

KSU-VETERINARY MEDICAL CENTER

The Veterinary Medical Center was established at KSU in 1905. It was included within the main campus budget of KSU until 1978. The institution trains veterinarians, conducts broad-based interdisciplinary research, provides continuing education for veterinarians, and provides hospital and diagnostic services to the public. Its academic programs are fully accredited by the Council on Education of the American Veterinary Medical Association. **The FTE students attending KSU–Veterinary Medical Center during the fall 2021 semester is 778, which is an increase of 48 FTE students, or 6.6 percent, above the fall 2020 semester number.**

KSU-VETERINARY MEDICAL CENTER SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 43,138,549	\$ 52,411,137	\$ 52,411,137	\$ 52,483,938	\$ 52,483,938
Contractual Services	7,584,080	9,644,346	9,644,346	9,663,067	9,663,067
Commodities	5,169,226	7,001,828	7,001,828	7,001,828	7,001,828
Capital Outlay	2,267,275	2,139,952	2,139,952	2,139,952	2,139,952
Debt Service	160,815	89,371	89,371	89,371	89,371
<i>Subtotal - Operations</i>	<i>\$ 58,319,945</i>	<i>\$ 71,286,634</i>	<i>\$ 71,286,634</i>	<i>\$ 71,378,156</i>	<i>\$ 71,378,156</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	673,671	959,214	959,214	959,214	959,214
TOTAL	\$ 58,993,616	\$ 72,245,848	\$ 72,245,848	\$ 72,337,370	\$ 72,337,370
Financing:					
State General Fund	\$ 15,237,798	\$ 15,539,449	\$ 15,539,449	\$ 15,559,460	\$ 15,559,460
All Other Funds	43,755,818	56,706,399	56,706,399	56,777,910	56,777,910
TOTAL	\$ 58,993,616	\$ 72,245,848	\$ 72,245,848	\$ 72,337,370	\$ 72,337,370
FTE Positions	483.7	526.7	526.7	526.7	526.7

The **agency** requests an operating budget of \$72.3 million, including \$15.6 million SGF, for FY 2023. This is an all funds increase of \$91,522, or 0.1 percent, including an SGF increase of \$20,011, or 0.1 percent, above the FY 2022 revised estimate. The increase is primarily due to additional salaries and wages fringe benefit expenditures (\$72,801).

The **Governor** concurs with the agency's budget request for FY 2023.

PITTSBURG STATE UNIVERSITY

Pittsburg State University (PSU) was established in 1903 by the Legislature to serve the higher education needs of southeast Kansas. In 1970, PSU became a Regents institution operating under the direction of the Board of Regents. PSU functions as a comprehensive regional university, providing undergraduate and graduate programs and services primarily to the citizens of southeast Kansas. This is accomplished through academic programs in arts and sciences, business and economics, education, and technology and applied science. PSU also is committed to fulfilling its statewide mission in technology and economic development. PSU seeks to fulfill the traditional academic missions of teaching, scholarship, and service. **The FTE students attending Pittsburg State University during the fall 2021 semester is 5,141, which is a decrease of 360 FTE students, or 6.6 percent, below the fall 2020 semester number.**

PITTSBURG STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 65,148,343	\$ 66,527,527	\$ 66,527,527	\$ 65,506,059	\$ 65,506,059
Contractual Services	14,154,934	21,367,859	21,367,859	16,519,973	16,519,973
Commodities	3,603,319	4,897,572	4,897,572	3,687,023	3,687,023
Capital Outlay	4,592,262	11,508,803	11,508,803	2,807,402	2,807,402
Debt Service	1,342,016	1,304,997	1,304,997	1,191,027	1,191,027
<i>Subtotal - Operations</i>	<i>\$ 88,840,874</i>	<i>\$ 105,606,758</i>	<i>\$ 105,606,758</i>	<i>\$ 89,711,484</i>	<i>\$ 89,711,484</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	16,224,382	20,947,338	20,947,338	11,607,998	11,607,998
TOTAL	<u>\$ 105,065,256</u>	<u>\$ 126,554,096</u>	<u>\$ 126,554,096</u>	<u>\$ 101,319,482</u>	<u>\$ 101,319,482</u>
Financing:					
State General Fund	\$ 36,997,875	\$ 38,908,389	\$ 38,908,389	\$ 38,037,077	\$ 38,037,077
All Other Funds	68,067,381	87,645,707	87,645,707	63,282,405	63,282,405
TOTAL	<u>\$ 105,065,256</u>	<u>\$ 126,554,096</u>	<u>\$ 126,554,096</u>	<u>\$ 101,319,482</u>	<u>\$ 101,319,482</u>
FTE Positions	909.7	909.7	909.7	909.7	909.7

The **agency** requests an operating budget of \$101.3 million, including \$38.0 million SGF, for FY 2023. This is an all funds decrease of \$25.2 million, or 19.9 percent, including an SGF decrease of \$871,312, or 2.2 percent, below the FY 2022 revised estimate. The decrease is primarily due to decreases in expenditures of federal funds for FY 2023. The SGF decrease is due to the operating grant transfer and need-based aid transfers from the Board of Regents after the 2021 Session in the FY 2022 budget, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

UNIVERSITY OF KANSAS

The University of Kansas (KU) was established in 1864 by the Kansas Legislature. KU is a major comprehensive research and teaching university. It is the only Kansas Regents university to hold membership in the Association of American Universities (AAU), a group of 62 public and private research universities that represent excellence in graduate and professional education and the highest achievements in research internationally. In addition to the main campus in Lawrence, KU includes medical centers in Kansas City and Wichita, the Regents Center in Overland Park, and other education and research facilities throughout the state. KU has 14 major academic divisions, including the Liberal Arts and Sciences, Graduate School, Allied Health, Architecture and Urban Design, Business, Education, Engineering, and Social Welfare. **The FTE students attending the University of Kansas during the fall 2021 semester is 20,552, which is a decrease of 62 FTE students, or 0.3 percent, below the fall 2020 semester number.** The University of Kansas Medical Center submits a separate budget, and a separate analysis is prepared for that institution.

UNIVERSITY OF KANSAS SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 481,648,921	\$ 475,220,022	\$ 475,220,022	\$ 475,845,623	\$ 475,845,623
Contractual Services	147,470,447	169,250,496	169,250,496	168,126,896	168,126,896
Commodities	21,252,840	16,492,009	16,492,009	16,360,201	16,360,201
Capital Outlay	19,315,601	18,027,595	18,027,595	18,027,595	18,027,595
Debt Service	5,980,747	6,141,842	6,141,842	5,735,250	5,735,250
Subtotal - Operations	\$ 675,668,556	\$ 685,131,964	\$ 685,131,964	\$ 684,095,565	\$ 684,095,565
Aid to Local Units	-	-	-	-	-
Other Assistance	66,869,121	77,928,433	77,928,433	59,565,179	59,565,179
TOTAL	\$ 742,537,677	\$ 763,060,397	\$ 763,060,397	\$ 743,660,744	\$ 743,660,744
Financing:					
State General Fund	\$ 137,274,924	\$ 145,728,207	\$ 145,728,207	\$ 142,309,109	\$ 142,309,109
All Other Funds	605,262,753	617,332,190	617,332,190	601,351,635	601,351,635
TOTAL	\$ 742,537,677	\$ 763,060,397	\$ 763,060,397	\$ 743,660,744	\$ 743,660,744
FTE Positions	5,340.5	5,340.5	5,340.5	5,340.5	5,340.5

The **agency** requests an operating budget of \$743.7 million, including \$142.3 million SGF, for FY 2023. This is an all funds decrease of \$19.4 million, or 2.5 percent, including an SGF decrease of \$3.4 million, or 2.3 percent, below the FY 2022 revised estimate. The decrease is due to reductions in most expenditure categories due to the decrease of federal funds for FY 2023. There is a slight increase in salaries and wages of \$625,601, or 0.1 percent. The SGF decrease is due to the operating grant transfer and need-based aid transfers from the Board of Regents after the 2021 Session in the FY 2022 budget, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

UNIVERSITY OF KANSAS MEDICAL CENTER

The University of Kansas Medical Center (KUMC) is under the jurisdiction of the University of Kansas. The Executive Vice-chancellor of KUMC reports directly to the Chancellor of the University of Kansas. KUMC is composed of the School of Medicine (located in Kansas City and Wichita), the School of Nursing, the School of Allied Health, and a graduate school. KUMC was established in 1905 through the merger of a number of proprietary medical schools; the first building on the present site was opened in 1924. **The FTE students attending the University of Kansas Medical Center during the fall 2021 semester is 2,801, which is an increase of 16 FTE students, or 0.6 percent, above the fall 2020 semester number.**

UNIVERSITY OF KANSAS MEDICAL CENTER SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 348,526,689	\$ 370,525,742	\$ 370,525,742	\$ 371,657,463	\$ 371,657,463
Contractual Services	64,387,162	67,982,076	67,982,076	73,915,516	73,915,516
Commodities	10,880,192	17,558,825	17,558,825	17,839,944	17,839,944
Capital Outlay	7,594,023	10,703,566	10,703,566	12,825,842	12,825,842
Debt Service	4,914,442	3,836,056	3,836,056	3,539,406	3,539,406
Subtotal - Operations	\$ 436,302,508	\$ 470,606,265	\$ 470,606,265	\$ 479,778,171	\$ 479,778,171
Aid to Local Units	-	-	-	-	-
Other Assistance	7,480,599	10,014,909	10,014,909	6,858,729	6,858,729
TOTAL	\$ 443,783,107	\$ 480,621,174	\$ 480,621,174	\$ 486,636,900	\$ 486,636,900
Financing:					
State General Fund	\$ 112,296,342	\$ 115,189,484	\$ 115,189,484	\$ 112,280,967	\$ 112,280,967
All Other Funds	331,486,765	365,431,690	365,431,690	374,355,933	374,355,933
TOTAL	\$ 443,783,107	\$ 480,621,174	\$ 480,621,174	\$ 486,636,900	\$ 486,636,900
FTE Positions	3,443.8	3,602.4	3,602.4	3,602.4	3,602.4

The **agency** requests an operating budget of \$486.6 million, including \$112.3 million SGF, for FY 2023. This is an all funds increase of \$6.0 million, or 1.3 percent, including an SGF decrease of \$2.9 million, or 2.5 percent, from the FY 2022 revised estimate. The all funds increase is due to increases in expenditures in salaries and wages (\$1.1 million), contractual services (\$5.9 million), commodities (\$281,119), and capital outlay (\$2.1 million), with a partially offsetting decrease of \$3.2 million in other assistance. The decrease in SGF moneys and other assistance is due to the operating grant transfer and need-based aid transfers from the Board of Regents after the 2021 Session in the FY 2022 budget, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

WICHITA STATE UNIVERSITY

Wichita State University (WSU) was established as Fairmount College and was operated by the Congregational Church from 1895 to 1926. In 1926, it became a municipal university under the jurisdiction of the City of Wichita. Since July 1, 1964, the institution has been a part of the state Regents system of higher education under the auspices of the Board of Regents. As a metropolitan university located in the state's largest urban area, WSU serves a large number of nontraditional students. WSU has two distinct student bodies: one is composed of traditional students ages 18 to 23 who devote themselves full time to school and campus activities, and the other is composed of older students who work on a part-time or full-time basis while in school. **The FTE students attending Wichita State University during the fall 2021 semester is 11,288, which is an increase of 246 FTE students, or 2.2 percent, above the fall 2020 semester number.**

WICHITA STATE UNIVERSITY SUMMARY OF EXPENDITURES FY 2021 – FY 2023					
Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 212,730,753	\$ 224,164,225	\$ 224,164,225	\$ 225,583,441	\$ 225,583,441
Contractual Services	145,033,978	156,908,703	156,908,703	151,121,354	151,121,354
Commodities	22,774,964	25,031,151	25,031,151	21,458,972	21,458,972
Capital Outlay	28,552,632	34,356,083	34,356,083	30,245,832	30,245,832
Debt Service	5,271,767	4,373,293	4,373,293	5,133,417	5,133,417
<i>Subtotal - Operations</i>	<i>\$ 414,364,094</i>	<i>\$ 444,833,455</i>	<i>\$ 444,833,455</i>	<i>\$ 433,543,016</i>	<i>\$ 433,543,016</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	64,311,276	71,943,135	71,943,135	54,415,215	54,415,215
TOTAL	<u>\$ 478,675,370</u>	<u>\$ 516,776,590</u>	<u>\$ 516,776,590</u>	<u>\$ 487,958,231</u>	<u>\$ 487,958,231</u>
Financing:					
State General Fund	\$ 82,337,830	\$ 86,062,047	\$ 86,062,047	\$ 84,392,999	\$ 84,392,999
All Other Funds	396,337,540	430,714,543	430,714,543	403,565,232	403,565,232
TOTAL	<u>\$ 478,675,370</u>	<u>\$ 516,776,590</u>	<u>\$ 516,776,590</u>	<u>\$ 487,958,231</u>	<u>\$ 487,958,231</u>
FTE Positions	2,209.2	2,209.2	2,209.2	2,267.1	2,267.1

The **agency** requests an operating budget of \$488.0 million, including \$84.4 million SGF, for FY 2023. This is an all funds decrease of \$28.8 million, or 5.6 percent, including an SGF decrease of \$1.7 million, or 1.9 percent, below the FY 2022 revised estimate. The decrease is primarily due to decreases in federal funds (\$26.8 million). The decrease in SGF moneys and other assistance (\$17.5 million) is due to the operating grant transfer and need-based aid transfers from the Board of Regents after the 2021 Session in the FY 2022 budget, which are not part of the FY 2023 budget. FTE position adjustments are due to the fluctuations of grants, federal funds, and programs.

The **Governor** concurs with the agency's budget request for FY 2023.

CAPITAL IMPROVEMENTS

Postsecondary Education Systemwide principal at Pittsburg State University. The Board of Regents is including an enhancement request totaling \$25.0 million SGF for deferred maintenance.

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

FIGURE 12 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Board of Regents	\$ -	\$ -	\$ -	\$ 70,000,000	\$ 70,000,000
Emporia State University	5,883,529	9,602,984	9,602,984	1,178,393	1,178,393
Fort Hays State University	7,873,536	9,873,940	9,873,940	9,877,940	9,877,940
Kansas State University	12,255,318	18,353,436	18,353,436	2,150,000	2,150,000
KSU - ESARP	1,331,258	-	-	-	-
KSU - VMC	4,699,180	-	-	-	-
Pittsburg State University	3,909,446	11,650,037	11,650,037	2,246,634	2,246,634
University of Kansas	15,433,651	26,295,590	26,295,590	4,203,258	4,203,258
KU Medical College	10,952,698	12,712,906	12,712,906	6,304,351	6,304,351
Wichita State University	14,535,339	14,430,059	14,430,059	6,765,227	6,765,227
<i>Subtotal–Projects</i>	<i>\$ 76,873,955</i>	<i>\$ 102,918,952</i>	<i>\$ 102,918,952</i>	<i>\$ 102,725,803</i>	<i>\$ 102,725,803</i>
Debt Service Principal:					
Board of Regents	\$ -	\$ -	\$ -	\$ -	\$ -
Emporia State University	2,420,000	2,510,000	2,510,000	2,620,000	2,620,000
Fort Hays State University	2,094,265	1,934,683	1,934,683	1,765,000	1,765,000
Kansas State University	18,082,702	18,705,712	18,705,712	19,051,490	19,051,490
KSU - ESARP	150,000	155,000	155,000	85,000	85,000
KSU - VMC	551,836	368,546	368,546	368,546	368,546
Pittsburg State University	3,784,274	3,699,658	3,699,658	3,391,747	3,391,747
University of Kansas	9,114,855	10,403,921	10,403,921	10,183,964	10,183,964
KU Medical College	4,179,042	6,350,000	6,350,000	6,660,000	6,660,000
Wichita State University	5,882,884	4,732,333	4,732,333	6,822,414	6,822,414
<i>Subtotal–Debt</i>	<i>\$ 46,259,858</i>	<i>\$ 48,859,853</i>	<i>\$ 48,859,853</i>	<i>\$ 50,948,161</i>	<i>\$ 50,948,161</i>
TOTAL	\$ 123,133,813	\$ 151,778,805	\$ 151,778,805	\$ 153,673,964	\$ 153,673,964
Financing:					
SGF	\$ 607,350	\$ 615,086	\$ 615,086	\$ 25,661,978	\$ 25,661,978
Educational Building Fund	-	-	-	45,000,000	45,000,000
Federal Funds	1,505,158	132,712	132,712	132,712	132,712
All Other Funds	121,021,305	151,031,007	151,031,007	82,879,274	82,879,274
TOTAL	\$ 123,133,813	\$ 151,778,805	\$ 151,778,805	\$ 153,673,964	\$ 153,673,964

2022 CAPITAL IMPROVEMENTS

The **agencies'** revised estimates for FY 2022 total \$151.8 million, including \$615,086 SGF for capital improvements. The major capital projects include Forsyth Library, Akers Energy Center, and Rarick Hall renovations at FHSU; a tennis facility at ESU; and the Marcus Welcome Center at WSU. The remainder of the projects

are rehabilitation and repair, deferred maintenance, and parking projects in FY 2022.

The **Governor** concurs with the agencies' revised estimates for capital improvements in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agencies'** requests for FY 2023 total \$153.7 million, including \$25.7 million SGF, for capital improvements for FY 2023. The majority of the SGF request is an enhancement for additional deferred maintenance projects. The major projects include the Convergence Sciences 2 Facility and Marcus Welcome Center at WSU; the Overman Student Center at PSU; and the Forsyth Library renovation at

FHSU. The remainder of the projects are rehabilitation and repair, deferred maintenance, and parking projects for FY 2023.

The **Governor** concurs with the agencies' requests for capital improvements for FY 2023, which includes the enhancement request of \$25.0 million SGF.

STATE HISTORICAL SOCIETY

FY 2021 – FY 2023 BUDGET ANALYSIS

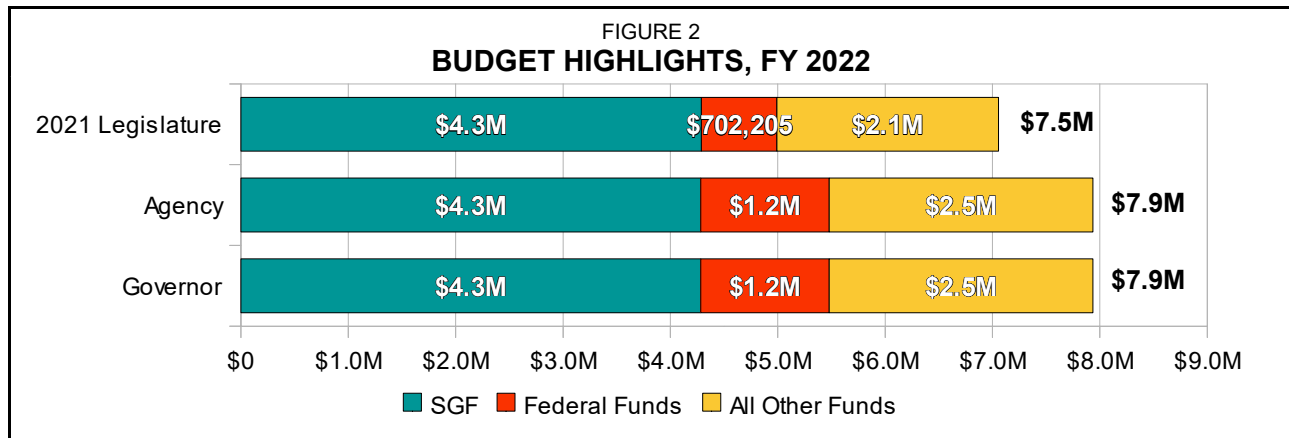
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 4,238,485	\$ 3,832,448	\$ 3,832,448	\$ 4,296,761	\$ 4,296,761
Federal Funds	606,423	1,197,595	1,197,595	687,173	687,173
All Other Funds	1,974,055	1,847,884	1,847,884	1,952,161	1,952,161
<i>Subtotal</i>	<u>\$ 6,818,963</u>	<u>\$ 6,877,927</u>	<u>\$ 6,877,927</u>	<u>\$ 6,936,095</u>	<u>\$ 6,936,095</u>
Capital Improvements:					
State General Fund	\$ 273,484	\$ 450,000	\$ 450,000	\$ 250,000	\$ 375,000
Federal Funds	-	-	-	87,800	87,800
All Other Funds	27,308	607,500	607,500	75,000	75,000
<i>Subtotal</i>	<u>\$ 300,792</u>	<u>\$ 1,057,500</u>	<u>\$ 1,057,500</u>	<u>\$ 412,800</u>	<u>\$ 537,800</u>
TOTAL	<u>\$ 7,119,755</u>	<u>\$ 7,935,427</u>	<u>\$ 7,935,427</u>	<u>\$ 7,348,895</u>	<u>\$ 7,473,895</u>
Percentage Change:					
State General Fund	(0.5) %	(5.1) %	(5.1) %	6.2 %	9.1 %
All Funds	(4.9) %	11.5 %	11.5 %	(7.4) %	(5.8) %
FTE Positions	58.0	85.5	85.5	85.5	85.5

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

The State Historical Society was founded in 1875 by Kansas newspaper editors and publishers in order to maintain records of the State's founding. Today, that mission has expanded to include identifying, collecting, preserving, and interpreting materials and information pertaining to Kansas history. The agency's goal is to increase awareness and appreciation of Kansas history and how it relates to people's lives. In 1905, the State Historical Society became the official archival agency of the State, and it is the State's trustee in administering state-owned historic sites. The agency administers both state and federal historic preservation programs and provides curricular materials on state history to K-12 schools.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$7.1 million, including \$4.3 from the State General Fund (SGF), for the State Historical Society in FY 2022. No adjustments have been made subsequently to that amount.

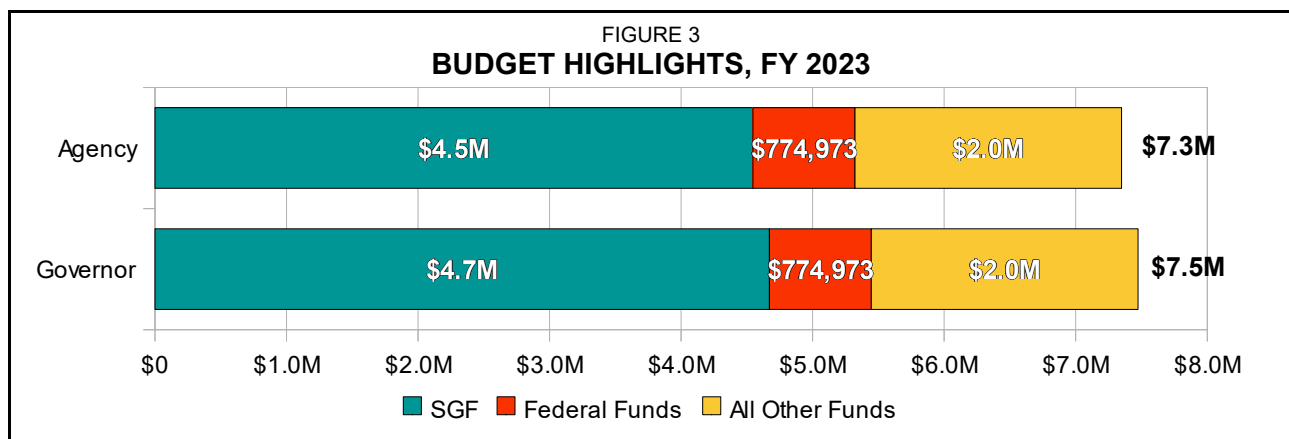


The **agency** estimates total expenditures of \$7.9 million, including \$4.3 million SGF, in FY 2022. The revised estimate is an all funds increase \$879,487, or 12.5 percent, and an SGF decrease of \$6,497, or 0.2 percent, from the FY 2022 approved amount.

The revised estimate includes capital improvement expenditures of \$1.1 million, including \$450,000 SGF. The revised estimate is an all funds increase of \$457,500, or 76.3 percent, above the FY 2022 approved amount. The SGF amount is the same as the SGF amount in the approved budget. The all funds increase is due to increased private gifts and grants made to the agency for its capital improvement projects, including \$450,000 for repairs and replacement of concrete walkways outside the Kansas Museum of History and replacement of the lobby floor.

The revised estimate also includes 85.5 FTE positions, which is the same as the FY 2022 approved number.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** requests FY 2023 expenditures of \$7.3 million, including \$4.5 million SGF. This is an all funds decrease of \$586,532, or 7.4 percent, and an SGF increase of \$264,313, or 6.2 percent, from the FY 2022 revised estimate. This includes an enhancement request of \$453,867, all SGF, for operations in support of new exhibits at the Kansas Museum of History. The decrease in expenditures is related to reduced collection of fees due to the COVID-19 pandemic and federal grants.

The requests includes capital improvement expenditures of \$412,800, including \$250,000 SGF, for FY 2023. This is an all funds decrease of \$644,700, or 61.0 percent, and an SGF decrease of

\$200,000, or 44.4 percent, below the FY 2022 revised capital improvements estimate. The decrease is due to the completion of multiple projects in FY 2022, including repairs at the Kansas Museum of History.

The request also includes 85.5 FTE positions, which is the same number as the FY 2022 revised estimate.

The **Governor** recommends expenditures of \$7.5 million, including \$4.7 million SGF. This is an SGF increase of \$125,000, or 1.7 percent, above the agency's FY 2023 request.

The recommendation includes capital improvement expenditures of \$537,800, including \$375,000 SGF, for FY 2023. This is an SGF increase of \$125,000, or 50.0 percent, above the agency's FY 2023 SGF request. The increase is due to the Governor's recommendation that the annual SGF support for rehabilitation and repair at state historic sites increase by \$125,000 for FY 2023.

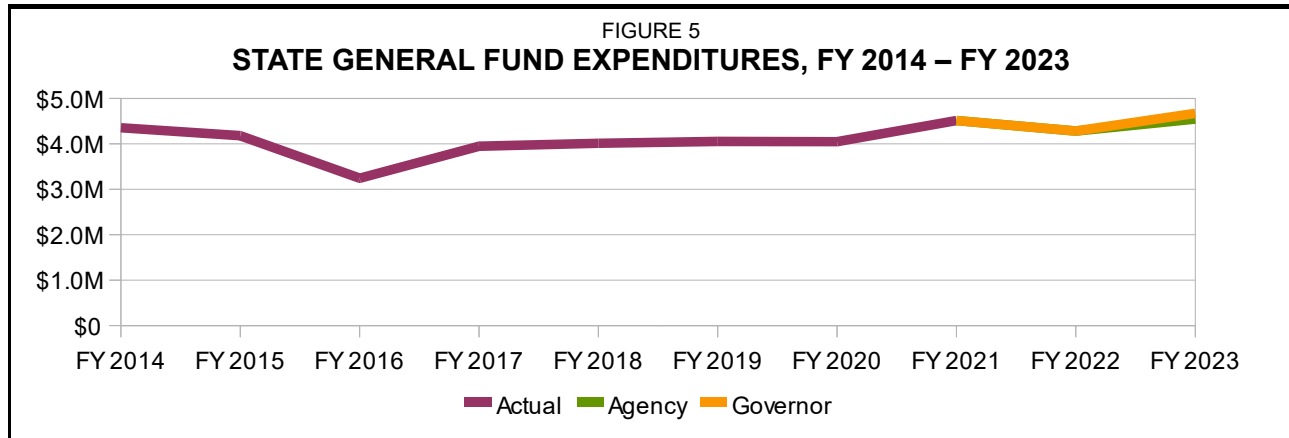
The recommendation also includes 85.5 FTE positions, which is the same number as the FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

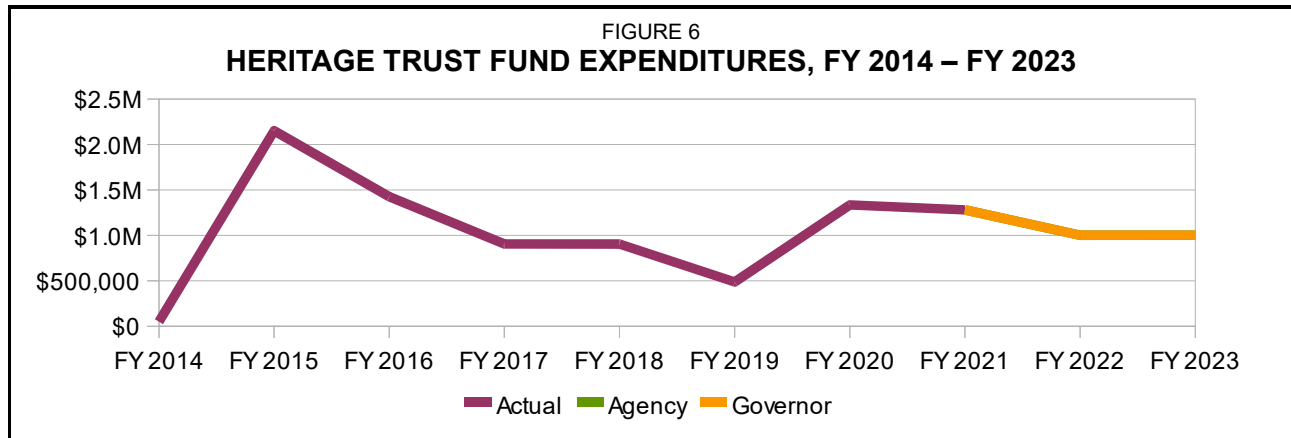
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 3,723,408	\$ 3,866,127	\$ 3,866,127	\$ 4,384,695	\$ 4,384,695
Contractual Services	1,336,537	1,161,750	1,161,750	1,161,750	1,161,750
Commodities	302,317	160,099	160,099	194,649	194,649
Capital Outlay	80,335	31,500	31,500	31,500	31,500
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 5,442,597</i>	<i>\$ 5,219,476</i>	<i>\$ 5,219,476</i>	<i>\$ 5,772,594</i>	<i>\$ 5,772,594</i>
Aid to Local Units	371,011	313,000	313,000	313,000	313,000
Other Assistance	1,005,355	1,345,451	1,345,451	850,501	850,501
<i>Subtotal—Operating</i>	<i>\$ 6,818,963</i>	<i>\$ 6,877,927</i>	<i>\$ 6,877,927</i>	<i>\$ 6,936,095</i>	<i>\$ 6,936,095</i>
Capital Improvements	300,792	1,057,500	1,057,500	412,800	537,800
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 7,119,755	\$ 7,935,427	\$ 7,935,427	\$ 7,348,895	\$ 7,473,895
Financing:					
State General Fund	\$ 4,511,969	\$ 4,282,448	\$ 4,282,448	\$ 4,546,761	\$ 4,671,761
Heritage Trust Fund	1,280,701	1,001,198	1,001,198	1,001,604	1,001,604
Federal Funds	606,423	1,197,595	1,197,595	774,973	774,973
All Other Funds	720,662	1,454,186	1,454,186	1,025,557	1,025,557
TOTAL	\$ 7,119,755	\$ 7,935,427	\$ 7,935,427	\$ 7,348,895	\$ 7,473,895
FTE Positions	58.0	85.5	85.5	85.5	85.5

STATE GENERAL FUND



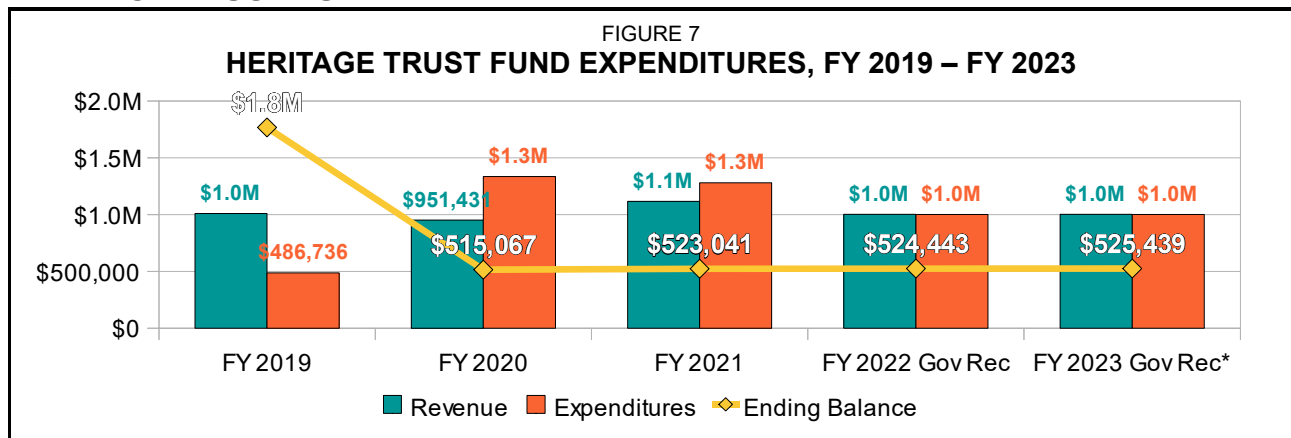
For the State Historical Society, SGF actual expenditures averaged \$4.0 million from FY 2014 to FY 2021. FY 2022 budgeted expenditures decrease slightly due to the implementation of a reduced resources budget. The agency request for FY 2023 is an increase due to SGF enhancement requests.

HERITAGE TRUST FUND



The Heritage Trust Fund provides grants to owners of historic properties listed in the National and State Registers. It is estimated that annually up to \$900,000 could be granted to local governments, private nonprofit organizations, homeowners, county and local historical societies, farmers and ranchers, businessmen, and others. The exact amount varies depending upon the revenue generated by mortgage filing fees. These grants are awarded on a competitive basis to qualified applicants whose applications are evaluated per the factors identified in the authorizing legislation (KSA 75-2729 and KSA 79-3107b). Many projects take more than two years to complete, therefore there are funds obligated to grants that are in progress.

HERITAGE TRUST FUND



* For 2023, the lowest month ending balance for the Heritage Trust Fund will occur in June, with a balance of \$525,439.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 4,288,945	\$ 2,766,995	\$ 7,055,940	85.5
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 4,288,945</i>	<i>\$ 2,766,995</i>	<i>\$ 7,055,940</i>	<i>85.5</i>
Agency Revised Estimate:				
2. Capital Improvements	-	457,500	457,500	--
3. Cultural Resources Program	-	700,697	700,697	--
4. All Other Adjustments	(6,497)	(272,213)	(278,710)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 4,282,448</i>	<i>\$ 3,652,979</i>	<i>\$ 7,935,427</i>	<i>85.5</i>
Governor's Recommendation:				
5. No Changes	-	-	-	--
TOTAL	\$ 4,282,448	\$ 3,652,979	\$ 7,935,427	85.5

LEGISLATIVE APPROVED

1. Subsequent to the 2021 Session, no adjustments were made to the \$7.1 million appropriated to the State Historical Society for FY 2022.

AGENCY ESTIMATE

The **agency** estimates total expenditures of \$7.9 million, including \$4.3 million SGF, in FY 2022. The revised estimate is an all funds increase \$879,487, or 12.5 percent, and an SGF decrease of \$6,497, or 0.2 percent, from the FY 2022 approved amount.

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

2. **CAPITAL IMPROVEMENTS.** The agency's revised estimate includes increased expenditures for capital improvements in FY 2022. This is due to an increase in private gifts and federal grants available for expenditures.
3. **CULTURAL RESOURCES PROGRAM.** The program received additional federal grants from the U.S. Department of the Interior through the National Park Service in addition to receiving a special federal grant from the Paul Bruhn Historic Revitalization Grants Program to distribute as aid to local units of government and other assistance in the form of grants.
4. **ALL OTHER ADJUSTMENTS.** The decrease in expenditures is primarily related to reduced collection of fees due to the COVID-19 pandemic.

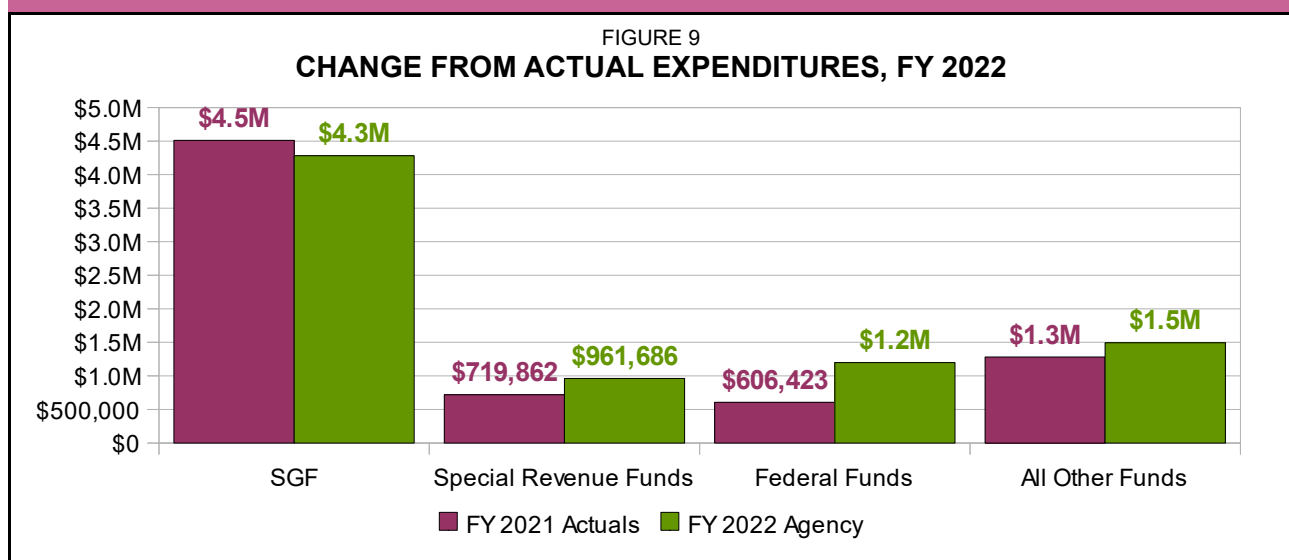
The **agency** estimate also includes 85.5 FTE positions, which is the same as the FY 2022 approved number.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2022 revised estimate.

5. **NO CHANGES.** The Governor made no changes to the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$7.9 million, including \$4.3 million SGF, in FY 2022. This is an all funds increase of \$815,672, or 11.5 percent, and an SGF decrease of \$229,521, 5.1 percent, from the FY 2021 actual expenditures. The all funds increase is due to facilities temporarily being shut down and staff furloughs and layoffs for part-time staff members due to the public health crisis in FY 2021.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 4,282,448	\$ 3,652,979	\$ 7,935,427	85.5
Agency Request:				
1. Enhancement— Reinstatement of COVID-19 Decreased SGF	\$ 453,867	\$ -	\$ 453,867	--
2. All Other Adjustments	(189,554)	(850,845)	(1,040,399)	--
<i>Subtotal—Agency Estimate</i>	\$ 4,546,761	\$ 2,802,134	\$ 7,348,895	85.5
Governor's Recommendation:				
3. Capital Improvements - Rehab/Repair	125,000	-	125,000	--
TOTAL	\$ 4,671,761	\$ 2,802,134	\$ 7,473,895	85.5

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$7.3 million, including \$4.5 million SGF. This is an all funds decrease of \$586,532, or 7.4 percent, and an SGF increase of \$264,313, or 6.2 percent, from the FY 2022 revised estimate.

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

1. **ENHANCEMENT—Reinstatement of COVID-19 Decreased SGF.** The agency request includes \$453,867, all SGF, for operations in support of new exhibits at the Kansas Museum of History.
2. **ALL OTHER ADJUSTMENTS.** The decrease in expenditures is related to reduced collection of fees due to the COVID-19 pandemic and federal grants.

The **agency** request also includes 85.5 FTE positions, which is the same as the FY 2022 revised estimate.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$7.5 million, including \$4.7 million SGF. This is an SGF increase of \$125,000, or 1.7 percent, above the agency's FY 2023 request.

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

3. **CAPITAL IMPROVEMENTS—REHAB/REPAIR.** The recommendation includes \$125,000, all SGF, to increase annual rehabilitation and repair expenditures for FY 2023.

The **Governor's** recommendation also includes 85.5 FTE positions, which is the same number as the FY 2023 request.

ENHANCEMENT REQUESTS

REQUEST 1

REINSTATEMENT OF COVID-19 DECREASED FUNDS

The agency's FY 2023 request includes one enhancement request totaling \$453,867, all SGF, for support of new exhibits at the Kansas Museum of History.

Item	SGF	All Funds	FTE
Salaries and Wages	\$ 414,267	\$ 414,267	-
Commodities	34,550	34,550	-
Humanities Kansas	5,050	5,050	-
TOTAL	\$ 453,867	\$ 453,867	0.0

The **agency** requests \$453,867 SGF to operate the new exhibits at the Kansas Museum of History. Of this amount, \$414,267 is budgeted for salaries and wages to fund 8.0 FTE positions that were left vacant in FY 2022 due to the reduced resources budget, \$34,550 for commodities to keep agency areas maintained and clean as facilities are reopening, and \$5,050 to restore the funding to Humanities Kansas that were decreased by the reduced resources package.

The agency notes that filling the following positions will enable the completion of the promised new exhibits at the museum:

(1) Historian / Exhibits Script Writer
(1) Museum Curator
(1) Museum Administrator
(1) Executive Assistant

(1) Application Developer
(2) Document Preparers
(1) Maintenance Worker

Prior to the reduced resources package, the agency intended to use existing staffing and operating budgets to complete and operate the new exhibits at the Kansas Museum of History.

The Governor recommends adoption of this request.

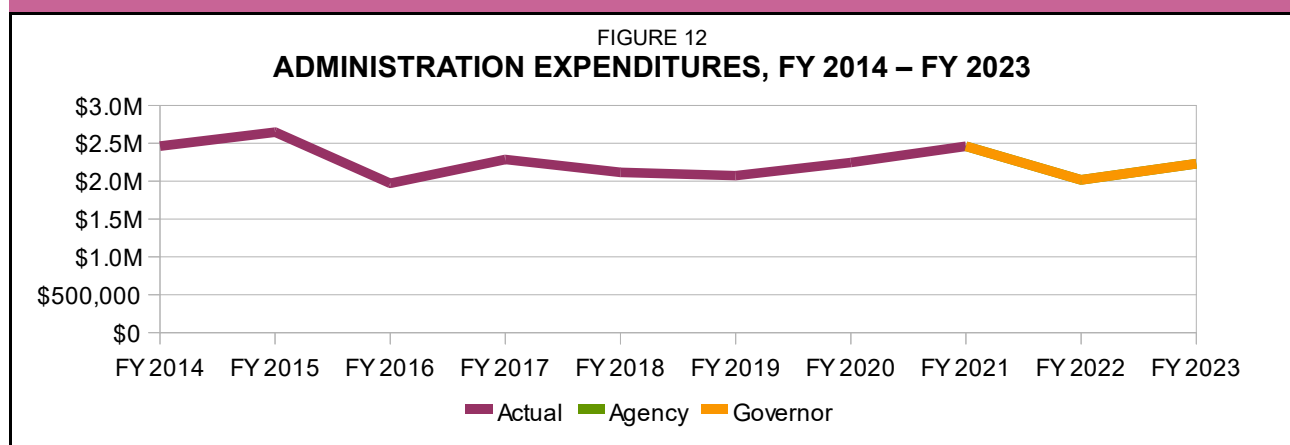
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 2,459,818	\$ 2,016,671	\$ 2,016,671	\$ 2,230,084	\$ 2,230,084
Capital Improvements	275,318	1,057,500	1,057,500	412,800	537,800
Cultural Resources	2,801,556	3,274,539	3,274,539	2,764,884	2,764,884
Education & Museum	681,204	691,120	691,120	897,599	897,599
Humanities Kansas	50,501	45,451	45,451	50,501	50,501
State Archives	851,358	850,146	850,146	993,027	993,027
TOTAL	\$ 7,119,755	\$ 7,935,427	\$ 7,935,427	\$ 7,348,895	\$ 7,473,895
FTE Positions:					
Administration	16.0	22.5	22.5	22.5	22.5
Capital Improvements	-	-	-	-	-
Cultural Resources	19.0	27.0	27.0	27.0	27.0
Education & Museum	11.0	18.0	18.0	18.0	18.0
Humanities Kansas	-	-	-	-	-
State Archives	12.0	18.0	18.0	18.0	18.0
TOTAL	58.0	85.5	85.5	85.5	85.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 75-2701 through 75-2705; KSA 75-3148; KSA 76-2056; KSA 75-2268 through 75-2269; KSA 32-1410 through 32-1411; KSA 75-129 through 75-131

PROGRAM GOALS:

- Ensure the agency uses public resources wisely by taking regular public feedback, updating agency priorities annually, and practicing fiscal responsibility.
- Providing management of the agency's buildings and structures, as well as the agency's information technology infrastructure.
- Ensure all staff and visitors are safe and that all agency communications are transparent and easily accessed.

The Administration program strives to create a working environment that allows Historical Society staff members and volunteers to function efficiently and creatively. This is done by providing support services to all Historical Society programs and ensuring that the agency uses state resources in a responsible and

productive way. It also provides for the environmental and physical security of the staff, patrons, and collections of the Kansas Historical Society. The Administration program includes the office of the executive director, the business office, maintenance, information technology, and communications.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of page views on kshs.org*	3,496,887	3,762,955	3,633,226	3,700,000	3,700,000
2. Number of formal complaints about the facilities received*	-	-	-	-	-
3. Annual cost per visit for total agency program usage*	\$ 0.29	\$ 0.29	\$ 0.37	\$ 0.37	\$ 0.30
Output Measure:					
4. Number of social media post told Kansas historical stories*	2,263	2,142	2,188	2,200	2,200
5. Number of fiscal transactions processed*	4,448	4,445	4,464	4,230	4,400
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,009,558	\$ 2,313,263		\$ 1,763,339	\$ 1,893,922
Federal Funds	61,997	30,567		24,691	24,721
All Other Funds	174,477	115,988		228,641	311,441
TOTAL	\$ 2,246,032	\$ 2,459,818		\$ 2,016,671	\$ 2,230,084
Percentage Change:					
SGF	6.6 %	15.1 %		(23.8) %	7.4 %
All Funds	8.4 %	9.5 %		(18.0) %	10.6 %
FTE Positions	18.0	16.0		22.5	22.5

*The Governor's Office does not utilize this measure for evaluation purposes.

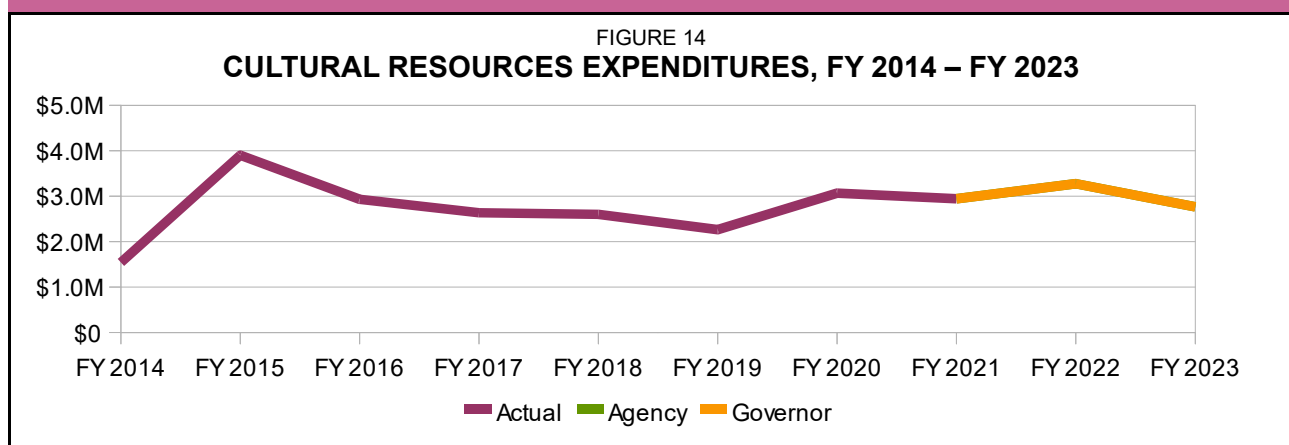
BUDGET ANALYSIS

The agency requests Administration program expenditures of \$2.2 million, including \$1.9 million SGF, for FY 2023. This is an all funds increase of \$13,413, or 10.6 percent, and an SGF increase of \$130,583, or 7.4 percent, above the FY 2022 revised estimate. The

increase is due to the enhancement request for funding to operate the new exhibits at the Kansas Museum of History.

The **Governor** concurs with the agency's FY 2023 request.

CULTURAL RESOURCES



STATUTORY BASIS: • Federal National Historic Preservation Act, P.L. 89-665; KSA 75-2715 through 75-2725; KSA 75-2729; KSA 79-3107b; KSA 79-32,211; KSA 74-5401 through 74-5408; KSA 75-2741 through 75-2754; KSA 75-2726; KSA 75-2711; KSA 76-2001 *et seq.*; KAR 118-1 *et seq.*

PROGRAM GOALS: • Administer the nomination procedures of the Register of Historic Kansas Places and the National Register of Historic Places and facilitate identification of historic resources in the state, while providing incentives such as state and federal tax credits and Heritage Trust Fund grants for the rehabilitation of such properties.

- Meet all state and federal requirements in evaluating potential effects on the state's historic and cultural resources, providing mitigation opportunities when necessary, and cooperating with tribal, city, and county governments.
- Preserve and operate the state-owned historic sites, opening to the public at least six months of the year.

The Cultural Resources program preserves the state's archeological, architectural, and historic resources, while at the same time assisting communities and property owners in economic development through assistance in rehabilitating and repurposing historic structures. The program also preserves and operates 16 state-owned historic sites. The State of Kansas has owned state historic sites since 1899, and state statutes determine the legislative process for obtaining additional sites. These state-owned historic sites were moved to the Cultural Resources program during the agency's FY 2014 reorganization.

The program is funded through a combination of SGF appropriations, state special revenue funds, and federal funds. Enacted by the U.S. Congress in 1966 and amended in 1970 and 1980, the National Preservation Act provides for a National Register of Historical Places to include districts, sites, building, structures, and

objects significant to American history, archeology, and culture. The Act provides funding for the State's Historical Preservation program, which is overseen by the Executive Director of the State Historical Society in his or her capacity as the State Historic Preservation Officer. These federal funds are used to cover administrative expenditures related to the program and require a 40.0 percent match, which is paid through moneys from the SGF.

The State of Kansas also has adopted legislation protecting the state's cultural resources. The State provides incentives (grants and tax credits) to property owners to rehabilitate their historic structures. The State Historical Society possesses grant-making authority over moneys in the Historical Preservation Fund (federal funds) and the Heritage Trust Fund (funded by mortgage document fees).

FIGURE 15
CULTURAL RESOURCES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Economic impact of the state and federal historic preservation tax credits*	466 jobs and grew the Kansas economy by \$19.3 million	1,132 jobs and grew the Kansas economy by \$57.5 million	731 jobs and grow the Kansas economy by \$33.8 million	600 jobs and grow the Kansas economy by \$20.0 million	600 jobs and grow the Kansas economy by \$20.0 million
2.Archeology sites cleared*	270	240	238	245	245
3.Cost per visitor at the State Historic Sites (^COVID-19 limited visitors)*	\$ 21.00^	\$ 25.00^	\$ 18.67	\$ 12.00	\$ 12.00
Output Measure:					
4.Staff reviews of state and federal projects potentially impacting cultural resources*	4,307	5,634	4,931	4,800	4,800
5.Total financial incentives distributed (in millions)*	\$ 29.0	\$ 16.5	\$ 27.4	\$ 27.0	\$ 27.0
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 391,153	\$ 438,508		\$ 526,923	\$ 527,016
Federal Funds	751,377	575,856		1,172,904	662,452
All Other Funds	1,923,807	1,787,192		1,574,712	1,575,416
TOTAL	\$ 3,066,337	\$ 2,801,556		\$ 3,274,539	\$ 2,764,884
Percentage Change:					
SGF	(9.3) %	12.1 %		20.2 %	0.0 %
All Funds	35.4 %	(8.6) %		16.9 %	(15.6) %
FTE Positions	19.0	19.0		27.0	27.0

*The Governor's Office does not utilize this measure for evaluation purposes.

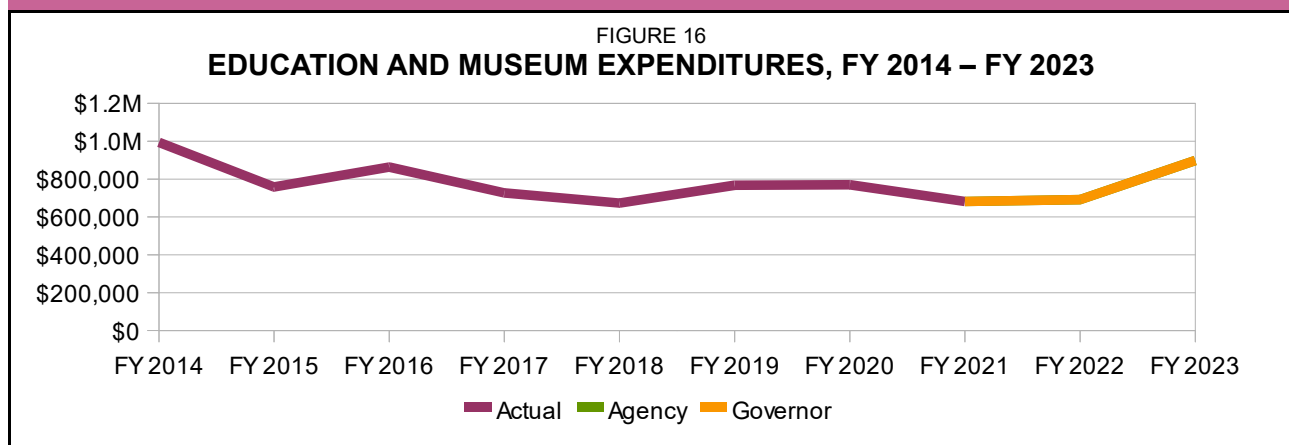
BUDGET ANALYSIS

The agency requests Cultural Resources program expenditures of \$2.8 million, including \$527,016 SGF, for FY 2023. This is an all funds decrease of \$509,655, or 15.6 percent, and an SGF increase of \$93, or less than 0.1 percent, from the FY 2022 revised estimate. The decrease is primarily due to the federal Paul

Bruhn Historic Revitalization Grant Program ending at the end of the 2023 calendar year.

The **Governor** concurs with the agency's FY 2023 request.

EDUCATION AND MUSEUM



STATUTORY BASIS: • KSA 72-117; KSA 58-4001 *et seq.*; KSA 75-2728; KAR 118-1

PROGRAM GOALS:

- Ensure excellence in teaching by producing curriculum materials that explore the stories of Kansas, while educating students on research skills that are practical and applicable to everyday life.
- Provide information to the public at the Capitol Visitor Center and interpret Kansas government to K-12 students and the public through tours, programs, and exhibits, emphasizing civic engagement.
- Operate the Kansas Museum of History to tell the stories of Kansas by maintaining exhibits based on the state's artifact collections and developing specialized school tours aligned to state curriculum standards.

The goal of the Education and Museum program is to ensure excellence in education in teaching Kansas history and government to students across the state and ensure that all Kansas students have the materials to

successfully meet this requirement; to collect, preserve, and interpret significant artifacts from Kansas history; and to operate the state history museum by providing educational opportunities for students, their families, and the public.

FIGURE 17
EDUCATION AND MUSEUM, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Participation in curriculum activities*	44,030	65,751	61,405	65,000	65,000
2.Number of K-12 school tour participants (^COVID-19 limitations)*	6,095^	-^	6,193	1,500^	Closed for Remodel
3.Capitol tour participants*	28,312	1,220	28,320	10,000	20,000
4.Annual cost to serve visitors to the Kansas Museum of History and Capitol Visitor Center combined*	\$ 16.00	\$ 13.00	\$ 12.67	\$ 15.00	\$ 15.00
Output Measure:					
5.Traveling Resource Trunks loaned to schools*	133	21	109	110	120
6.E-newsletter distributed to Kansas educators*	6,160	5,056	5,892	5,000	5,000
7.Number of curriculum materials distributed annually	41,910	36,196	43,876	40,000	40,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 701,004	\$ 675,093		\$ 665,214	\$ 848,543
Federal Funds	-	-		-	-
All Other Funds	68,658	6,111		25,906	49,056
TOTAL	<u>\$ 769,662</u>	<u>\$ 681,204</u>		<u>\$ 691,120</u>	<u>\$ 897,599</u>
Percentage Change:					
SGF	(4.0) %	(3.7) %		(1.5) %	27.6 %
All Funds	0.3 %	(11.5) %		1.5 %	29.9 %
FTE Positions	11.5	11.0		18.0	18.0

*The Governor's Office does not utilize this measure for evaluation purposes.

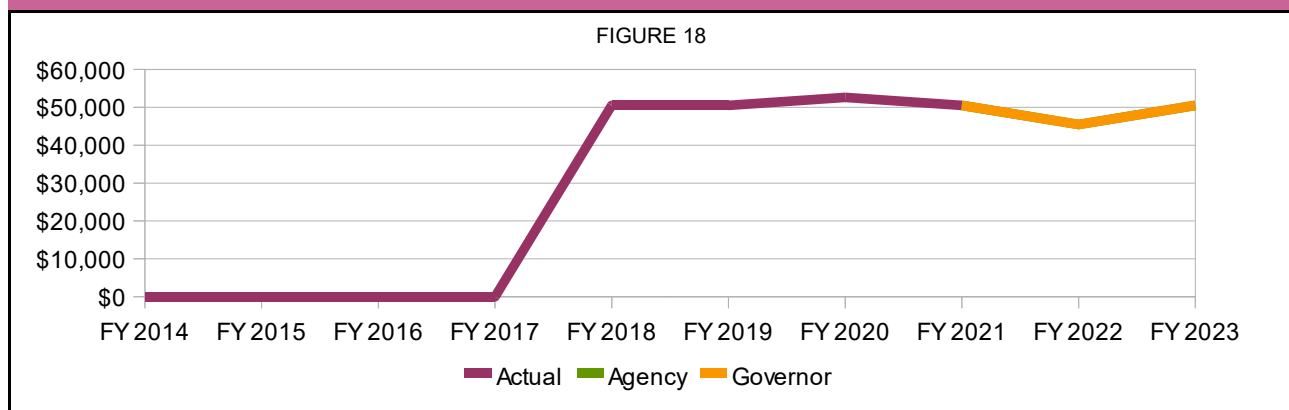
BUDGET ANALYSIS

The agency requests Education and Museum program expenditures of \$897,599, including \$848,543 SGF, for FY 2023. This is an all funds increase of \$206,479, or 29.9 percent, and an SGF increase of \$183,329, or 27.6 percent, above the FY 2022 revised estimate. The increase is due to the enhancement request for

funding to operate the new exhibits at the Kansas Museum of History.

The **Governor** concurs with the agency's FY 2023 request.

HUMANITIES KANSAS



HUMANITIES KANSAS EXPENDITURES, FY 2014 – FY 2023

Humanities Kansas, formerly known as the Kansas Humanities Council, is a nonprofit that connects communities to the history, tradition, and ideas that strengthen civic life. Humanities Kansas uses state funds in support of Heritage Grants and Community Resource Grants. Heritage Grants provide support for projects that preserve and interpret local community history, while Community Resource Grants support speakers presenting on Kansas history,

book discussions, and traveling museum exhibits.

The State Historical Society serves as a pass-through for state funding to Humanities Kansas, which is specifically appropriated to the organization. Previously, these pass-through moneys were budgeted under the Administration program, but are now budgeted as a separate program.

FIGURE 19

HUMANITIES KANSAS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
There were no performance measures submitted for this program.					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
Financing					
SGF	\$ 50,501	\$ 50,501		\$ 45,451	\$ 50,501
Federal Funds	-	-		-	-
All Other Funds	2,125	-		-	-
TOTAL	\$ 52,626	\$ 50,501		\$ 45,451	\$ 50,501
Percentage Change:					
SGF	-- %	-- %		(10.0) %	11.1 %
All Funds	4.2 %	(4.0) %		(10.0) %	11.1 %
FTE Positions	--	--		--	--

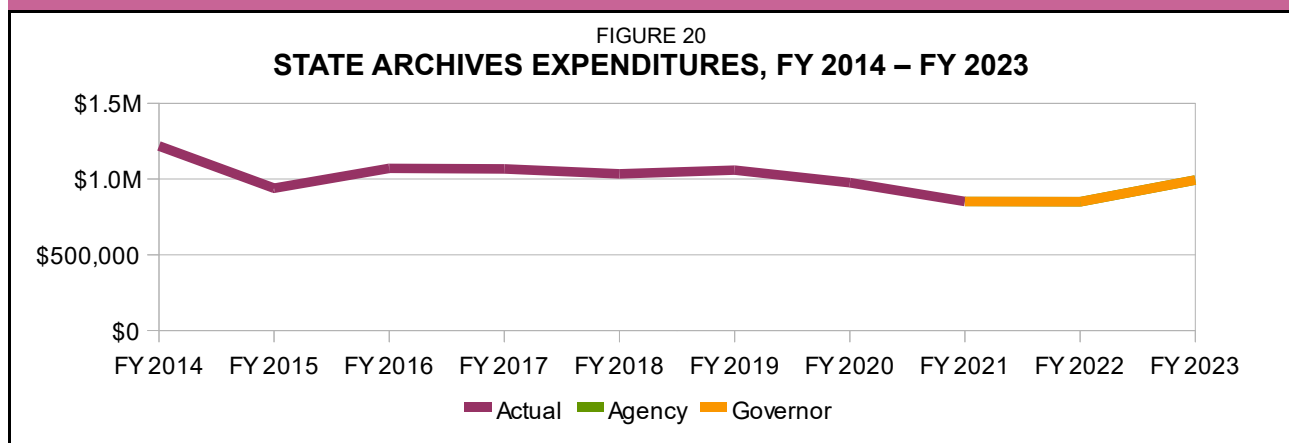
BUDGET ANALYSIS

The agency requests Humanities Kansas program expenditures of \$50,501, all SGF, for FY 2023. This is an increase of \$5,050, or 11.1 percent, above the FY 2022 revised estimate. The increase is due to the reduced resources

package from FY 2022 not continuing for FY 2023.

The **Governor** concurs with the agency's FY 2023 request.

STATE ARCHIVES



STATUTORY BASIS: • KSA 45-401 *et seq.*; KSA 64-106 through 64-107; KSA 75-3501 *et seq.*; KSA 45-215 through 45-223; KSA 58-2005 through 58-2011; KSA 75-2250 through 75-2251; KSA 75-104; KAR 118-1 and 118-3

PROGRAM GOALS:

- Collaborate with Kansas state and local government officials to draft and submit to the State Records Board new and revised records retention and disposition schedules that accurately reflect contemporary government business practices; and provide records management training to Kansas state and local government officials.
- Collect, preserve, and make available to the public Kansas state government records with enduring, or permanent, value housed in the State Archives with access provided in-person and/or digitally.
- Process current land survey reference report filings and providing land surveyors with access to historical land survey records housed in the State Archives.

The State Archives has the purpose to collect, preserve, and provide access to the state's records of enduring value to enhance government transparency; and educate the

public about the state's history and government through the preservation and sharing of manuscripts, photographs, and newspapers that tell the stories of Kansas.

FIGURE 21
STATE ARCHIVES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Records Retention Schedules created or revised*	224	148	134	140	140
2.Number of reference visits in-person and digitally (in millions)*	2.1	2.0	1.5	2.0	2.0
3.Cost per research request performed by staff*	\$ 13.07	\$ 14.21	\$ 14.02	\$ 14.50	\$ 14.50
4.Number of land survey requests filled annually	471	751	777	800	800
Output Measure:					
5.Number of items digitized to allow public access online*	128,183	3,816	53,527	50,000	50,000
6.Amount of cubic feet of state records processed into the State Archives*	259	17	289	280	280
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 907,722	\$ 784,036		\$ 831,521	\$ 976,779
Federal Funds	-	-		-	-
All Other Funds	68,131	67,322		18,625	16,248
TOTAL	\$ 975,853	\$ 851,358		\$ 850,146	\$ 993,027
Percentage Change:					
SGF	(5.5) %	(13.6) %		6.1 %	17.5 %
All Funds	(7.8) %	(12.8) %		(0.1) %	16.8 %
FTE Positions	14.0	12.0		18.0	18.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests State Archives program expenditures of \$993,027, including \$976,779 SGF, for FY 2023. This is an all funds increase of \$142,881, or 16.8 percent, and an SGF increase of \$145,258, or 17.5 percent, above the FY 2022 revised estimate. The increase is

due to the enhancement request for funding to operate the new exhibits at the Kansas Museum of History.

The **Governor** concurs with the agency's FY 2023 request.

CAPITAL IMPROVEMENTS

FIGURE 22 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehabilitation and Repair	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 375,000
Kansas Historical Society Headquarters (Topeka)	-	115,000	115,000	-	-
Kansas Museum of History (Topeka)	-	650,000	650,000	-	-
Cottonwood Ranch State Historic Site (Studley)	-	42,500	42,500	60,000	60,000
Constitution Hall State Historic Site (Lecompton)	-	-	-	35,000	35,000
John Brown Museum State Historic Site (Osawatomie)	-	-	-	67,800	67,800
Previous Projects	50,792	-	-	-	-
TOTAL	\$ 300,792	\$ 1,057,500	\$ 1,057,500	\$ 412,800	\$ 537,800
Financing:					
SGF	\$ 273,484	\$ 450,000	\$ 450,000	\$ 250,000	\$ 375,000
Federal Funds	-	-	-	87,800	87,800
All Other Funds	27,308	607,500	607,500	75,000	75,000
TOTAL	\$ 300,792	\$ 1,057,500	\$ 1,057,500	\$ 412,800	\$ 537,800

FY 2022 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvement expenditures of \$1.1 million, including \$450,000 SGF. The revised estimate is an all funds increase of \$457,500, or 76.3 percent, above the FY 2022 approved amount. The SGF amount is the same as the SGF amount in the approved budget. The increase is due to increased private gifts and grants made

to the agency for its capital improvement projects, including \$450,000 for repairs and replacement of concrete walkways outside the Kansas Museum of History and replacement of the lobby floor.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests capital improvement expenditures of \$412,800, including \$250,000 SGF, for FY 2023. This is an all funds decrease of \$644,700, or 61.0 percent, and an SGF decrease of \$200,000, or 44.4 percent, below the FY 2022 revised capital improvements estimate. The decrease is due to the completion of multiple projects in FY 2022, including repairs at the Kansas Museum of History.

The **Governor** recommends capital improvement expenditures of \$537,800, including \$375,000 SGF, for FY 2023. This is an SGF increase of \$125,000, or 50.0 percent above the agency's FY 2023 SGF request. The increase is due to the Governor's recommendation that annual SGF support for rehabilitation and repair at state historic sites increase by \$125,000 for FY 2023.

KANSAS STATE SCHOOL FOR THE BLIND

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 5,748,918	\$ 5,828,176	\$ 5,840,709	\$ 5,891,194	\$ 5,935,469
Federal Funds	998,954	559,284	559,284	603,147	603,147
All Other Funds	593,795	625,610	625,610	603,185	603,185
<i>Subtotal</i>	<i>\$ 7,341,667</i>	<i>\$ 7,013,070</i>	<i>\$ 7,025,603</i>	<i>\$ 7,097,526</i>	<i>\$ 7,141,801</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,083	-	-	-	-
All Other Funds	991,561	919,504	919,504	1,534,830	1,269,830
<i>Subtotal</i>	<i>\$ 992,644</i>	<i>\$ 919,504</i>	<i>\$ 919,504</i>	<i>\$ 1,534,830</i>	<i>\$ 1,269,830</i>
TOTAL	\$ 8,334,311	\$ 7,932,574	\$ 7,945,107	\$ 8,632,356	\$ 8,411,631
Percentage Change:					
State General Fund	1.0 %	1.4 %	1.6 %	1.1 %	1.6 %
All Funds	1.6 %	(4.8) %	(4.7) %	8.8 %	5.9 %
FTE Positions	81.5	81.5	81.5	81.5	81.5

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

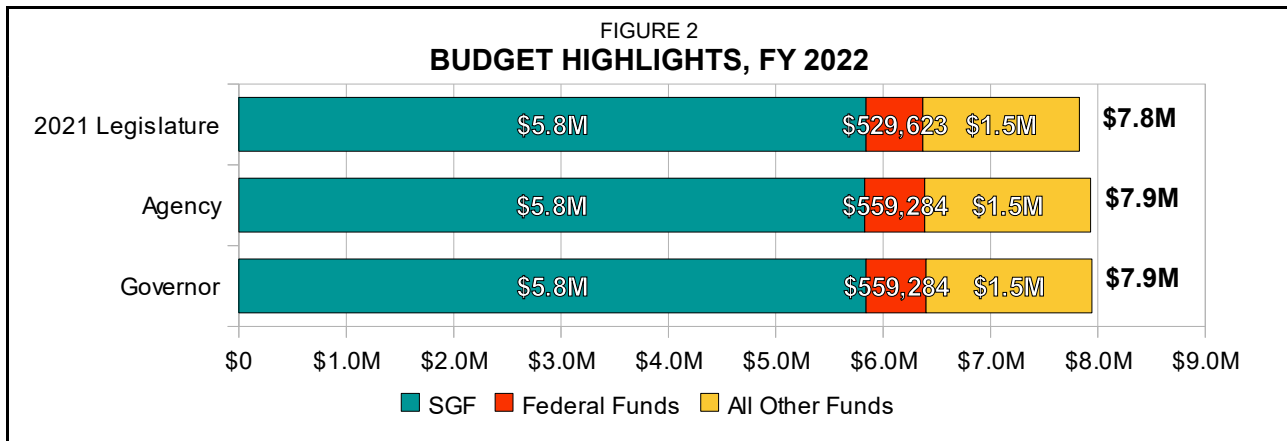
The Kansas State School for the Blind (KSSB) is located in Kansas City. KSSB's mission is to serve as a catalyst and leader in the development of exemplary programs and practices in vision services for students up to the age of 21. KSSB aims to build local capacity throughout the state via strategic partnerships with local schools, parents, and communities to ensure learners with visual impairments are able to assume responsible roles in society and lead fulfilling lives.

To fulfill its mission, KSSB established three programs: Administrative Services, Instructional Services, and Support Services. 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. Among the programs and services offered at KSSB are day/residential academic programming, consultation, mentoring, assessment services, short course (one to five days), extended school year (summer school), and transition services.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$7.8 million, including \$5.8 million from the State General Fund (SGF), for the Kansas State School for the Blind for FY 2022.

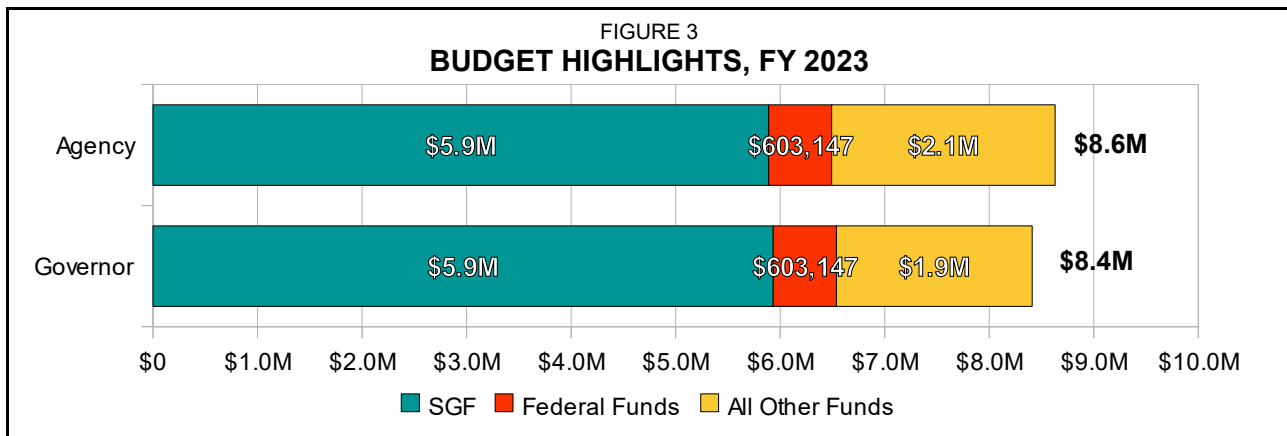


The **agency** requests a revised estimate of \$7.9 million, including \$5.8 million SGF, in FY 2022. This is an all funds increase of \$103,625, or 1.3 percent, and an SGF decrease of \$13,063, or 0.2 percent, from the amount approved by the 2021 Legislature. The revised estimate includes 81.5 FTE positions, which is the same number approved by the 2021 Legislature.

The revised estimate includes an operating budget of \$7.0 million, including \$5.8 million SGF, in FY 2022. This is an all funds increase of \$103,137, or 1.5 percent, and an SGF decrease of \$13,063, or 0.2 percent, from the amount approved by the 2021 Legislature. The increase is primarily due to increased expenditures from the General Fee Fund. General Fee Fund revenue and expenditures fluctuate according to the number of students needing paraprofessional assistance.

The revised estimate includes a capital improvements budget of \$919,504, all from the State Institutions Building Fund, in FY 2022. This is the same amount as the amount approved by the 2021 Legislature.

The **Governor** recommends total expenditures of \$7.9 million, including \$5.8 million SGF, in FY 2022. This is an increase of \$12,533 SGF, or 0.2 percent, above the agency's FY 2022 revised estimate. The Governor recommends adding \$12,533 SGF in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff. The Governor also concurs with the agency's capital improvement budget in FY 2022. The recommendation includes 81.5 FTE positions, which is the same number as the agency's revised estimate in FY 2022.



The **agency** requests \$8.6 million, including \$5.9 million SGF, for FY 2023. This is an all funds increase of \$699,782, or 8.8 percent, including an SGF increase of \$63,108, or 1.1 percent, above the FY 2022 revised estimate. The agency request includes 81.5 FTE positions, which is the same as the FY 2022 revised estimate.

The request includes an operating budget of \$7.1 million, including \$5.9 million SGF, for FY 2023. This is an all funds increase of \$84,456, or 1.2 percent, and an SGF increase of \$63,108, or 1.1 percent, above the FY 2022 revised estimate. This increase is primarily due to increased SGF for salaries and wages pursuant to KSA 76-11a16 and new federal grant funding. Pursuant to KSA 76-11a16, the FY 2023 agency request includes \$48,519 for teacher salary increases. KSA 76-11a16 requires KSSB to provide salaries for teachers and certain staff that are commensurate with salaries for staff at USD 233 Olathe the prior year.

The request includes a capital improvements budget of \$1.5 million, all from the State Institutions Building Fund (SIBF), for FY 2023. This is an increase of \$615,326, or 66.9 percent, which is primarily attributable to increased expenditures for rehabilitation and repair and planned construction for a student elevator and upgrades in the Brighton building.

The **Governor** recommends total expenditures of \$8.4 million, including \$5.9 million SGF, for FY 2023. This is an all funds decrease of \$220,725, or 2.6 percent, and an SGF increase of \$44,275, or 0.7 percent, from the agency's FY 2023 request. The Governor's recommendation includes an increase of \$21,000 SGF to fund the KSA 76-11a16 required salary increase. The agency's FY 2023 request includes \$50,000 for this purpose. However, USD 233 Olathe completed teacher salary negotiations, which would require an additional \$21,000 above the FY 2023 agency request. Therefore, the Governor's recommendation includes total expenditures of \$71,000 SGF for FY 2023 to fund these statutory salary increases.

The Governor also recommends adding \$23,275 SGF for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as temporary pay differentials for hourly personnel,

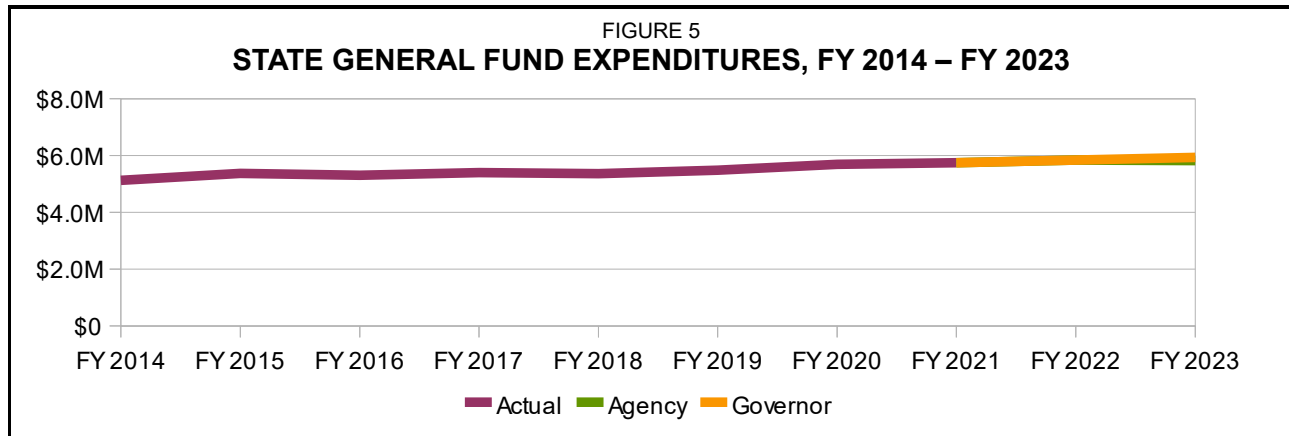
The Governor's recommendation includes a capital improvements budget of \$1.5 million, all from the State Institutions Building Fund (SIBF), for FY 2023. This is a decrease of \$265,000, or 20.9 percent below, the agency's FY 2023 request. This decrease is due to a correction in the agency budget submission, which erroneously included \$265,000 twice in the rehabilitation and repair budget.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

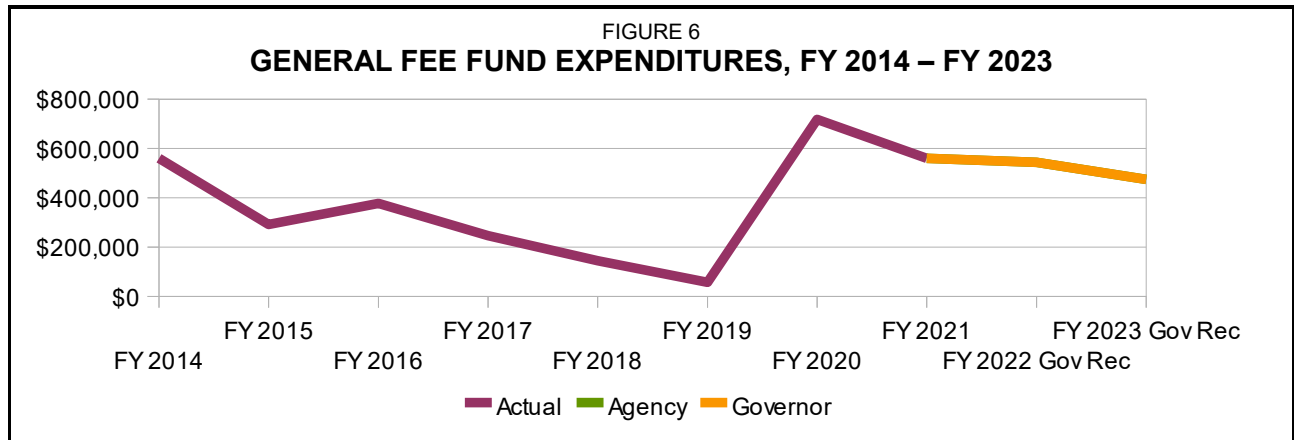
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 5,457,939	\$ 5,740,816	\$ 5,753,349	\$ 5,782,841	\$ 5,827,116
Contractual Services	1,198,673	1,007,627	1,007,627	1,046,735	1,046,735
Commodities	338,849	264,627	264,627	267,950	267,950
Capital Outlay	293,905	-	-	-	-
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 7,289,366</i>	<i>\$ 7,013,070</i>	<i>\$ 7,025,603</i>	<i>\$ 7,097,526</i>	<i>\$ 7,141,801</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	52,301	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 7,341,667</i>	<i>\$ 7,013,070</i>	<i>\$ 7,025,603</i>	<i>\$ 7,097,526</i>	<i>\$ 7,141,801</i>
Capital Improvements	992,644	919,504	919,504	1,534,830	1,269,830
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 8,334,311	\$ 7,932,574	\$ 7,945,107	\$ 8,632,356	\$ 8,411,631
Financing:					
State General Fund	\$ 5,748,918	\$ 5,828,176	\$ 5,840,709	\$ 5,891,194	\$ 5,935,469
State Institutions	946,954	919,504	919,504	1,534,830	1,269,830
Building Fund	-	-	-	-	-
Federal Funds	1,000,037	559,284	559,284	603,147	603,147
Special Revenue	638,402	625,610	625,610	603,185	603,185
Funds	-	-	-	-	-
TOTAL	\$ 8,334,311	\$ 7,932,574	\$ 7,945,107	\$ 8,632,356	\$ 8,411,631
FTE Positions	81.5	81.5	81.5	81.5	81.5

STATE GENERAL FUND



The Kansas State School for the Blind FY 2022 revised estimate includes SGF expenditures of \$5.8 million, which is an increase of \$79,258 above FY 2021 actual expenditures. The agency's FY 2023 request includes SGF expenditures of \$5.9 million, which is an increase of \$63,018 above the agency's FY 2022 revised estimate. The Governor recommends SGF expenditures of \$5.8 million in FY 2022, which is an increase of \$91,791; and SGF expenditures of \$5.9 million for FY 2023, which is an increase of \$44,275 above the agency's FY 2023 request. The increase in FY 2022 and for FY 2023 is due to the Governor's recommendation to increase teacher salaries required by KSA 76-11a16 and to increase the base pay of certain nurse positions.

GENERAL FEE FUND



The General Fee Fund includes several sources of revenue, such as Medicaid reimbursements for services provided to qualifying students, reimbursement for School District Administrative Claims program services, tuition for out-of-state students, Extended School Year and Career Exploration Program fees, rent from the Open Minds Child Development Center, and miscellaneous revenue. Expenditures in FY 2022 and for FY 2023 include contractual services and replacement of technology in the Instructional Services program.

FY 2022 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 5,841,239	\$ 1,987,710	\$ 7,828,949	81.5
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 5,841,239</i>	<i>\$ 1,987,710</i>	<i>\$ 7,828,949</i>	<i>81.5</i>
Agency Revised Estimate:				
2. General Fee Fund Increased Expenditures	\$ -	\$ 106,859	\$ 106,859	--
3. All Other Adjustments	(13,063)	9,829	(3,234)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 5,828,176</i>	<i>\$ 2,104,398</i>	<i>\$ 7,932,574</i>	<i>81.5</i>
Governor's Recommendation:				
4. Nurse Base Pay Increase	\$ 12,533	\$ -	\$ 12,533	--
TOTAL	\$ 5,840,709	\$ 2,104,398	\$ 7,945,107	81.5

LEGISLATIVE APPROVED

1. The 2021 Legislature approved expenditures of \$7.8 million, including \$5.8 million SGF, for the Kansas State School for the Blind for FY 2022. No adjustments have been made subsequently to that amount.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$7.8 million, including \$5.8 million SGF, in FY 2022. This is an all funds increase \$103,625, and an SGF decrease of \$13,063, from the amount approved by the 2021 Legislature. The revised estimate includes an operating budget of \$7.0 million, including \$5.8 million SGF, in FY 2022. This is an all funds increase of \$103,371, and an SGF decrease of \$13,063, from the amount approved by the 2021 Legislature. The **agency** estimate includes the following adjustments:

2. **GENERAL FEE FUND INCREASED EXPENDITURES.** The agency's revised estimate includes an increase of \$106,859 in General Fee Fund expenditures. The General Fee Fund revenue and expenditures fluctuate with student needs.
3. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other adjustments totaling a decrease of \$3,234 from all funds, including an SGF decrease of \$13,063, below the amount approved by the 2021 Legislature.

The revised estimate includes a capital improvement budget of \$919,504, all from the State Institutions Building Fund, which is the same as the amount approved by the 2021 Legislature.

The agency estimate also includes 81.5 FTE positions, which is the same as the number approved by the 2021 Legislature.

GOVERNOR'S RECOMMENDATION

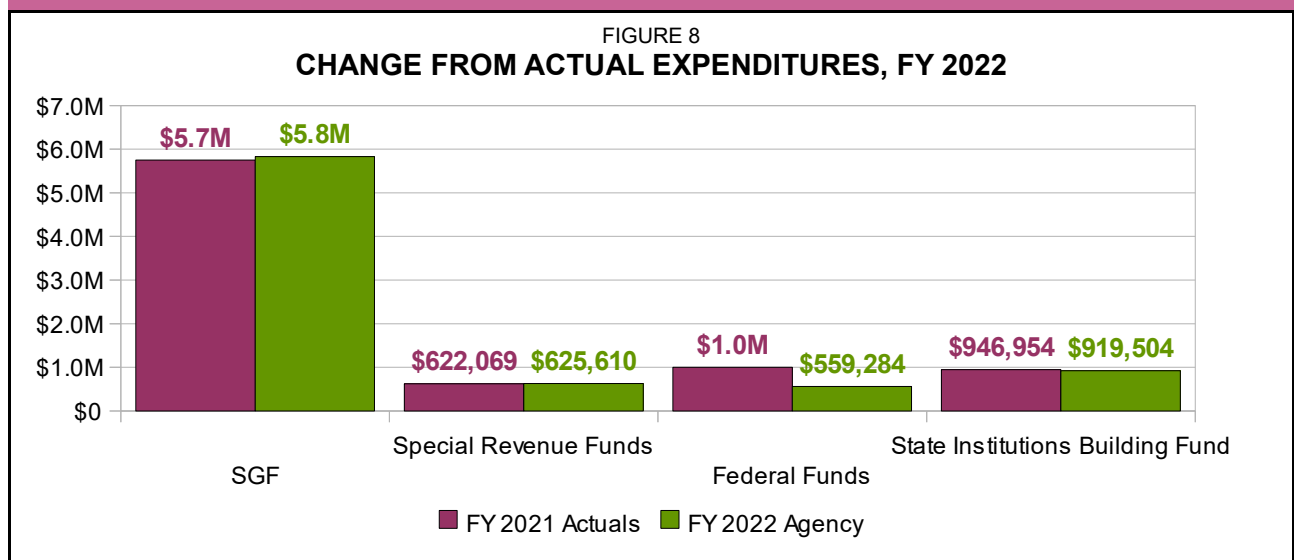
The **Governor** recommends total expenditures of \$7.9 million, including \$5.8 million SGF, in FY 2022. This is an increase of \$12,533, all SGF, above the agency's FY 2022 revised estimate. The Governor's recommendation includes the following adjustment:

4. **NURSE BASE PAY INCREASE.** The Governor recommends adding \$12,533 SGF in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.

The **Governor's** recommendation includes a capital improvement budget of \$919,504 in FY 2022, which is unchanged from the agency's revised estimate.

The **Governor's** recommendation also includes 81.5 FTE positions in FY 2022, which is unchanged from the agency's revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency's FY 2022 revised estimate is an all funds decrease of \$401,737, or 4.8 percent, and an SGF increase of \$79,258, or 1.4 percent, from the FY 2021 actual expenditures. The all funds decrease is primarily due to the end of federal COVID-19 relief funding in FY 2021. This decrease is partially offset by SGF increases due to increased teacher salaries per KSA 76-11a16.

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 5,828,176	\$ 2,104,398	\$ 7,932,574	81.5
Agency Request:				
1. Teacher Salary Increases, KSA 76-11a16	\$ 48,519	\$ -	\$ 48,519	--
2. Capital Improvement Projects Increases	-	615,326	615,326	--
3. All Other Adjustments	14,499	21,438	35,937	--
<i>Subtotal—Agency Estimate</i>	<i>\$ 5,891,194</i>	<i>\$ 2,741,162</i>	<i>\$ 8,632,356</i>	<i>81.5</i>
Governor's Recommendation:				
4. Additional Teacher Salary Increase	\$ 21,000	\$ -	\$ 21,000	--
5. Nurse Base Pay Increase	23,275	-	23,275	--
6. Capital Improvement Adjustment	-	(265,000)	(265,000)	--
TOTAL	\$ 5,935,469	\$ 2,476,162	\$ 8,411,631	81.5

AGENCY REQUEST

The **agency** requests \$8.6 million, including \$5.9 million SGF, for FY 2023. This is an all funds increase of \$699,782, including an SGF increase of \$63,018, or 1.1 percent, above the FY 2022 revised estimate. The agency request includes the following adjustments:

- TEACHER SALARY INCREASE.** Pursuant to KSA 76-11a16, which requires teachers at KSSB be paid the same as teachers at USD 233 Olathe in the prior year, the agency's request includes \$48,519 for teacher salary and wage increases for FY 2023. This is a 2.5 percent increase from FY 2022.
- CAPITAL IMPROVEMENT PROJECTS INCREASES.** The agency request includes \$1.5 million for capital improvement project expenditures, which is an increase of \$615,326 above the FY 2022 revised estimate. The increase is primarily due to an agency budget submission error that included the rehabilitation and repair base of \$265,000 twice in the budget. The remaining increases were planned increases, including \$283,235 for elevator upgrades in the Brighton Building.
- ALL OTHER ADJUSTMENTS.** The agency request includes other adjustments totaling \$35,937, which primarily reflect increased contractual services expenditures to reflect a return to pre-COVID-19 pandemic travel and student tuition increases.

The agency request includes an operating budget of \$7.1 million, including \$5.9 million SGF. This is an all funds increase of \$84,456, or 1.2 percent, including an SGF increase of \$63,018, or 1.1 percent, above the FY 2022 revised estimate. The agency request includes a capital improvement budget of \$1.5 million, all from the State Institutions Building Fund, which is an increase of \$615,326, or 66.9 percent, above the FY 2022 revised estimate.

The agency request also includes 81.5 FTE positions, which the same number as the FY 2022 revised estimate number.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends total expenditures of \$8.4 million, including \$5.9 million SGF, for FY 2023. This is an all funds decrease of \$220,725, including an SGF increase of \$44,275, from the agency's FY 2023 request. The Governor's recommendation includes the following adjustments:

4. **ADDITIONAL TEACHER SALARY INCREASE.** The Governor's recommendation includes an additional \$21,000 SGF to fund the KSA 76-11a16 required salary increases. The agency's FY 2023 budget request included total expenditures of \$50,000 for this purpose. However, USD 233 Olathe subsequently completed teacher salary negotiations, which would require an additional \$21,000 above the FY 2023 agency request. Therefore the Governor recommends \$71,000 SGF to fund these statutorily required teacher salary increase for FY 2023.
5. **NURSE BASE PAY INCREASE.** The Governor recommends adding \$23,275 SGF for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as temporary pay differentials for hourly personnel,
6. **CAPITAL IMPROVEMENT ADJUSTMENT.** The Governor's recommendation includes a decrease of \$265,000, all from the SIBF, for FY 2023. This decrease is due to a correction in the budget submission, which erroneously included \$265,000 twice in the rehabilitation and repair budget.

The **Governor's** recommendation also includes 81.5 FTE positions, which is unchanged from the agency's FY 2023 request.

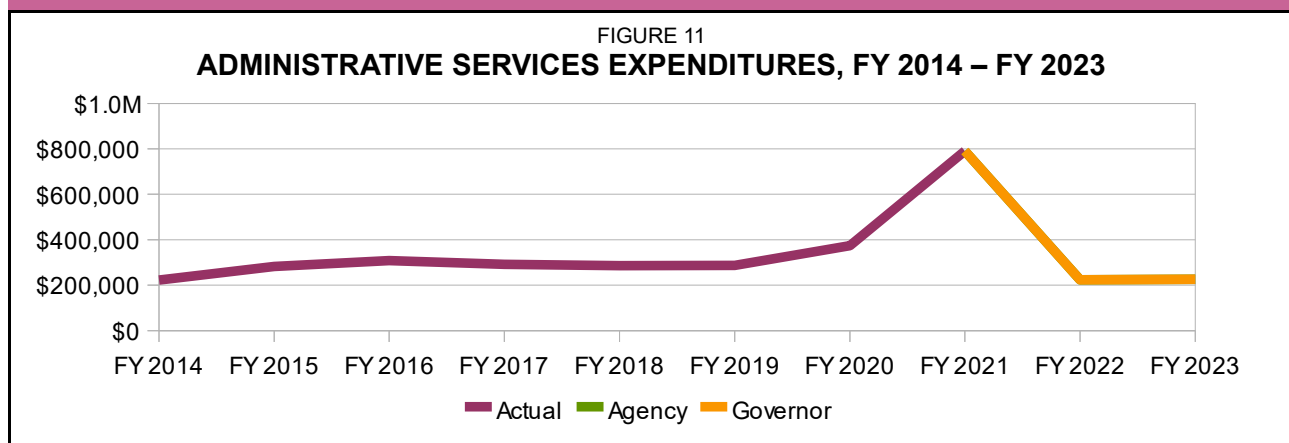
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administrative Services	\$ 789,953	\$ 223,661	\$ 223,661	\$ 225,835	\$ 225,835
Instructional Services	5,129,437	5,316,633	5,316,633	5,407,749	5,428,749
Support Services	1,422,277	1,472,776	1,485,309	1,463,942	1,487,217
Capital Improvements	992,644	919,504	919,504	1,534,830	1,269,830
TOTAL	\$ 8,334,311	\$ 7,932,574	\$ 7,945,107	\$ 8,632,356	\$ 8,411,631
FTE Positions:					
Administrative Services	1.3	1.0	1.0	1.0	1.0
Instructional Services	58.2	58.5	58.5	58.5	58.5
Support Services	22.0	22.0	22.0	22.0	22.0
Capital Improvements	-	-	-	-	-
TOTAL	81.5	81.5	81.5	81.5	81.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATIVE SERVICES



STATUTORY BASIS: • KSA 76-1101b

PROGRAM GOALS:

- Increase school enrollment.
- Improve school climate.
- Improve operational efficiencies and maximize resources allocated to student services.

The Administrative Services program coordinates overall management and operations of the KSSB. The program is responsible for the development and administration of educational and co-curricular

programs, personnel procedures, and support services; appointment of classified and unclassified employees; budget preparations; and payroll.

FIGURE 12
ADMINISTRATIVE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of students that accessed intensive services*	N/A	40	--	48	50
2.Teacher-staff retention rate*	N/A	90%	--	95%	100%
3.Percent budget for Instructional Services*	70%	75%	--	80%	80%
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 297,116	\$ 303,979		\$ 174,193	\$ 176,365
Federal Funds	5,533	476,710		1,000	1,000
All Other Funds	4,414	9,264		48,468	48,470
TOTAL	\$ 307,063	\$ 789,953		\$ 223,661	\$ 225,835
Percentage Change:					
SGF	18.0 %	2.3 %		(42.7) %	1.2 %
All Funds	19.2 %	157.3 %		(71.7) %	1.0 %
FTE Positions	1.0	1.3		1.0	1.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency requests a revised estimate of \$223,661, including \$174,193 SGF, for the Administrative Services Program in FY 2022. This is a decrease of \$52,949 below the approved amount. This decrease is primarily attributable to an decrease of \$33,469 in salaries and wages expenditures primarily due to vacant positions. The revised estimate also includes a decrease of \$19,755 in contractual services expenditures primarily due to the shifting of expenditures to the Instructional Services program, partially offset by increased expenditures for legal fees tied to an ongoing case and cellphone expenditures.

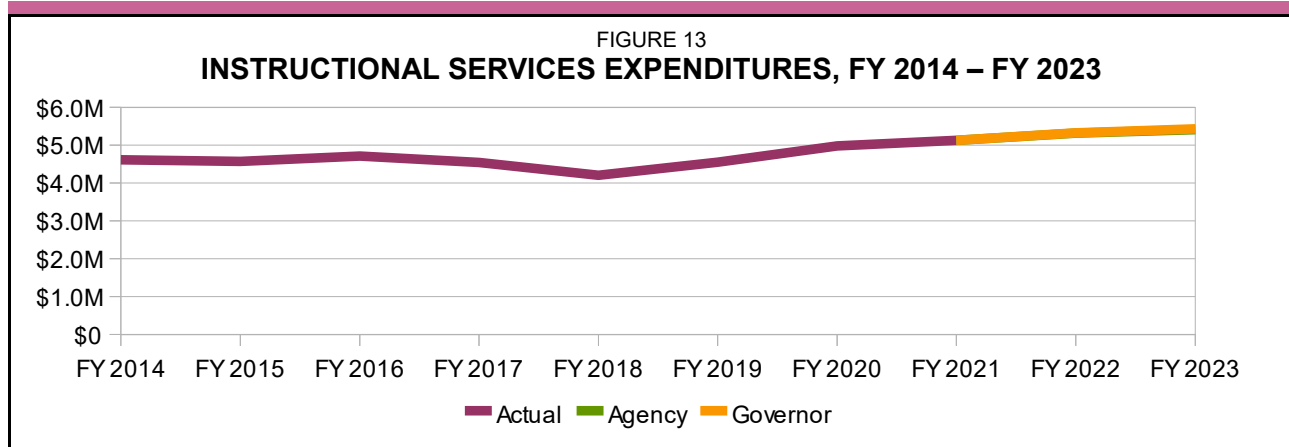
The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 AGENCY REQUEST

The agency requests \$225,835, including \$176,365 SGF, for the Administration Program for FY 2023. This is an all funds increase of \$2,174, including an SGF increase of \$2,712, above the FY 2022 revised estimate. The increases are primarily attributable to an increase of \$2,007 for contractual services expenditures for official hospitality and postage expenditures.

The **Governor** concurs with the agency's request for FY 2023.

INSTRUCTIONAL SERVICES



STATUTORY BASIS: • KSA 76-1101b

PROGRAM GOALS:

- Increase outreach services to infants and young children who are blind or visually impaired across Kansas.
- Increase students ages 0 to 21 who are blind/visually impaired across Kansas receiving direct instructional contact from the KSSB.

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. The 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 KSSB provides a fully accredited academic program and services for multiple disabilities. The Instructional Services program 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 training, counseling, and physical and occupational therapies, which are required by a student's Individualized Education Plan (IEP), are scheduled throughout the day. Extracurricular activities are offered in the late afternoon and on some weekends.

EXTENDED DAY. The student residence subprogram is for students who are unable to return to their homes due to the distance from the KSSB campus. A homelike 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 SCHOOL YEAR PROGRAM. This summer educational program provides access to curriculum that many students need to complete their IEP. Enrollment in this three-week program includes instruction in Braille, orientation and mobility training, skills required for independent living, training in specialized assistive technology, career development training, and other blindness-adaption skills.

FIELD-BASED INSTRUCTIONAL SERVICES. KSSB services are made available to more than 1,200 students in the state who have a visual impairment. This is accomplished through direct instruction, consultation, and distance learning experiences for students, parents, and school education teams. KSSB also provides services for children from birth through age three and their families through the statewide Infant Toddler Networks.

KANSAS INSTRUCTIONAL RESOURCE CENTER. The Center provides textbooks and library materials in Braille 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 children who do not have disabilities.

FIGURE 14 INSTRUCTIONAL SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Students ages zero to five receiving direct services*	N/A	35	--	40	50
2.Students receiving intensive services*	N/A	150	--	200	225
3.Total students served	780	745	731	864	923
Output Measure:					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,831,442	\$ 4,194,409		\$ 4,531,118	\$ 4,612,545
Federal Funds	516,107	477,453		465,450	491,316
All Other Funds	633,049	457,575		332,598	324,888
TOTAL	\$ 4,980,598	\$ 5,129,437		\$ 5,329,166	\$ 5,428,749
Percentage Change:					
SGF	(1.9) %	9.5 %		8.0 %	1.8 %
All Funds	9.4 %	3.0 %		3.9 %	1.9 %
FTE Positions	58.2	58.2		58.5	58.5
*The Governor's Office does not utilize this measure for evaluation purposes.					

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency requests a revised estimate of \$5.3 million, including \$4.5 million SGF, for the Instructional Services Program in FY 2022. This is an all funds increase of \$317,477 above the approved amount. The increase is primarily attributable to an increase of \$293,532 in salaries and wages expenditures for teacher and staff salary increases and increased group health insurance costs. The remaining increase is primarily attributable to an increase in contractual services primarily for staffing and recruiting services, consulting fees, and dues and subscriptions.

The **Governor** recommends expenditures of \$5.3 million, including \$4.5 million SGF, for the Information Services Program in FY 2022. This is an increase of \$12,533 SGF above the agency's revised estimate. The Governor recommends adding \$12,533 SGF in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and

approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.

FY 2023 AGENCY REQUEST

The agency requests \$5.4 million, including \$4.6 million SGF, for the Instructional Services Program for FY 2023. This is an all funds increase of \$91,116, including an SGF increase of \$72,960, above the FY 2022 revised estimate. The SGF increase is primarily attributable to an increase of \$51,666 in salaries and wages expenditures is primarily due to increased teacher salaries per KSA 76-11a16 and group health costs. The remaining increase is primarily attributable to an increase of \$36,127 in contractual services expenditures primarily attributable to increased student enrollment in FY 2022 that the agency anticipates continuing into FY 2023 and increased travel expenditures.

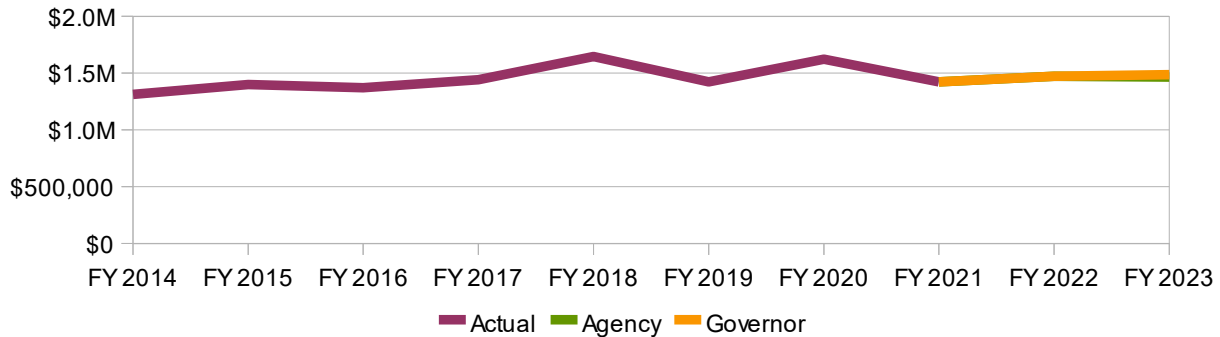
The agency's request also includes commodities expenditures of \$135,238, which is an increase of \$3,323, above the FY 2022 revised estimate. The increase is primarily due to increased expenditures for gasoline.

The **Governor** recommends expenditures of \$5.4 million, including \$4.6 million SGF, for the Instructional Services Program for FY 2023. This is an increase of \$21,000 SGF above the

agency's request. The increase is primarily attributable to the statutorily required salary increase for teachers. The agency's FY 2023 budget request included total expenditures of \$50,000 for this purpose, however USD 233 Olathe subsequently completed teacher salary negotiations, which would require an additional \$21,000 above the FY 2023 agency request. The Governor recommends \$21,000, all SGF, for FY 2023 for this purpose.

SUPPORT SERVICES

FIGURE 15
SUPPORT SERVICES EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 1101b

PROGRAM GOALS:

- Provide a safe and secure environment for students and professionals that provide specialized education.
- Provide and support technology on campus for specialized educational needs of students.
- Maintain safe vehicle fleet to transport students to off-campus academic classes and extracurricular activities.

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

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

FIGURE 16
SUPPORT SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Security services meet standards*	90.0 %	90.0 %	90.0 %	90.0 %	90.0 %
2.IT resources for direct classroom*	70.0 %	70.0 %	70.0 %	70.0 %	70.0 %
3.Average mileage per vehicle in fleet*	85,000	75,000	60,374	85,000	29,567
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,565,348	\$ 1,250,530		\$ 1,135,398	\$ 1,146,559
Federal Funds	28,905	44,791		92,834	110,831
All Other Funds	29,018	126,956		244,544	229,827
TOTAL	\$ 1,623,271	\$ 1,422,277		\$ 1,472,776	\$ 1,487,217
Percentage Change:					
SGF	17.8 %	(20.1) %		(9.2) %	1.0 %
All Funds	14.2 %	(12.4) %		3.6 %	1.0 %
FTE Positions	22.0	22.0		22.0	22.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency requests a revised estimate of \$1.5 million, including \$1.1 million SGF, for the Support Services Program in FY 2022. This is an all funds decrease of \$161,391 below the amount approved by the 2021 Legislature. The all funds decrease is primarily attributable to a decrease in salaries and wages expenditures primarily due to the correction of expenditures from other programs and an increase in the Kansas School for the Deaf share of expenditures for staff split between the two schools. This decrease in salaries and wages is partially offset by an increase in commodities primarily due to increase food expenditures, partially offset by decreased household supply purchases.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 AGENCY REQUEST

The agency requests \$1.5 million, including \$1.1 million SGF, for the Support Services Program for FY 2023. This is an all funds decrease of \$8,834, including an SGF decrease of \$12,114, below the FY 2022 revised estimate. The SGF decrease is primarily attributable to a decrease of \$9,808, for salaries and wages expenditures, below the FY 2022 revised estimate. This decrease is primarily due to decreased retirement and compensation benefits.

The **Governor** recommends expenditures of \$1.5 million, including \$1.1 million SGF, for FY 2023. This is an increase of \$23,275 SGF above the FY 2023 agency request. The Governor recommends adding \$23,275 SGF for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as temporary pay differentials for hourly personnel,

CAPITAL IMPROVEMENTS

The Kansas State School for the Blind has a capital improvements budget for its 10-acre campus and buildings. The funding is primarily from the State Institutions Building Fund (SIBF), though the FY 2021 budget also included federal COVID-19 relief funding.

CAMPUS BOILERS AND HVAC UPGRADES

The agency's capital improvements budget includes campus boilers and heating, ventilation, and air conditioning (HVAC) upgrade projects. The agency planned to upgrade old HVAC and boiler systems over multiple years to allow for savings and minimal disruption.

REHABILITATION AND REPAIR

The agency's capital improvement budget includes rehabilitation and repair projects for campus facilities, including hot water tanks, masonry and metal repair, drywall repairs, maintenance and preventative services, and replacement of failing equipment.

SAFETY AND SECURITY

The agency's capital improvements budget includes campus safety and security systems projects. This includes upgrades and maintenance of the systems, procedures, and protocols.

FIGURE 17 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Safety and Security Systems	\$ 310,989	\$ 137,756	\$ 137,756	\$ 144,545	\$ 144,545
Campus Boiler and HVAC Upgrades	228,976	250,818	250,818	300,234	300,234
Rehabilitation and Repair	451,596	530,930	530,930	806,816	541,816
Renovations and Other Projects	1,083	-	-	283,235	283,235
<i>Subtotal–Projects</i>	<i>\$ 992,644</i>	<i>\$ 919,504</i>	<i>\$ 919,504</i>	<i>\$ 1,534,830</i>	<i>\$ 1,269,830</i>
Debt Service Principal:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Subtotal–Debt</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 992,644	\$ 919,504	\$ 919,504	\$ 1,534,830	\$ 1,269,830
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,083	-	-	-	-
State Institutions Building Fund	991,561	919,504	919,504	1,534,830	1,269,830
TOTAL	\$ 992,644	\$ 919,504	\$ 919,504	\$ 1,534,830	\$ 1,269,830

FY 2022 CAPITAL IMPROVEMENTS

The agency's revised estimate includes a capital improvements budget of \$919,504, all from the SIBF, in FY 2022. This is an increase of \$488 above the amount approved by the 2021 Legislature. This increase is due to funding reappropriated from FY 2021 to FY 2022.

CAMPUS BOILERS AND HVAC UPGRADES. The agency requests \$250,818, all from the SIBF, which is an increase of \$488 above the FY 2022 approved amount. This increase reflects the reappropriated funding from FY 2021 to FY 2022. Planned work includes replacement of HVAC systems in the

Brighton Building and infrastructure repairs for older boiler systems.

REHABILITATION AND REPAIR. The agency requests a revised estimate of \$530,930, all from the SIBF, which is the same as the FY 2022 approved amount. Planned work includes general repairs of campus facilities and the repair of perimeter fencing.

SAFETY AND SECURITY. The agency requests a revised estimate of \$137,756, all from the SIBF, which is the same as the FY 2022 approved amount. Planned work includes ongoing maintenance and upgrades for the Life/Safety systems.

The **Governor** concurs with the agency's capital improvement revised estimate in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** request includes a capital improvements budget of \$1.5 million, all from the SIBF, for FY 2023. This is an increase of \$615,326, or 66.9 percent, above the FY 2022 revised estimate. This increase is primarily due to increased expenditures for elevator upgrades in the Brighton Building.

CAMPUS BOILERS AND HVAC UPGRADES. The agency requests \$300,234, all from the SIBF, which is an increase of \$49,416 above the FY 2022 revised estimate. The increase was anticipated by the agency to reflect additional work. Planned work includes replacement of HVAC systems components in the Irwin Building.

REHABILITATION AND REPAIR. The agency requests \$806,816, all from the SIBF, which is an increase of \$275,886, or 52.0 percent, above the FY 2022 revised estimate. The increase is primarily due to an agency budget submission error that included the rehabilitation and repair base of \$265,000 twice

in the budget. Planned work includes general repairs of campus facilities, replacement of freezer/refrigeration equipment, and electrical services upgrades.

SAFETY AND SECURITY. The agency request includes \$144,545, all SIBF, which is an increase of \$6,789, or 4.9 percent, above the FY 2022 revised estimate. Planned work includes ongoing maintenance and upgrades for the Life/Safety systems.

STUDENT USE ELEVATOR. The agency requests \$283,235, all from the SIBF, for the elevator upgrades in the Brighton Building.

The **Governor** recommends a capital improvements budget of \$1.3 million, all from the SIBF, for FY 2023. This is a decrease of \$265,000 below the agency request. This decrease is due to a correction in the agency budget submission, which erroneously included \$265,000 twice in the rehabilitation and repair budget.

KANSAS STATE SCHOOL FOR THE DEAF

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 9,441,333	\$ 9,577,352	\$ 9,595,185	\$ 10,433,493	\$ 9,863,757
Federal Funds	730,014	379,344	379,344	312,663	312,663
All Other Funds	641,013	1,336,142	1,336,142	808,674	808,674
<i>Subtotal</i>	<u>\$ 10,812,360</u>	<u>\$ 11,292,838</u>	<u>\$ 11,310,671</u>	<u>\$ 11,554,830</u>	<u>\$ 10,985,094</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,352,638	1,206,033	1,206,033	1,529,908	1,529,908
<i>Subtotal</i>	<u>\$ 1,352,638</u>	<u>\$ 1,206,033</u>	<u>\$ 1,206,033</u>	<u>\$ 1,529,908</u>	<u>\$ 1,529,908</u>
TOTAL	<u>\$ 12,164,998</u>	<u>\$ 12,498,871</u>	<u>\$ 12,516,704</u>	<u>\$ 13,084,738</u>	<u>\$ 12,515,002</u>
Percentage Change:					
State General Fund	1.1 %	1.4 %	1.6 %	8.9 %	2.8 %
All Funds	0.6 %	2.7 %	2.9 %	4.7 %	-- %
FTE Positions	143.5	143.5	143.5	143.5	143.5

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

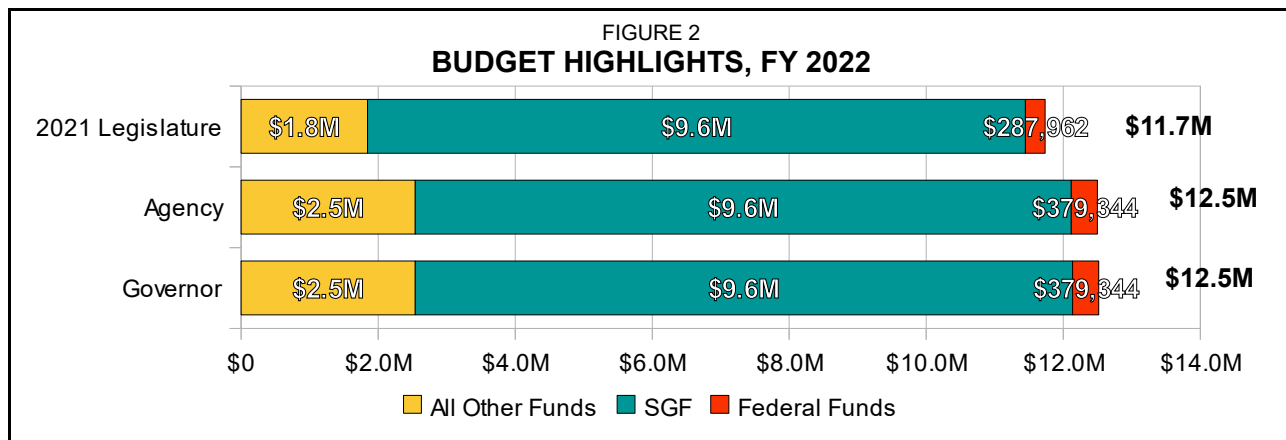
Located in Olathe, the mission of the Kansas State School for the Deaf (KSSD) is to ensure deaf and hard-of-hearing (D/HH) students achieve their full potential in a language-rich environment. The school established three programs to assist with its mission: Administrative Services, Instructional Services, and Support Services. The Kansas State School for the Deaf is a state agency under the control and supervision of the State Board of Education.

KSSD offers a comprehensive curriculum for D/HH students ages 21 and under. Both American Sign Language and English are integral parts of the total school program. KSSD provides related services to make educational programs available to students with additional disabilities, including health services, physical therapy, occupational therapy, and speech and language therapy. The School for the Deaf also provides sign language interpreting, audiological services, and community resource and family services. In addition, KSSD operates an outreach program to serve as a statewide resource center for D/HH students, their families, and their local school districts. This includes the Auditory Training Unit program, which provides equipment and consultative services for hearing-impaired children in public school districts.

The agency is responsible for the implementation of the statewide Language Assessment Program (LAP).

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$11.7 million, including \$9.6 million from the State General Fund (SGF), for the Kansas State School for the Deaf in FY 2022. No adjustment has been made subsequently to that amount.



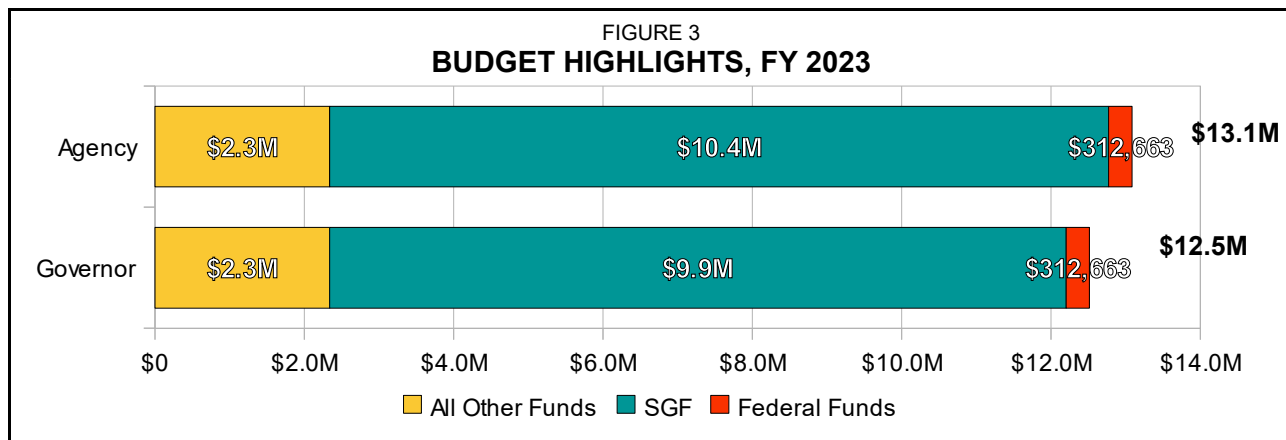
The **agency** requests a revised estimate of \$12.5 million, including \$9.6 million SGF, in FY 2022. This is an all funds increase of \$763,560, or 6.5 percent, and an SGF decrease of \$23,331, or less than 1.0 percent, from the amount approved by the 2021 Legislature. The revised estimate includes 143.5 FTE positions, which is the same as the number approved by the 2021 Legislature.

The revised estimates includes an operating budget of \$11.3 million, including \$9.6 million SGF, in FY 2022. This is an all funds increase of \$750,099, or 7.1 percent, and an SGF decrease of \$23,331, or 0.2 percent, from the amount approved by the 2021 Legislature. The all funds increase is primarily attributable to funding transferred from the Kansas State Department of Education (KSDE) and the Kansas Department of Health and Environment (KDHE) to fund Phase 3 of the LAP (\$545,738) and increased special revenue funds. The increase for the LAP was transferred from KSDE (\$200,000) and KDHE (\$345,738) from unused funds in FY 2021.

The revised estimate includes a capital improvements budget of \$1.2 million, all from the State Institutions Building Fund (SIBF), in FY 2022. This is an increase of \$13,461, or 1.1 percent, above the FY 2022 approved amount. This increase is due to the agency requesting the reappropriation of funding from FY 2021 into FY 2022.

The **Governor** recommends expenditures of \$12.5 million, including \$9.6 million SGF, in FY 2022. This is an increase of \$17,833 SGF above the agency's FY 2022 revised estimate due to the Governor's recommendation to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.

The **Governor** concurs with the agency's capital improvements FY 2022 revised estimate.



The **agency** requests \$13.1 million, including \$10.4 million SGF, for FY 2023. This is an all funds increase of \$585,867, or 4.7 percent, including an SGF increase of \$856,141, or 8.9 percent, above the FY 2022 revised estimate. This request includes 143.5 FTE positions, which is the same as the FY 2022 revised estimate number. The agency request includes an operating budget of \$11.6 million, including \$10.4 million SGF, for FY 2023. This is an all funds increase of \$261,992, or 2.3 percent, and an SGF increase of \$856,141, or 8.9 percent, above the FY 2022 revised estimate. This increase is primarily attributable to increased expenditures for salaries and wages for staff and for contractual services due to the agency's enhancement requests for increase dorm and paraprofessional salaries and the implementation of Phase 3 and Phase 4 of the Language Assessment Program (LAP). The SGF increase is partially offset by decreased special revenue funds to reflect the end of one-time funding for the LAP Phase 3 from KDHE and KSDE. Without the enhancement requests, the agency's FY 2023 operating budget request totals \$10.8 million, including \$9.7 million SGF. Significant items in the agency request include the following:

- **TEACHER SALARY INCREASE.** KSA 76-11a17 requires teachers at KSSD be paid the same as teachers at USD 233 Olathe in the prior year. The agency's FY 2023 budget includes \$75,094 associated with these teacher salary and wage increases. This is a 2.5 percent increase from FY 2022.
- **ENHANCEMENT FOR DORM/PARAPROFESSIONAL SALARY INCREASE.** The agency requests \$112,820 SGF for a 10.0 percent increase for dorm and paraprofessional staff salaries and wages. The agency stated this funding is necessary to compete with other higher paying job opportunities in the area and recruit and retain dorm and paraprofessional staff.
- **ENHANCEMENT FOR LAP PHASE 3 AND PHASE 4 IMPLEMENTATION.** The agency requests \$658,865 SGF to implement Phase 3 and Phase 4 of the LAP in FY 2023. Funding for Phase 3 implementation (\$466,658) includes expenditures for salaries and wages for three specialists and one interpreter positions, assessment tools, training and travel costs, and technology. Funding for Phase 4 implementation (\$192,207) includes expenditures for salaries and wages for 2.5 FTE positions, assessment tools, training costs, and technology.

The agency request also includes a capital improvements budget of \$1.5 million, all from the State Institutions Building Fund, for FY 2023. This is an increase of \$323,875, or 26.9 percent, above the FY 2022 revised estimate. This increase is primarily attributable to increased expenditures for rehabilitation and repair and major classroom renovations as planned.

The **Governor** recommends expenditures of \$12.5 million, including \$9.9 million SGF, for FY 2023. This is an SGF decrease of \$569,736, or 4.6 percent, below the agency's FY 2023 request. The decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for Phase 3 and Phase 4 implementation of the LAP. The decrease is partially offset by \$56,010 in additional funding for the KSA 76-11a17 salary increases, which brings the total expenditures for these increases to \$131,010 SGF. Additionally, the recommendation includes \$33,119 associated with the Governor's pay plan for nursing positions.

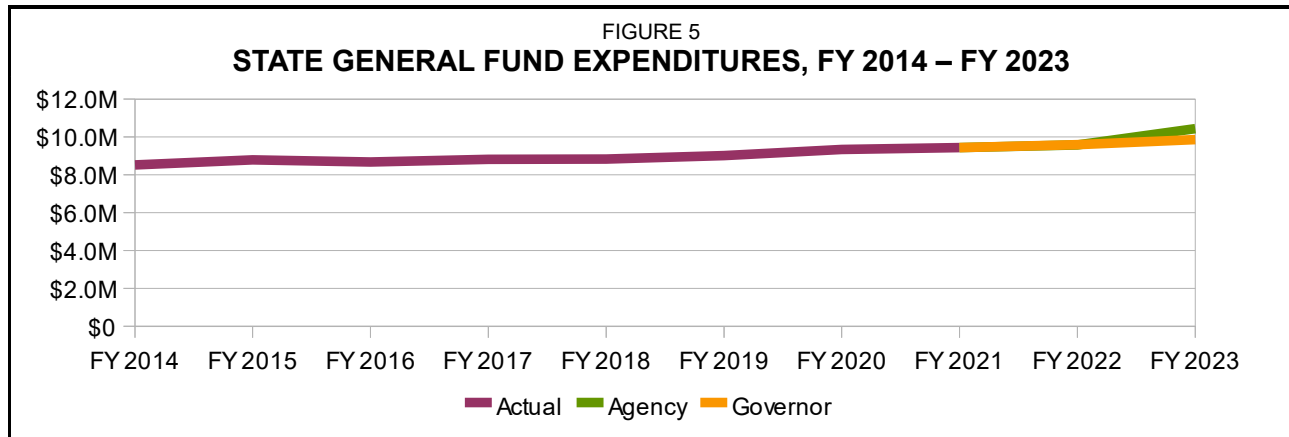
The Governor's recommendation includes a capital improvements budget of \$1.5 million, all from the State Institutions Building Fund (SIBF), which is unchanged from the agency's FY 2023 request. The Governor's recommendation also includes 143.5 FTE positions, which is unchanged from the agency's FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

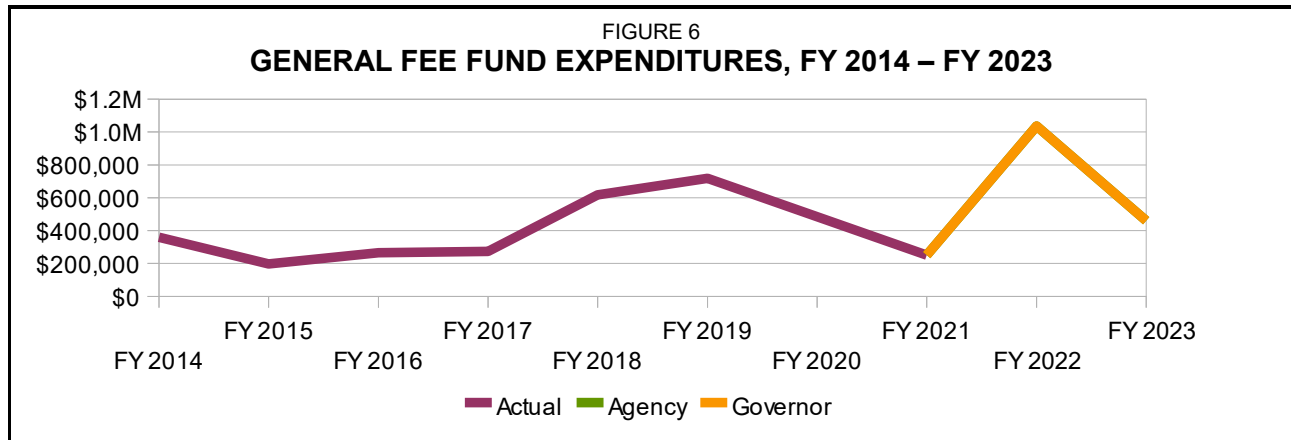
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 8,885,910	\$ 9,733,429	\$ 9,751,262	\$ 10,293,756	\$ 9,926,646
Contractual Services	828,756	1,254,665	1,254,665	898,457	726,170
Commodities	430,587	271,844	271,844	309,649	279,310
Capital Outlay	636,450	32,900	32,900	52,968	52,968
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 10,781,703</i>	<i>\$ 11,292,838</i>	<i>\$ 11,310,671</i>	<i>\$ 11,554,830</i>	<i>\$ 10,985,094</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	30,657	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 10,812,360</i>	<i>\$ 11,292,838</i>	<i>\$ 11,310,671</i>	<i>\$ 11,554,830</i>	<i>\$ 10,985,094</i>
Capital Improvements	1,352,638	1,206,033	1,206,033	1,529,908	1,529,908
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 12,164,998	\$ 12,498,871	\$ 12,516,704	\$ 13,084,738	\$ 12,515,002
Financing:					
State General Fund	\$ 9,441,333	\$ 9,577,352	\$ 9,595,185	\$ 10,433,493	\$ 9,863,757
State Institutions Building Fund	1,383,705	1,206,033	1,206,033	1,529,908	1,529,908
Federal Funds	730,014	379,344	379,344	312,663	312,663
All Other Funds	609,946	1,336,142	1,336,142	808,674	808,674
TOTAL	\$ 12,164,998	\$ 12,498,871	\$ 12,516,704	\$ 13,084,738	\$ 12,515,002
FTE Positions	143.5	143.5	143.5	143.5	143.5

STATE GENERAL FUND



For the Kansas State School for the Deaf, SGF expenditures are \$9.6 million in FY 2022 and \$10.4 million for FY 2023. This is an increase of \$856,141 from FY 2022 to FY 2023, which is primarily due to enhancement requests for dorm paraprofessional salary increases and the LAP Phase 3 and Phase 4 implementation. The Governor recommends SGF expenditures of \$9.9 million for FY 2023, which is an increase of \$268,572 above the FY 2022 revised estimate, but is a decrease of \$569,736 below the agency's FY 2023 request. This decrease is attributable to the Governor not recommending the agency's enhancement requests for FY 2023.

GENERAL FEE FUND



The General Fee Fund expenditures in the agency's FY 2022 revised estimate total \$1,036,208, which includes \$545,738 for the implementation of Phase 3 of the LAP transferred from KDHE and KSDE from unused funding in FY 2021. The agency's request includes General Fee Fund expenditures of \$460,470 for FY 2023, which is a decrease of \$575,738. The decrease is due to the end of one-time funding transferred from KDHE and KSDE to fund the LAP Phase 3 implementation in FY 2022. The Governor's recommendation concurs with the agency's estimates for General Fee Fund expenditures in both FY 2022 and FY 2023.

General Fee Fund revenue is from reimbursements from unified school districts (USDs) for paraprofessionals pursuant to KSA 76-1006, tuition from out-of-state students, weekend student supervision fees, and rent from the National Helen Keller Center and other campus facilities. Funds fluctuate based on the number of students who qualify for paraprofessional assistance.

FY 2022 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 9,600,683	\$ 2,134,628	\$ 11,735,311	143.5
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 9,600,683</i>	<i>\$ 2,134,628</i>	<i>\$ 11,735,311</i>	<i>143.5</i>
Agency Revised Estimate:				
2. LAP Phase 3 Implementation - KDHE and KSDE	\$ -	\$ 545,738	\$ 545,738	--
3. Partially Lapse Reappropriations	-	(110)	(110)	--
4. All Other Adjustments	(23,331)	241,263	217,932	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 9,577,352</i>	<i>\$ 2,921,519</i>	<i>\$ 12,498,871</i>	<i>143.5</i>
Governor's Recommendation:				
5. Nurse Base Pay Increase	\$ 17,833	\$ -	\$ 17,833	--
TOTAL	\$ 9,595,185	\$ 2,921,519	\$ 12,516,704	143.5

LEGISLATIVE APPROVED

1. The 2021 Legislature approved a budget of \$11.7 million, including \$9.6 million from the State General Fund (SGF), for the Kansas State School for the Deaf in FY 2022. No adjustment has been made subsequently to that amount.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$12.5 million, including \$9.6 million SGF, in FY 2022. This is an all funds increase of \$763,560, and an SGF decrease of \$23,331, from the amount approved by the 2021 Legislature. The revised estimate includes an operating budget of \$11.3 million, including \$9.6 million SGF, in FY 2022. This is an all funds increase of \$750,099, and an SGF decrease of \$23,331, from the amount approved by the 2021 Legislature. The agency estimate includes the following adjustments:

2. **LAP PHASE 3 IMPLEMENTATION—KDHE AND KSDE.** The agency's revised estimate includes an increase of \$545,738, all special revenue funds, transferred from KDHE (\$344,738) and KSDE (\$200,000) from unused funds in FY 2021.
3. **PARTIALLY LAPSE SIBF REAPPROPRIATIONS.** The agency's revised estimate includes a decrease of \$110, all from the State Institutions Building Fund (SIBF), to partially lapse the SIBF funding reappropriated from FY 2021 to FY 2022.
4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes increased expenditures from special revenue funds to reflect increased revenue in the General Fee Fund and Universal Newborn Screening Fund. The General Fee Fund increase is primarily due to an increased number of students with additional assistance, while the Universal Newborn Screening Fund increase is due to carryover of COVID funding from FY 2021 to FY 2022.

The revised estimate includes a capital improvements budget of \$1.2 million, all from the SIBF, in FY 2022. This is the same as the amount approved by the 2021 Legislature. The revised estimate includes 143.5 FTE positions, which is the same number as approved by the 2021 Legislature.

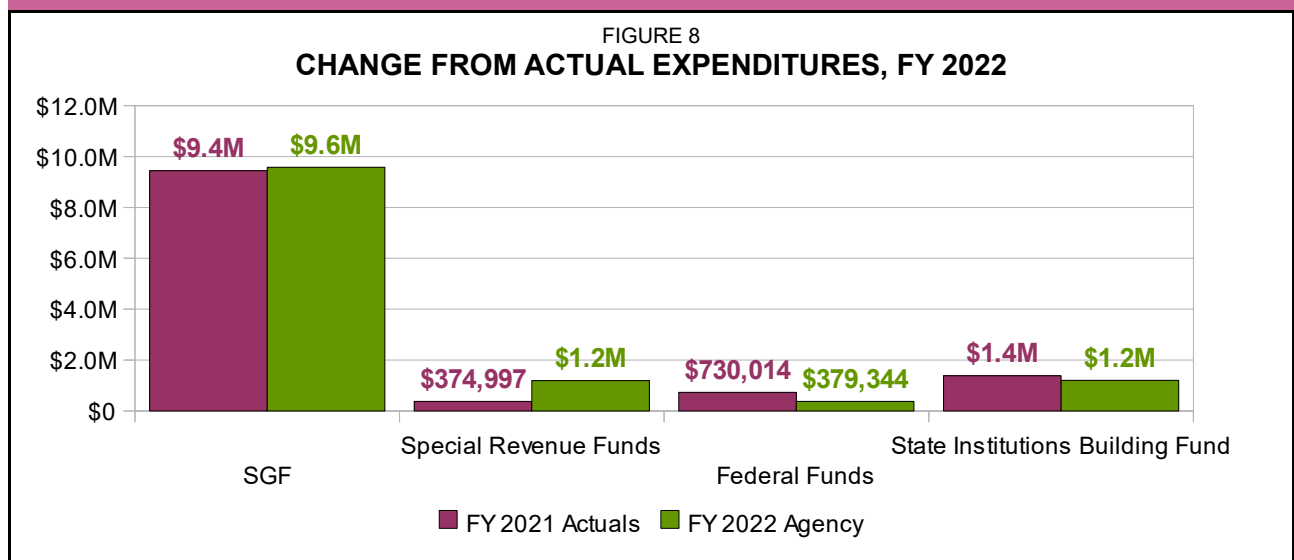
GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$12.5 million, including \$9.6 million SGF, in FY 2022. This is an SGF increase of \$17,833 above the agency's FY 2022 revised estimate. The Governor's recommendation includes the following adjustment:

5. **NURSE BASE PAY INCREASE.** The Governor recommends adding \$17,833, all SGF, in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.

The **Governor** concurs with the agency's FY 2022 capital improvements revised estimate. The Governor's recommendation also includes 143.5 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency's revised estimate in FY 2022 includes an all funds increase of \$333,873, and an SGF increase of \$136,019, above the FY 2021 actual expenditures. The all funds increase is primarily attributable to funding transferred from KSDE and KDHE to fund Phase 3 of the LAP (\$545,738) and increased special revenue funds. The revised estimate includes 143.5 FTE positions, which is the same as the FY 2021 amount.

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 9,577,352	\$ 2,921,519	\$ 12,498,871	143.5
Agency Request:				
1. Enhancement– Dorm/ Paraprofessional Salary Increase	\$ 112,820	\$ -	\$ 112,820	--
2. Enhancement– LAP Phase 3	466,658	-	466,658	--
3. Enhancement– LAP Phase 4	192,207	-	192,207	--
4. KSA 76-11a17 Teacher Salary Increase	75,094	-	75,094	--
5. Capital Improvement Increases	-	323,857	323,857	--
6. All Other Adjustments	9,362	(594,131)	(584,769)	--
<i>Subtotal–Agency Estimate</i>	<i>\$ 10,433,493</i>	<i>\$ 2,651,245</i>	<i>\$ 13,084,738</i>	<i>143.5</i>
Governor’s Recommendation:				
7. Nurse Base Pay Increase	\$ 33,119	\$ -	\$ 33,119	--
8. Additional Teacher Salary Increase	56,010	-	56,010	--
9. Enhancement– LAP Phase 3	(466,658)	-	(466,658)	--
10. Enhancement– LAP Phase 4	(192,207)	-	(192,207)	--
TOTAL	\$ 9,863,757	\$ 2,651,245	\$ 12,515,002	143.5

AGENCY REQUEST

The **agency** requests \$13.1 million, including \$10.4 million SGF, for FY 2023. This is an all funds increase of \$585,867, including an SGF increase of \$856,141, above the FY 2022 revised estimate. The agency request includes an operating budget of \$11.6 million, including \$10.4 million SGF. This is an all funds increase of \$261,992, including an SGF increase of \$856,141, above the FY 2022 revised estimate. The agency request includes the following adjustments:

- 1. ENHANCEMENT–DORM/PARAPROFESSIONAL SALARY INCREASE.** The agency requests includes \$112,820, all SGF, for a 10.0 percent increase for dorm and paraprofessional staff salaries and wages. The agency stated this funding is necessary to compete with other higher paying job opportunities in the area and recruit and retain dorm and paraprofessional staff.
- 2. ENHANCEMENT–LAP PHASE 3 IMPLEMENTATION.** The agency requests includes \$466,658 SGF to fund Phase 3 of the LAP for FY 2023. This request includes salary and wage expenditures (\$264,032) and contractual services expenditures (\$202,626). The FY 2022 revised estimate includes \$545,738, all special revenue funds, to reflect a one-time transfer from KDHE and KSDE to fund the LAP Phase 3. This was pursuant to an agreement between the agencies that was initiated by the Senate Committee on Education during the 2021 Session.
- 3. ENHANCEMENT–LAP PHASE 4 IMPLEMENTATION.** The agency requests includes \$192,207, all SGF, to fund Phase 4 of the LAP beginning in FY 2023. This request includes salary and wage expenditures (\$176,325) and contractual services expenditures (\$15,882).
- 4. TEACHER SALARY INCREASE.** Pursuant to KSA 76-11a17, which requires teachers at KSSD be paid the same as teachers at USD 233 Olathe in the prior year, the agency's request includes \$75,094 for teacher salary and wage increases for FY 2023. This is a 2.5 percent increase from FY 2022.

5. **CAPITAL IMPROVEMENT INCREASES.** The agency request includes an increase of \$323,857, all SIBF, to reflect capital improvement expenditure increases. The increase is primarily due to a planned classroom renovation and increased repair and rehabilitation expenditures.
6. **ALL OTHER ADJUSTMENTS.** The agency request includes an all funds decrease of \$584,769, and an SGF increase of \$9,362, from the FY 2022 revised estimate to reflect other adjustments. The all funds decrease primarily reflects the end of one-time funding transferred from KDHE and KSDE to KSSD in FY 2022 for the LAP Phase 3.

The agency request includes a capital improvements budget of \$1.5 million, all SIBF, which is an increase of \$323,875, or 26.9 percent, above the FY 2022 revised estimate.

The agency request also includes 143.5 FTE positions, which is the same number as the FY 2022 revised estimate.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$12.5 million, including \$9.9 million SGF, for FY 2023. This is an SGF decrease of \$569,736 below the agency's FY 2023 request. The Governor's recommendation includes the following adjustments:

7. **NURSE BASE PAY INCREASE.** The Governor recommends adding \$33,119 SGF for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as the temporary pay differentials for hourly personnel.
8. **ADDITIONAL TEACHER SALARY INCREASE.** The Governor's recommendation includes an additional \$56,010 SGF to fund the KSA 76-11a17 salary increases with total expenditures of \$131,010 SGF. The agency's FY 2023 budget request included total expenditures of \$75,000 for this purpose, however USD 233 Olathe completed teacher salary negotiations, which would require an additional \$56,010 above the FY 2023 agency request. The Governor recommends this additional funding for FY 2023.
9. **ENHANCEMENT-LAP PHASE 3 IMPLEMENTATION.** The Governor does not recommend the agency's enhancement request for \$466,658 SGF to fund Phase 3 of the LAP for FY 2023.
10. **ENHANCEMENT-LAP PHASE 4 IMPLEMENTATION.** The Governor does not recommend the agency's enhancement request for \$192,207 SGF to fund Phase 4 of the LAP beginning in FY 2023.

The Governor's recommendation includes a capital improvements budget of \$1.5 million, all SIBF, which is unchanged from the agency's FY 2023 request. The Governor's recommendation also includes 143.5 FTE positions, which is unchanged from the agency's FY 2023 request.

ENHANCEMENT REQUESTS

ENHANCEMENT 1

DORM/PARAPROFESSIONAL SALARY INCREASE

The **agency** requests \$112,820, all SGF for a 10.0 percent increase for dormitory and paraprofessional salary increases in FY 2023. The agency believes that recruiting and retaining staff is proving difficult due to a lack of competition with other job opportunities in the area. The agency has indicated that insufficient staffing limits the number of students who can live on campus while attending the school, even if it would be beneficial for the student to live on campus.

The Governor recommends adoption of this enhancement request.

ENHANCEMENT 2

LAP IMPLEMENTATION

Item	LAP Implementation			
	Agency Request		Governor's Recommendation	
	Phase 3	Phase 4	Phase 3	Phase 4
LAP Implementation	\$ 466,658	\$ 192,207	- \$	-

The **agency** requests \$668,864 SGF to implement Phase 3 and Phase 4 of the LAP. Further information on the LAP can be found under the special topics section.

- **PHASE 3.** The agency requests \$466,658 for Phase 3, for FY 2023. This includes \$264,032 for salaries and wages expenditures for three specialists and one interpreter positions and \$202,626 for contractual services expenditures for assessment tools, training, travel, and technology. Phase 3 provides assessment of children ages birth to age three who are deaf or hard-of-hearing (D/HH).
- **PHASE 4.** The agency requests \$192,207 for Phase 4, which includes \$176,325 for salaries and wages expenditures and \$15,882 for contractual services expenditures for assessment tools, training, and technology. Phase 4 would expand assessments to all D/HH children from birth to five years old.

The Governor does not recommend adoption of this enhancement request.

SPECIAL TOPICS

TOPIC 1

LAP FIVE-YEAR IMPLEMENTATION PLAN

KSA 75-5397e established the LAP to be coordinated by the Kansas Commission for the Deaf and Hard of Hearing (KCDHH), a commission in the Department for Children and Families. The purpose of the program is to assess, monitor, and track language milestones, including English and American Sign Language, for children from birth to eight years old. KSA 75-5397e also states that these language assessments are to be provided through early intervention services in KDHE or through the school district, for children ages three and older. The advisory committee report to the Governor and the Legislature on January 31, 2018, included several recommendations, including a five-year phase-in of the LAP and designated KSSD as the lead agency for implementation due to staff expertise in deaf education.

As lead agency, KSSD began to establish and administer the LAP, including housing the database and having the KSSD specialists provide all assessments. Expenditures anticipated by the agency include various assessment tools, training of specialists and team members, database development and maintenance, salary costs for ten specialists, and travel costs related to the assessments. KSSD absorbed the \$210,722 to implement Phase 1 and Phase 2, with SoundBeginnings grant funding covering initial database costs.

KSSD requested \$466,658 to implement Phase 3 of the LAP in FY 2021 and FY 2022. The Legislature did not appropriate this funding, but the 2021 Legislature recommended KSSD, KDHE, KSDE, and the Children's Cabinet collaborate to determine how the LAP could be funded in the future without additional SGF moneys. KDHE and KSDE agreed to provide funding for Phase 3 in FY 2022.

FY 2023 AGENCY REQUEST

The **agency** request includes \$668,864, all SGF, to implement Phase 3 (\$466,658) and Phase 4 (\$192,207) of the LAP. Phase 3 expenditures include \$264,032 for salaries and wages, \$19,939 for assessment tools, \$23,701 for training, \$15,000 for database costs, \$128,096 for travel costs, \$6,120 for technology costs, and \$5,000 for promotional expenses. Phase 4 expenditures include \$176,325 for salaries and wages, \$2,971 for assessment tools, \$5,310 for training, and \$7,600 for technology costs.

The **Governor** does not recommend adoption of the agency's FY 2023 enhancement request for Phase 3 and Phase 4 implementation of the LAP.

CHILDREN ASSESSED PER PHASE

- Phase 1 of the LAP included those children, from birth to three years old, served through Sound START in FY 2019 (10 children);
- Phase 2 expanded the LAP to KSSD children ages three to eight years old and outreach evaluation to children ages three to eight years old in FY 2020 (66 children) and continued in FY 2021 (81 children);
- Phase 3 expanded the LAP to all D/HH children up to three years old beginning in FY 2022 (with an estimate of assessing 250 children);
- Phase 4 would expand the LAP to all D/HH children up to five years old beginning in FY 2023 (with an estimate of assessing 400 children); and
- Phase 5 would expand the LAP to all D/HH children up to eight years old beginning in FY 2024 (with an estimate of assessing 772 children).

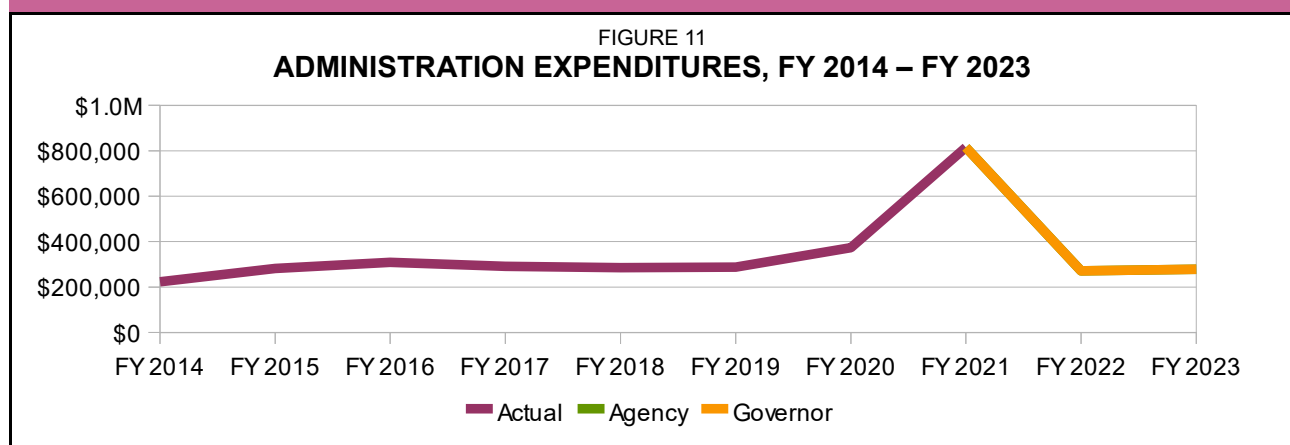
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 815,319	\$ 271,457	\$ 271,457	\$ 277,865	\$ 277,865
Instructional Services	7,800,246	9,002,142	9,019,975	9,252,565	8,682,829
Support Services	2,196,795	2,019,239	2,019,239	2,024,400	2,024,400
Capital Improvements	1,352,638	1,206,033	1,206,033	1,529,908	1,529,908
TOTAL	\$ 12,164,998	\$ 12,498,871	\$ 12,516,704	\$ 13,084,738	\$ 12,515,002
FTE Positions:					
Administration	3.0	2.0	2.0	2.0	2.0
Instructional Services	104.5	108.5	108.5	108.5	108.5
Support Services	36.0	33.0	33.0	33.0	33.0
Capital Improvements	-	-	-	-	-
TOTAL	143.5	143.5	143.5	143.5	143.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Advance the agency's mission, vision, and core values by assuring quality services are provided to internal and external community members.
- Promote a safe and healthy environment for employees to gain satisfaction from their contributions to the agency mission.

The Administration Program coordinates overall management and operations of KSSD, including instructional, residential, and support services. The program also is responsible for

coordinating programs and activities that impact KSDE, AdvancED requirements, budget preparation, and implementation of the School Improvement Plan.

FIGURE 12
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Increase Job Satisfaction to 90%*	85.00%	89.00%	86.00%	90.00%	90 %
2. Increase in Dual Staff Endorsement*	76	83	78	85	85
Financing					
SGF	Actual FY 2020 \$ 352,743	Actual FY 2021 \$ 371,371		Governor FY 2022 \$ 266,355	Governor FY 2023 \$ 272,769
Federal Funds	-	440,326		5,102	5,096
All Other Funds	41,383	3,622		-	-
TOTAL	\$ 394,126	\$ 815,319		\$ 271,457	\$ 277,865
Percentage Change:					
SGF	22.7 %	5.3 %		(28.3) %	2.4 %
All Funds	37.1 %	106.9 %		(66.7) %	2.4 %
FTE Positions	3.0	3.0		2.0	2.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests an Administration Program budget of \$271,457, including \$266,355 SGF, in FY 2022 and \$277,865, including \$272,769 SGF, for FY 2023.

FY 2022 REVISED ESTIMATE

The agency requests a revised estimate of \$271,457, including \$266,355 SGF, for the Administration Program in FY 2022. This is an all funds decrease of \$10,020, or 3.6

percent, below the amount approved by the 2021 Legislature. This decrease is primarily attributable to a decrease in contractual services expenditures due to a shifting of expenditures of \$9,175 to Instructional Services and Support Services, which are the correct programs. The remaining decrease is primarily attributable to a decrease in salaries and wages expenditures, primarily due to decreased employer contributions to retirement and health benefits.

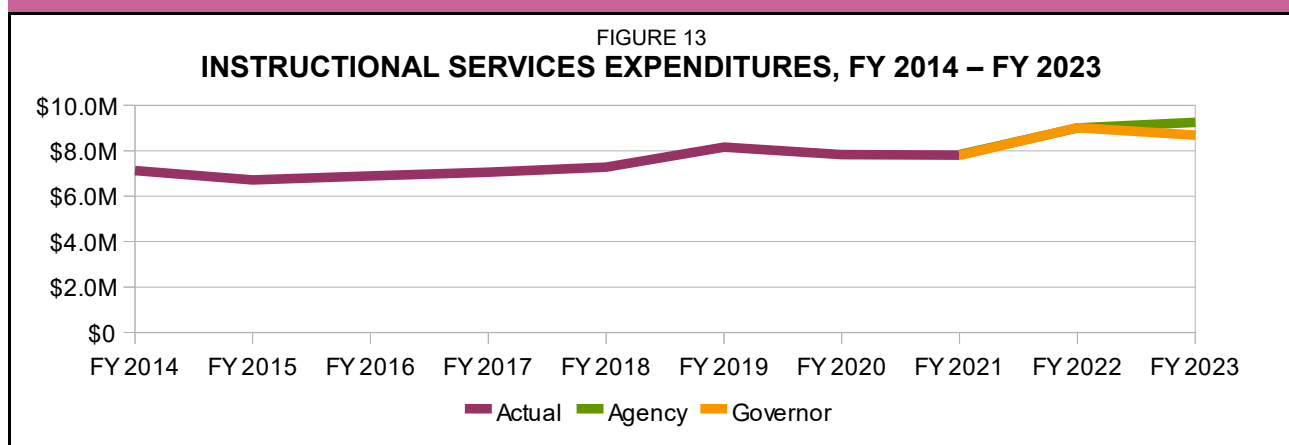
The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 AGENCY REQUEST

The **agency** requests \$277,865, including \$272,769 SGF, for the Administration program for FY 2023. This is an all funds increase of \$6,408, or 2.4 percent, above the FY 2022 revised estimate. This includes an SGF increase of \$6,414, or 2.4 percent. This increase is primarily attributable to an increase of \$6,100 in contractual services expenditures due to anticipated attendance at education conferences, which were temporarily halted due to the COVID-19 pandemic. The remaining increase is attributable to commodities expenditures for increased supply expenditures.

The **Governor** concurs with the agency's FY 2023 request.

INSTRUCTIONAL SERVICES



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Increase student enrollment at campus-based program.
- Increase direct and indirect support for students and families.
- Administer language assessment assessments to at least 50 students each year through the LAP.

The Instructional Services program is designed to focus on the unique needs of students who are deaf and hard of hearing (D/HH). The program is designed to deliver both the general academic and D/HH-specific educational services required by this population of students. Below are some of the subprograms organized to meet these requirements.

The **Day Program** includes the Early Childhood Education Center, the elementary program (grades K-6), and the secondary program (grades 7-12). Additionally, the post-high school program Kansas Student Transition and Academic Readiness provides services to students up to age 21. These programs are designed to meet each student's varying educational needs as well as postsecondary planning, including preparation for employment, advanced education, advanced skill training, and independent living skills.

The **Student Life Program** offers a variety of opportunities to participate in extracurricular activities and athletic teams.

Extended School Year is a three-week program designed to help D/HH students maintain academic, social/behavioral, communication, or other skills. Over the past few years, the program has been expanded so more students from local school districts can attend.

Outreach Services strives to provide high-quality services, resources, and support to D/HH children throughout Kansas. The team provides comprehensive services that include consultation, on-site observation, professional development training, workshops for parents and professionals, a professional and family resource library, community presentations, and statewide parent support.

FIGURE 14
INSTRUCTIONAL SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Increase enrollment on campus	148	154	149	159	164
2. Increase students served statewide	453	537	413	569	580

FIGURE 14
INSTRUCTIONAL SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3.Students receiving LAP services under KSA 75-5397e*	56	81	52	146	250
Output Measure:					
4.Extended School Year Enrollment*	92	60	52	100	105
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 6,597,065	\$ 7,225,874		\$ 7,710,850	\$ 7,968,605
Federal Funds	180,237	217,503		332,531	262,567
All Other Funds	446,520	356,869		976,594	451,657
TOTAL	\$ 7,223,822	\$ 7,800,246		\$ 9,019,975	\$ 8,682,829
Percentage Change:					
SGF	(2.9) %	9.5 %		6.7 %	3.3 %
All Funds	(4.0) %	8.0 %		15.6 %	(3.7) %
FTE Positions	104.5	104.5		108.5	108.5
*The Governor's Office does not utilize this measure for evaluation purposes.					

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency** requests a revised estimate of \$9.0 million, including \$7.7 million SGF, for the Instructional Services Program in FY 2022. This is an all funds increase of \$1.0 million, or 12.6 percent, and an SGF increase of \$287,793, above the amount approved by the 2021 Legislature. The all funds increase is primarily attributable to an increase of \$572,857 in salaries and wages expenditures due to the filling of elementary and early childhood positions to serve students on campus and the teacher salary increase pursuant to KSA 72-11a17. The remaining increase is primarily attributable to an increase of \$485,358 in contractual services expenditures. This increase is primarily attributable to the transfer of \$545,738 from KDHE and KSDE for the implementation of the LAP Phase 3, partially offset by decreased travel expenditures.

The **Governor** recommends expenditures of \$9.0 million, including \$7.7 million SGF, for the Instructional Services Program in FY 2022. This is an increase of \$17,833, all SGF, due to the Governor's recommendation to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time

premium pay allocations up to \$3,500 for salaried staff.

FY 2023 AGENCY REQUEST

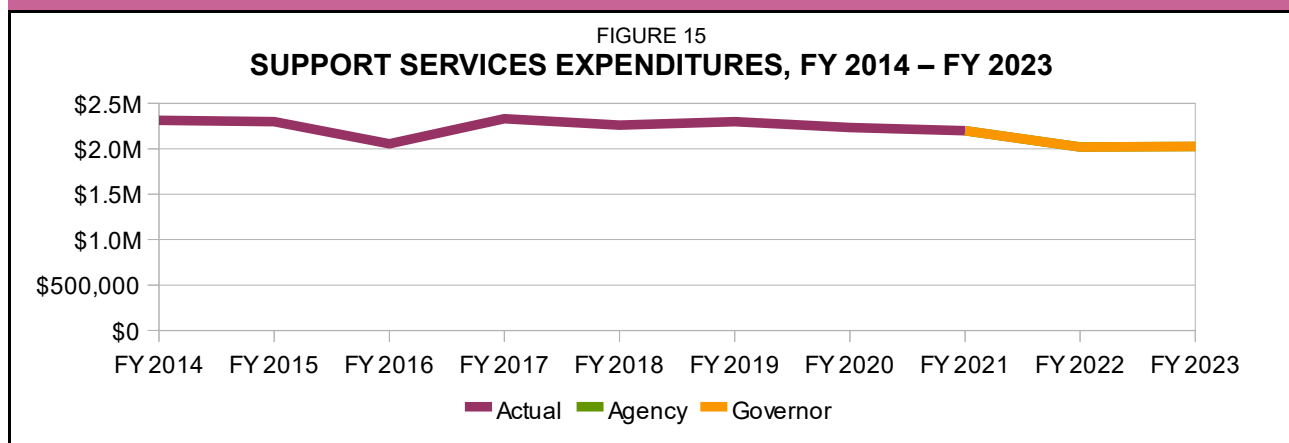
The **agency** requests \$9.3 million, including \$8.5 million SGF, for the Instructional Services Program for FY 2023. This is an all funds increase of \$250,423, or 2.8 percent, and an SGF increase of \$845,324, or 11.0 percent, above the FY 2022 revised estimate. The SGF increase is primarily attributable to an increase of \$568,462 in salaries and wages expenditures primarily due to increases salaries and wages for the LAP Phase 3 and Phase 4 implementation and increased group health costs. These increases are partially offset by decreased retirement and unemployment compensation expenditures.

The increase in SGF expenditures is partially offset by a decrease in contractual services expenditures from special revenue funds. The agency's request includes \$383,482 for contractual services, which is a decrease of \$370,241, or 49.1 percent, below the FY 2022 revised estimate. The decrease is primarily due to the end of one-time funding for the LAP Phase 3 transferred from KDHE and KSDE, which is entirely reflected as other service fees. This is partially offset by continued fees for LAP Phase 3 and Phase 4.

The **Governor** recommends expenditures of \$8.7 million, including \$8.0 million SGF, for the Instructional Services Program for FY 2023. This is an SGF decrease of \$569,736 below the agency's FY 2023 request. This decrease is

attributable the Governor not recommending the agency's enhancement request for the LAP Phase 3 and Phase 4 implementation for FY 2023.

SUPPORT SERVICES



STATUTORY BASIS: • KSA 1001b

PROGRAM GOALS:

- Safe and secure environment for students and professionals that provide specialized education.
- Provide and support technology on campus for specialized educational needs of students.
- Maintain a safe vehicle fleet to transport students to off-campus academic classes and extracurricular activities.

The Support Services program is responsible for ensuring that students have safe and secure facilities to enable the delivery of high-quality educational services. The program is responsible for human resources, capital

budgets, maintenance, groundskeeping, house keeping, food service, and security. KSSD shares these services with the Kansas State School for the Blind.

FIGURE 16
SUPPORT SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Security services meet standards*	90 %	90 %	90 %	90 %	90 %
2.IT resources for direct classroom support*	70 %	70 %	70 %	70 %	70 %
3.Average mileage per vehicle in fleet*	70,800	88,000	79,400	121,000	61,636
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,036,585	\$ 1,844,088		\$ 1,617,980	\$ 1,622,383
Federal Funds	30,663	72,185		41,711	45,000
All Other Funds	305,258	280,522		359,548	357,017
TOTAL	\$ 2,372,506	\$ 2,196,795		\$ 2,019,239	\$ 2,024,400
Percentage Change:					
SGF	(3.0) %	(9.5) %		(12.3) %	0.3 %
All Funds	(9.5) %	(7.4) %		(8.1) %	0.3 %
FTE Positions	36.0	36.0		33.0	33.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency** requests a revised estimate of \$2.0 million, including \$1.6 million SGF, for the Support Services Program in FY 2022. This is an all funds decrease of \$246,581, or 10.9 percent, and an SGF decrease of \$296,002, or 15.5 percent, below the amount approved by the 2021 Legislature. The all funds and SGF decrease is primarily attributable to a decrease in contractual services expenditures due to decreased expenditures for electricity and computer software. The remaining SGF decrease is primarily attributable to a decrease of \$81,408 for salaries and wages primarily due to unfilled janitorial and dietary positions.

The **Governor** concurs with the agency's FY 2022 revised estimate for the Support Services Program.

FY 2023 AGENCY REQUEST

The **agency** requests \$2.0 million, including \$1.6 million SGF, for the Support Services Program for FY 2023. This is an all funds increase of \$5,161, or 0.3 percent, above the FY 2022 revised estimate. This includes an

SGF increase of \$4,403, or 0.3 percent. The all funds and SGF increases are primarily attributable to an increase of \$7,933 for contractual services expenditures primarily attributable to increased electricity expenditures. The agency also requests commodities expenditures \$187,695, which is an increase of \$5,130, or 2.8 percent, above the FY 2022 revised estimate. The increase is primarily due to increased expenditures for food, partially offset by decreased expenditures for computer parts.

The increase in contractual services and commodities expenditures is partially offset by a decrease of \$7,902 for salaries and wages expenditures. This decrease is primarily due to decreased retirement and compensation benefits. Temporary positions were filled in FY 2022, so the agency anticipates a stabilization of salary and wage expenditures.

The **Governor** concurs with the agency's request for the Support Services Program for FY 2023.

CAPITAL IMPROVEMENTS

The Kansas State School for the Deaf has a capital improvements budget for its 11-acre campus and buildings. The funding is primarily from the State Institutions Building Fund (SIBF), though the FY 2021 budget also included federal COVID-19 relief funding.

CAMPUS BOILERS AND HVAC UPGRADES

The agency's capital improvements budget includes campus boilers and heating, ventilation, and air conditioning (HVAC) upgrade projects. The agency planned the upgrading of old HVAC and boiler systems over multiple years to allow for savings and minimal disruption.

REHABILITATION AND REPAIR

The agency's capital improvement budget includes rehabilitation and repair projects for campus facilities, including hot water tanks, masonry and metal repair, drywall repairs, maintenance and preventative services, and replacement of failing equipment.

SAFETY AND SECURITY

The agency's capital improvements budget includes campus safety and security systems projects. This includes upgrades and maintenance of the systems, procedures, and protocols.

FIGURE 17
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Building Renovations	\$ 159,985	\$ -	\$ -	\$ 114,035	\$ 114,035
Campus Boilers and HVAC Upgrades	529,814	529,200	529,200	571,230	571,230
Rehabilitation and Repair	386,972	492,238	492,238	650,148	650,148
Safety and Security	275,867	184,595	184,595	194,495	194,495
<i>Subtotal–Projects</i>	<u>\$ 1,352,638</u>	<u>\$ 1,206,033</u>	<u>\$ 1,206,033</u>	<u>\$ 1,529,908</u>	<u>\$ 1,529,908</u>
Debt Service Principal:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Subtotal–Debt</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u><u>\$ 1,352,638</u></u>	<u><u>\$ 1,206,033</u></u>	<u><u>\$ 1,206,033</u></u>	<u><u>\$ 1,529,908</u></u>	<u><u>\$ 1,529,908</u></u>
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,352,638	1,206,033	1,206,033	1,529,908	1,529,908
TOTAL	<u><u>\$ 1,352,638</u></u>	<u><u>\$ 1,206,033</u></u>	<u><u>\$ 1,206,033</u></u>	<u><u>\$ 1,529,908</u></u>	<u><u>\$ 1,529,908</u></u>

FY 2022 CAPITAL IMPROVEMENTS

The agency requests a revised estimate of \$1.2 million, all from the SIBF, in FY 2022. This is an increase of \$13,461, or 1.1 percent, above the amount approved by the 2021 Legislature. This reflects the reappropriation of funding from FY 2021 to FY 2022. This funding was not expended in FY 2021 due to logistical issues with vendors.

CAMPUS BOILERS AND HVAC UPGRADES. The agency requests \$529,200, all SIBF, which is the same as the FY 2022 approved amount. Planned work includes infrastructure upgrades and installation of dedicated boilers and HVAC systems for the Foltz Gym, Student Center, and Parks-Bilger complex.

REHABILITATION AND REPAIR. The agency requests a revised estimate of \$492,238, all SIBF, which is an increase of \$11,461, or 2.4 percent, above the FY 2022 approved amount, which reflects funding reappropriated from FY 2021 to FY 2022. Planned work includes general repairs of campus facilities and the upgrading the elementary playground to be compliant with the federal Americans with Disabilities Act (ADA).

SAFETY AND SECURITY. The agency requests a revised estimate of \$184,595, all SIBF, which is an increase of \$2,000, or 1.1 percent, above the FY 2022 approved amount. This increase reflects the reappropriated funding from FY 2021 to FY 2022. Planned work includes ongoing maintenance and upgrades for the Life/Safety systems.

The **Governor** concurs with the agency's capital improvements FY 2022 revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$1.5 million, all SIBF, for FY 2023. This is an increase of \$323,875, or 26.9 percent, above the FY 2022 revised estimate.

CAMPUS BOILERS AND HVAC UPGRADES. The agency requests \$571,230, all SIBF, which is an increase of \$42,030, or 7.9 percent, above the FY 2022 revised estimate. Planned work includes Phase 2 of the upgrades for the Foltz Gym, Student Center, and Parks-Bilger complex.

REHABILITATION AND REPAIR. The agency requests a revised estimate of \$650,148, all SIBF, which is an increase of \$157,910, or 32.1 percent, above the FY 2022 revised estimate. Planned work includes

general repairs of campus facilities, wall stabilization in the gym, and freezer/refrigeration replacement.

SAFETY AND SECURITY. The agency requests a revised estimate of \$194,495, all SIBF, which is an increase of \$9,900, or 5.4 percent, above the FY 2022 revised estimate. Planned work includes ongoing maintenance and upgrades for the Life/Safety systems.

RENOVATION. The agency requests \$114,035, all SIBF, for FY 2023 for classroom renovation. Planned work includes the remodel of the Roberts High School classrooms.

The **Governor** concurs with the agency's capital improvements request for FY 2023.

STATE LIBRARY

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 3,899,254	\$ 3,985,306	\$ 3,985,306	\$ 3,960,777	\$ 3,960,777
Federal Funds	2,363,789	4,530,576	4,530,576	1,927,141	1,927,141
All Other Funds	3,000	-	-	-	-
<i>Subtotal</i>	<i>\$ 6,266,043</i>	<i>\$ 8,515,882</i>	<i>\$ 8,515,882</i>	<i>\$ 5,887,918</i>	<i>\$ 5,887,918</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 6,266,043	\$ 8,515,882	\$ 8,515,882	\$ 5,887,918	\$ 5,887,918
Percentage Change:					
State General Fund	16.9 %	2.2 %	2.2 %	(0.6) %	(0.6) %
All Funds	12.3 %	35.9 %	35.9 %	(30.9) %	(30.9) %
FTE Positions	23.5	30.5	30.5	29.5	29.5

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

The State Library has served the state since 1855 and has existed in its present form since 1963 with the passage of the State Library Act, KSA 75-2534, *et seq.* The purpose of the State Library Act was to establish an agency empowered to assist library development throughout the state and to provide library and information extension services to all the residents of the state who do not have access to library services. Additionally, the State Library provides and promotes library and information services to legislators and state government officials. The State Library conducts programs to promote literacy and reading for everyone. The agency is headed by the State Librarian, who is appointed by the Governor. The State Librarian serves as an ex officio member (not entitled to vote) on the State Library of Kansas Board and serves as the Board Secretary (KSA 75-2546).

The mission of the State Library is to deliver 21st-century library services and resources to all Kansas residents. The State Library also strives to increase reading readiness and on-grade reading acuity, improve chances for academic success, and provide lifelong services to all Kansas residents. Finally, the State Library helps start and grow businesses and assists Kansas residents with employment opportunities. The State Library serves state government, librarians, and every Kansas resident.

To carry out its agency mission, the State Library has established a new three-program structure:

- The **Reference Division** provides research support to Kansas agencies and the Legislature, assists Kansans in identifying legislation or explaining legislative procedures, and catalogs state government records;
- The **Statewide Services and Resources Division** oversees library projects and services

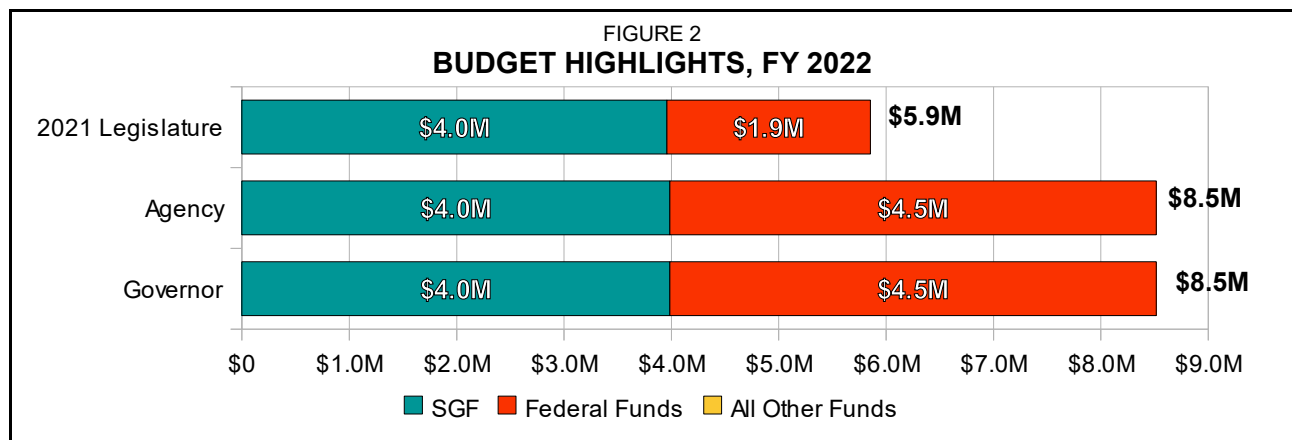
available to all Kansas residents, including the Kansas Library eCard, interlibrary loan, databases, and digital books. In addition to customer and technical support for resident services, the division assists libraries statewide with the federal E-rate program and disseminates library development information; and

- The **Talking Books Service to the Visually and Physically Impaired Division** provides a range of services for Kansas residents who cannot read conventional printed materials due to visual or physical impairments.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$5.6 million, including \$4.0 million from the State General Fund (SGF), for the State Library for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. Adjustments for this agency include the following:

- **SGF REAPPROPRIATIONS.** An increase of \$29,717, all SGF, to reflect reappropriated funds from FY 2021 to FY 2022.

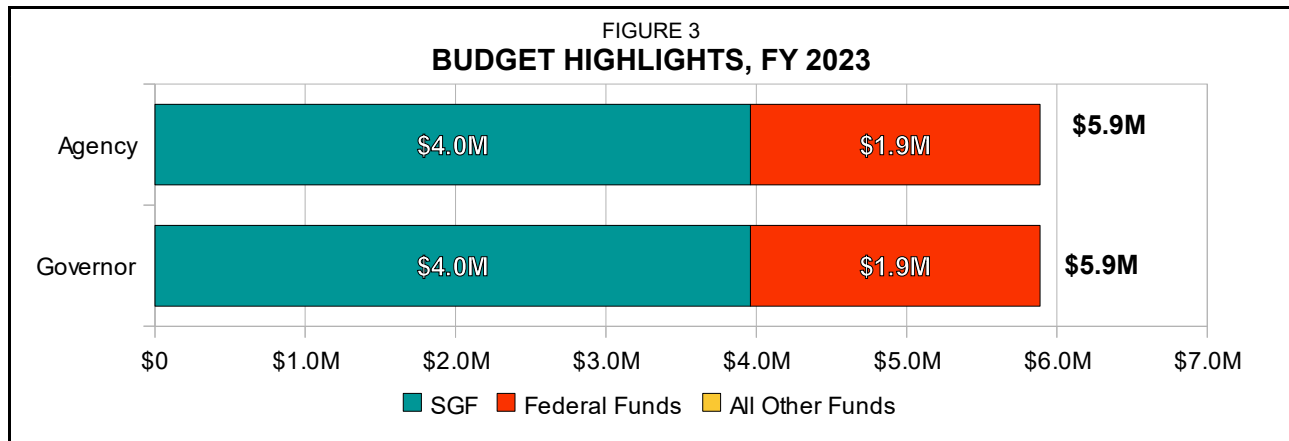


The **agency** requests a revised estimate of \$8.5 million, including \$4.0 million SGF, in FY 2022. This is an all funds increase of \$2.6 million, or 44.7 percent, with an SGF decrease of \$3,062, or 0.6 percent, from the amount approved by the 2021 Legislature. Significant items in the agency estimate include the following:

- **AMERICAN RESCUE PLAN ACT (ARPA) COVID FUNDING.** ARPA appropriated \$2.6 million in additional funding for libraries through the Federal Library Services and Technology Act (LSTA) Fund. This funding has primarily been awarded to libraries across the state.

The revised estimate includes 30.5 FTE positions, which is 0.5 FTE positions below the number approved by the 2021 Legislature.

The **Governor** concurs with the agency's FY 2022 revised estimate.



The **agency** requests \$5.9 million, including \$4.0 million SGF, for FY 2023 expenditures. This is an all funds decrease of \$2.6 million, or 30.9 percent, and an SGF decrease of \$24,529, or less than 1.0 percent, below the FY 2022 revised estimate. Significant items in the agency request include the following:

- **END OF ARPA COVID FUNDING.** The agency's request decreases from FY 2022 to FY 2023 primarily due to the anticipated end of one-time funding received under ARPA for COVID-19-related expenditures. The majority of the funding was through the LSTA Fund and was distributed to public libraries (\$2.1 million). The remainder was expended for access to the TumbleBooks database for three years.
- **LANDON BUILDING RENT.** The FY 2022 approved amount included \$30,000, all SGF, for moving or remodeling the State Library offices. In October 2021, statewide services staff moved to office space in the Landon State Office Building. The agency anticipates rent expenditures totaling \$33,000 for FY 2023 for this staff's office space.

The revised estimate includes 29.5 FTE positions for FY 2023, which is 1.0 FTE position below the FY 2022 revised estimate number.

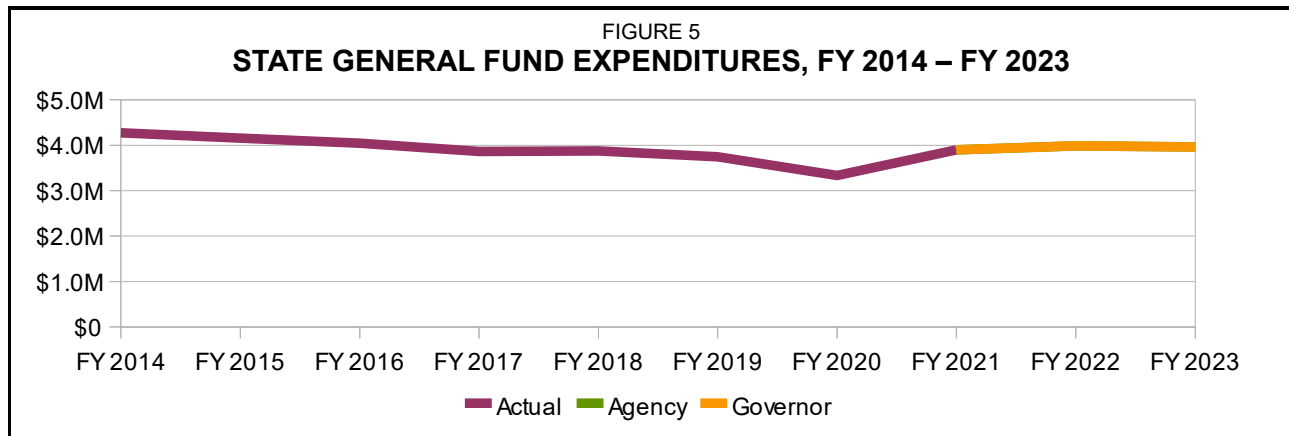
The **Governor** concurs with the agency's FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

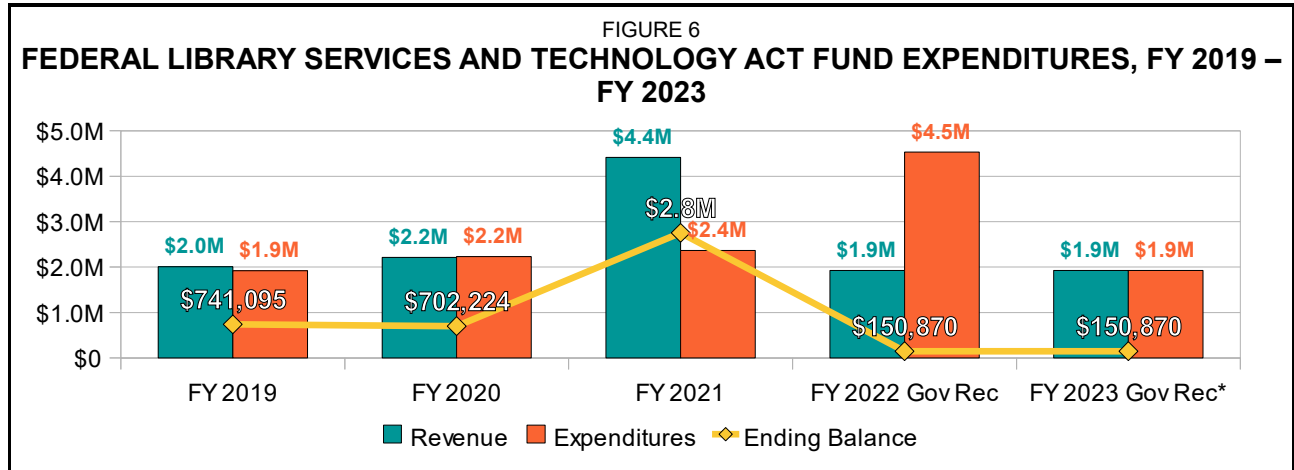
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 1,476,744	\$ 1,534,449	\$ 1,534,449	\$ 1,534,455	\$ 1,534,455
Contractual Services	2,795,807	2,364,550	2,364,550	2,318,074	2,318,074
Commodities	343,324	352,030	352,030	367,030	367,030
Capital Outlay	46,205	23,775	23,775	23,775	23,775
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 4,662,080</i>	<i>\$ 4,274,804</i>	<i>\$ 4,274,804</i>	<i>\$ 4,243,334</i>	<i>\$ 4,243,334</i>
Aid to Local Units	1,603,963	4,241,078	4,241,078	1,644,584	1,644,584
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 6,266,043</i>	<i>\$ 8,515,882</i>	<i>\$ 8,515,882</i>	<i>\$ 5,887,918</i>	<i>\$ 5,887,918</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 6,266,043	\$ 8,515,882	\$ 8,515,882	\$ 5,887,918	\$ 5,887,918
Financing:					
State General Fund	\$ 3,899,254	\$ 3,985,306	\$ 3,985,306	\$ 3,960,777	\$ 3,960,777
Federal Funds	2,363,789	4,530,576	4,530,576	1,927,141	1,927,141
All Other Funds	3,000	-	-	-	-
TOTAL	\$ 6,266,043	\$ 8,515,882	\$ 8,515,882	\$ 5,887,918	\$ 5,887,918
FTE Positions	23.5	30.5	30.5	29.5	29.5

STATE GENERAL FUND



For the State Library, SGF expenditures are \$4.0 million in FY 2022, which is an increase of \$86,052, or 2.2 percent above the FY 2021 actual SGF expenditures. The agency request includes \$4.0 million in SGF expenditures for FY 2023, which is a decrease of \$24,529, or 0.6 percent, from FY 2022 to FY 2023.

FEDERAL LIBRARY SERVICES AND TECHNOLOGY ACT FUND



* For FY 2023, the lowest month ending balance for the Federal Library Services and Technology Act Fund will occur in December with a balance of \$0.

The Federal Library Services and Technology Act Fund (LSTA) includes annual awards authorized by the Institute of Museum and Library Services. These funds are designed to improve library services; facilitate access to library resources; and encourage sharing of resources between libraries. The State Library of Kansas is a LSTA designate. There is a federal matching requirement that requires states maintain approximately 34.0 percent non-federal funds to match the 66.0 percent of LSTA funds.

The State Library received federal COVID-19 relief funds under both the CARES Act and ARPA. The CARES Act funding (\$263,243) was received and expended in FY 2020. The ARPA funding (\$2.6 million) was received in spring 2021, with a required expenditure date of September 30, 2022. It has primarily been awarded as subgrants to libraries across the state.

FY 2022 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 3,958,651	\$ 1,895,699	\$ 5,854,350	31.0
1. SGF Reappropriation	29,717	-	29,717	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 3,988,368</i>	<i>\$ 1,895,699</i>	<i>\$ 5,884,067</i>	<i>31.0</i>
Agency Revised Estimate:				
2. ARPA COVID-19 Relief Funding	\$ -	\$ 2,634,877	\$ 2,634,877	--
3. All Other Adjustments	(3,062)	-	(3,062)	(0.5)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 3,985,306</i>	<i>\$ 4,530,576</i>	<i>\$ 8,515,882</i>	<i>30.5</i>
Governor's Recommendation:				
4. No Changes	-	-	-	--
TOTAL	\$ 3,985,306	\$ 4,530,576	\$ 8,515,882	30.5

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$5.9 million appropriated to the State Library for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** An increase of \$29,717 SGF to reflect the reappropriation of funds from FY 2021 to FY 2022. This funding was not used in FY 2021 because two classified staff members retired and were replaced by two unclassified staff, leading to a decrease in salaries and wages.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$8.5 million, including \$4.0 million SGF, in FY 2022. This is an all funds increase of \$2.6 million, or 44.7 percent, and an SGF decrease of \$3,062, or less than 1.0 percent, from the amount approved by the 2021 Legislature.

The **agency** revised estimate includes the following adjustments:

2. **ARPA COVID-19 RELIEF FUNDING.** ARPA appropriated \$2.6 million in additional funding for libraries through the Federal Library Services and Technology Act (LSTA) Fund. At the time the agency budget was submitted, \$2.5 million was expended in FY 2022 as grants to public libraries (\$2.1 million) and three-year access to the TumbleBooks database (\$435,000). The agency anticipates the remainder will be expended in FY 2022.
3. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other adjustments totaling \$3,062 SGF in FY 2022. This adjustment includes decreased expenditures for salaries and wages to reflect the replacement of retired staff with new staff at lower salaries and wages, which is partially offset by increased commodities expenditures for gasoline. There was also some shifting of contractual services expenditures, with increases for two advertising campaigns, building rent, and computer server expenses and decreases for dues and subscriptions.

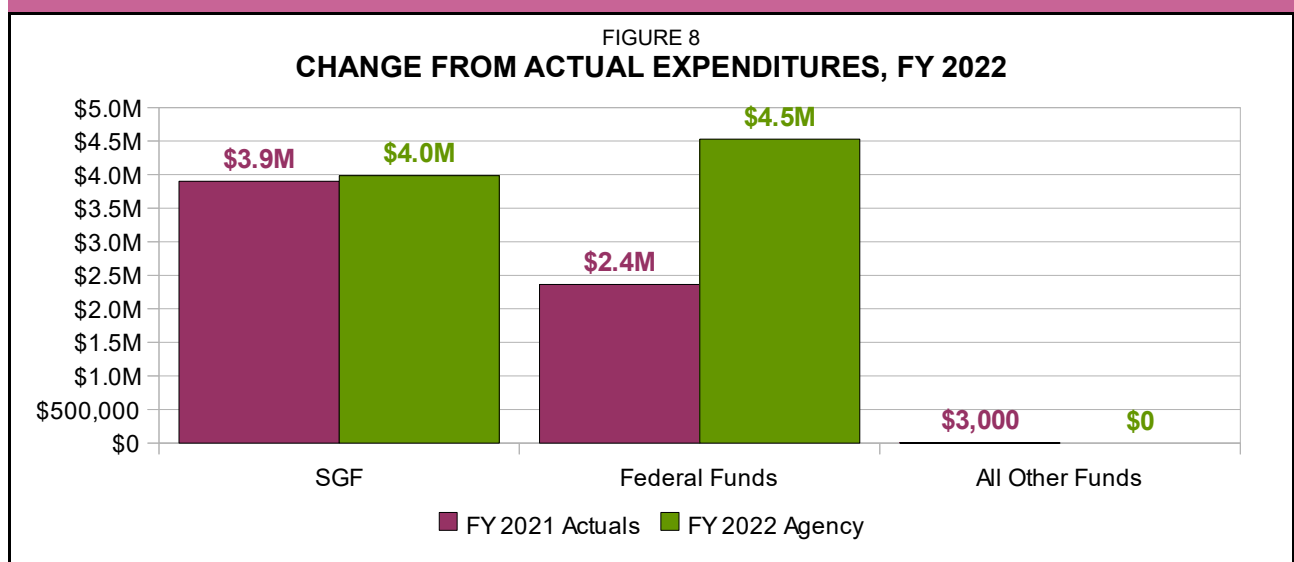
The **agency's** revised estimate also includes 30.5 FTE positions, which is 0.5 FTE position below the amount approved by the 2021 Legislature. The agency reviewed open positions and eliminated positions that were not likely to be filled.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$8.5 million, including \$4.0 million SGF, in FY 2022.

4. **NO CHANGES.** The Governor concurs with the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency's** revised estimate is an all funds increase of \$2.2 million, or 35.9 percent, including an SGF increase of \$86,052, or 2.2 percent, above FY 2021 actual expenditures. The all funds increase is primarily due to the one-time COVID-19 relief funding received under ARPA, partially offset by decreased contractual service expenditures in dues and subscriptions.

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 3,985,306	\$ 4,530,576	\$ 8,515,882	30.5
Agency Request:				
1. ARPA COVID-19 Relief Funding	\$ -	\$ (2,634,877)	\$ (2,634,877)	--
2. All Other Adjustments	(24,529)	31,442	6,913	(1.0)
<i>Subtotal—Agency Estimate</i>	\$ 3,960,777	\$ 1,927,141	\$ 5,887,918	29.5
Governor's Recommendation:				
3. No Changes.	-	-	-	--
TOTAL	\$ 3,960,777	\$ 1,927,141	\$ 5,887,918	29.5

AGENCY REQUEST

The **agency** requests \$5.9 million, including \$4.0 million SGF, for FY 2023. This is an all funds decrease of \$2.6 million, or 30.9 percent, including an SGF decrease of \$24,529, or less than 1.0 percent, below the FY 2022 revised estimate. The **agency** request includes the following adjustments:

1. **ARPA COVID-19 RELIEF FUNDING.** The agency request includes a decrease of \$2.6 million to reflect the end of one-time funding received under ARPA through the LSTA Fund for supporting public libraries. The majority of the funding was distributed to public libraries as grants (\$2.1 million) and the remainder was expended for access to the TumbleBooks database for three years. The entirety of this funding will be distributed and expended in FY 2022.
2. **ALL OTHER ADJUSTMENTS.** The agency request includes other adjustments related to decreased contractual services expenditures due to the end of two advertising campaigns and one-time purchase of computer servers in FY 2022, partially offset by increased commodities expenditures for office supplies and increased state aid to local governments.

The **agency** request also includes 29.5 FTE positions, which is a decrease of 1.0 FTE positions below the FY 2022 revised estimate number. The agency reviewed open FTE positions and determined that some positions that were unlikely to be filled could be deleted.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$8.5 million, including \$4.0 million SGF, in FY 2022.

3. **NO CHANGES.** The Governor concurs with the agency's FY 2023 request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

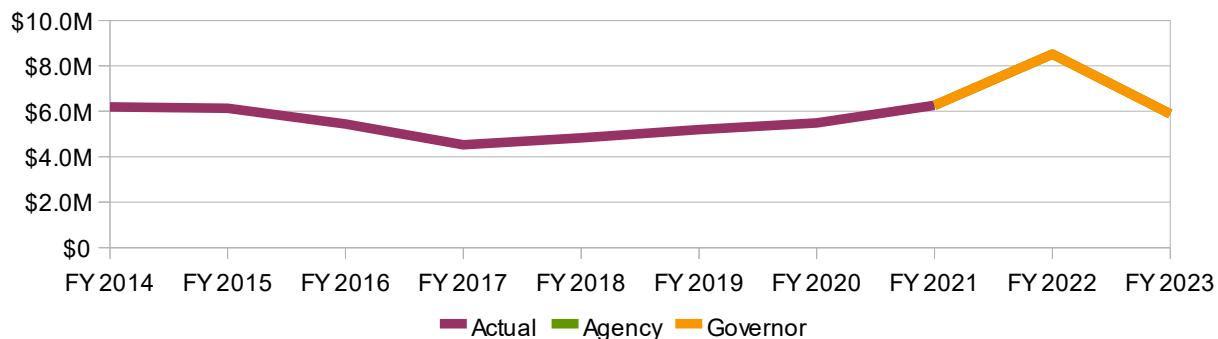
FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 6,266,043	\$ 8,515,882	\$ 8,515,882	\$ 5,887,918	\$ 5,887,918
FTE Positions:					
Administration	23.5	30.5	30.5	29.5	29.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 11
ADMINISTRATION EXPENDITURES, FY 2014– FY 2023



STATUTORY BASIS: • KSA 46-121, KSA 75-2534, KSA 75-2541, KSA 75-2566, and KSA 75-2575 through 75-2586

PROGRAM GOALS:

- Provide library resources and research support to member of the Kansas Legislature and state agencies.
- Preserve and provide access to the publications of state government.
- Make reading materials available and accessible to all Kansans.
- Provide educational opportunities and personalized support that will assists residents with career and business opportunities.
- Provide reliable and relevant e-content.

The Administration program provides a variety of services, including reference and information for the Legislature and state government; consultation to libraries throughout the state; administration of state and federal aid to libraries; facilitating access to statewide

online library resources; supporting statewide interlibrary loan and interlibrary cooperation and communication; and providing administrative support, personnel, financial, and accounting services for the State Library.

FIGURE 12
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of information requests responded to annually	3,490	3,114	3,604	4,000	4,500
2.Number of items added to Kansas Government Information library*	6,934	4,453	4,868	5,000	5,500
3.Digital books collection - total circulation*	712,620	755,809	734,215	864,000	1,010,000
4.Total active Talking Books users served	5,015	4,870	4,866	4,970	5,070
5.Number of requests from known state employees*	482	280	393	300	400
Output Measure:					
6.Average cost for online databases available only to agencies and legislature*	\$ 7,267	\$ 8,037	\$ 7,453	\$ 8,278	\$ 9,745
7.Number of items added to Kansas Government Information library*	6,934	4,453	4,868	5,000	5,500

FIGURE 12
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
8.Total sessions and learning modules*	113,459	118,249	104,425	150,000	182,000
9.Talking Book presentations and contacts*	2,419	478	1,046	1,500	2,700
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,334,468	\$ 3,899,254		\$ 3,985,306	\$ 3,960,777
Federal Funds	2,245,211	2,363,789		4,530,576	1,927,141
All Other Funds	-	3,000		-	-
TOTAL	\$ 5,579,679	\$ 6,266,043		\$ 8,515,882	\$ 5,887,918
Percentage Change:					
SGF	(10.9) %	16.9 %		2.2 %	(0.6) %
All Funds	(2.9) %	12.3 %		35.9 %	(30.9) %
FTE Positions	28.0	31.0		30.5	29.5

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The Administration program includes the entirety of the State Library budget since FY 2021. Prior to FY 2021, expenditures for the Services to the Blind and Handicapped Program were included in the budget separately.

Subprograms in the Administration program include Reference Services, Statewide Services, and the Talking Books program. Reference Services responds to government inquiries and catalogs state documents. Statewide Services provides support to public libraries and works to expand and enhance the quality of library services. The Talking Books program is focused on ensuring library services are available to all Kansans by providing audio books and magazines, Braille books and magazines, playback equipment, and personalized services to eligible Kansans.

FY 2022

The agency's revised estimate in FY 2022 includes \$1.5 million for salaries and wages, which is a decrease of \$64,234, or 4.0 percent, below the amount approved by the 2021 Legislature. This decrease is primarily due to the retirement of two staff members, who were replaced by other staff at lower compensation rates. The agency's FY 2022 revised estimate includes the following categories of expenditure:

- **SALARIES AND WAGES.** The agency requests a revised estimate of \$8.5 million, including \$4.0 million SGF, in FY 2022. This is an all funds increase of \$2.6 million, or 44.7 percent, and an SGF decrease of \$3,062, or less than 1.0 percent, from the amount approved by the 2021 Legislature.
- **CONTRACTUAL SERVICES.** The agency's revised estimate in FY 2022 includes \$2.4 million for contractual service expenditures, which is an increase of \$2,796, or less than 1.0 percent, above the amount approved by the 2021 Legislature. This includes increased expenditures for computer programming and for two advertising campaigns for public libraries and the Talking Books program. The increases were partially offset by decreased expenditures for dues and subscriptions.
- **COMMODITIES.** The agency's revised estimate for FY 2022 includes \$352,030 for commodities expenditures, which is an increase of \$137,873, or 64.4 percent, above the amount approved by the 2021 Legislature. This increase is attributable to increased expenditures for computer servers, which are partially offset by decreased expenditures for office supplies.

- **AID TO LOCAL UNITS OF GOVERNMENT.** The agency's revised estimate for FY 2022 includes \$4.2 million for aid to local units of government (public libraries), which is an increase of \$2.6 million, or 151.0 percent, above the amount approved by the 2021 Legislature. This increase is attributable to one-time federal COVID-19 relief funding received through the LSTA and expended through subgrants to public libraries.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023

The agency requests \$5.9 million, including \$4.0 million SGF, for FY 2023. This is an all funds decrease of \$2.6 million, or 30.9 percent, including an SGF decrease of \$24,529, or less than 1.0 percent, below the FY 2022 revised estimate. The agency's FY 2023 request includes the following categories of expenditure:

SALARIES AND WAGES. The agency request for FY 2023 includes \$1.5 million for salaries and wages, which is an increase of \$6 above the FY 2022 revised estimate.

CONTRACTUAL SERVICES. The agency request for FY 2023 includes \$2.3 million for contractual expenditures, which is a decrease of \$46,476, or 2.0 percent, below the FY 2022 revised estimate. This decrease is primarily due to decreased advertising and consulting expenditures related to the end of two advertising campaigns in FY 2022.

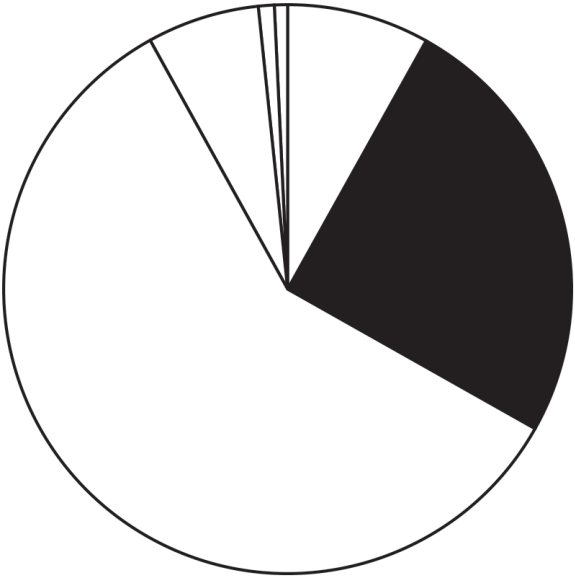
- **COMMODITIES.** The agency request for FY 2023 includes \$367,030 for commodities expenditures. This is an increase of \$15,000, or 4.3 percent, above the FY 2022 revised estimate. This is attributable to increased expenditures for office supplies.

- **AID TO LOCAL UNITS OF GOVERNMENT.** The agency request for FY 2023 includes \$1.6 million for aid to local units of government expenditures. This is a decrease of \$2.6 million, or 61.2 percent, below the FY 2022 revised estimate. This attributable to the end of one-time federal COVID-19 funding.

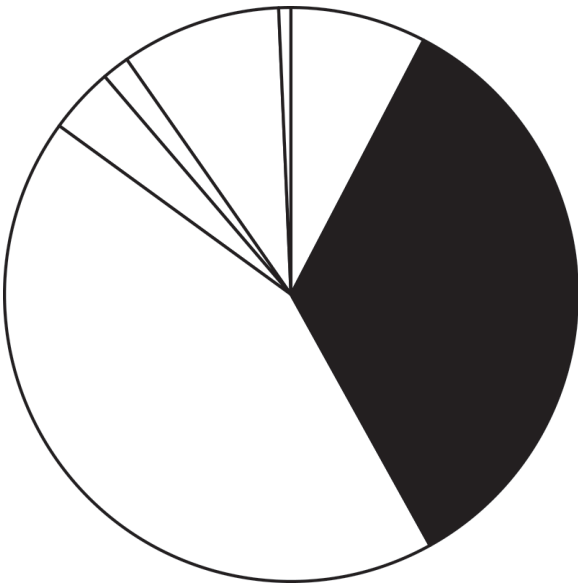
The **Governor** concurs with the agency's FY 2023 request.

HUMAN SERVICES

State General Fund



All Funds



The Human Services function of Government provides services such as cash and medical assistance, care of mentally ill and developmentally disabled individuals in state hospitals and community placements, and unemployment benefit payments. This function includes the Kansas Department of Health and Environment (Health and Health Care Finance Divisions), Department for Children and Families, Kansas Department for Aging and Disability Services and all state hospitals, Kansas Commission on Veterans Affairs Office, Kansas Department of Labor, and the Kansas Guardianship Program.

Agencies in this Function:	
<i>Kansas Department of Health and Environment.....</i>	<i>1010</i>
<i>Department for Children and Families.....</i>	<i>1051</i>
<i>Kansas Department for Aging and Disability Services.....</i>	<i>1096</i>
<i>Kansas Commission on Veterans Affairs Office.....</i>	<i>1140</i>
<i>Kansas Department of Labor.....</i>	<i>1164</i>
<i>Kansas Guardianship Program.....</i>	<i>1189</i>
<i>State Institutions for Intellectual Disabilities.....</i>	<i>1197</i>
<i>State Institutions for Mental Health</i>	<i>1218</i>

The Governor's FY 2023 recommendation for the Human Services function totals \$7.7 billion from all funding sources, including \$2.2 billion from the State General Fund.

The FY 2023 recommendation represents a State General Fund increase of 7.9 percent, or \$163.9 million, above the FY 2022 amount. Expenditures from all funds increase by 3.4 percent, or \$257.5 million, above the FY 2022 amount.

A total of 7,495.4 FTE positions are recommended by the Governor for the Human Services function for FY 2023, which is an increase of 98.0 FTE positions above the FY 2022 number. Of all state FTE positions, 18.0 percent are in this function.

Agencies in this function comprise 25.1 percent of the total State General Fund budget in FY 2023, which is an increase of 2.9 percent above the FY 2022 amount. The agencies comprise 34.3 percent of expenditures from all funding sources for FY 2023, which is an increase of 1.7 percent above the FY 2022 amount.

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 568,609,636	\$ 821,907,696	\$ 754,874,099	\$ 814,930,533	\$ 747,314,234
Federal Funds	2,280,503,100	2,295,985,250	2,514,233,431	2,150,581,530	2,773,578,698
All Other Funds	473,801,599	530,095,542	530,115,205	529,780,033	575,049,696
TOTAL	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,095,942,628
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000
TOTAL	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,160,942,628
Percentage Change:					
State General Fund	(9.8) %	44.5 %	32.8 %	(0.8) %	7.6 %
All Funds	12.6 %	9.8 %	14.3 %	(4.2) %	9.5 %
FTE Positions	1,598.7	1,724.1	1,724.1	1,724.1	1,724.1

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

The Kansas Department of Health and Environment (KDHE) is a cabinet-level agency with the mission to protect and improve the health and environment of all Kansans. This is accomplished through public health programs and services and through the preservation, protection, and remediation of natural resources in the environment.

The agency is divided into three main divisions: the Division of Public Health, the Division of Health Care Finance, and the Division of Environment.

The **Division of Public Health** works with local health departments and other organizations to help assure the health of Kansans through public health services and regulatory programs. The Division includes the Office of the Director and six bureaus: Disease Control and Prevention, Health Promotion, Family Health, Community Health Systems, Oral Health, and Epidemiology and Public Health Informatics. The Administration program is also included in the Division of Public Health function.

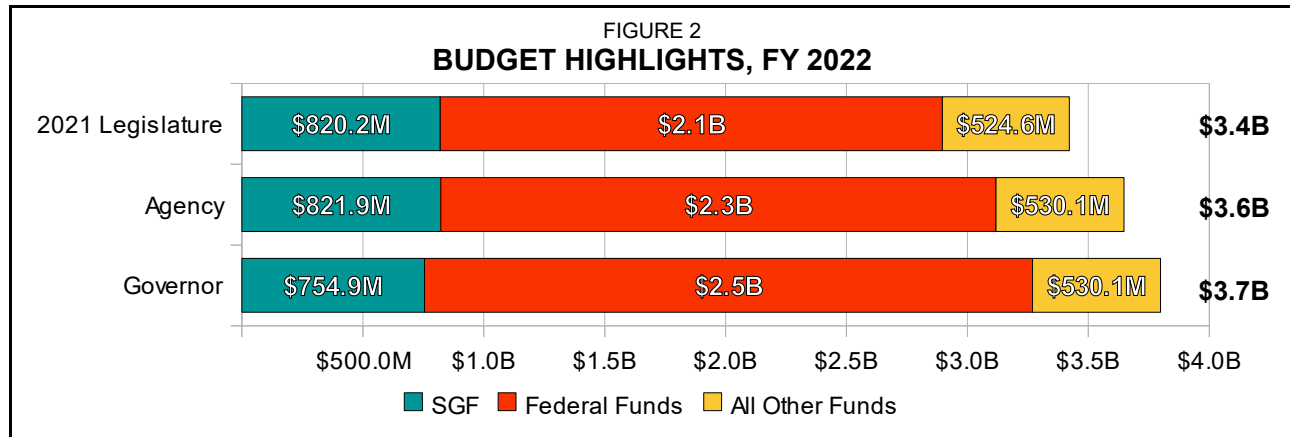
The **Division of Health Care Finance** develops and maintains a coordinated health policy agenda, which combines the effective purchasing and administration of health care with health promotion-oriented public health strategies. The powers, duties, and functions of the Division are intended to be exercised to improve the health of the people of Kansas by increasing the quality, efficiency, and effectiveness of health services and to coordinate with public health programs. The Division oversees the State's Medicaid and Children's Health Insurance programs.

The **Division of Environment** protects the environment and public health through compliance, enforcement, and proactive activities. The Division includes six bureaus: Waste Management, Air,

Water, Environmental Remediation, Environmental Field Services (including the Office of the Director of the Division of Environment), and the Health and Environmental Laboratories.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$3,400,955,732, including \$799,789,950 from the State General Fund (SGF), for the Kansas Department of Health and Environment in FY 2022. Subsequent to the 2021 Session, the Kansas Department of Health and Environment carried over \$20,430,005 in unspent SGF moneys into FY 2022. This adjustment changes the current year approved amount to \$3,421,385,737 from all funds, including \$820,219,955 SGF, without any legislative action required.



The **agency** requests a revised estimate of \$3.6 billion, including \$821.9 million SGF, for operating expenditures in FY 2022. This is an all funds increase of \$226.6 million, or 6.6 percent, including an SGF increase of \$1.7 million, or 0.2 percent, above the amount approved by the 2021 Legislature. The all funds increase includes a Children's Initiatives Fund reappropriation of \$42,498 from the Newborn Hearing Aid Program and a State Water Plan reappropriation of \$900,068.

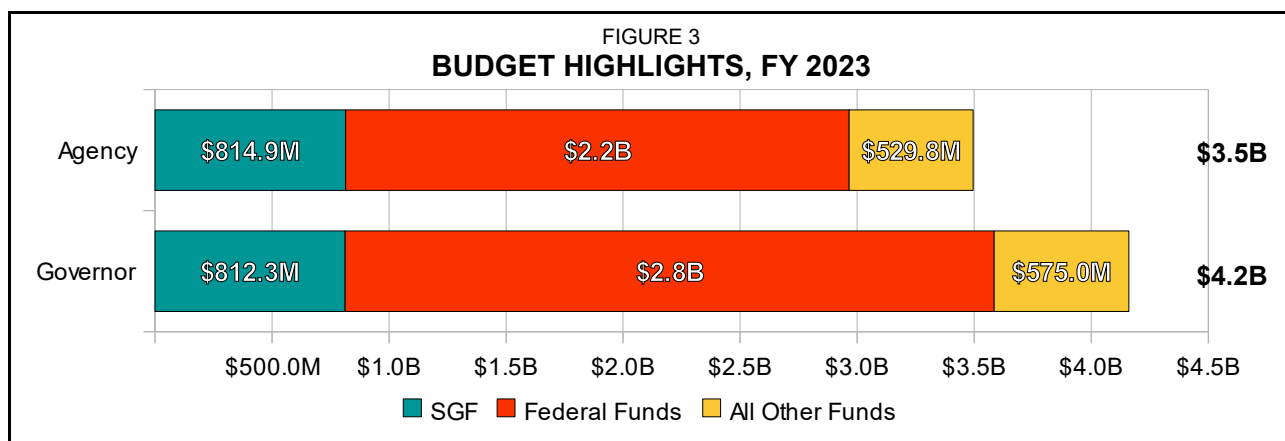
The request includes \$34.4 million for the Administration function, \$320.6 million for the Division of Public Health, \$3.1 billion for the Division of Health Care Finance, and \$159.4 million for the Division of Environment. The all funds increase is primarily attributable to federal funds to support COVID-19 prevention and treatment efforts in the divisions of Public Health and Environment that were received for use in FY 2022 after the approval of the agency's FY 2022 budget. The SGF increase is due to the agency's supplemental requests totaling \$3.7 million, including \$1.7 million SGF.

The revised estimate includes 1,724.1 FTE positions, which reflects an increase of 123.4 FTE positions above the number approved by the 2021 Legislature. These include an additional 12.0 FTE positions in the Administration Function, 69.0 FTE positions in the Division of Public Health, and 45.0 FTE positions in the Division of Environment, as well as a decrease of 3.0 FTE positions in the Division of Health Care Finance. Of these new positions, 89.0 FTE positions are funded with federal awards received in conjunction with COVID-19 relief legislation and are expected to be reduced when federal funds are no longer available. Positions include case managers, contact tracers and nurses for vaccine distribution in the Division of Public Health as well as laboratory staff in the Division of Environment.

The **Governor** recommends expenditures of \$3.8 billion, including \$754.9 million SGF, in FY 2022. This is an all funds increase of \$151.2 million, or 4.1 percent, including an SGF decrease of \$67.0 million, or 8.2 percent, from the agency's revised estimate.

Significant items in the Governor's recommendation include the following:

- **COVID TESTING.** The Governor's recommendation includes \$42.0 million in federal funds, including \$14.9 million from the Coronavirus Relief Fund and \$27.1 from the American Rescue Plan State Relief Fund, for COVID-19 testing in FY 2022.
- **HUMAN SERVICES CASELOADS.** The Governor's recommendation includes an addition of \$59.1 million from all funds, including a reduction of \$66.7 million SGF, to fully fund the fall 2021 human services consensus caseload estimates.
- **HOSPITAL EMPLOYEE RETENTION PLAN.** The Governor's recommendation includes \$50.0 million for the Front Line Hospital Employee Retention Plan, as approved by the SPARK Executive Committee and the State Finance Council.
- **AGENCY SUPPLEMENTAL REQUESTS.** The Governor recommended funding five of the agency's supplemental requests for a total of \$3.3 million, including \$1.4 million SGF, and 5.0 FTE positions.



The **agency** requests \$3.5 billion, including \$814.9 million SGF, for operating expenditures for FY 2023. This is an all funds decrease of \$152.7 million, or 4.2 percent, and an SGF decrease of \$7.0 million, or 0.8 percent, below the FY 2022 revised estimate. The request includes \$35.0 million for the Administration function, \$215.1 million for the Division of Public Health, \$3.1 billion for the Division of Health Care Finance, and \$113.1 million for the Division of Environment. The all funds decrease is primarily attributable to decreased federal funds for COVID-19 prevention and treatment, including a \$104.6 million reduction in federal aid within the Division of Public Health, and a reduction of \$44.7 million within the Division of Environment. The SGF decrease is largely due to funds that were reappropriated in FY 2022 and not budgeted for FY 2023. This decrease was partially offset by the agency's enhancement requests totaling \$15.4 million, including \$14.0 million SGF.

The revised estimate includes 1,724.1 FTE positions, which is the same number as the FY 2022 revised estimate.

The **Governor** recommends expenditures of \$4.2 billion, including \$812.3 million SGF, for FY 2023. This is an all funds increase of \$665.7 million, or 19.0 percent, and an SGF decrease of \$2.6 million, or 0.3 percent, from the agency's FY 2022 request.

Significant items in the Governor's recommendation include the following:

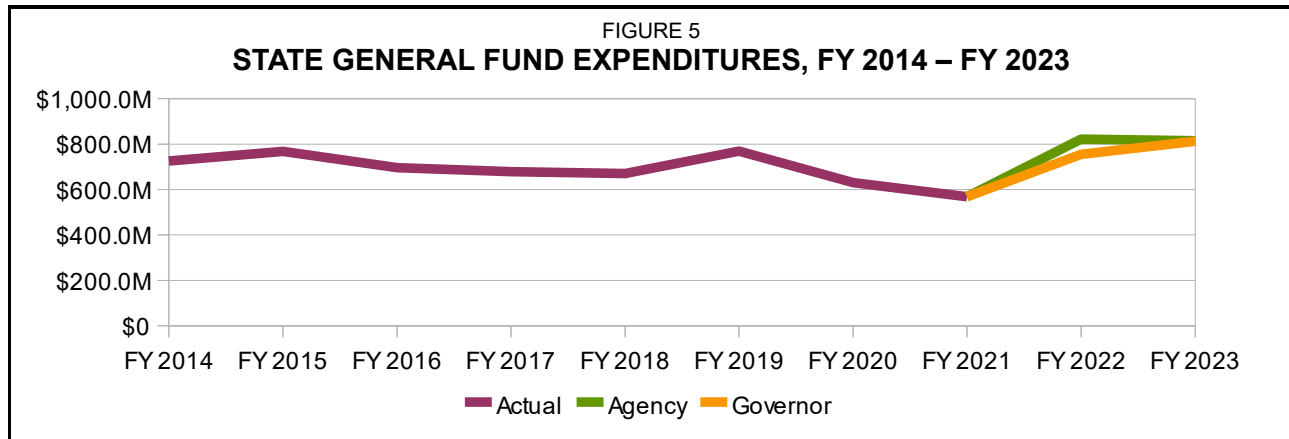
- **AGENCY ENHANCEMENT REQUESTS.** The Governor recommended funding ten of the agency's enhancement requests for a total of \$22.6 million, including \$15.0 million SGF, and 5.0 FTE positions.
- **MEDICAID EXPANSION.** The Governor recommends \$596.0 million, including the deletion of \$68.5 million SGF, to expand eligibility requirements for Medicaid.
- **CAPITAL IMPROVEMENTS.** The Governor recommends \$65.0 million to build a new laboratory on Lot 4 of the Capitol Complex.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

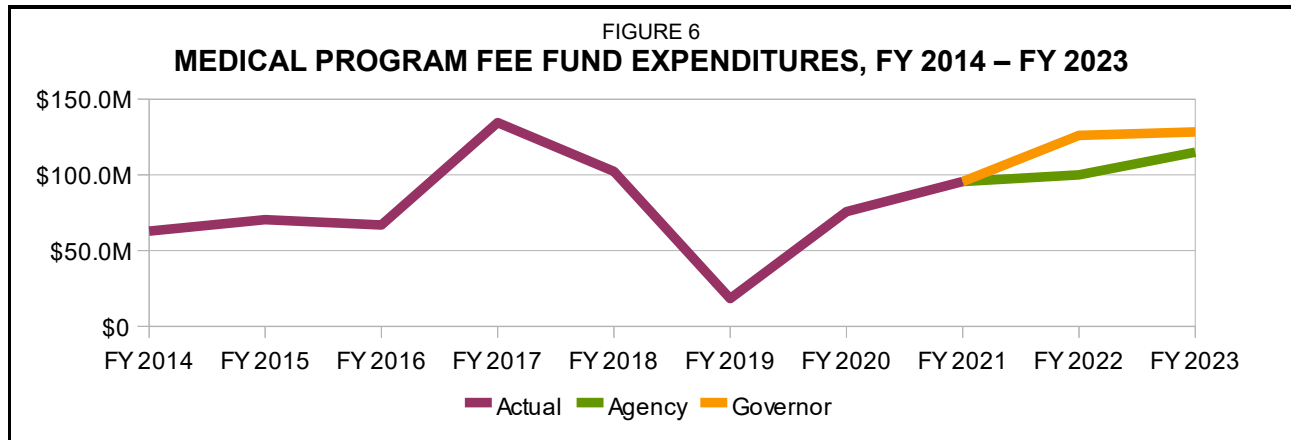
Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 93,010,845	\$ 118,076,226	\$ 117,875,700	\$ 118,524,251	\$ 118,657,952
Contractual Services	429,561,432	374,325,935	416,690,935	346,370,725	362,684,317
Commodities	36,646,674	54,195,354	54,198,593	27,751,634	27,754,873
Capital Outlay	8,041,245	7,960,248	7,960,248	7,004,713	7,004,713
Subtotal	\$ 567,260,196	\$ 554,557,763	\$ 596,725,476	\$ 499,651,323	\$ 516,101,855
Aid to Local Units	103,109,422	137,779,437	137,779,437	68,801,641	68,801,641
Other Assistance	2,652,544,717	2,955,651,288	3,064,717,822	2,926,839,132	3,511,039,132
Subtotal—Operating	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,095,942,628
Capital Improvements	-	-	-	-	65,000,000
TOTAL	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,160,942,628
Financing:					
State General Fund	\$ 568,609,636	\$ 821,907,696	\$ 754,874,099	\$ 814,930,533	\$ 812,314,234
State Water Plan Fund	3,101,731	4,103,199	4,103,199	3,822,247	3,822,247
Children's Initiatives Fund	7,212,236	7,228,476	7,228,476	8,548,334	8,548,334
Special Revenue Funds	435,854,283	489,929,530	489,949,193	489,866,153	535,135,816
Federal Funds	2,280,503,100	2,295,985,250	2,514,233,431	2,150,581,530	2,773,578,698
All Other Funds	27,633,349	28,834,337	28,834,337	27,543,299	27,543,299
TOTAL	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,160,942,628
FTE Positions	1,598.7	1,724.1	1,724.1	1,724.1	1,724.1

STATE GENERAL FUND



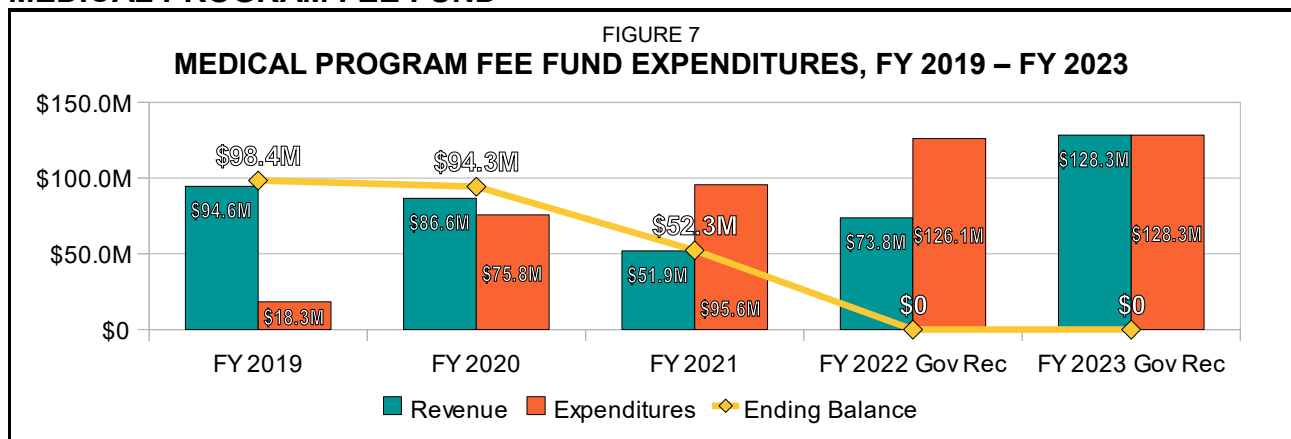
For the Kansas Department of Health and Environment, SGF expenditures have ranged between \$568.6 million in FY 2021 and \$769.4 million for FY 2019. The increase in FY 2019 was primarily attributable to increases in human services consensus caseload estimates due to several factors, including rate changes and population increases. Other SGF increases that year included reinstatement of the federal Health Homes program, funding for three youth crisis centers, funding for the Wichita Center for Graduate Medical Education (WCGME) program, changes in the Medicaid tobacco cessation policy, and increased funding for the tiny-k program.

MEDICAL PROGRAM FEE FUND



The Medical Program Fee Fund was established by KSA 39-710. The largest revenue sources for the fund are national and state drug rebate agreements and estate recoveries. The Division of Health Care Finance collects two types of drug rebates: those required by federal law and supplemental rebates related to the Preferred Drug List (PDL). This special revenue fee fund has an appropriation limit set by the Kansas Legislature. The appropriation limit set in the 2021 Legislative Session was \$96,090,923 in FY 2021 and \$128,319,270 for FY 2022. The fee fund is used primarily to fund Medicaid caseloads.

MEDICAL PROGRAM FEE FUND



FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 799,789,950	\$ 2,601,165,782	\$ 3,400,955,732	--
1. SGF Reappropriation	20,430,005	-	20,430,005	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 820,219,955</i>	<i>\$ 2,601,165,782</i>	<i>\$ 3,421,385,737</i>	<i>1,600.7</i>
Agency Revised Estimate:				
2. CIF Reappropriation	\$ -	\$ 42,498	\$ 42,498	--
3. SWP Reappropriation	-	900,068	900,068	--
4. COVID-19 Relief Funds in the Administration Department	-	10,033,171	10,033,171	--
5. COVID-19 Relief Funds in the Division of Environment	-	84,964,691	84,964,691	--
6. COVID-19 Relief Funds in the Division of Public Health	-	125,307,600	125,307,600	--
7. Agency Supplementals	1,731,635	1,992,206	3,723,841	5.0
8. All Other Adjustments	(43,894)	1,674,776	1,630,882	118.4
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 821,907,696</i>	<i>\$ 2,826,080,792</i>	<i>\$ 3,647,988,488</i>	<i>1,724.1</i>
Governor's Recommendation:				
9. Non-recommended agency supplementals	\$ (300,131)	\$ (150,395)	\$ (450,526)	--
10. Caseload Adjustments	(66,733,466)	125,800,000	59,066,534	--
11. Frontline Hospital Employee Retention Plan	-	50,000,000	50,000,000	--
12. COVID-19 Testing Funds	-	42,000,000	42,000,000	--
13. Consolidated Health Centers Fund	-	618,239	618,239	--
TOTAL	\$ 754,874,099	\$ 3,044,348,636	\$ 3,799,222,735	1,724.1

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, an adjustment was made to the \$3.4 billion appropriated to the Kansas Department of Health and Environment for FY 2022. This adjustment changes the current year approved amount without any legislative action required:

1. **SGF REAPPROPRIATION.** The SGF reappropriation of \$20.4 million was largely due to \$13.3 million in funds appropriated for human services caseloads that were not spent in FY 2021 and \$4.8 million in unused funds from the Division of Health Care Finance due to positions that were unfilled and left vacant due to the pandemic.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$3.6 billion, including \$821.9 million SGF, for operating expenditures in FY 2022. This is an all funds increase of \$226.6 million, or 6.6 percent, and an SGF increase of \$1.7 million, or 0.2 percent, above the amount approved by the 2021 Legislature.

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

2. **CHILDREN'S INITIATIVES FUND (CIF) REAPPROPRIATION.** The Newborn Hearing Aid program reappropriated \$42,498 in unused funds due to fewer families utilizing the program during the COVID-19 pandemic.

3. **STATE WATER PLAN FUND (SWP) REAPPROPRIATION.** The majority of these funds carried over from projects for monitoring, analyzing, and preventing harmful algal blooms in Kansas lakes.
4. **COVID-19 RELIEF FUNDS (ADMINISTRATION).** The Administration department received federal funds to address COVID-19-related health disparities.
5. **COVID-19 RELIEF FUNDS (ENVIRONMENT).** The Division of Environment received funds from the federal Centers for Disease Control and Prevention (CDC) for increasing the state's capacity for COVID-19 testing, mitigation, and prevention efforts.
6. **COVID-19 RELIEF FUNDS (PUBLIC HEALTH).** The Division of Public Health received funds from a variety of federal agencies to aid in COVID-19 pandemic relief efforts such as testing, vaccination, data modernization, and support to public schools.
7. **AGENCY SUPPLEMENTALS.** Agency supplemental requests include funding for school-based oral health services, new FTE positions for the Medicaid Eligibility and Pharmacy programs, funding for administrative hearing services, and the extension of Medicaid coverage for pregnant women.
8. **ALL OTHER ADJUSTMENTS.** Other adjustments include numerous small changes to a variety of expenditures, including funds for federal grants, shifts in expenditures for employee benefits, and commodities such as computer software, lab equipment, and office supplies.

The **agency** estimate also includes 1,724.1 FTE positions, which is an increase of 123.4 FTE positions above the number approved by the 2021 Legislature. These include 12.0 positions in the administration function, 74.0 in the Division of Public Health, 45.0 in the Division of Environment and a decrease of 8.0 in the Division of Health Care Finance. Of these new positions, 89.0 are funded with Federal awards received in conjunction with COVID-19 relief legislation and are expected to be reduced when Federal Funds are no longer available. Positions include case managers and contract tracers in the Division of Public Health and laboratory staff in the Division of Environment.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$3.8 billion, including \$754.9 million SGF, in FY 2021. This is an all funds increase of \$151.2 million, or 4.1 percent, and an SGF decrease of \$67.0 million, or 8.2 percent, from the agency's FY 2022 revised estimate.

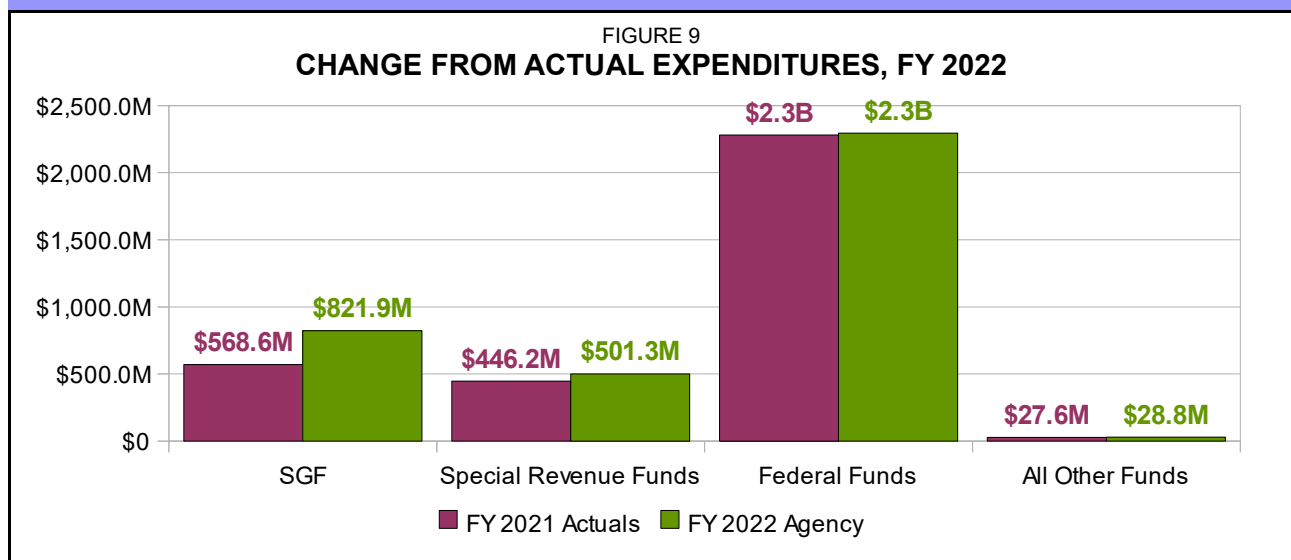
The **Governor's** recommendation includes the following adjustments:

9. **AGENCY SUPPLEMENTALS.** The Governor did not recommend funding for the school-based oral health services and recommended only partial funding for 5.0 FTE positions in the Division of Health Care Finance in FY 2022. This was a decrease of \$450,526 all funds, including \$300,131 SGF below the agency's total supplemental request. The Governor did recommend fully funding five of the agency's supplemental requests for a total of \$3.3 million, including \$1.4 million SGF. Funded supplemental requests include:
 - Administrative Hearing Services (\$107,348 SGF);
 - Three new FTE positions for the Medicaid Eligibility Program (\$26,732 SGF);
 - Two new FTE positions for the Medicaid Pharmacy Program (\$23,400 SGF);

- Extending Medicaid coverage for pregnant women (\$1.0 million SGF); and
- Laboratory equipment (\$225,000 SGF).

10. **HUMAN SERVICES CASELOADS.** The Governor recommends adding \$59.1 million from all funds, including a reduction of \$66.7 million SGF, to fully fund the fall 2021 human services consensus caseload estimates.
11. **HOSPITAL EMPLOYEE RETENTION PLAN.** The Governor's recommendation includes \$50.0 million for the Front Line Hospital Employee Retention Plan, as approved by the SPARK Executive Committee and the State Finance Council.
12. **COVID-19 TESTING.** The Governor's recommendation includes the addition of \$42.0 million in federal funds for COVID-19 testing in FY 2022.
13. **CONSOLIDATED HEALTH CENTERS FUND.** The Governor's recommendation includes the addition of \$618,239 from the Consolidated Health Centers Fund for COVID-19 pandemic relief.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The change in SGF expenditures between the agency's FY 2021 actuals and the agency's 2022 revised estimate is largely tied to the human services caseloads consensus estimating process. Twice a year, Kansas Legislative Research Department (KLRD) and the Division of the Budget (DOB) work with the agencies to develop a consensus estimate for the State's entitlement program expenditures, including Medicaid. The agency's estimate for FY 2022 Medicaid expenditures includes one quarter of the fiscal year without the enhanced Federal Medical Assistance Percentage (FMAP), therefore increasing the amount of SGF moneys needed for Medicaid caseloads in FY 2022 over what was needed in FY 2021, which included the enhanced FMAP for all four quarters. Also contributing to the increase in SGF is the increase in the state share of the Children's Health Insurance Program (CHIP). The change in all funds is largely due to the increased use of fee funds to fund human services caseloads and an increase in federal funds available for COVID-19 pandemic relief.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 821,907,696	\$ 2,826,080,792	\$ 3,647,988,488	1,724.1
Agency Request:				
1. SGF reappropriations not budgeted for in FY 23	\$ (20,430,005)	\$ -	\$ (20,430,005)	-
2. COVID-19 relief funds in the Division of Environment		(44,652,911)	(44,652,911)	-
3. COVID-19 relief funds in the Division of Public Health	-	(104,608,829)	(104,608,829)	-
4. Agency Enhancements	15,261,705	7,559,111	22,820,816	-
5. All Other Adjustments	(1,808,863)	(4,016,600)	(5,825,463)	-
<i>Subtotal—Agency Request</i>	<i>\$ 814,930,533</i>	<i>\$ 2,680,361,563</i>	<i>\$ 3,495,292,096</i>	<i>1,724.1</i>
Governor's Recommendation:				
6. Non-recommended Agency Enhancements	(250,000)	-	\$ (250,000)	-
7. Caseload Adjustments	1,000,000	3,000,000	4,000,000	-
8. Nurse Pay Adjustment	133,701	-	133,701	-
9. Consolidated Health Centers Fund		766,831	766,831	-
10. Medicaid Expansion Assistance	19,000,000	577,000,000	596,000,000	-
11. Medicaid Expansion SGF Savings	(87,500,000)	87,500,000	-	-
12. KDHE Lab	65,000,000	-	65,000,000	-
TOTAL	\$ 812,314,234	\$ 3,348,628,394	\$ 4,160,942,628	1,724.1

AGENCY REQUEST

The **agency** requests \$3.5 billion, including \$814.9 million SGF, for FY 2023. This is an all funds decrease of \$152.7 million, or 4.2 percent, including an SGF decrease of \$7.0 million, or 0.8 percent, below the FY 2022 revised estimate. The request includes \$35.0 million for the Administration function, \$215.1 million for the Division of Public Health, \$3.1 billion for the Division of Health Care Finance, and \$113.1 million for the Division of Environment.

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

1. **SGF REAPPROPRIATIONS.** The funds reappropriated from FY 2021 into FY 2022 were not budgeted for in the agency's FY 2023 budget.
2. **COVID-19 RELIEF FUNDS (ENVIRONMENT).** Fewer COVID-19 pandemic relief funds are anticipated to be available in FY 2023.
3. **COVID-19 RELIEF FUNDS (PUBLIC HEALTH).** Fewer COVID-19 pandemic relief funds are anticipated to be available in FY 2023.
4. **AGENCY ENHANCEMENTS.** Agency enhancements include funding for school-based oral health services, new FTE positions for the Medicaid Eligibility and Pharmacy programs, the extension of Medicaid coverage for pregnant women, the Kansas Modular Medicaid System (KMMS) project, replacement laboratory equipment, drinking water protection, and watershed restoration and protection.

5. **ALL OTHER ADJUSTMENTS.** Other adjustments include numerous small changes to a variety of expenditures, including funds for federal grants, shifts in expenditures for employee benefits, and commodities such as computer software, lab equipment, and office supplies.

The **agency** request also includes 1,724.1 FTE positions, which is the same number as the FY 2022 revised estimate.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$4.2 billion, including \$812.3 million SGF, for FY 2023. This is an all funds increase of \$665.7 million, or 19.0 percent, and an SGF decrease of \$2.6 million, or 0.3 percent, from the agency's FY 2023 request.

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

6. **AGENCY ENHANCEMENT REQUESTS.** The Governor did not recommend funding for school-based oral health services. This was a decrease of \$250,000 all SGF, below the agency's total enhancement request. The Governor recommends funding ten of the agency's enhancement requests for a total of \$22.6 million, including \$15.0 million SGF, and 5.0 FTE positions. Funded enhancements include:
- Three new FTE positions for the Medicaid Eligibility Program (\$53,463 SGF);
 - Two new FTE positions for the Medicaid Pharmacy Program (\$46,800 SGF);
 - Extending Medicaid coverage for pregnant women (\$4.2 million SGF);
 - Restoring FY 2022 reduced resources (\$1.1 SGF);
 - Data Center rate increase (\$297,280 SGF);
 - Maternal and Child Health home visiting (\$1.4 million, all special revenue funds);
 - Kansas Modular Medicaid System (KMMS) Project (\$9.1 million SGF);
 - Laboratory equipment (\$225,000 SGF);
 - Drinking Water Protection (\$350,000, all special revenue funds); and
 - Watershed restoration (\$269,116, all special revenue funds).
7. **HUMAN SERVICES CASELOADS.** The Governor recommends adding \$4.0 million from all funds, including \$1.0 million SGF, to fully fund the fall 2021 human services consensus caseload estimates;
8. **NURSE PAY ADJUSTMENT.** The Governor's recommendation includes the addition of \$133,701, all SGF, to implement Executive Directive No. 21-546, which increased the pay grade for several categories of state employees, including Registered Nurses and Advanced Practice Registered Nurses, effective November 28, 2021.
9. **CONSOLIDATED HEALTH CENTERS FUND.** The Governor's recommendation includes the addition of \$618,239 from the Consolidated Health Centers Fund for COVID-19 pandemic relief.
10. **MEDICAID EXPANSION ASSISTANCE.** The Governor recommends the addition of \$596.0 million, including \$19.0 million SGF, to fund Medicaid expansion, beginning January 1, 2023.

11. **MEDICAID EXPANSION SGF SAVINGS.** The Governor's recommendation includes \$87.5 million in savings associated with Medicaid expansion. These savings are attributable to provisions in the American Rescue Plan Act allowing states that have not yet enacted Medicaid expansion a 5.0 percent increase to their regular FMAP rate. This enhanced FMAP will be in effect for eight quarters after expansion takes effect.
12. **KDHE LAB.** The Governor's recommendation includes expenditures to build a new laboratory on Lot 4 of the Capitol Complex. The State Finance Council approved this plan after the agency submitted its budget request. SB 159 (2021) authorized the agency to issue bonds for up to \$65.0 million upon approval of the project by the State Finance Council. The Governor's recommendation includes funding for the project, not bonding.

SUPPLEMENTAL REQUESTS

FY 2022 SUPPLEMENTAL REQUESTS						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Oral health school-based preventative services	\$ 250,000	\$ 250,000	—	\$ —	\$ —	--
Administrative hearing services	107,348	214,697	—	107,348	214,697	--
FTEs for Medicaid Eligibility	53,463	213,852	3.0	26,732	106,926	3.0
FTEs for Medicaid Pharmacy	46,800	187,200	2.0	23,400	93,600	2.0
Extend Medicaid coverage for pregnant women	1,049,024	2,633,092	--	1,049,024	2,633,092	--
Laboratory equipment	225,000	225,000	--	225,000	225,000	--
TOTAL	\$ 1,731,635	\$ 3,723,841	5.0	\$ 1,431,504	\$ 3,273,315	5.0

ORAL HEALTH SCHOOL-BASED PREVENTATIVE SERVICES. The Division of Public Health is requesting a supplement to support Oral Health Preventative Services in targeted schools. This will allow existing oral health school-based programs that have been impacted by the COVID-19 pandemic to continue or restart their oral health school-based programs and services.

ADMINISTRATIVE HEARING SERVICES. The Division of Health Care Finance (HCF) seeks funding to cover the portion of HCF's costs in the inter-agency contract with the Office of Administrative Hearings. The agreement in place for FY 2022 has increased \$214,697 over the previous fiscal year. This increase was not accounted for in the agency's FY 2022 budget.

THREE FTE POSITIONS FOR MEDICAID ELIGIBILITY PROGRAM. HCF is seeking three additional FTE positions in the Medicaid Eligibility Program. These FTE positions will support program integrity by conducting internal audits of eligibility work and analyzing reports to identify areas at high risk for error. These positions will identify and correct processing errors, and minimize re-occurrence. The goal of adding the new FTE positions is to reduce the number of findings from external audits and help ensure that eligibility determinations are accurate. Each of these positions will be eligible for a 75.0 percent federal match and have an estimated starting salary of \$71,284, including benefits.

TWO FTE POSITIONS FOR MEDICAID PHARMACY PROGRAM. HCF is requesting two additional FTE positions for the Medicaid Pharmacy program: one pharmacist with a starting salary of \$143,000 (salary and benefits) and one pharmacy technician at a starting salary of \$44,200 (salary and benefits). The agency indicates the addition of the FTE positions will enable HCF to better monitor pharmaceutical spending for fraud, waste, and abuse, and could generate significant savings and efficiencies. Each of these positions would be eligible for a 75.0 percent federal match.

EXTEND MEDICAID COVERAGE FOR PREGNANT WOMEN. HCF is requesting funding to provide ten additional months of postpartum Medicaid coverage for women. Currently, pregnant women's eligibility ends roughly 60 days postpartum. The federal American Rescue Plan Act (ARPA) created an opportunity for states to extend coverage for pregnant women to one year after the baby's birth through a Medicaid state plan amendment (SPA). Under ARPA, the SPA would be effective on or after April 1, 2022, so the FY 2022 supplemental request represents three months of funding, while the FY 2023 enhancement request represents 12 months of funding.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REPLACEMENT LABORATORY EQUIPMENT. The Division of the Environment requests \$225,000, all SGF, to replace laboratory equipment in FY 2022. The agency plans to replace several pieces of equipment for drinking water testing, including two ion chromatography instruments and two solid phase extraction units. The agency notes that replacement parts are no longer available due to the age of the machines.

The **Governor** recommends fully funding the agency's requests for Administrative hearing services, Medicaid coverage for pregnant women, and laboratory equipment and adding the requested 5.0 FTE positions. The Governor recommends partial funding for the FTE positions in the Medicaid Eligibility and Pharmacy programs in FY 2022 and does not recommend funding for oral health school-based preventative services.

FY 2023 ENHANCEMENT REQUESTS						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Restore FY 2022 reduced resources	\$ 1,091,652	\$ -	--	\$ 1,091,652	\$ -	--
Data Center rate increase	297,280	297,280	--	297,280	297,280	--
Maternal and Child Health Home Visiting	-	1,400,000	--	-	1,400,000	--
Oral health school-based preventative services	250,000	250,000	--	-	-	--
FTEs for Medicaid Eligibility	53,463	213,852	3.0	53,463	213,852	3.0
FTEs for Medicaid Pharmacy	46,800	187,200	2.0	46,800	187,200	2.0
Kansas Modular Medicaid System (KMMS) Project	9,100,000	9,100,000	--	9,100,000	9,100,000	--
Extend Medicaid coverage for pregnant women	4,192,510	10,523,368	--	4,192,510	10,523,368	--
Laboratory equipment	230,000	230,000	--	230,000	230,000	--
Drinking water protection	-	350,000	--	-	350,000	--
Watershed restoration	-	269,116	--	-	269,116	--
TOTAL	\$ 15,261,705	\$ 22,820,816	5.0	\$ 15,011,705	\$ 22,570,816	5.0

RESTORE FY 2022 REDUCED RESOURCES. The Administration Division requests the restoration of the reduced resources budget that resulted in \$1.1 million SGF in the program being replaced with \$524,936 from the Sponsored Project Overhead Fund (2911) and \$566,716 from the Civil Registration/Health Statistics Fee Fund (2291). The agency states that these fee funds cannot sustain ongoing annual deductions as it would leave the funds with insufficient balances to cover the intended expenditures.

DATA CENTER RATE INCREASE. The Administration Division is requesting an enhancement to address fee increases in the Office of Information Technology Service rates. While the FY 2023 total increase in service rates for KDHE is \$421,326, the amount of this enhancement request is only the portion related to the data center, which is \$297,280. The Data Center costs are paid with SGF moneys received from prior legislative appropriations to support the State's initiative to transition to cloud-based computing.

ENHANCEMENT REQUESTS

MATERNAL AND CHILD HEALTH HOME VISITING. The Division of Public Health is requesting an additional \$1.4 million in Children's Initiatives Fund (CIF) for FY 2023 and subsequent years. The Kansas Children's Cabinet and Trust Fund made recommendations to consolidate and streamline funding within the CIF to maximize services to children and families. The recommendations included reallocating funds in the amount of \$1.4 million to the KDHE Maternal and Child Health (MCH) Home Visiting CIF line item. During FY 2020 and FY 2021, a total of \$250,000 was allocated to MCH Home Visiting, a short-duration, strengths-based approach to ensure pregnant and post-partum mothers, infants, and their families receive initial assessment, education, and coordination of services at a critical time. The funding will be used to increase access to home visiting and expand the program's reach from 11.0 percent of eligible Kansas families to more than 60.0 percent.

ORAL HEALTH SCHOOL-BASED PREVENTATIVE SERVICES. The Division of Public Health is requesting an enhancement to support oral health preventative services in targeted schools. This will allow existing oral health school-based programs that have been impacted by the COVID-19 pandemic to continue or restart their oral health school-based programs and services.

THREE FTE POSITIONS FOR MEDICAID ELIGIBILITY PROGRAM. HCF is seeking funds to continue the supplemental request for three additional FTE positions in the Medicaid Eligibility Program.

TWO FTE POSITIONS FOR MEDICAID PHARMACY PROGRAM. HCF is seeking funds to continue the supplemental request for two additional FTE positions for the Medicaid Pharmacy program.

KANSAS MODULAR MEDICAID SYSTEM (KMMS) PROJECT. HCF is requesting an enhancement for FY 2023 to support the KMMS project. As per the federal Centers for Medicare and Medicaid Services (CMS), newly implemented Medicaid systems are not eligible for the 75.0 percent federal match until certified by CMS. During the period between system implementation and the completion of the certification process, a 50.0 percent federal match may be utilized. Once certification is completed, enhanced funding up to the 75.0 percent federal match rate may be retroactively claimed back to the date of certification of the system. The Kansas Modular Medicaid System (KMMS) is expected to go live on January 18, 2022. Because the certification process can take a minimum of 12 months to complete, KDHE will not be able to claim the retroactive enhanced funding within the same state fiscal year. Therefore, additional state funds of \$2.1 million in FY 2022 and \$9.1 million for FY 2023 will be needed to support the KMMS systems operations budget until the certification process is completed. HCF plans to fund the additional \$2.1 million needed in FY 2022 utilizing state funding carried forward from FY 2021. However, the Division is requesting \$9.1 million as an enhancement to fund the scenario outlined above for FY 2023.

EXTEND MEDICAID COVERAGE FOR PREGNANT WOMEN. HCF is requesting funding to provide ten additional months of postpartum Medicaid coverage for women in FY 2023.

REPLACEMENT LABORATORY EQUIPMENT. The agency is requesting enhancement funding of \$230,000 SGF for FY 2023 to purchase laboratory equipment. The agency plans to replace equipment for metals testing and environmental samples testing. Specific equipment includes a mercury analyzer, gas chromatography system, and anatomic emission spectrometer.

ENHANCEMENT REQUESTS

DRINKING WATER PROTECTION PROGRAM. The agency requests \$350,000, all from the State Water Plan Fund, for the Drinking Water Protection Program. This program tests for nitrate levels in water to ensure a clean drinking water source. The agency plans to expand the number of communities in which it tests.

WATERSHED RESTORATION AND PROTECTION STRATEGY (WRAPS) PROGRAM. This program provides technical and financial assistance to landowners to implement practices to reduce nutrient and pollutant runoff into surface waters. Practices include cover crops, buffer strips, and no-till farming. The agency is requesting an enhancement of \$296,116, all from the State Water Plan fund, for FY 2023.

The **Governor** recommends fully funding the agency's requests for restoring FY 2022 reduced resources, Data Center rate increase, Maternal and child health home visiting, FTE positions in the Medicaid Eligibility and Medicaid Pharmacy programs, KMMS Project, Medicaid coverage for pregnant women, laboratory equipment, drinking water protection, and watershed restoration. The Governor does not recommend funding for oral health school-based preventative services.

COVID-19 RELIEF FUNDING

KDHE has received COVID-19 pandemic relief funds from several federal agencies over the last two budget cycles. The following chart includes funds included in the agency's budget requests for FY 2022 and FY 2023. The majority of these funds are included in the budgets for the Division of Public Health and Division of the Environment. This table provides a snapshot of funds included in the agency's budget funding sources, however, amounts are frequently updated as new federal legislation is passed or acted upon, so the anticipated award amounts are likely to change.

AGENCY COVID-19 BUDGET

Purpose	Total Anticipated Award	Amount Budgeted for FY 2022	Amount Budgeted for FY 2023	Description
Grants to Support Community Health Centers	\$ 838,987	\$ 208,000	\$ -	Funding to support health centers for the detection of, prevention, diagnosis, and treatment of COVID-19, including maintaining or increasing health center capacity and staffing levels during the public health emergency (PHE). The majority of this funding went to individual health centers.
Women Infants and Children (WIC) Voucher Increase	3,628,908	3,628,908	-	Provides a temporary increase to the Cash Value Voucher for fruit and vegetable purchases for certain food packages during the federally declared COVID-19 PHE.
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	8,244,657	1,965,882	1,319,344	Funding to rapidly establish and monitor key activities related to the COVID-19 pandemic in the areas of epidemiology, laboratory, and informatics.
CDC Testing Funds (including ELC funds designated for testing)	249,843,201	94,466,931	52,529,605	Intended to "prevent, prepare for, and respond to coronavirus" by supporting testing, case investigation and contact tracing, surveillance, containment, and mitigation.
Data Modernization	3,480,512	1,740,256	1,740,256	Funding to accelerate implementation of data modernization efforts, including core infrastructure, implementation of electronic case reporting, and modernization of the National Vital Statistics System toward faster, more automated sharing of vital statistics between the state and national levels.

Detection and Mitigation of COVID-19 in Confinement Facilities	\$ 6,510,000	\$ 3,255,000	\$ 3,255,000	Funds to respond to COVID-19 in adult prisons and jails, juvenile confinement facilities, police lockups, and community confinement facilities as defined by 28 CFR § 115.5.
Epidemiology and Lab Capacity for School Testing	87,747,589	76,540,209	1,500,000	Resources to implement screening test programs in K-12 schools.
Expand Genomic Sequencing	2,500,516	116,279	116,374	Funding for laboratory equipment and supplies directly related to establishing, expanding, or enhancing sequencing and bioinformatics capacity.
Housing Opportunities for Persons with AIDS (HOPWA)	88,288	8,303	-	Additional funding for HOPWA grantees to maintain operations, for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to COVID-19.
COVID-19 Vaccine Preparedness	55,979,671	19,199,771	15,965,616	Funding to support broad-based vaccine distribution, access, and coverage.
Small Rural Hospital Improvement Program - Testing and Mitigation	23,512,216	17,629,730	5,882,486	Funding to help small rural hospitals continue to serve their communities by expanding their COVID-19 testing capacity and mitigation efforts.
COVID-19 Health Disparities	31,390,829	15,748,403	15,749,316	Funds to address COVID-19 related health disparities among populations that are at high risk and underserved, including racial and ethnic minority groups and people living in rural areas.
All Other Funds	-	17,516,090	10,654,137	Recent and/or small awards that have not been categorized in the above categories.
TOTAL	\$ 473,765,374	\$ 252,023,762	\$ 108,712,134	

FEDERAL MEDICAL ASSISTANCE PERCENTAGE

FEDERAL MEDICAL ASSISTANCE PERCENTAGE

The Federal Medical Assistance Percentage (FMAP) determines the state and federal shares of funding for Medicaid. It is determined annually by the Secretary of Health and Human Services and is based on each state's per capita personal income compared to the average per capita personal income in other states.

TEMPORARY INCREASE TO THE FMAP

The Families First Coronavirus Response Act (FFCRA) provides a temporary 6.2 percentage point increase to the FMAP for the duration of the federal public health emergency (PHE). The increase became effective on January 1, 2020, and extends through the quarter in which the PHE ends, as determined by the Secretary of Health and Human Services. The current PHE was renewed effective October 15, 2021, and will be in effect for 90 days. This extension would move the anticipated end date of the PHE to January 2022, unless extended. Therefore, the savings are anticipated to continue through March 2022.

KDHE has provided the information in the tables below. The first table describes the savings accumulated thus far due to the 6.2 percent increase to the federal share and also includes the savings due to the increased enhanced FMAP (eFMAP). The eFMAP applies to Medicaid Services such as Children's Health Insurance Program (CHIP) and is calculated using a different formula than the regular FMAP. The eFMAP gains 4.34 percentage points during the PHE.

Quarter Ending	FMAP Savings (6.2%)	Enhanced FMAP Savings (4.34%)	Total SGF Savings
March 2020	\$ 58,435,092	\$ 1,882,863	\$ 60,317,955
June 2020	63,476,684	1,947,016	65,423,700
<i>Subtotal 2020:</i>	<i>\$ 121,911,776</i>	<i>\$ 3,829,879</i>	<i>\$ 125,741,655</i>
September 2020	60,205,603	1,895,712	62,101,315
December 2020	59,806,369	1,958,688	61,765,057
March 2021	61,581,962	1,955,930	63,537,892
June 2021	66,029,133	2,032,091	68,061,224
<i>Subtotal 2021:</i>	<i>\$ 247,623,067</i>	<i>\$ 7,842,421</i>	<i>\$ 255,465,488</i>
September 2021	66,399,011	1,951,806	68,350,817
GRAND TOTAL:	\$ 435,933,854	\$ 13,624,106	\$ 449,557,960

Quarter Ending	KDHE	KDADS	KDOC	Total SGF Savings
March 2020	\$ 30,320,444	\$ 28,108,873	\$ 5,775	\$ 58,435,092
June 2020	35,278,340	28,175,947	22,397	63,476,684
<i>Subtotal 2020:</i>	<i>\$ 65,598,784</i>	<i>\$ 56,284,820</i>	<i>\$ 28,172</i>	<i>\$ 121,911,776</i>
September 2020	31,599,862	28,551,721	54,020	60,205,603
December 2020	30,965,994	28,811,117	29,258	59,806,369
March 2021	33,131,468	28,410,322	40,172	61,581,962
June 2021	37,345,760	28,650,601	32,772	66,029,133
<i>Subtotal 2021:</i>	<i>\$ 133,043,084</i>	<i>\$ 114,423,761</i>	<i>\$ 156,222</i>	<i>\$ 247,623,067</i>
September 2021	33,586,476	32,781,171	31,364	66,399,011
GRAND TOTAL:	\$ 232,228,344	\$ 203,489,752	\$ 215,758	\$ 435,933,854

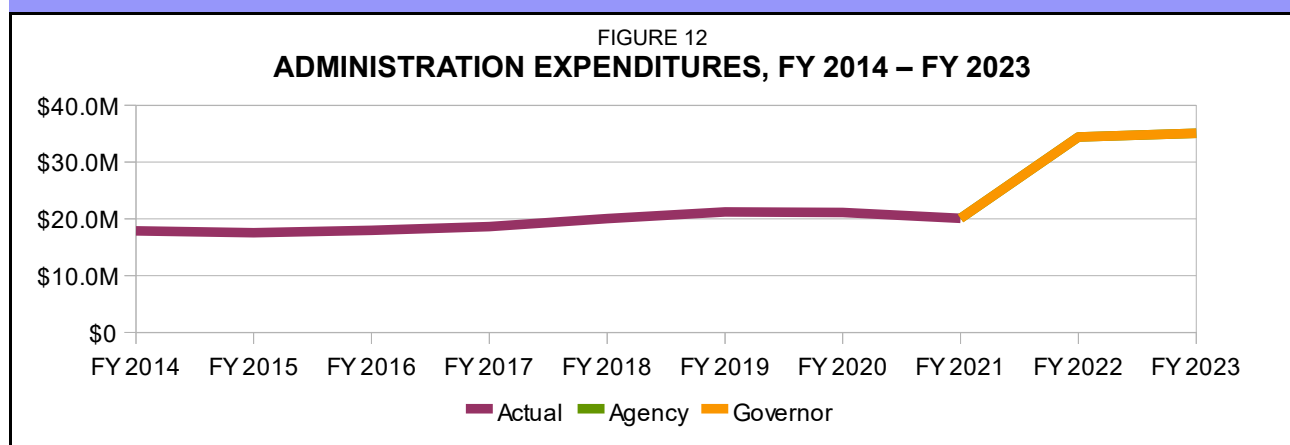
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 20,097,198	\$ 34,411,030	\$ 34,411,030	\$ 35,051,161	\$ 35,051,161
Public Health	281,903,835	320,555,025	370,923,264	215,079,067	215,729,599
Health Care Finance	2,811,866,098	3,133,599,045	3,192,465,053	3,132,015,990	3,732,015,990
Environment	209,047,204	159,423,388	201,423,388	113,145,878	178,145,878
TOTAL	\$ 3,322,914,335	\$ 3,647,988,488	\$ 3,799,222,735	\$ 3,495,292,096	\$ 4,160,942,628
FTE Positions:					
Administration	112.0	124.0	124.0	124.0	124.0
Public Health	396.8	468.2	468.2	468.2	468.2
Health Care Finance	630.0	627.0	627.0	627.0	627.0
Environment	459.9	504.9	504.9	504.9	504.9
TOTAL	1,598.7	1,724.1	1,724.1	1,724.1	1,724.1

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • This program did not provide any statutory information or goals.

The Administration program provides the central management and administrative support functions of KDHE. The program includes the Secretary's Office, which sets agency policy and coordinates operations in order to carry out statutory mandates. The Office of Legal Services supports all program areas in the enforcement of health and environmental laws and regulations. Management and Budget provides financial and strategic planning support services to all programs in KDHE. Financial Services include budget development, grant management, maintenance of accounts and reports, central reporting, and execution of all financial transactions.

The Office of Communications supplies written, oral, and visual communications services to convey KDHE's program objectives to internal and external audiences. The Office of Information Technology Services (OITS) is under the Kansas Executive Chief Information

Technology Officer and activities are coordinated through the KDHE OITS staff to maintain agency information technology from hardware and basic desktop applications to vendor-produced or internally produced specialty programming. Internal computer training and network safety are also conducted by OITS. Funding for the OITS staff and technology acquisition and maintenance is represented in the KDHE budget.

The agency also confers with the Office of Personnel Services staff from the Department of Administration on all KDHE personnel transactions, such as recruitment and selection, employment management, benefit administration, classification and workforce planning, examination and certification of qualified candidates, employee relations, and Equal Employment Opportunity and affirmative action program implementation.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
There were no agency performance measures submitted for this program.					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 5,534,397	\$ 7,394,765		\$ 5,843,371	\$ 7,234,802
All Other Funds	15,575,543	12,702,433		28,567,659	27,816,359
TOTAL	\$ 21,109,940	\$ 20,097,198		\$ 34,411,030	\$ 35,051,161

FIGURE 13 ADMINISTRATION, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
Percentage Change:					
SGF	11.2 %	33.6 %		(21.0) %	23.8 %
All Funds	(0.4) %	(4.8) %		71.2 %	1.9 %
FTE Positions	108.0	112.0		124.0	124.0

BUDGET ANALYSIS

The Administration program provides the central management and administrative support functions of KDHE.

FY 2022 REVISED REQUEST

The **agency** requests a revised estimate for FY 2022 expenditures of \$34.4 million, including \$7.4 million SGF, for the Administration function. This is an all funds increase of \$10.1 million, or 41.2 percent, including an SGF decrease of \$314,590, or 5.1 percent, from the FY 2022 approved amount. The increase is due to \$10.0 million in COVID-19 pandemic relief funds allocated to the Administration function.

The FY 2021 revised request for the Administration function includes 124.0 FTE positions, which is an increase of 12.0 FTE positions above the FY 2021 approved number. The increase in FTE positions includes five new staff to administer COVID-19 relief funds across several agency divisions, as well as additional IT support staff.

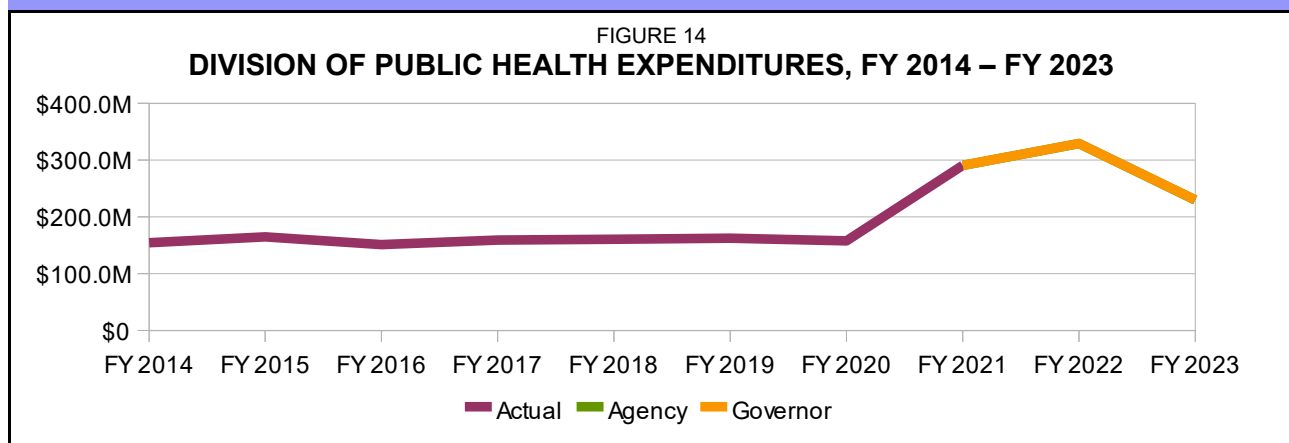
FY 2023 ESTIMATE

The **agency** requests FY 2023 expenditures totaling \$35.1 million, including \$7.2 million SGF, for the Administration function. This is an all funds increase of \$640,131, or 1.9 percent, including an SGF increase of \$1.4 million, or 23.8 percent, above the revised FY 2022 estimate. The SGF increase is primarily attributable to the agency's enhancement request to restore the reduced resources that resulted in \$1.1 million SGF in the Administration Division being replaced with \$524,936 from the Sponsored Project Overhead Fund and \$566,716 from the Civil Registration/Health Statistics Fee Fund. The agency requests to return to utilizing SGF moneys for these expenditures. The request includes 124.0 FTE positions, which is the same as the FY 2022 revised estimate number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's request for the Administration program in FY 2022 and for FY 2023.

DIVISION OF PUBLIC HEALTH



STATUTORY BASIS: • KSA 65-1668 to 1675; KSA 75-5666; KSA 65-241 to 246, KSA 65-116, KSA 75-6102(f)(1)(2)(3); KSA 65-101 to 102; KSA 65-118 to 119; KSA 65-128; KSA 65-177; KSA 65-1,202; KSA 65-1,241 *et seq.*; KSA 75-5661; KSA 65-2401-2438; KSA 65-180; KSA 65-1,157a; KSA 65-5a01 through 65-5a16; KSA 65-1,159a; KSA 65-5a13; KSA 65-5a14; KSA 65-1132 and KSA 65-1133; KSA 65-501 *et seq.*; KSA 74-7801 and 74-7803; KSA 75-5648 and 75-5649; KSA 65-101; KSA 68-6803; KSA 65-103a

- PROGRAM GOALS:**
- Enhance the health and safety of Kansas communities.
 - Strengthen the public health system through collaboration, support, and monitoring.
 - Intervene in the spread of STIs, including HIV, and reduce the complications occurring from these infections.
 - Reduce the incidence of vaccine preventable disease (VPD).
 - Protect Kansans from public health hazards.
 - Collect, analyze and disseminate public health data.
 - Facilitate access to comprehensive and coordinated clinical and public health services; improve access to comprehensive screening including health, social, developmental, and behavioral; promote policies, systems, and resources to meet the needs of Kansas women, men, children, and families.
 - Protect and promote public health and the optimal development of children in out of home care through the inspection and licensing of child care facilities; and provide a basic level of consumer protection for parents and guardians selecting child care.
 - Improve access to comprehensive and quality nutritional services for women, mothers, and children.
 - Increase access to preventive health services and reduce the health impact of chronic disease and injury among Kansans.
 - Decrease the prevalence of health risk behaviors that contribute to the leading preventable chronic diseases and injury in the Kansas population.

The Division of Public Health seeks to promote and protect health and prevent disease and injury among the people of Kansas. Three core functions are employed to further this mission. The assessment function is the systematic collecting, analyzing, and distributing of information on various aspects of health, trends in health, and health-related problems. The policy development function utilizes scientific knowledge in making important health policy decisions. Finally, the assurances

function makes certain that services are provided to meet the State's health goals. This may be done directly through state or local programs, indirectly through encouraging other public or private entities to act, or by regulatory activity.

While the bulk of its staff and programs are located in Topeka, the Division of Public Health provides direct services throughout the state,

with staff stationed in several of KDHE's district offices. In addition, the Division works closely with 100 local health departments serving all 105 Kansas counties. The Division includes a Health Administration subprogram, and six bureaus administer the Division of Public Health programs.

The **Bureau of Disease Control and Prevention** concentrates on identifying, preventing, and controlling communicable diseases of crucial public health concern. The Bureau conducts focused programming through two sections: the STI/HIV (Sexually Transmitted Infections/Human Immunodeficiency Virus) Section and the TB (Tuberculosis)/Immunization Section.

The **Bureau of Health Promotions** facilitates the development of state and local health objectives that offer a prevention framework for health promotion and evidence-based decision-making to promote improvements in population health status. The Bureau pursues funding resources and collaborative partnerships to respond to the State's leading health problems in the areas of chronic disease, including heart disease, dental disease, arthritis, cancer, injury and disability, obesity, stroke, and diabetes.

The **Bureau of Family Health** supports a statewide system of public health services for maternal and child populations, including women of reproductive age, pregnant women, infants, children, and adolescents up to 22 years old. The Early Care and Youth Programs section (Child Care Licensing) is responsible for licensing and regulating more than 5,000 child care facilities and agencies serving children under the age of 16. Other programs include:

- Special Health Services;
- Nutrition and WIC Services; and
- Healthy Homes and Lead Hazard Prevention Program.

The **Bureau of Community Health Systems** provides leadership for the agency in the Public Health and Hospital Preparedness Program, which coordinates response to all public health and radiation emergency situations, whether caused by natural events or acts of terrorism.

The Right-to-Know Program works closely with local emergency management and local emergency planning commissions to assist them in emergency preparedness. The Health Facilities Program licenses or certifies about 850 hospitals, ambulatory surgical centers, home health agencies, and other medical care providers. Other main programs include the Radiation Program and the Kansas Radon Program.

The Bureau of Community Health Systems also houses the Primary Care, Rural Health, and Special Populations Health programs, which serve Kansans who face financial, geographic, or other barriers to accessing health care services. The Kansas Trauma Program advises the Secretary on trauma-related matters, supports the Kansas Trauma Registry, and provides oversight of trauma center designation processes. The bureau also coordinates statewide minority health and health equity initiatives and acts as a liaison for local health departments and critical access hospitals across the state.

The **Bureau of Oral Health** works to increase awareness and improve the oral health of all Kansans through oral health data collection, surveillance, and dissemination; statewide oral health education, promotion, and collaboration; development of science-based oral health policy; and programming dedicated to dental disease prevention.

The **Bureau of Epidemiology and Public Health Informatics**, under the supervision of the State Epidemiologist, serves as a data and information support group for the agency, as well as other state agencies. The primary responsibilities of the Bureau are vital records acquisition, management, and issuance; data and information acquisition; and analysis, distribution, and publication for the public, policymakers, and program managers. The Bureau also manages the State's reportable disease surveillance system, responds to outbreaks of disease related to infectious and environmental agents, and provides professional staffing to a 24-hour disease response hotline. The Bureau is the administrative home of the State's Health Information Technology Coordinator Program.

FIGURE 15

DIVISION OF PUBLIC HEALTH, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of unduplicated patients served by state-funded primary care clinics	311,054	289,037	298,715	295,000	300,000
2. Number of cases submitted to the trauma registry by hospitals within 60 days of patient discharge*	14,782	12,311	13,701	15,000	15,500
3. Percent of early syphilis cases treated appropriately*	82.0 %	87.0 %	89.0 %	90.0 %	95.0 %
4. Percent of children entering kindergarten up to date with required DTaP5 – Polio4 – MMR2 - HepB3– Varicella2 vaccines	88.0 %	86.0 %	86.0 %	90.0 %	90.0 %
5. Number of reportable diseases sent to the CDC*	20,373	92,882	39,632	6,000	6,000
6. Number of certified vital records produced*	373,191	402,632	383,950	394,579	386,687
7. Percent of children receiving services from Part C who substantially increased their growth in positive social-emotional skills by the time they turned 3 years of age or exited the program*	67.0 %	65.0 %	67.0 %	67.0 %	68.0 %
8. Number of pregnant and postpartum women, breastfeeding mothers, infants, and children to age 5 served by the WIC program*	81,529	76,424	81,824	71,000	71,000
9. Average number of child care facility permits and licenses issued monthly*	472	440	466	450	450
10. Number of provider referrals of patients to the Quitline for tobacco cessation*	221	146	273	350	450
11. Average Cost of Kansas school dental screening program at \$5.00 per screening*	\$ 747,175	\$ 328,275	\$ 623,217	\$ 500,000	\$ 750
12. Average cost per cancer screening (colonoscopies added in FY21)*	\$ 58	\$ 107	\$ 75	\$ 99	\$ 93
13. Percent of women served by Maternal Child Health agencies who received prenatal care	68.4 %	71.4 %	70.9 %	70.0 %	71.0 %
14. Percent of childcare facilities complying with regulations	98.2 %	99.4 %	98.9 %	99.0 %	99.0 %

Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 21,242,669	\$ 24,011,296		\$ 30,806,874	\$ 29,063,268
All Other Funds	142,086,759	257,892,539		340,116,390	186,666,331
TOTAL	\$ 163,329,428	\$ 281,903,835		\$ 370,923,264	\$ 215,729,599
Percentage Change:					
SGF	8.1 %	13.0 %		28.3 %	(5.7) %
All Funds	2.8 %	72.6 %		31.6 %	(41.8) %
FTE Positions	358.5	397.0		468.2	468.2

*The Governor's Office does not utilize this measure for evaluation purposes.

FIGURE 16 SUMMARY OF PUBLIC HEALTH, FY 2022					
	Special Revenue Funds		All Funds	FTE	
	SGF				
Legislative Approved:					
Amount Approved by 2021 Legislature	\$ 28,927,762	155,750,368	184,678,130	398.8	
SGF Reappropriation	1,880,735	-	1,880,735	--	
<i>Subtotal—Legislative Approved</i>	<i>\$ 30,808,497</i>	<i>\$ 155,750,368</i>	<i>\$ 186,558,865</i>	<i>398.8</i>	
Agency Revised Estimate:					
CIF reappropriation	\$ -	42,498	42,498	--	
COVID-19 Relief Funds - ELC/testing	-	65,011,592	65,011,592	--	
COVID-19 Relief Funds - Health Disparities	-	5,127,497	5,127,497	--	
COVID-19 Relief Funds - Small Rural Hospital Improvement Program	-	17,629,730	17,629,730	--	
COVID-19 Relief Funds - Vaccine Preparedness	-	19,199,808	19,199,808	--	
COVID-19 relief funds - Other	-	18,338,973	18,338,973	--	
Childcare Development Block Grant	-	3,152,667	3,152,667	--	
Supplemental Request - Oral Health	250,000	-	250,000	--	
All Other Adjustments	(1,623)	5,245,018	5,243,395	69.4	
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 31,056,874</i>	<i>\$ 289,498,151</i>	<i>\$ 320,555,025</i>	<i>468.2</i>	
Governor's Recommendation:					
Front Line Hospital Employee Retention Plan	\$ -	\$ 50,000,000	\$ 50,000,000	--	
Consolidated Health Centers Fund	-	618,239	618,239	--	
Non-recommended agency supplementals	(250,000)	-	(250,000)	--	
TOTAL	\$ 30,806,874	\$ 340,116,390	\$ 370,923,264	468.2	

FY 2022 BUDGET ANALYSIS

The **agency** requests a Division of Public Health revised estimate of \$320.6 million, including \$31.1 million SGF, in FY 2022. This is an all funds increase of \$129.2 million, or 67.5 percent, including an SGF increase of \$248,377, or 0.8 percent, above the amount approved by the 2021 Legislature. The FY 2022 agency revised request includes the following for each bureau:

- \$103,693, including \$7,395 SGF, for Health Administration;
- \$19.1 million, including \$1.9 million SGF, for the Bureau of Disease Control and Prevention;
- \$20.5 million, including \$430,712 SGF, for the Bureau of Health Promotions;

- \$94.0 million, including \$8.6 million SGF, for the Bureau of Family Health;
- \$62.1 million, including \$19.3 million SGF, for the Bureau of Community Health Systems;
- \$1.0 million, including \$575,511 SGF, for the Bureau of Oral Health; and
- \$123.6 million, including \$196,845 SGF, for the Bureau of Epidemiology and Public Health Informatics.

The all funds increase includes a reappropriation from the Children's Initiatives Fund due to a COVID-19-related drop in services in the Newborn Hearing Aid Program and an increase in funding for the Childcare Development Block grant. The largest reason for the increase is COVID-19 pandemic relief funds that were not originally budgeted as the allocation occurred after the agency created its original FY 2022 budget in September 2020.

COVID-19 RELIEF FUNDS

The majority of COVID-19 pandemic relief funds (\$65.0 million) were in the category of testing and related infrastructure, such as laboratory equipment and informatics. Other large categories include \$19.2 million for vaccine preparedness and \$17.6 million for Small Rural Hospital Improvement Program testing and mitigation. The COVID-19 Relief

Funds - Other category includes a variety of funds, including funds for Housing Opportunities for Persons with AIDS and the Part C program (tiny-k).

SUPPLEMENTAL REQUEST

The increase in SGF is due to the agency's supplemental request for \$250,000 for school-based oral health programming.

FTE POSITIONS

The revised request for the Division of Public Health includes an increase of 69.4 FTE positions above the 398.8 approved by the 2021 Legislature. The positions are primarily associated with COVID-relief efforts and housed within the bureaus of Epidemiology and Public Health Informatics, Disease Control and Prevention, and Community Health Systems.

GOVERNOR RECOMMENDATION

The **Governor** recommends FY 2022 Division of Public Health expenditures totaling \$370.9 million, including \$30.8 million SGF. This is an increase of \$50.4 million from all funds, including a decrease of \$250,000 SGF, from the agency's FY 2022 revised estimate. The all funds increase is largely due to the \$50.0 million Front Line Hospital Employee Retention Plan included in the Governor's recommendation, as approved by the SPARK Executive Committee and the State Finance Council.

FIGURE 17
SUMMARY OF PUBLIC HEALTH, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 31,056,874	\$ 289,498,151	\$ 320,555,025	468.2
Agency Request:				
COVID-19 Relief Funds - ELC/testing	\$ -	(78,259,024)	(78,259,024)	--
COVID-19 Relief Funds - Women Infants and Children (WIC)	-	(4,132,197)	(4,132,197)	--
COVID-19 Relief Funds - Small Rural Hospital Improvement Program	-	(11,747,244)	(11,747,244)	--
COVID-19 Relief Funds - Vaccine Preparedness	-	(3,735,602)	(3,735,602)	--
COVID-19 Relief Funds - Other		(6,734,762)	(6,734,762)	--
Reappropriations not budgeted for in FY 2023	(1,880,735)		(1,880,735)	--
Enhancement - Maternal and Child Home Visiting	-	1,400,000	1,400,000	--
Enhancement - School-based Oral Health	250,000	-	250,000	--
All Other Adjustments	(246,572)	(389,822)	(636,394)	--
Subtotal-Agency Request	\$ 29,179,567	\$ 185,899,500	\$ 215,079,067	468.2
Governor's Recommendation:				
Non-recommended Agency Enhancements	\$ (250,000)	\$ -	\$ (250,000)	--
Nurse Pay Adjustment	133,701	-	133,701	--
Consolidated Health Centers Fund		766,831	766,831	--
TOTAL	\$ 29,063,268	\$ 185,899,500	\$ 215,729,599	468.2

FY 2023 BUDGET ANALYSIS

The **agency** requests Division of Public Health expenditures of \$215.1 million, including \$29.2 million SGF, for FY 2023. This is an all funds decrease of \$105.5 million, or 32.9 percent, including an SGF decrease of \$1.9 million, or 6.0 percent, below the 2022 revised estimate. The FY 2023 agency request includes the following decreases for each bureau:

- \$4,325, all federal funds, for Health Administration;
- \$18.5 million, including \$1.3 million SGF, for the Bureau of Disease Control and Prevention;
- \$20.5 million, including \$430,467 SGF, for the Bureau of Health Promotions;
- \$88.7 million, including \$8.4 million SGF, for the Bureau of Family Health;
- \$49.3 million, including \$18.3 million SGF, for the Bureau of Community Health Systems;

- \$1.0 million, including \$575,597 SGF, for the Bureau of Oral Health; and
- \$37.0 million, including \$196,937 SGF, for the Bureau of Epidemiology and Public Health Informatics.

ALL FUNDS DECREASE

The all funds decrease is primarily due to a reduction in the amount of federal COVID-19 pandemic relief funds anticipated to be available for FY 2023. Major areas of decrease include \$78.3 million in epidemiology and laboratory capacity (ELC) and testing funds, \$11.7 million in COVID-19 pandemic relief funding for the Small Rural Hospital Improvement Program, and a \$4.1 million reduction in funding for the Woman, Infants, and Children (WIC) program.

The all funds decrease was partially offset by the agency's enhancement request for an

additional \$1.4 million, all from the Children's Initiatives Fund, for the Maternal and Child Home Visiting Program.

SGF DECREASE

The SGF decrease is largely due to \$1.9 million in reappropriations from FY 2021 into FY 2022 that were not budgeted to reoccur in FY 2023. This was partially offset by the agency's enhancement request for the school-based oral health program.

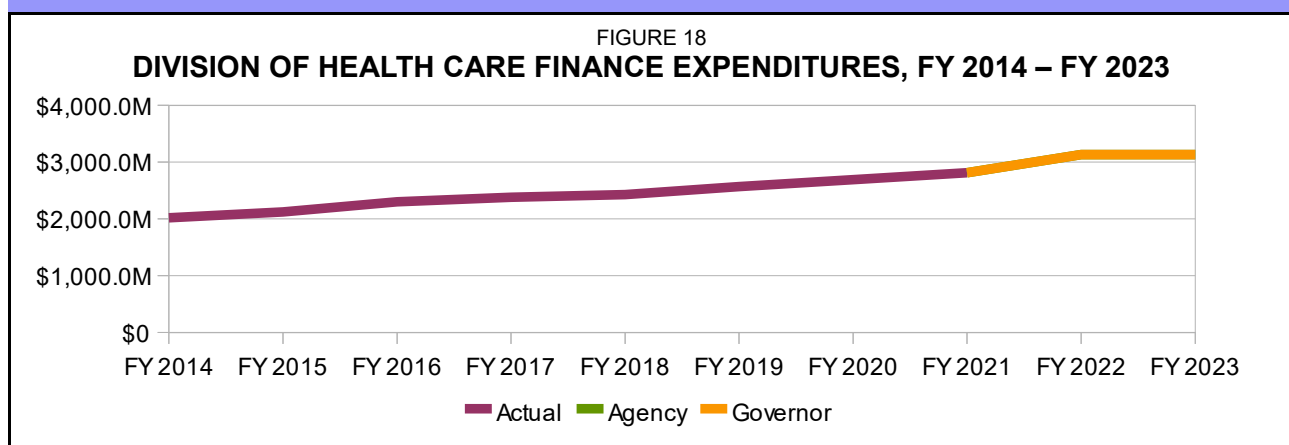
FTE POSITIONS

The agency request for the Division of Public Health in FY 2023 includes 468.2 FTE positions, which is the same as the FY 2022 revised estimate number.

GOVERNOR RECOMMENDATION

The **Governor** recommends FY 2023 Division of Public Health expenditures totaling \$215.7 million, including \$29.1 million SGF. This is an increase of \$650,532 above the agency's FY 2023 request, largely due to federal funds that were added for COVID-19 pandemic relief after the agency submitted their budget.

DIVISION OF HEALTH CARE FINANCE



STATUTORY BASIS: • Social Security Act Title XIX and Title XXI

PROGRAM GOALS:

- Improve the health of the people of Kansas by increasing the quality, efficiency, and effectiveness of health services.
- Increase coordination with public health programs.
- Improve the quality of care for all Kansans.
- Control program costs.
- Implement long-lasting reforms that improve the quality of health and wellness of Kansans.

The Division of Health Care Finance is responsible for developing and maintaining a coordinated health policy agenda that combines the effective purchasing and administration of health care with health promotion-oriented public health strategies. The Division oversees the State's Medicaid program (Title XIX), and the Children's Health Insurance Program (CHIP) (Title XXI), and is responsible for interagency coordination and promoting integrated oversight. The Division includes two major program areas: Medicaid/KanCare administration and Medicaid/KanCare assistance.

MEDICAID/KANCARE

KanCare is the program through which the State administers Medicaid. The State contracts with three managed care organizations (MCOs) to coordinate health care for individuals enrolled in Medicaid. KDHE maintains financial management and contract oversight of the KanCare program while the Kansas Department for Aging and Disability Services (KDADS) administers Medicaid waiver programs for disability services, mental health, and substance abuse, as well as operates the state hospitals and institutions. All Medicaid/KanCare expenditures that are not

considered assistance to individuals under the program are administration expenditures.

The Division of Health Care Finance develops policies and administers and manages programs that fund health care services for persons who qualify for Medicaid, MediKan, and CHIP. Individuals served by these programs include low-income children and adults, individuals with disabilities, and the elderly. In addition to administering cost-effective managed care and fee-for-service purchasing systems, the Division contracts with and oversees a fiscal agent that operates the Medicaid Management Information System (MMIS), and ensures compliance with relevant federal rules and regulations.

Medicaid is a joint federal and state program that provides health and long-term care services to people with low incomes. All states currently participate in the Medicaid program, and federal matching funds are available for the costs of these services. As a condition of state participation, each state must agree to cover certain populations and certain services. These eligibility groups and services are referred to as "mandatory."

Nearly all health care services purchased by KDHE are financed through a combination of state and federal matching dollars through either Title XIX (Medicaid) or Title XXI (CHIP). Under Title XIX, the federal government provides approximately 60.0 percent of the cost of Medicaid services, with no upper limit on what the federal government will reimburse the State. The State provides the remaining 40.0 percent of the cost of Medicaid services. Under Title XXI, the federal government provides approximately 70.0 percent of the cost, up to a maximum allotment, and the State provides the remaining 30.0 percent and any excess spent above the federal allotment. Health care services are purchased through both traditional fee-for-service (FFS) and managed care models as described below.

The federal authorization of the current KanCare program was approved by the federal Centers for Medicare and Medicaid Services (CMS) on December 18, 2018, and is effective January 1, 2019, through December 31, 2023. The agency completed the request for proposal (RFP) process for the MCOs contracted for KanCare beginning January 1, 2019. The three MCOs are Aetna, Sunflower Health Plan, and United Healthcare of the Midwest. Aetna joined as a new MCO, while Sunflower Health Plan and United Healthcare of the Midwest continued in their roles. Amerigroup no longer provides services.

As part of the Balanced Budget Act of 1997, Congress created Title XXI, CHIP, to address the growing problem of children without health insurance. The program was designed to expand health insurance to children whose families do not qualify for Medicaid. CHIP is a federal and state partnership similar to Medicaid. The program was designed to provide coverage to “targeted low-income children.” Through CHIP, Kansas provides free or low-cost health insurance coverage to children who:

- Are under the age of 19;
- Do not qualify for Medicaid;
- Have family incomes under 250.0 percent of the federal poverty level (2008 FPL standard); and
- Are not covered by the State Employee Health Plan (SEHP) or other private health insurance.

In FY 2021, the agency spent more than \$2.5 billion purchasing health care for approximately 461,000 persons through Medicaid and CHIP. It is the third largest purchaser of health care services and the largest purchaser of children’s health care services in Kansas.

The Division of Health Care Finance is composed of the following programs: Medicaid Director, Medicaid Operations, Program Finance and Estimations, Policy, Research and Initiatives, Kansas Eligibility Enforcement System (KEES), and Medicaid/KanCare assistance.

THE MEDICAID DIRECTOR

The Medicaid Director oversees the operations and administrative responsibilities of the Division and is responsible for ensuring the Division’s compliance with statutory obligations.

The Office is responsible for coordinating all programs established to assist with the mission and vision of the Division, as well as the oversight of the daily operational issues for the three KanCare MCOs. This oversight spans across the full range of managed care Medicaid and CHIP populations. The realm of responsibilities includes issue resolution for members and providers; review of material for accuracy, clarity, compliance with program requirements, and readability; and coordination with Division of Public Health programs.

MEDICAID OPERATIONS

Medicaid Operations is composed of three groups: the Medicaid Program Compliance and Contracting group, the Kansas Enterprise Systems group, and the Medicaid Eligibility group.

The **Compliance and Contracting group** is responsible for the procurement, management, and oversight of all contracts that include Medicaid and CHIP funding, and is responsible for program integrity and the management of third-party liability collections from primary insurance carriers and Medicare. This group also provides collaborative oversight to the seven Home and Community Based Services (1915) waivers with the Kansas Department for

Aging and Disability Services, and oversight of the fair hearings process.

The **Kansas Enterprise Systems group** manages the oversight of the Medicaid system operations, including management of the vendors responsible for system services, and project management. This group includes the KEES Operations Unit, the Kansas Modular Medicaid System (KMMS) Operations, and the Project Management Unit.

The **Medicaid Eligibility Unit** has five units that oversee all aspects of Medicaid eligibility: Eligibility Policy, Eligibility Systems, Eligibility Operations, Eligibility Training and Quality, and Eligibility Outreach and Presumptive Medical Disability Determination (PMDT) Unit. Responsibilities include overseeing all program, policy, and training activities related to beneficiaries and their enrollment into the program. This unit interprets federal and state laws and regulations, issues policies about who is eligible and how eligibility is determined, coordinates issues related to the customer experience, and actively works with community partners to develop strategies for enrolling eligible beneficiaries. The Eligibility Unit monitors the functionality of KEES, monitors the timely processing of eligibility requests, and monitors eligibility contractor compliance.

PROGRAM FINANCE AND ESTIMATIONS

The Program Finance and Estimations group provides fiscal management, financial analysis, and estimates related to Medicaid and CHIP utilization to all division program areas. It is comprised of three units: The Federal Reporting Unit, the Budget/Fiscal Unit, and the Medicaid Eligibility Quality Control Unit (MEQC).

The **Federal Reporting Unit** is charged with the fiscal management and accurate financial reporting of the Division's medical programs. Key finance activities include accurate reporting and tracking of expenditures and revenues, submission of quarterly federal Medicaid and CHIP reports for all KanCare expenditures, submission of quarterly Medicaid and CHIP administration and assistance estimates to CMS, prudent management of cash balances, timely and accurate federal fund draws, cost allocation plan maintenance and updates,

management of provider payments through Medicaid Management Information System, and fiscal management of division contracts.

The **Budget/Fiscal Unit** is responsible for financial reviews and oversight of the KanCare MCOs, development of the division budget, multi-agency combined medical caseload projections, risk management tracking, and fiscal monitoring of critical projects.

The **Medicaid Eligibility Quality Control (MEQC)** is a federally mandated unit that provides comprehensive audit analysis of state compliance with Medicaid and CHIP eligibility regulations and provides data to assist with corrective action planning for identified error deficiencies. MEQC performs audits on cases processed by the KanCare Clearinghouse, the KDHE Out-Stationed Unit, and any other assigned entities.

POLICY, RESEARCH, AND INITIATIVES

The **Medicaid Initiatives, Research, and Training Unit** is responsible for researching and developing new Medicaid policies and initiatives and serves as a liaison for KanCare with the Division of Public Health, KDADS, and the Kansas Legislature when Medicaid initiatives overlap with these entities.

The **Data Analytics Unit** provides the agency and outside stakeholders with health care data information policy setting and continuous program and financial improvement. This is accomplished through collecting health care information from claims associated with the Kansas Medicaid population, including programmatic and administrative data.

The **Private Insurance Unit** administers the Kansas Health Insurance Information System (KHIIS), Health Professional Licensure, Medicare Historical Part A and B Dual eligibility, capitation, and the Hospital Inpatient Discharge data sets, which produce standard as well as *ad-hoc* reports.

KEES

KEES is the information system used to determine eligibility for Medicaid, CHIP, and other medical assistance programs. KDHE has

partnered with the Department for Children and Families to include eligibility for other human services programs, such as Temporary Assistance for Needy Families (TANF),

Supplemental Nutrition Assistance Program (SNAP), child care assistance, Low Income Energy Assistance Program (LIEAP), and others.

FIGURE 19 HEALTH CARE FINANCE, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average number of Kansas Medicaid members enrolled monthly	409,053	463,053	427,558	370,800	370,800
2. Stakeholder Medicaid Training: Classroom hours provided*	2,022	3,660	2,903	3,000	3,000
3. Healthcare Effectiveness Data and Information Set (HEDIS) 50th percentile for HbA1c testing for comprehensive Diabetes care*	Above 50 th percentile	Above 50 th percentile	Above 50 th percentile	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.
4. HEDIS 50th percentile for Annual Dental Visit Total Ages 2-21*	Above 50 th percentile	Above 50 th percentile	Above 50 th percentile	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.
5. HEDIS 50th percentile for Weight Assessment / BMI for Children & Adolescents*	Above 50 th percentile	Above 50 th percentile	Above 50 th percentile	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.	Meet or exceed the 50th percentile of NCQA's** Quality Compass or meet or exceed by 5 percentage points.
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 599,206,924	\$ 532,864,669		\$ 713,948,382	\$ 706,848,108
All Other Funds	2,089,053,797	2,279,001,429		2,478,516,671	3,025,167,882
TOTAL	\$ 2,688,260,721	\$ 2,811,866,098		\$ 3,192,465,053	\$ 3,732,015,990
Percentage Change:					
SGF	(19.1) %	(11.1) %		34.0 %	(1.0) %
All Funds	4.7 %	4.6 %		13.5 %	16.9 %
FTE Positions	592.0	631.0		627.0	627.0

*The Governor's Office does not utilize this measure for evaluation purposes.

**National Committee for Quality Assurance

FIGURE 20
SUMMARY OF HEALTH CARE FINANCE FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 760,646,912	\$ 2,359,458,978	\$ 3,120,105,890	630.0
SGF Reappropriation	18,546,559	-	18,546,559	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 779,193,471</i>	<i>\$ 2,359,458,978</i>	<i>\$ 3,138,652,449</i>	<i>630.0</i>
Agency Revised Estimate:				
Supplemental - Administrative Hearings Services	\$ 107,348	\$ 107,349	\$ 214,697	--
Supplemental - FTEs for Medicaid Eligibility	53,463	160,389	213,852	3.0
Supplemental - FTEs for Medicaid Pharmacy	46,800	140,400	187,200	2.0
Supplemental - Extend Medicaid coverage for pregnant women	1,049,024	1,584,068	2,633,092	--
All Other Adjustments	281,873	(8,584,118)	(8,302,245)	(8.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 780,731,979</i>	<i>\$ 2,352,867,066</i>	<i>\$ 3,133,599,045</i>	<i>627.0</i>
Governor's Recommendation:				
Non-recommended agency supplementals	\$ (50,131)	\$ (150,395)	\$ (200,526)	--
Caseload Adjustments	(66,733,466)	125,800,000	59,066,534	--
TOTAL	\$ 713,948,382	\$ 2,478,516,671	\$ 3,192,465,053	627.0

FY 2022 BUDGET ANALYSIS

The **agency** requests a Division of Health Care Finance revised estimate of \$3.1 billion, including \$780.7 million SGF, in FY 2022. This is an all funds decrease of \$5.0 million, or 0.2 percent, including an SGF increase of \$1.5 million, or 0.2 percent, from the amount approved by the 2021 Legislature.

The SGF increase of \$1.5 million is due to the agency's supplemental requests as listed above.

GOVERNOR RECOMMENDATION

The **Governor** recommends FY 2022 Division of Health Care Finance expenditures totaling \$3.2 billion, including \$713.9 million SGF. This is an increase of \$58.9 million from all funds and a decrease of \$66.8 million SGF from the agency's FY 2022 revised estimate, largely due to adjustments to human services caseloads.

FIGURE 21 SUMMARY OF HEALTH CARE FINANCE, FY 2023				
	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 780,731,979	\$ 2,352,867,066	\$ 3,133,599,045	627.0
Agency Request:				
Enhancement - Kansas Modular Medicaid System (KMMS) Project	\$ 9,100,000	\$ -	\$ 9,100,000	--
Enhancement - FTEs for Medicaid Eligibility	-	-	-	--
Enhancement - FTEs for Medicaid Pharmacy	-	-	-	--
Enhancement - Extend Medicaid coverage for pregnant women	3,143,486	4,746,790	7,890,276	--
Discontinuation of Administrative Hearing Supplemental request	(107,348)	(107,348)	(214,696)	--
Reappropriations from FY 2022 not budgeted for in FY 2023	(18,546,559)	-	(18,546,559)	--
All Other Adjustments	26,550	161,375	187,924	--
Subtotal—Agency Request	\$ 774,348,108	\$ 2,357,667,883	\$ 3,132,015,990	627.0
Governor's Recommendation:				
Caseload Adjustments	1,000,000	3,000,000	4,000,000	--
Medicaid Expansion Assistance	19,000,000	577,000,000	596,000,000	--
Medicaid Expansion SGF Savings	(87,500,000)	-	-	--
TOTAL	\$ 706,848,108	\$ 2,357,667,883	\$ 3,732,015,990	627.0

FY 2023 BUDGET ANALYSIS

The **agency** requests Division of Health Care Finance expenditures of \$3.1 billion, including \$774.3 million SGF, for FY 2023. This is an all funds decrease of \$1.6 million, or less than 0.1 percent, including an SGF decrease of \$6.4 million, or 0.8 percent, below the FY 2022 revised estimate.

SGF

The decrease in SGF expenditures for FY 2023 is largely due to funds that were reappropriated from FY 2021 into FY 2022 that were not budgeted to reoccur in FY 2023. This decrease was partially offset by the agency's four enhancement requests in the Division of Health Care Finance. These include funding for the KMMS Project (\$9.1 million SGF), a continuation of the additional FTE positions in Medicaid eligibility and pharmacy programs, and the extension of Medicaid coverage for

pregnant women (\$7.9 million from all funds, including \$3.1 million SGF).

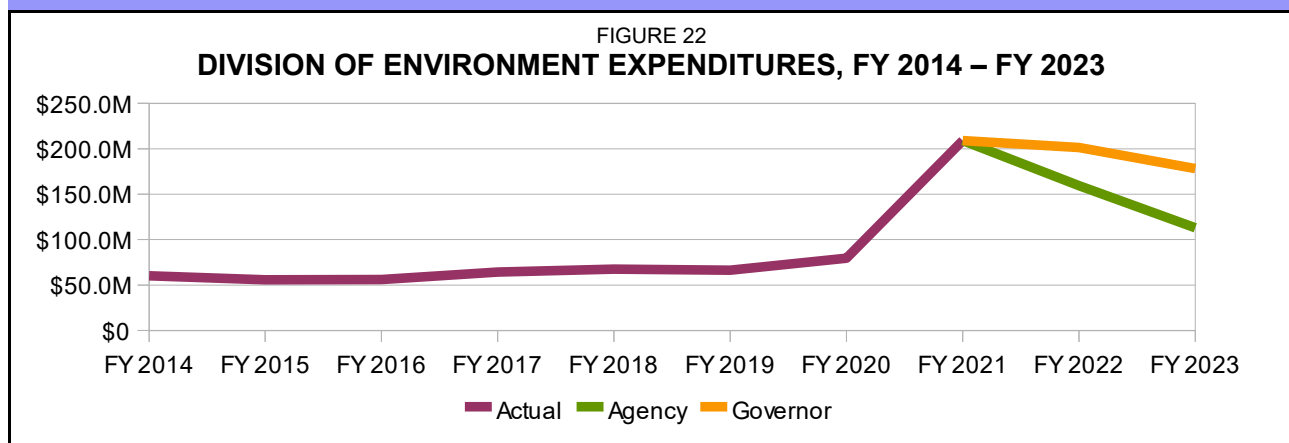
FTE POSITIONS

The agency's request for the Division of Public Health in FY 2023 includes 627.0 FTE positions, which is the same as the FY 2022 revised estimate number.

GOVERNOR RECOMMENDATION

The **Governor** recommends FY 2023 Division of Health Care Finance expenditures totaling \$3.7 billion, including \$706.8 million SGF. This is an increase of \$600.0 million from all funds and a decrease of \$67.5 million SGF from the agency's FY 2023 estimate, largely due to the addition of expenditures and savings for Medicaid Expansion.

DIVISION OF ENVIRONMENT



STATUTORY BASIS: • KSA 65-3005; 65-3024; 65-163, *et seq.*; 65-171d, *et seq.*; 65-171; 55-1117; 82a-1201, *et seq.*; 65-161; 65-3453 through 65-3457; 82a-901, *et seq.*; 65-3401, *et seq.*; 65-3430, *et seq.*; 65-166a; 65-674; 65-677; 65-157; 65-101, 109a

PROGRAM GOALS:

- Meet all National Ambient Air Quality Standards.
- Conduct air quality compliance inspections.
- Monitor water quality of Kansas waters to assist in development of water quality standards and total maximum daily loads and track environment changes for water quality improvement.
- Oversight of public water supply systems, wastewater and stormwater facilities, underground injection control wells, and underground hydrocarbon storage wells with regards to standards, regulations, and technical assistance.
- Promote redevelopment of contaminated properties to allow beneficial use of dilapidated or impacted properties.
- Improve environmental health conditions for Kansans through contaminated site assessment, response, and cleanup.
- Oversee the regulation of all hazardous and solid waste facilities in Kansas in accordance with the authorizing statutes.
- Issue permits for confined animal feeding operations.
- Conduct compliance inspections/complaint investigations/spill responses.
- Conduct clinical and environmental testing with a high degree of accuracy.

The Division of Environment protects the environment and public health through compliance, enforcement, and proactive activities. The Division includes the bureaus of Waste Management, Air, Water, Environmental Remediation, Environmental Field Services (including the Office of the Director of Environment), and the Health and Environment Laboratories.

The **Bureau of Waste Management** has primary responsibility for the solid waste, hazardous waste, and waste tire programs, which are entirely funded from state fees and federal grants. The Bureau works with the Bureau of Environmental Field Services for inspections and the Bureau of Environmental

Remediation for closed city dump remediation and corrective action.

The **Bureau of Air** protects the public from the harmful effects of air pollution and conserves the natural resources of the state by preventing damage to the environment from the releases of air contaminants.

The **Bureau of Water** issues permits for wastewater treatment, control and disposal for municipalities, industries, and commercial and livestock entities, and is heavily influenced by federal law and regulation. The Bureau also regulates and permits the construction and operation of public water supplies. The Bureau provides training to system operators; administers two low-interest loan programs for

water works and wastewater treatment works; administers programs to address non-point sources of pollution; and regulates the storage of natural gas and liquefied petroleum in natural underground salt formations.

The **Bureau of Environmental Remediation** identifies, investigates, and takes appropriate remedial actions when pollution endangers the public health, natural resources, and environment of the state. Responsibilities include investigating pollution sources, designing and overseeing remedial activities at contaminated sites, and negotiating with parties responsible for effective cleanup. The Bureau also utilizes remediation funds to take corrective action at sites where a responsible party cannot be found or is recalcitrant. In addition, the Bureau is also responsible for administering the duties of the Department related to the regulation and clean up of alleged illegal drug manufacturing sites.

The **Bureau of Environmental Field Services**, which includes the Office of the Director of the Division, administers all environmental program operations at six district offices and provides scientific, technical, and operational support to the programs in the

Division. This bureau also is responsible for the stream segment classification program. District and satellite offices provide direct services, inspections, and technical assistance to businesses and industries.

The **Health and Environment Laboratories** provide comprehensive chemical and biological analyses on a large volume of clinical specimens and environmental samples. The Chemistry Laboratory conducts analyses to evaluate environmental water quality, defines radiological hazards, and monitors the use and disposal of chemicals. The Radiochemistry Laboratory performs radiological testing of public drinking water samples, ambient water samples, and samples related to the issuance of radioactive material licenses. The Microbiology, Virology, and Serology Laboratories conduct analyses to characterize and diagnose infectious diseases, food-borne epidemics, intestinal illnesses, and sexually transmitted diseases. The Neonatal Chemistry Laboratory tests for potential genetic defects in infants. Laboratory Improvement and Certification evaluates regulated clinical, environmental, and breath alcohol laboratories using established standards to ensure data quality.

FIGURE 23
DIVISION OF ENVIRONMENT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average Cost per Air Permit Maintained*	\$ 5,097	\$ 5,079	\$ 5,137	\$ 7,374	\$ 6,548
2. Number of Counties in Compliance with all National Ambient Air Quality Standards	105	105	105	105	105
3. Number of Water Bodies Restored*	272	272	267	280	280
4. Regulatory Cost of Bureau of Water Permits Issued*	\$ 1,476	\$ 1,397	\$ 1,374	\$ 1,705	\$ 1,432
5. Number of Acres Available for New Redevelopment and Improvement of Contaminated Properties*	957	619	863	460	460
6. Percent of Bureau of Waste Management Facilities in Compliance*	95.0 %	99.0 %	97.0 %	97.0 %	97.0 %
7. Cost of Regulatory Oversight per Bureau of Waste Management Regulated Facility*	\$ 2,598	\$ 2,717	\$ 2,537	\$ 2,455	\$ 2,463

FIGURE 23 DIVISION OF ENVIRONMENT, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
8. Dollars per Pound of Nitrogen from Surface Water*	\$ 10.69	\$ 9.72	\$ 10.49	\$ 8.68	\$ 8.26
9. Average Cost per Laboratory Test*	\$ 60.22	\$ 337.18	\$ 148.61	\$ 372.41	\$ 227.16
10. Percent Accuracy on Performance Laboratory Samples*	99.0 %	98.7 %	98.6 %	99.0 %	99.0 %
Output Measure:					
11. Number of Air Permits *	1,278	1,380	1,269	1,309	1,350
12. Number of Wastewater Permits Issued*	398	208	396	300	300
13. Number of Facilities with Underground Storage Tank Upgrades*	4	4	4	5	5
14. Number of Facilities with Underground Storage Tank Removals*	16	7	11	15	15
15. Landfill Groundwater Monitoring Reports Reviewed*	7	16	10	17	17
16. Number of Confined Animal Feeding Operations Permits*	3,145	3,179	3,154	3,185	3,185
17. Number of WRAPS Program Projects Established*	31	31	31	32	32
18. Total Number of Samples Processed (Clinical and Environmental)*	205,343	440,325	274,579	258,000	225,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 4,266,995	\$ 4,338,906		\$ 4,275,472	\$ 69,168,056
COVID-19 Federal Funds	-	103,494,363		42,000,000	-
Other Federal Funds	55,643,171	156,999,836		146,393,456	59,689,138
All Other Funds	19,695,068	47,708,462		50,754,460	49,288,684
TOTAL	\$ 79,605,234	\$ 312,541,567		\$ 243,423,388	\$ 178,145,878
Percentage Change:					
SGF	2.9 %	1.7 %		(1.5) %	1,517.8 %
All Funds	20.2 %	292.6 %		(22.1) %	(26.8) %
FTE Positions	441.6	459.9		504.9	504.9

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

FY 2022 ANALYSIS

The agency estimates Division of Environment revised FY 2022 expenditures of \$159.4 million, including \$4.3 million SGF. This is an all funds increase of \$87.6 million, or 122.0 percent, including an SGF increase of \$216,680, or 5.3 percent, above the FY 2022 approved amount. The agency's revised estimate includes the following adjustments:

- **SUPPLEMENTAL—LABORATORY EQUIPMENT.** The agency's revised

estimate includes a supplemental request of \$225,000 SGF for laboratory equipment. The agency plans to replace several pieces of equipment for drinking water testing including two ion chromatography instruments and two solid phase extraction units. The agency notes that replacement parts are no longer available due to the age of the machines.

- **FEDERAL FUNDS.** The agency estimates increased receipt of COVID-

19 pandemic relief federal funds in FY 2022. Specifically, the agency estimates an additional \$85.0 million from the Centers for Disease Control for COVID-19 testing.

- **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency estimates State Water Plan Fund reappropriations to be \$900,068. The majority of these funds carried over from projects for monitoring, analyzing, and preventing harmful algal blooms in Kansas lakes.

The agency's revised estimate includes 504.9 FTE positions, which is an increase of 45.0 FTE positions above the approved number. This increase is primarily due to an increase of 42.0 positions in the Laboratory as well as additional positions in the Bureau of Water and the Bureau of Environmental Field Services.

The **Governor** recommends FY 2022 Division of Environment expenditures totaling \$201.4 million, including \$4.3 million SGF. This is an increase of \$42.0 million, all from COVID-19 pandemic relief federal funds, above the agency's FY 2022 revised estimate. The State Finance Council approved \$42.0 million to continue COVID-19 testing programs through March 2022. Approval of these funds occurred after the agency submitted its budget request and were therefore not included in the revised estimate.

FY 2023 ANALYSIS

The agency requests Division of Environment FY 2023 expenditures of \$113.1 million, including \$4.2 million SGF. This is an all funds decrease of \$46.3 million, or 29.0 percent, including an SGF decrease of \$107,416, or 2.5 percent, below the Division's FY 2022 revised estimate. The agency's request includes the following adjustments:

- **FEDERAL FUNDS.** The agency estimates decreased receipt of COVID-19 pandemic relief federal funds for FY

2023. This decrease includes \$44.7 million for COVID-19 testing.

- **ENHANCEMENT—LABORATORY EQUIPMENT.** The agency is requesting enhancement funding of \$230,000 SGF for FY 2023 to purchase laboratory equipment. The agency plans to replace equipment for metals testing and environmental samples testing.
- **ENHANCEMENT—DRINKING WATER PROTECTION PROGRAM.** The agency requests \$350,000, all from the State Water Plan Fund, for the Drinking Water Protection Program. This program tests for nitrate levels in water to ensure a clean drinking water source. The agency plans to expand the number of communities in which it tests.
- **ENHANCEMENT—WATERSHED RESTORATION AND PROTECTION STRATEGY (WRAPS) PROGRAM.** This program provides technical and financial assistance to landowners to implement practices to reduce nutrient and pollutant runoff into surface waters. Practices include cover crops, buffer strips, and no-till farming. The agency is requesting an enhancement of \$296,116, all from the State Water Plan fund, for FY 2023.

The **Governor** recommends FY 2023 Division of Environment expenditures totaling \$178.1 million, including \$69.2 million SGF. This is an increase of \$65.0 million SGF above the agency's FY 2023 request. This increase is due to the Governor recommending additional expenditures to build a new laboratory on Lot 4 of the Capitol Complex. The State Finance Council approved this plan after the agency submitted its budget request. SB 159 (2021) authorized the agency to issue bonds for up to \$65.0 million upon approval of the project by the State Finance Council. The Governor's recommendation includes expenditures for the project, but not bonds.

CAPITAL IMPROVEMENTS

FIGURE 24 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Laboratory	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000

FY 2023 CAPITAL IMPROVEMENTS

The **agency** request does not include any capital improvements expenditures for FY 2023.

The **Governor** recommends \$65.0 million, all SGF, to construct a new laboratory at Lot 4 of

the Capitol Complex. These funds were approved by the State Finance Council after the agency submitted its budget. 2021 SB 159 authorized the agency to issue up to \$65.0 million in bonds upon State Finance Council's approval of the project.

DEPARTMENT FOR CHILDREN AND FAMILIES

FY 2021 – FY 2023 BUDGET ANALYSIS

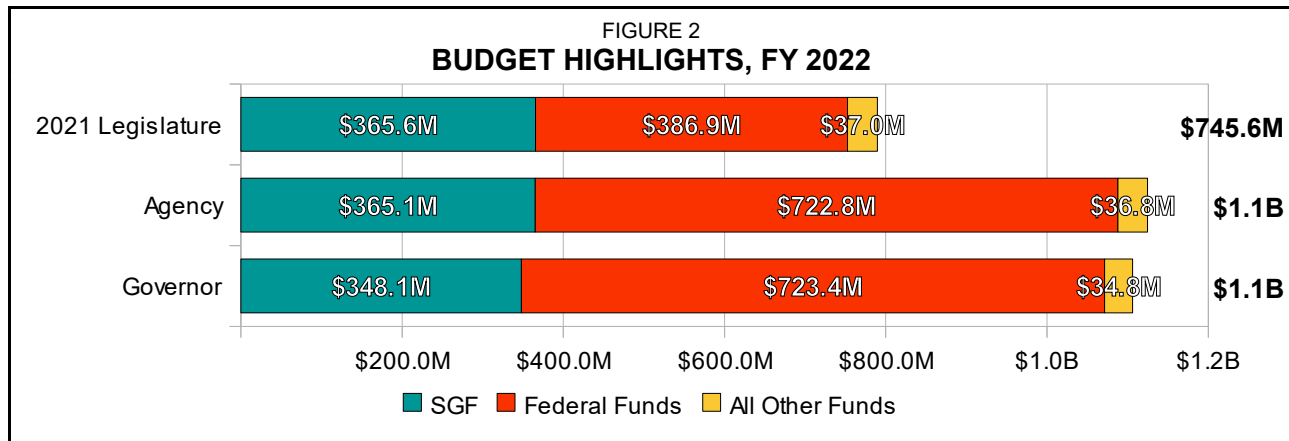
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 326,641,573	\$ 365,067,861	\$ 348,054,420	\$ 370,190,467	\$ 367,347,495
Federal Funds	392,294,955	722,827,486	723,427,486	578,409,802	577,032,605
All Other Funds	26,656,600	36,444,248	34,444,248	29,808,295	27,714,280
<i>Subtotal</i>	<i>\$ 745,593,128</i>	<i>\$ 1,124,339,595</i>	<i>\$ 1,105,926,154</i>	<i>\$ 978,408,564</i>	<i>\$ 972,094,380</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ 850,000	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	353,825	353,825	-	450,000
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ 353,825</i>	<i>\$ 353,825</i>	<i>\$ 850,000</i>	<i>\$ 450,000</i>
TOTAL	\$ 745,593,128	\$ 1,124,693,420	\$ 1,106,279,979	\$ 979,258,564	\$ 972,544,380
Percentage Change:					
State General Fund	(4.7) %	11.8 %	6.6 %	1.6 %	5.5 %
All Funds	1.6 %	50.8 %	48.4 %	(12.9) %	(12.1) %
FTE Positions	2,537.9	2,657.9	2,657.9	2,677.9	2,657.9

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

The Department for Children and Families (DCF) is a cabinet-level agency headed by a secretary appointed by the Governor. The mission of the agency is to protect children, promote healthy families, and encourage personal responsibility. DCF operates through seven programs: Administration, Child Support Services, Economic and Employment Services, Rehabilitation Services, Prevention and Protection Services, Developmental Disabilities Council, and Client Service Delivery.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$770,602,702, including \$346,624,305 from the State General Fund (SGF), for the Department for Children and Families for FY 2022. Subsequent to the 2021 Session, the agency reappropriated \$18,943,803 in unspent SGF moneys into FY 2022. This adjustment changes the current year approved amount to \$789,546,505 from all funds, including \$365,568,108 SGF, without any legislative action required.



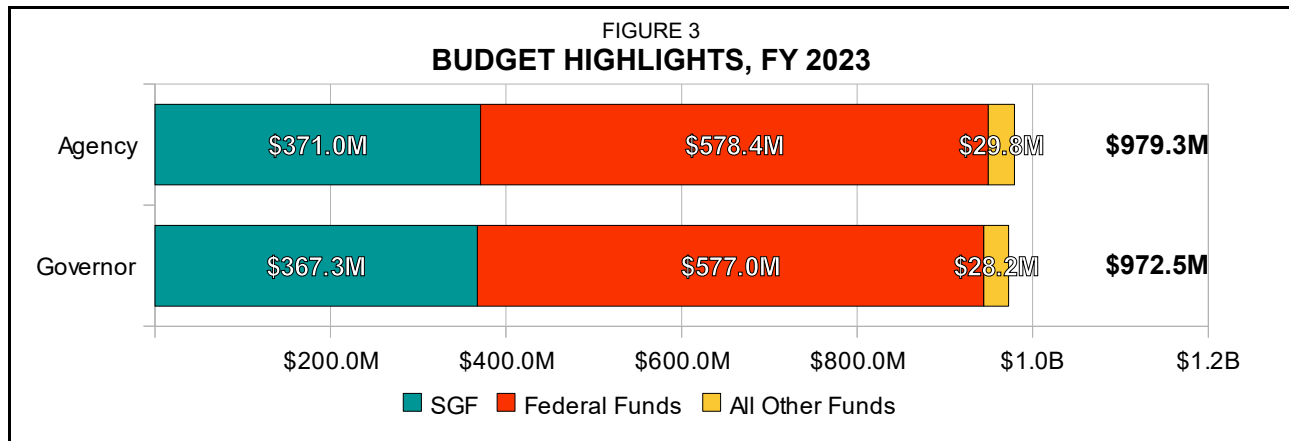
The **agency** requests FY 2022 expenditures of \$1.1 billion, including \$365.4 million SGF. This is an all funds increase of \$335.1 million, or 42.4 percent, above the amount approved by the 2021 Legislature. This increase is largely attributable to increased federal funding made available due to the COVID-19 pandemic for assistance programs such as Temporary Assistance for Needy Families (TANF) pandemic funds, the Low Income Energy Assistance Program (LIEAP), the Low Income Water Assistance Program, and funding for child care providers. This is an SGF decrease of \$500,247, or 0.1 percent, below the agency's approved amount. This is primarily attributable to a decrease in the Kansas Public Employees Retirement System (KPERs) employer contribution rate and moneys inadvertently apportioned for the Hope Ranch pilot program twice during the 2021 Legislative budget process. The SGF decrease is partially offset by an increase in unemployment insurance employer contributions in FY 2022.

The FY 2022 revised estimate includes 2,657.9 FTE positions, which is an increase of 108.0 FTE positions above the approved amount. This increase is primarily due to several pandemic-funded positions that will be deleted once the pandemic funds are expended.

The **Governor** recommends FY 2022 expenditures of \$1.1 billion, including \$348.1 million SGF. This is an all funds decrease of \$18.4 million, or 1.6 percent, below the agency's FY 2022 revised estimate for human services consensus caseload estimates. The Governor's recommendation also includes an SGF decrease of \$17.0 million, or 7.4 percent, below the agency's FY 2022 revised estimate.

In October 2021, the human services consensus caseloads estimate for FY 2022 was a decrease of \$1.9 million federal funds for TANF cash assistance and a decrease of \$16.5 million, including \$17.0 million SGF, for foster care below the prior estimate. The decrease in the TANF cash assistance estimate is primarily attributable to the availability of federal COVID-19 stimulus funds. The decrease in the foster care program is primarily attributable to \$10.0 million in reappropriated SGF moneys from FY 2021, as well as maintaining case management provider rates at the FY 2021 levels as adopted from the reduced resources options presented to the 2021 Legislature. While the projected number of children in the program is slightly lower than the spring estimate, there is a slight increase in the projected average cost per child.

The **Governor** also recommends 2,657.9 FTE positions, which is the same number as the agency's FY 2022 revised estimate.



The **agency** requests FY 2023 expenditures of \$979.3 million, including \$371.0 million SGF. This is an all funds decrease of \$145.4 million, or 12.9 percent, below the FY 2022 revised estimate. This decrease is largely attributable to federal COVID-19 relief funds that are no longer available for FY 2023. This decrease is partially offset by 11 enhancement requests totaling \$23.5 million, including \$15.6 million SGF. This is an SGF increase of \$6.0 million, or 1.6 percent, above the agency's FY 2023 request. The increase is primarily attributable to the agency's 11 enhancement requests.

The **Governor** recommends FY 2023 expenditures of \$972.5 million, including \$367.3 million SGF. This is an all funds decrease of \$6.7 million, or 0.7 percent, below the agency's FY 2023 request. This decrease is primarily attributable to adopting the human services consensus caseloads fall 2021 estimate and not recommending all of the agency's enhancement requests.

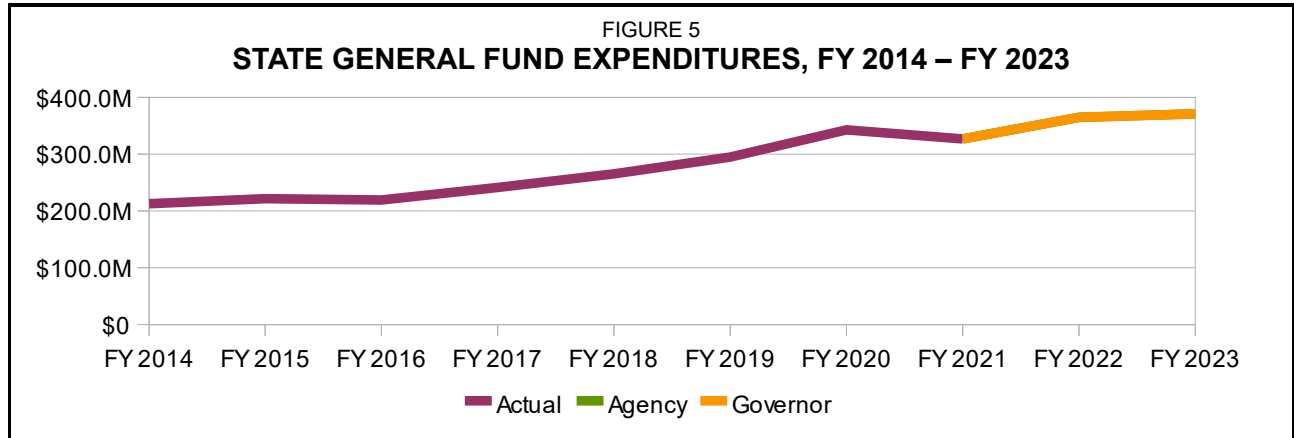
In October 2021, the human services consensus caseloads estimate for FY 2023 was a decrease of \$2.3 million federal funds for TANF cash assistance and an increase of \$500,000, including \$1.0 million SGF, for foster care from the prior estimate. The increase in foster care is due to an anticipated fluctuation in contract expenditures based on changing acuity and service needs of children in care. This increase also includes replacing \$3.0 million from special revenue funds that was a one-time reduction as a part of the Governor's reduced resources budget in FY 2022.

The Governor funds \$18.6 million, including \$10.9 million SGF, of the agency's enhancements. The Governor recommends four of the agency's eleven enhancement requests in full. These enhancements include: protection specialists salary increase (\$3.7 million), Kansas Management Information System replacement (\$3.5 million), Amazon Connect Virtual Call Center (\$1.9 million), and Families First Prevention Services program increase (\$7.0 million). In addition, the Governor recommends partial acceptance of three additional enhancement requests. These enhancements include: Families First Prevention Services SGF only grants (\$1.4 million), Independent Living subsidy for foster youth (\$756,000), and capital improvements budget (\$450,000).

EXPENDITURES AND FINANCING

FIGURE 4 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023					
Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 136,890,020	\$ 146,008,609	\$ 146,008,609	\$ 144,622,181	\$ 143,435,844
Contractual Services	123,546,868	271,338,493	271,338,493	184,326,845	183,223,629
Commodities	875,413	1,360,429	1,360,429	1,369,093	1,354,741
Capital Outlay	1,972,373	2,502,861	2,502,861	2,389,892	2,371,298
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 263,284,674</i>	<i>\$ 421,210,392</i>	<i>\$ 421,210,392</i>	<i>\$ 332,708,011</i>	<i>\$ 330,385,512</i>
Aid to Local Units	18,702,000	1,000,000	1,000,000	-	-
Other Assistance	463,606,454	702,129,203	683,715,762	645,700,553	641,708,868
<i>Subtotal—Operating</i>	<i>\$ 745,593,128</i>	<i>\$ 1,124,339,595</i>	<i>\$ 1,105,926,154</i>	<i>\$ 978,408,564</i>	<i>\$ 972,094,380</i>
Capital Improvements	-	353,825	353,825	850,000	450,000
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 745,593,128	\$ 1,124,693,420	\$ 1,106,279,979	\$ 979,258,564	\$ 972,544,380
Financing:					
State General Fund	\$ 326,641,573	\$ 365,067,861	\$ 348,054,420	\$ 371,040,467	\$ 367,347,495
Children's Initiative Fund	8,274,741	8,274,741	8,274,741	8,274,741	8,274,741
TANF	88,241,376	98,409,861	95,311,546	92,599,666	88,533,630
Child Care Development	39,913,986	313,089,576	313,089,576	227,599,020	227,599,020
Social Welfare	10,770,005	18,445,170	16,445,170	13,437,598	11,343,583
Child Support Enforcement	32,090,308	30,102,228	30,102,228	25,777,319	25,777,319
Federal Funds	232,049,285	281,225,821	284,924,136	232,433,797	235,122,636
All Other Funds	7,611,854	10,078,162	10,078,162	8,095,956	8,545,956
TOTAL	\$ 745,593,128	\$ 1,124,693,420	\$ 1,106,279,979	\$ 979,258,564	\$ 972,544,380
FTE Positions	2,537.9	2,657.9	2,657.9	2,677.9	2,657.9

STATE GENERAL FUND



For the Department for Children and Families, SGF expenditures have generally had a gradual increase. SGF moneys are primarily used to provide matching or maintenance of effort requirements for federal funding. The increase in FY 2020 is primarily based on funding for the Family First Prevention Services Act. Grants for these services began October 1, 2019, and the State uses SGF moneys to access Title IV-E funding for this subprogram.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 346,624,305	\$ 423,978,397	\$ 770,602,702	2,537.9
1. SGF Reappropriation	18,943,803	-	18,943,803	---
<i>Subtotal—Legislative Approved</i>	<i>\$ 365,568,108</i>	<i>\$ 423,978,397</i>	<i>\$ 789,546,505</i>	<i>2,537.9</i>
Agency Revised Estimate:				
2. Child Care Stabilization Grants	-	106,948,703	106,948,703	--
3. Child Care Quality Grants	-	152,852,188	152,852,188	--
4. Low Income Energy Assistance Program	-	54,839,934	54,839,934	--
5. Independent Living	-	5,250,000	5,250,000	--
6. All Other Adjustments	(500,247)	15,756,337	15,256,090	120.0
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 365,067,861</i>	<i>\$ 759,625,559</i>	<i>\$ 1,124,693,420</i>	<i>2,657.9</i>
Governor's Recommendation:				
7. Human Services Consensus Caseloads	\$ (17,013,441)	\$ (1,400,000)	\$ (18,413,441)	--
TOTAL	\$ 348,054,420	\$ 758,225,559	\$ 1,106,279,979	2,657.9

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$770.6 million appropriated to the Department for Children and Families in FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** The agency carried over \$18.9 million in unspent SGF moneys in FY 2022. \$10.0 million will be used for foster care, \$3.3 million to expand the Families First Prevention Services program, and \$1.3 million for the Comprehensive Child Welfare Information System (CCWIS) project.

AGENCY ESTIMATE

The **agency** requests FY 2022 expenditures of \$1.1 billion, including \$365.1 million SGF. This is an all funds increase of \$335.1 million, or 42.4 percent, above the amount approved by the 2021 Legislature.

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

2. **CHILD CARE STABILIZATION GRANTS.** A new program, Child Care Stabilization, was created as a result of the agency receiving \$106.9 million in federal funds. The American Rescue Plan Act authorized this funding to assist child care providers with salaries and wages, rent, utilities, or other necessities to stabilize their businesses.
3. **CHILD CARE QUALITY GRANTS.** Federal Child Care Development Fund discretionary funds were also made available to DCF through federal COVID-19 pandemic relief legislation to provide grants for child care providers (\$152.9 million).
4. **LOW INCOME ENERGY ASSISTANCE PROGRAM.** The Low Income Energy Assistance Program received an additional \$54.8 million in federal funds to assist more low-income families with energy bills and weatherization projects.

5. **INDEPEDENT LIVING.** The agency received \$5.0 million from federal COVID-19 pandemic relief funds. Additionally, the agency was awarded \$250,000 in federal funds for the WeKan Drive Program for independent living youth.
6. **ALL OTHER ADJUSTMENTS.** The remaining adjustments to the budget include expenditures related to website enhancement fees, converting records to electronic versions, funding for the virtual call center, TANF pandemic emergency assistance funds, the Low Income Water Assistance Program, and temporary FTE positions to assist with additional services as a result of the COVID-19 pandemic. The SGF decrease of \$500,247 is due to a decrease in the Kansas Public Employees Retirement System (KPERS) employer contribution rate, a decrease due to moneys inadvertently apportioned for the Hope Ranch pilot program twice during the 2021 Legislative budget process, partially offset by an increase in unemployment insurance employer contributions in FY 2022.

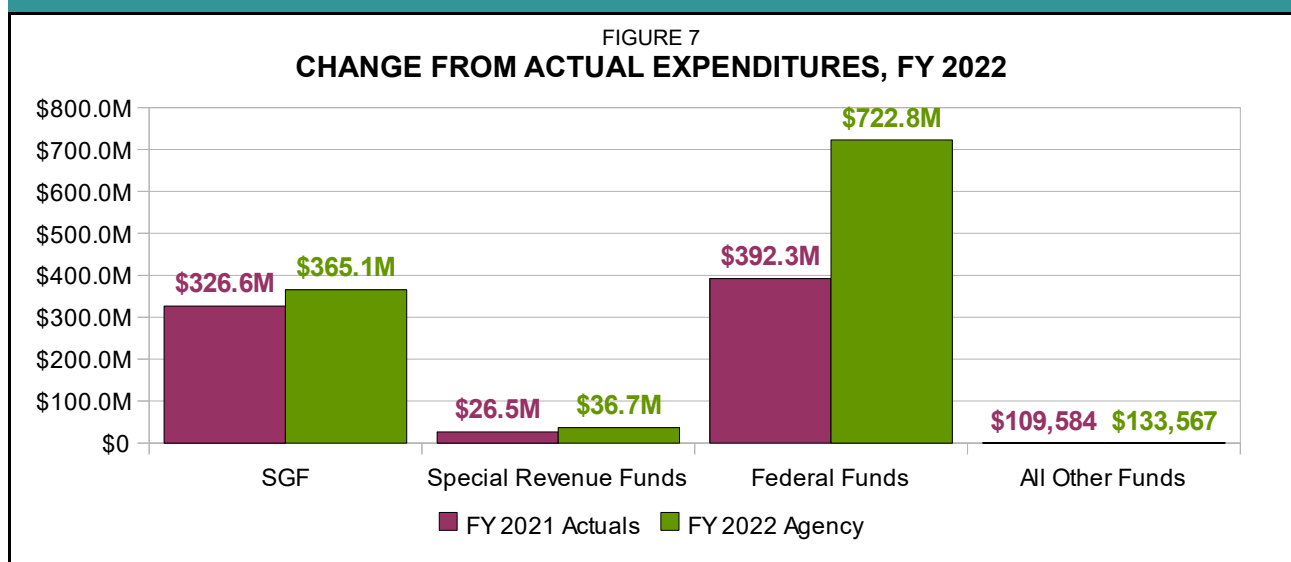
GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$1.1 billion, including \$365.1 million SGF, in FY 2022. This is a decrease of \$18.4 million, including \$17.0 million SGF, below the agency's FY 2022 revised estimate. The Governor concurs with the agency's FY 2022 revised estimate for capital improvement expenditures.

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

7. **HUMAN SERVICES CONSENSUS CASELOADS.** In October 2021, the human services consensus caseloads estimate for FY 2022 was a decrease of \$1.9 million federal funds for TANF cash assistance and a decrease of \$16.5 million, including \$17.0 million SGF, for foster care below the prior estimate. The decrease in the TANF cash assistance estimate is primarily attributable to the availability of federal COVID-19 stimulus funds. The decrease in the foster care program is primarily attributable to \$10.0 million in reappropriated SGF moneys from FY 2021, as well as maintaining case management provider rates at the FY 2021 levels as adopted from the reduced resources presented to the 2021 Legislature. While the projected number of children in the program is slightly lower than the spring estimate, there is a slight increase in the projected average cost per child.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



DCF estimates revised FY 2022 expenditures of \$1.1 billion, including \$365.1 million SGF. This is an increase of \$379.1 million above FY 2021 actual expenditures. The increase is largely due to increased federal funds received for the Child Care Development Fund. A new program, Child Care Stabilization, was created as a result of the agency receiving \$106.9 million in funds. The American Rescue Plan Act authorized this funding to assist child care providers with salaries and wages, rent, utilities, or other necessities to stabilize their businesses. Child Care Development Fund discretionary funds were also made available to DCF through federal COVID-19 pandemic relief legislation to provide grants for child care providers (\$136.4 million). Additionally, the Low Income Energy Assistance Program received an additional \$54.8 million in federal funds to assist more low-income families with energy bills and weatherization projects.

The SGF increase is primarily due to reappropriated funds totaling \$18.9 million.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 365,067,861	\$ 759,625,559	\$ 1,124,693,420	2,657.9
Agency Request:				
1. Enhancement - Families First Prevention Services SGF Only Grants	\$ 2,812,716	\$ -	\$ 2,812,716	--
2. Enhancement - Protection Specialists Salary Increases	3,587,316	92,838	3,680,154	--
3. Enhancement - Kansas Management Information System (KMIS) Replacement	745,500	2,754,500	3,500,000	--
4. Enhancement - Amazon Connect Virtual Contact Center	929,625	920,375	1,850,000	--
5. Enhancement - 12 Additional Pre- Employment Transition Services FTEs	156,632	578,742	735,374	12.0
6. Enhancement - Two FTEs for Communications Access Services	158,531	-	158,531	2.0
7. Enhancement - Independent Living Subsidy for Foster Care Youth	1,512,000	-	1,512,000	--
8. Enhancement - High Quality Legal Representation	920,000	80,000	1,000,000	--
9. Enhancement - Families First Prevention Services Program Increase	3,500,000	3,500,000	7,000,000	--
10. Enhancement - Six Practicum Supervisor FTEs	416,124	12,470	428,594	6.0
11. Enhancement - Capital Improvements Budget	850,000	-	850,000	--
12. All Other Adjustments	(9,615,838)	(159,346,387)	(168,962,225)	--
<i>Subtotal—Agency Request</i>	<i>\$ 371,040,467</i>	<i>\$ 608,218,097</i>	<i>\$ 979,258,564</i>	<i>2,677.9</i>
Governor's Recommendation:				
13. Human Services Consensus Caseloads	\$ 1,000,000	\$ (2,800,000)	\$ (1,800,000)	--
14. Enhancement - Families First Prevention Services SGF Only Grants	(1,435,685)	-	(1,435,685)	--
15. Enhancement - 12 Additional Pre- Employment Transition Services FTEs	(156,632)	(578,742)	(735,374)	(12.0)
16. Enhancement - Two FTEs for Communications Access Services	(158,531)	-	(158,531)	(2.0)
17. Enhancement - Independent Living Subsidy for Foster Care Youth	(756,000)	-	(756,000)	--
18. Enhancement - High Quality Legal Representation	(920,000)	(80,000)	(1,000,000)	--
19. Enhancement - Six Practicum Supervisor FTEs	(416,124)	(12,470)	(428,594)	(6.0)
20. Enhancement - Capital Improvements Budget	(850,000)	450,000	(400,000)	--
TOTAL	\$ 367,347,495	\$ 605,196,885	\$ 972,544,380	2,657.9

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$979.3 million, including \$371.0 million SGF. This is an all funds decrease of \$145.4 million, or 12.9 percent, below the FY 2022 revised estimate.

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

1. **ENHANCEMENT—FAMILIES FIRST PREVENTION SERVICES SGF ONLY GRANTS.** The agency requests \$2.8 million, all SGF, to sustain current Families Prevention grants that did not meet qualifying criteria through the California Evidence-Based Clearinghouse (CEBC) for Child Welfare. Several services were determined to not meet the criteria and, as a result, no longer qualify for the 50.0 percent federal funding.
2. **ENHANCEMENT—PROTECTION SPECIALISTS SALARY INCREASES.** High caseloads, responsibility for decisionmaking, and paperwork requirements has led to difficulty hiring and keeping qualified staff. The agency requests \$3.7 million, including \$3.6 million SGF to raise protection specialists' salaries by up to 12.5 percent, not to exceed the market rate. However, all positions will receive a minimum 2.5 percent increase.
3. **ENHANCEMENT—KANSAS MANAGEMENT INFORMATION SYSTEM (KMIS) REPLACEMENT.** The agency is requesting \$3.5 million, including \$745,500 SGF to replace KMIS. KMIS is used to track client services, complete and submit federal and state reports, control service and spending limits, and pay for direct Vocational Rehabilitation (VR) services. KMIS was developed and implemented in the 1980s and is now struggling to meet the data collection and reporting requirements required with the federal Workforce Innovation and Opportunity Act.
4. **ENHANCEMENT—AMAZON CONNECT VIRTUAL CONTACT CENTER.** During the state lockdown, the State of Kansas worked with Accenture to establish a Virtual Contact Center. This allowed employees to work remotely when necessary. The requested funding (\$1.9 million, including \$929,625 SGF) would help the agency solidify continuity of operations and basic emergency response plans. The four-year contract that was signed will serve multiple call centers throughout DCF, including regional case maintenance centers, the Kansas Protection Report Center, and the customer service phone line.
5. **ENHANCEMENT—12.0 ADDITIONAL PRE-EMPLOYMENT TRANSITION SERVICES FTE POSITIONS.** Pre-Employment Transition Services (Pre-ETS) is an early intervention that provides students with disabilities ages 14-21 with job exploration, counseling, and other services to help prepare for employment and maximize self-sufficiency. This enhancement, in the amount of \$735,374, including \$156,632 SGF, would add 10.0 Pre-ETS specialists and 2.0 Pre-ETS managers to expand this early intervention service.
6. **ENHANCEMENT—2.0 FTE POSITIONS FOR COMMUNICATIONS ACCESS SERVICES.** The agency requests \$158,531, all SGF, for two FTE positions within the Kansas Commission for the Deaf and Hard of Hearing to serve as a central point of contact for participating state agencies to contact when processing auxiliary aid communication requests or services.

7. **ENHANCEMENT—INDEPENDENT LIVING SUBSIDY FOR FOSTER CARE YOUTH.** This enhancement supports increasing the monthly assistance subsidy for adults ages 18 to 20 who have exited foster care to 130.0 percent of federal poverty levels, the same level used to qualify for food assistance. The agency requests \$1.5 million, all SGF, for this enhancement.
8. **ENHANCEMENT—HIGH QUALITY LEGAL REPRESENTATION.** The agency requests \$1.0 million, including \$920,000 SGF to support funding a pilot program to provide legal representation for parents involved in a report assigned for assessment or investigation by DCF. The enhancement would advance race equity by providing legal resources and further prevent unnecessary family separation.
9. **ENHANCEMENT—FAMILIES FIRST PREVENTION SERVICES PROGRAM INCREASE.** This enhancement (\$7.0 million, including \$3.5 million SGF) would allow DCF to expand the Families First Prevention Program to provide additional prevention services. There are currently counties with waiting lists for families to receive services, and some some counties that do not have any available services.
10. **ENHANCEMENT—6.0 PRACTICUM SUPERVISOR FTE POSTIONS.** Students in child welfare practicum internships are currently overseen by protection supervisors whose primary task is to manage frontline protective services staff. This request would add \$428,594, including \$416,124 SGF, and 6.0 supervisor FTE Positions to manage students interns. The use of practicum students is a workforce development strategy for DCF to attract new employees.
11. **ENHANCEMENT—CAPITAL IMPROVEMENTS.** This request, totaling \$850,000 SGF, is for renovation of the first-floor lobby and interview rooms at the Topeka Service Center. The request includes updating interior finishes and furniture, increasing security in interview rooms with glass and panic buttons, upgrading technology, centralizing workflow supports, and adding a lactation room and children's lobby play space.
12. **ALL OTHER ADJUSTMENTS.** The remaining adjustments represent a decrease in COVID-19 pandemic relief related funding that is available for FY 2022, but will not be available for FY 2023. This includes additional funding received for LIEAP, the Low Income Water Assistance Program, and funding provided for child care providers.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$972.5 million, including \$367.3 million SGF, for FY 2023. This is an all funds decrease of \$6.7 million, or 0.7 percent, below the agency's FY 2023 request.

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

13. **HUMAN SERVICES CONSENSUS CASELOADS.** In October 2021, the human services consensus caseloads estimate for FY 2023 was a decrease of \$2.3 million federal funds for TANF cash assistance and an increase of \$500,000, including \$1.0 million SGF, for foster care from the prior estimate. The increase in foster care is due to anticipated fluctuation in contract costs based on acuity and service needs of children, which can impact costs and needed supports. This increase also includes replacing \$3.0 million in special revenue fund moneys that was a one-time reduction as a part of the Governor's reduced resources budget in FY 2022.

14. **ENHANCEMENT—FAMILIES FIRST PREVENTION SERVICES SGF ONLY GRANTS.**
The Governor recommends partial adoption of this enhancement request, in the amount of \$1.4 million, all SGF.
15. **ENHANCEMENT—12 ADDITIONAL PRE-EMPLOYMENT TRANSITION SERVICES FTEs.** The Governor does not recommend adoption of this request.
16. **ENHANCEMENT—2.0 FTE POSITIONS FOR COMMUNICATIONS ACCESS SERVICES.** The Governor does not recommend adoption of this request.
17. **ENHANCEMENT—INDEPENDENT LIVING SUBSIDY FOR FOSTER CARE YOUTH.**
The Governor recommends partial adoption of this request, in the amount of \$756,000 SGF.
18. **ENHANCEMENT—HIGH QUALITY LEGAL REPRESENTATION.** The Governor does not recommend adoption of this request.
19. **ENHANCEMENT—6.0 PRACTICUM SUPERVISOR FTE POSTIONS.** The Governor does not recommend adoption of this request.
20. **ENHANCEMENT—CAPITAL IMPROVEMENTS.** The Governor recommends partial adoption of this request, in the amount of \$450,000. The Governor also recommends this funding be allocated from the Project Maintenance Reserve Fund, as opposed to from the SGF.

ENHANCEMENT REQUESTS

REQUEST 1

ENHANCEMENT—FAMILIES FIRST PREVENTION SERVICES SGF ONLY GRANTS

This enhancement will increase SGF funding to sustain current Families Prevention Grants that did not meet qualifying criteria through the California Evidence-Based Clearinghouse (CEBC) for Child Welfare. Several services were determined to not meet the criteria and as a result no longer qualify for the 50.0 percent federal funding.

FAMILIES FIRST PREVENTION SERVICES SGF ONLY GRANTS	
State General Fund	\$ 2,812,716
TOTAL	\$ 2,812,716

The Governor recommends partially funding this enhancement request, in the amount of \$1,377,031 SGF.

REQUEST 2

ENHANCEMENT—PROTECTION SPECIALISTS SALARY INCREASES

The agency indicates high caseloads, responsibility for decision-making, and paperwork requirements have led to difficulty hiring and keeping qualified staff. This enhancement will raise protection specialists' salaries by up to 12.5 percent, not to exceed the market rate. However, all positions will receive a minimum 2.5 percent increase.

PROTECTION SPECIALISTS SALARY INCREASES	
State General Fund	\$ 3,587,316
Federal Funds	92,838
TOTAL	\$ 3,680,154

The Governor recommends adoption of this request.

REQUEST 3

ENHANCEMENT—KANSAS MANAGEMENT INFORMATION SYSTEM (KMIS) REPLACEMENT

The agency is requesting funding to replace KMIS. KMIS is used to track client services, complete and submit federal and state reports, control service and spending limits, and pay for direct Vocational Rehabilitation (VR) services. The agency indicates KMIS was developed and implemented in the 1980s and is now struggling to meet the data collection and reporting requirements required with the Workforce Innovation and Opportunity Act.

KANSAS MANAGEMENT INFORMATION SYSTEM (KMIS) REPLACEMENT	
State General Fund	\$ 745,500
Federal Funds	2,754,500
TOTAL	\$ 3,500,000

The Governor recommends adoption of this request.

REQUEST 4

ENHANCEMENT—AMAZON CONNECT VIRTUAL CONTACT CENTER

During the state lockdown, the State of Kansas worked with Accenture to establish a Virtual Contact Center. This allowed employees to work remotely, when necessary. The requested funding would help the agency solidify continuity of operations and basic emergency response plans. The four-year contract that was signed will serve multiple call centers throughout DCF, including regional case maintenance centers, the Kansas Protection Report Center, and the customer service phone line.

AMAZON CONNECT VIRTUAL CONTACT CENTER		
State General Fund	\$	929,625
Federal Funds		920,375
TOTAL	\$	1,850,000

The Governor recommends adoption of this request.

REQUEST 5

ENHANCEMENT—ADDITIONAL PRE-EMPLOYMENT TRANSITION SERVICES

Pre-Employment Transition Services (Pre-ETS) is an early intervention that provides students with disabilities ages 14-21 with job exploration, counseling, and other services to help prepare for employment and maximize self-sufficiency. This enhancement would add 10.0 Pre-ETS specialist FTE positions and 2.0 Pre-ETS manager FTE positions to expand this early intervention.

ADDITIONAL PRE-EMPLOYMENT TRANSITION SERVICES		
State General Fund	\$	156,632
Federal Funds		578,742
TOTAL	\$	735,374

The Governor does not recommend adoption of this request.

REQUEST 6

ENHANCEMENT—COMMUNICATION ACCESS SERVICES

This enhancement request would add two FTE positions within the Kansas Commission for the Deaf and Hard of Hearing to serve as a central point of contact for participating state agencies to contact when processing auxiliary aid communication requests or services.

COMMUNICATION ACCESS SERVICES		
State General Fund	\$	158,531
TOTAL	\$	158,531

The Governor does not recommend adoption of this request.

REQUEST 7

ENHANCEMENT—INDEPENDENT LIVING SUBSIDY FOR FOSTER YOUTH

This enhancement supports increasing the monthly assistance subsidy for adults ages 18 to 20 who have exited foster care to 130.0 percent of federal poverty levels, the same level used to qualify for food assistance.

INDEPENDENT LIVING SUBSIDY FOR FOSTER YOUTH		
State General Fund	\$	1,512,000
TOTAL	\$	1,512,000

The Governor recommends partially funding this enhancement request, in the amount of \$756,000 SGF.

REQUEST 8

ENHANCEMENT—HIGH QUALITY LEGAL REPRESENTATION

This enhancement request supports funding a pilot program to provide legal representation for parents involved in a report assigned for assessment or investigation by DCF. The agency indicated the enhancement would advance race equity by providing legal resources and further prevent unnecessary family separation.

HIGH QUALITY LEGAL REPRESENTATION		
State General Fund	\$	920,000
Federal Funds		80,000
TOTAL	\$	1,000,000

The Governor does not recommend adoption of this request.

REQUEST 9

ENHANCEMENT—FAMILIES FIRST PREVENTION SERVICES

This enhancement would allow DCF to expand the Families First Prevention Program to provide additional prevention services. There are currently counties with waiting lists for families to receive services, and some some counties that do not have any available services.

FAMILIES FIRST PREVENTION SERVICES		
State General Fund	\$	3,500,000
Federal Funds		3,500,000
TOTAL	\$	7,000,000

The Governor recommends adoption of this request.

REQUEST 10

ENHANCEMENT—PRACTICUM SUPERVISORS

Students in child welfare practicum internships are currently overseen by protection supervisors whose primary task is to manage frontline protective services staff. This request would add 6.0 supervisor FTE positions to manage students interns. The use of practicum students is a workforce development strategy for DCF to attract new employees.

PRACTICUM SUPERVISORS		
State General Fund	\$	416,124
Federal Funds		12,470
TOTAL	\$	428,594

The Governor does not recommend adoption of this request.

REQUEST 11

ENHANCEMENT—CAPITAL IMPROVEMENTS

This request is for renovation of the first-floor lobby and interview rooms at the Topeka Service Center. The request includes updating interior finishes and furniture, increasing security in interview rooms with glass and panic buttons, upgrading technology, centralizing workflow supports, and adding a lactation room and children's lobby play space.

CAPITAL IMPROVEMENTS		
State General Fund	\$	850,000
TOTAL	\$	850,000

The Governor recommends partially funding this enhancement request, in the amount of \$450,000, from the Project Maintenance Reserve Fund.

SPECIAL TOPICS

TOPIC 1

2021 SPECIAL COMMITTEE ON CHILD SUPPORT ENFORCEMENT AND COLLECTION

COMMITTEE DIRECTIVE

- Study child support enforcement and collection, with the objective of gaining a better understanding of the current process and contracts, as well as the impact of child support payment collections on Kansans within the system;
- Review an evaluation conducted by Midwest Evaluation and Research, LLC, of the IV-D Program in 2020;
- Hear testimony from the Office of Judicial Administration; and
- Hear from a court trustee on a non-IV-D perspective.

On October 19, 2021, the Committee received presentations from Kansas Legislative Research Department (KLRD) staff on the collection of child support payments and an overview of child support enforcement in Kansas. The Director of the Child Support Services Division of the Department for Children and Families (DCF) provided an overview of IV-D child support payment collections, and the 18th Judicial District Court Trustee provided an overview of non-IV-D child support payment collections.

A representative of the Kansas Payment Center (KPC) provided an overview of the KPC's operations, and representatives of the two contracted child support enforcement and collection vendors in Kansas, Maximus and YoungWilliams, each presented an overview of their company's services. The Committee also received information from a representative of Midwest Evaluation and Research, LLC, summarizing its findings on the effectiveness of the Kansas IV-D program.

On November 9, 2021, the Committee received staff presentations on child support enforcement in Kansas and the history of child support enforcement privatization, non-IV-D child support payment collections, the non-IV-D system, performance measures and changes to the current system. It also received testimony from the 9th Judicial District Court Trustee, a representative of the Office of Judicial Administration, the Director of the Child Support Services Division, and representatives of contractors.

COMMITTEE RECOMMENDATIONS

The Special Committee on Child Support Enforcement and Collection (Committee) submits the following recommendations for action by the Department for Children and Families (DCF):

- Explore best practices for child support enforcement and collection in other states and identify any legislative changes that may be needed;
- Establish reciprocity agreements with bordering states to improve cross-state coordination;
- Streamline the process for payees and payors when cases move between the IV-D and non-IV-D programs;
- Determine and monitor improved performance measures for both the IV-D and non-IV-D programs;
- Ensure every family can access a child support professional through DCF, child support contractors, or both;
- Introduce a customer service evaluation for clients utilizing child support services in the state; and
- Reinstate quarterly or monthly meetings between trustee offices and DCF to encourage improved communication in cases that are served by both IV-D and non-IV-D programs.

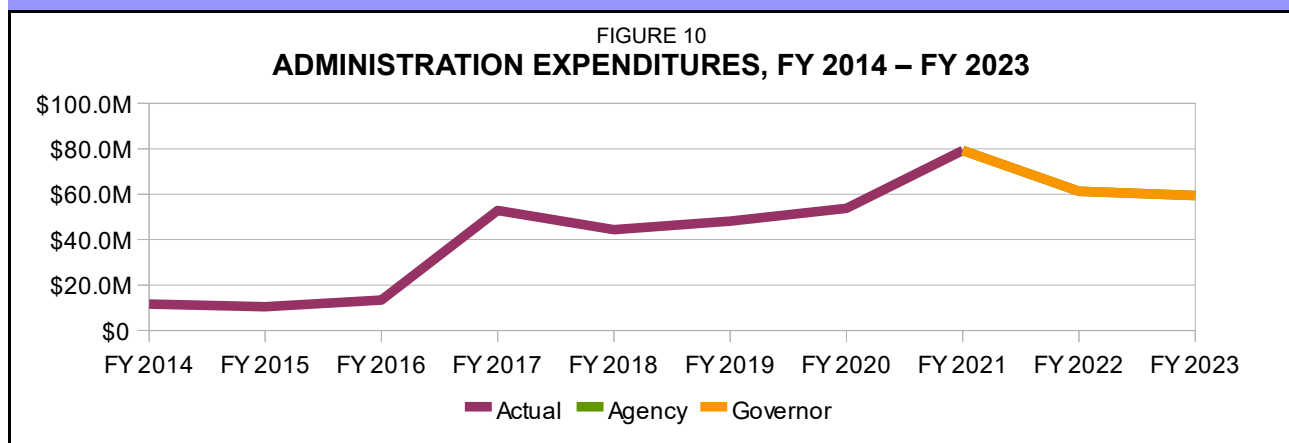
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 79,306,870	\$ 61,274,546	\$ 61,274,546	\$ 59,424,637	\$ 59,424,637
Child Support Services	40,364,146	38,440,562	38,440,562	31,958,424	31,958,424
Economic and Employment Services	146,898,529	485,156,717	483,256,717	350,990,674	348,690,674
Prevention and Protection Services	340,071,648	391,556,664	375,043,223	383,908,798	381,217,113
Rehabilitation Services	25,607,980	30,556,427	30,556,427	34,353,102	34,194,571
Developmental Disabilities Council	625,851	742,833	742,833	710,083	710,083
Client Service Delivery	112,718,104	116,611,846	116,611,846	117,062,846	115,898,878
Capital Improvements	-	353,825	353,825	850,000	450,000
TOTAL	\$ 745,593,128	\$ 1,124,693,420	\$ 1,106,279,979	\$ 979,258,564	\$ 972,544,380
FTE Positions:					
Administration	228.8	265.8	265.8	265.8	265.8
Child Support Services	34.0	33.0	33.0	33.0	33.0
Economic and Employment Services	90.0	115.0	115.0	115.0	115.0
Prevention and Protection Services	192.0	202.0	202.0	202.0	202.0
Rehabilitation Services	129.3	131.3	131.3	133.3	131.3
Developmental Disabilities Council	4.0	5.0	5.0	5.0	5.0
Client Service Delivery	1,859.9	1,905.9	1,905.9	1,923.9	1,905.9
Capital Improvements	--	--	--	--	--
TOTAL	2,537.9	2,657.9	2,657.9	2,677.9	2,657.9

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 39-708, 75-3516, 75-3702, 75-5301, 75-5310, 75-5316, 75-7205

PROGRAM GOALS: • N/A

The mission of the Administration Division is to provide quality and cost-effective services to staff, supervisors, and managers within DCF. The division's services enable employees to complete their work with adequate funding, facilities, equipment technology, and other support to help ensure their work complies with federal requirements and state policies. The Administration Division consists of seven subprograms: Executive and Administration, Legal Services, Audit, Organizational Health and Development, Information Technology, Personnel Services, and Reserve Pool and Insurance.

Below are the descriptions of subprograms included in the Administration Division:

- **EXECUTIVE AND ADMINISTRATION.** The Executive and Administration subprogram consists of expenditures for the Office of the Secretary and Administrative Services. This subprogram also includes expenditures for KPERS employer contributions for retirees returning to work.
- **LEGAL SERVICES.** The Legal Services subprogram provides legal advice to the Secretary and agency programs, including preparing cases for litigation, managing agency efforts to combat

fraud, and coordinating activities related to the Health Insurance Portability and Accountability Act (HIPAA) and the Fraud Investigations Unit.

- **AUDIT SERVICES.** The Audit Services subprogram provides examination and evaluation of all agency programs, in addition to conducting financial, compliance, and performance audits within the agency. Audit Services is also responsible for performing external audits of grantees, contractors, and providers to ensure compliance with the contract or grant and state rules and regulations.
- **ORGANIZATIONAL HEALTH AND DEVELOPMENT.** The Organizational Health and Development subprogram supports and strengthens the capacity of each DCF employee. The essential elements of safety, effectiveness, and compliance are starting points of the efforts of this subprogram. Online learning opportunities were recently updated to provide employees with expanded opportunities available at an employee's convenience.

- **INFORMATION TECHNOLOGY SERVICES.** This subprogram is responsible for managing new information technology systems projects, maintaining information systems that support the agency's business, coordinating access to and the protection of the agency's data resources and providing information technology infrastructure management and user support.

- **PERSONNEL SERVICES.** This subprogram is responsible for providing personnel support to the regional offices and the central office. These activities include recruitment, retention, and staff employment as well as succession planning for all positions; and
- **RESERVE POOL AND INSURANCE.** This subprogram was established to track unfunded positions.

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
There were no agency performance measures submitted for this program.					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
Financing					
SGF	\$ 27,115,404	\$ 29,190,290		\$ 34,106,364	\$ 33,138,102
Federal Funds	-	48,572,711		26,189,458	25,557,811
All Other Funds	26,667,582	1,543,869		978,724	728,724
TOTAL	\$ 53,782,986	\$ 79,306,870		\$ 61,274,546	\$ 59,424,637
Percentage Change:					
SGF	13.0 %	7.7 %		16.8 %	(2.8) %
All Funds	11.7 %	47.5 %		(22.7) %	(3.0) %
FTE Positions	230.7	228.8		265.8	265.8

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$61.3 million, including \$34.1 million SGF, for expenditures in the Administration program in FY 2022. This is an increase of \$7.0 million, or 12.8 percent, above the amount approved by the 2021 Legislature.

The increase is due to information technology related expenditures to move records to an electronic format (\$803,000), reappropriated funds being used for the Comprehensive Child Welfare Information System (\$1.7 million), and increased funding for the Virtual Call Center (\$1.8 million).

The revised estimate includes 265.8 FTE positions, which is an increase of 37.0 FTE positions above the approved amount. The change in FTE positions is primarily attributable

to 34.0 positions being moved to the reserve pool due to under-utilization. These positions are fully funded with federal pandemic funds. They will be utilized for other federal funded programs as needed, when all federal pandemic funds are exhausted, these positions will be deleted.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The agency requests FY 2023 Administrative program operating expenditures totaling \$59.4 million, including \$33.1 million SGF. This is a decrease of \$1.8 million, or 3.0 percent, below the FY 2022 revised estimate.

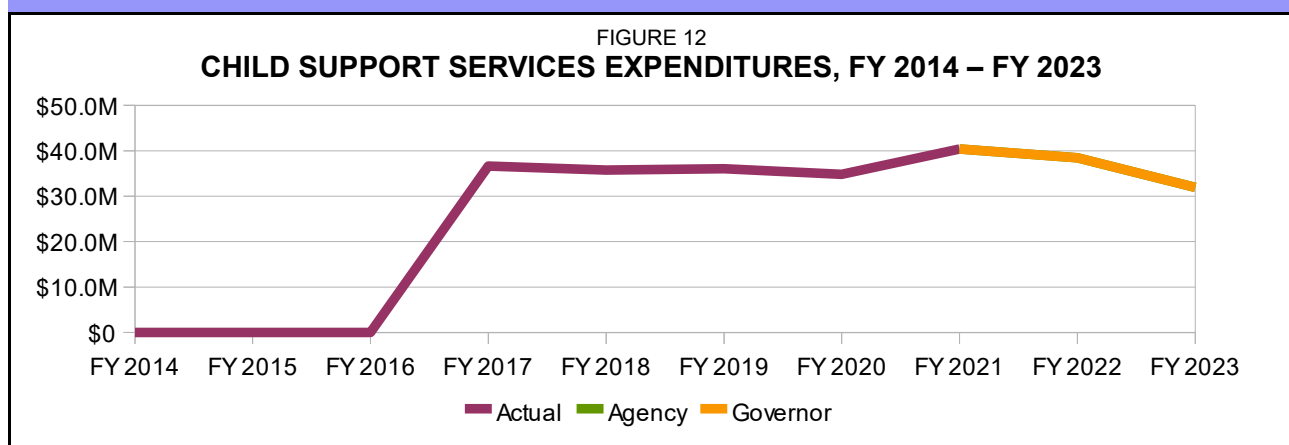
The decrease is attributable to decreased COVID-19 relief expenditures, partially offset by

the agency's enhancement requests for Amazon Connect (\$1.9 million), increased health insurance costs and an increase in salary shrinkage.

The request includes 265.8 FTE positions, which is no change from the FY 2022 revised estimate.

The **Governor** concurs with the agency's FY 2023 request.

CHILD SUPPORT SERVICES



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 39-708, 39-753

PROGRAM GOALS:

- Improve the financial stability of children by establishing parentage and appropriately sized child and medical support orders for each family unit.
- Recognize that each family unit is different but that children need financial stability that is a reliable, regular, and consistent source of financial support from a parent who has a court order to provide it.
- Ensure timely, reliable, and consistent collection and distribution of payments to family.
- Remove barriers identified by entities that Child Support Services (CSS) comes into contact with that have a direct impact on the collection or distribution of child or medical support.

The U.S. Congress passed the Child Support Enforcement program, Title IV-D of the Social Security Act, which requires each state to establish an effective statewide uniform child support program. Failure to meet federal requirements of child support enforcement can result in fiscal sanctions to both the Temporary Assistance for Needy Families (TANF) Block Grant and Child Support Enforcement grants. The Child Support Enforcement program is a federal, state, county, and private operation that must satisfy numerous federal requirements.

DCF is the designated Title IV-D child support enforcement agency for Kansas. Although a majority of persons served are receiving other DCF benefits, any custodial parent may ask for absent parent location and support enforcement services. Any non-custodial parents may apply to establish paternity or modify a support order as well. Effective July 1, 2015, cooperation with child support services is mandatory for persons to receive food assistance.

During FY 2021, the Child Support Services program collected \$217.2 million and estimates collection of \$215.4 million in FY 2022 and \$216.0 million for FY 2023. The federally mandated single receipting and disbursement operation for all child support payments, the Kansas Payment Center, has estimated operating costs of \$4.0 million in FY 2022. This is an increase of \$137,510, or 3.6 percent, above the FY 2021 actual amount, as reflected in the terms of the multi-year contract.

Of the collections, approximately \$955,116 will be paid to the Office of Judicial Administration for child support services provided by the central staff and clerks of the Court in FY 2022. The majority of expenditures are associated with the contracts for privatized child support enforcement, estimated at \$6.0 million for the original contracts and \$19.4 million for two, new full service contracts with Maximus and YoungWilliams, for a total of \$25.4 million in FY 2022.

In FY 2022, the agency estimates a caseload of 127,238 cases with collections of \$215.4 million and an average of \$1,693 collected per case. Of this amount, the State will retain \$6.5 million. For FY 2022, the agency estimates a

caseload of 126,273 cases with collections of \$216.0 million and an average of \$1,710 collected per case. Of this amount, \$5.8 million will be retained by the State.

FIGURE 13 CHILD SUPPORT SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of current child support collected	57.6%	56.6 %	56.8 %	56.7 %	56.8 %
2. Percent of cases with child support orders	89.1 %	86.6 %	88.3 %	86.8 %	87.0 %
3. Percentage of cases paying on support arrears	66.7 %	61.8 %	62.3 %	61.9 %	62.0 %
Output Measure:					
4. Support collections to cost ratio*	6.7	6.1	6.2	6.0	6.1
5. Cost per case*	\$ 250.40	\$ 249.46	\$ 270.80	\$ 302.10	\$ 253.10
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 800,001	\$ 2,147,441		\$ 1,529,090	\$ 1,529,454
Federal Funds	23,097,586	28,466,940		26,560,317	22,085,387
All Other Funds	9,521,461	9,749,765		10,351,155	8,343,583
TOTAL	\$ 33,419,048	\$ 40,364,146		\$ 38,440,562	\$ 31,958,424
Percentage Change:					
SGF	0.0%	168.4 %		(28.8) %	0.0 %
All Funds	(3.4) %	20.8 %		(4.8) %	(16.9) %
FTE Positions	34.0	34.0		33.0	33.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$38.4 million, including \$1.5 million SGF, for expenditures in the Child Support Services program in FY 2022. This is a decrease of \$7.2 million, or 15.7 percent, below the amount approved by the 2021 Legislature.

The decrease is primarily attributable to consulting fees that were planned for FY 2022, but were spent in FY 2021. Additionally, there was a reduction in project costs for this program of \$2.6 million.

The revised estimate includes 33.0 FTE positions, which is a decrease of 1.0 FTE position. The Intergovernmental/ Adoptions/ Special Projects position was moved to the Economic and Employment Services program.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

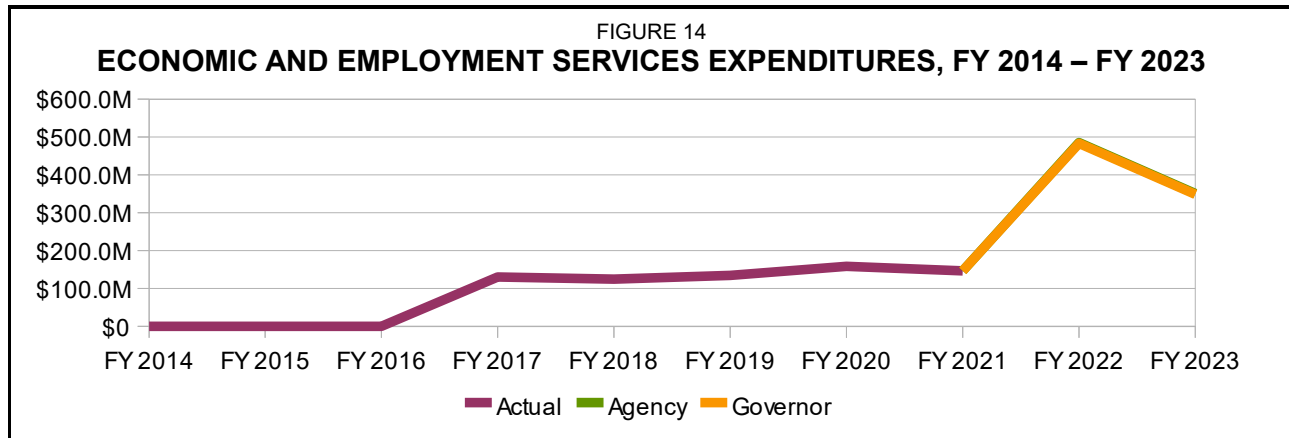
The agency requests FY 2023 Child Support Services program operating expenditures totaling \$32.0 million, including \$1.5 million SGF. This is a decrease of \$6.5 million, or 16.9 percent, below the FY 2022 revised estimate.

The decrease is due to the two new full service contracts for child support services. Start-up costs in FY 2022 will lead to a cost savings of \$4.5 million for FY 2023, based on lower contract estimates.

The request includes 33.0 FTE positions, which is no change from the FY 2022 revised estimate.

The **Governor** concurs with the agency's FY 2023 request.

ECONOMIC AND EMPLOYMENT SERVICES



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 39-708, 39-709

PROGRAM GOALS: • Assist low-income families and individuals in obtaining training and education to encourage personal responsibility.
• Provide appropriate support services to assist clients in gaining or retaining employment and becoming self-sufficient.

Economic and Employment Services has the responsibility for a variety of economic and other assistance programs. These include Temporary Assistance for Needy Families (TANF) cash assistance and employment services, energy assistance, refugee assistance, food assistance, the food assistance employment program, child care, and federal food distribution programs.

Below are descriptions of the Economic and Employment Services programs:

- **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) CASH ASSISTANCE PROGRAM.** This subprogram provides cash assistance to very-low-income families. Families with incomes less than 22.0 percent of the federal poverty level may qualify for TANF cash assistance. Almost all families with an adult must participate in work activities and seek employment through the TANF Employment Services program. Cash assistance is not an entitlement and is limited to 24 months, with provisions for extended assistance up to 36 months if the family meets hardship criteria. Families must cooperate with the child support

collection program in order to receive benefits. TANF benefits are financed by the federal TANF block grant and state funds. This program is subject to the consensus caseload estimating process in the fall and spring of each year.

- In order to receive the entire \$101.5 million federal TANF Block Grant, Kansas must spend a specified minimum in state funds, the TANF Maintenance of Effort (TANF MOE). The TANF MOE is \$65,866,230 and represents 80.0 percent of state funds spent in the base fiscal year of FY 1994. The MOE is reduced to 75.0 percent of the amount for states that meet the work requirements. The TANF MOE is budgeted in specific program budgets. A major source of the MOE is net refunds from the Kansas Earned Income Tax Credit. The TANF law allows states to claim refundable tax credits toward the MOE if the credit exceeds the underlying tax upon which the tax credit is based.

- The agency estimates a caseload of approximately 3,441 families, including 8,110 average monthly persons, at an average cost of \$112.00 per person in FY 2022. The estimate is based on the caseload estimate of \$10.9 million. For FY 2023, the agency estimates a caseload of approximately 3,441 families, including 8,110 average monthly persons, at an average cost of \$112.00 per person. The estimate is based on the caseload estimate of \$10.9 million. These figures were based on the spring 2021 consensus caseload estimates.
- The **Governor** recommends \$14.1 million in FY 2022 and \$8.6 million for FY 2023 for this subprogram. These amounts are based on the fall 2021 human services consensus caseloads of approximately \$8.6 million.
- **TANF EMPLOYMENT SERVICES.** This subprogram provides services that help adults obtain and keep employment. All adult TANF recipients, except those with a child under two months of age and those needed in the home to care for a disabled household member, must work or participate in work-readiness activities of 30 hours a week, or 20 hours a week if the child is under the age of six (55 hours for two-parent households). Federal law requires that at least 50.0 percent of all families and 90.0 percent of two-parent families be engaged in work, or the State risks a reduction in the TANF Block Grant. The program offers 12 months of transitional services to families leaving cash assistance for employment. TANF Employment Services are financed by the TANF Block Grant:
 - The **agency** anticipates a caseload of 1,881 average persons per month accessing employment services at a monthly cost of \$135.00 per person in FY 2022. The estimate is based on the caseload estimate of \$3.7 million. The agency anticipates a caseload of 1,774 average persons per month accessing employment services for FY 2023 at a monthly cost of \$148.50 per person. The estimate is based on the caseload estimate of \$3.2 million.
 - The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 agency request.
- **LOW INCOME ENERGY ASSISTANCE PROGRAM (LIEAP).** This subprogram provides a one-time annual benefit to low-income households for energy bills to avoid the shutoff of utility services during the winter. To qualify for energy assistance, households must have incomes below 150.0 percent of the federal poverty level, must have made recent payments on their energy bills, and must pay directly for heating costs or must pay rent that includes utility costs. Payments are sent directly to the utility/fuel provider, and the payments are credited to the household's bill. The program is funded entirely by a block grant from the U.S. Department of Health and Human Services. Additionally, the subprogram also provides funding for weatherization, which is transferred to the Kansas Housing Resources Corporation. In response to the COVID-19 pandemic, the Low Income Water Assistance Program was established to assist low-income households, requiring a high proportion of household income for drinking water and wastewater services by reducing payments and preventing shut-offs or restoring water services.
 - The agency estimates providing assistance to 40,000 households, including 86,813 persons, at an average benefit

per household of \$1,464 in FY 2022. For FY 2023, the agency estimates providing assistance to 40,000 households, including 86,813 persons, at an average benefit per house of \$666. The estimated funds to be paid for LIEAP benefits total \$78.6 million in FY 2022 and \$27.4 million for FY 2023. FY 2022 includes authorized federal funds, including pandemic relief funds not expended during the LIEAP 2021 heating season, and additional federal funds released after the end of the state fiscal year.

- The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 agency request.
- **FOOD ASSISTANCE.** This subprogram provides benefits to individuals and families to assist with food costs. This 100.0 percent federally funded program assists individuals and families with incomes less than 130.0 percent of the federal poverty level when using the gross income test and 100.0 percent of the federal poverty level using the net income test. Food assistance benefits are issued through electronic benefit transfer (EBT). Each family or individual receives a plastic "Vision" card with credit in an individual account that may be used only for the purchase of food. Food assistance benefit expenditures are not shown in the state budget because expenditures are not made from the state treasury. The funding is not included in the state budget; however, the agency estimates a decrease in both caseloads and expenditures for this program.
- **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) EMPLOYMENT AND TRAINING.** This subprogram operates in 36 Kansas counties, providing job search, employment education, and job

retention services to adults under age 50 receiving SNAP benefits but not receiving TANF cash assistance. The U.S. Department of Agriculture provides 100.0 percent of the administrative costs and 50.0 percent of participant costs. In addition, the subprogram includes a three-year federal grant received in September 2018 to design, implement, and evaluate a website to improve communication between DCF and SNAP registrants. Additionally, this subprogram includes the SNAP Work Program, known as Generating Opportunities to Attain Lifelong Success (GOALS), which provides services to SNAP recipients with children.

- The agency estimates, in FY 2022, assisting a monthly average of 450 persons at an average monthly cost of \$28.93 per person in the SNAP Employment and Training program, and 528 average monthly persons at an average monthly cost of \$107.06 per person through GOALS. For FY 2023, the agency estimates assisting an average of 450 persons at an average monthly cost of \$29.10 per person in the SNAP Employment and Training program and 581 persons at an average monthly cost of \$177.77 through GOALS.
- The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 agency request.
- **CHILD CARE ASSISTANCE PROGRAM.** This subprogram provides payments to child care providers, allowing low-income families to remain in the workforce. To qualify, families must have incomes below 250.0 percent of the federal poverty level and must comply with Child Support Enforcement requirements. Families with incomes above 100.0 percent of the federal poverty level are required to pay a share

of the child care cost. Child care is provided by centers, licensed providers, and unregulated providers, which includes care by relatives and care provided by persons in the child's home.

- A majority of the financing in the Child Care Assistance program is provided by the federal Child Care and Development Fund, which is composed of mandatory, matching, and discretionary funds. For a state to access mandatory and matching funds, it must meet the state MOE (\$6.7 million) and use at least 70.0 percent of the total amount for TANF families or those at risk of TANF assistance. Discretionary funds are 100.0 percent federal funds and matching funds are matched at the Federal Medical Assistance Percentage (FMAP) rate.

The majority of child care quality expenditures are devoted to resource and referral services. The program provides information to parents about child care available in their communities and referrals to other programs in response to family needs. It also maintains databases on child care programs, builds the supply of child care by providing training and technical assistance to new and existing providers, and improves child care quality by offering training for family child care providers, center staff, and directors.

- To increase access and availability of quality child care, the income eligibility level was increased to 250.0 percent in July 2021, resulting in more families being eligible for assistance. Additionally, family share deductions will be eliminated for families with

incomes less than 100.0 percent of the federal poverty level. Previously, family share deductions began at 70.0 percent of the federal poverty level.

- The submitted budget also included funds for the Hero Relief Program. This program provides child care subsidy payments to first responders, emergency workers, educators, and other employees considered essential during the COVID-19 pandemic. Child care subsidy is provided for up to 12 months for workers at or below 250.0 percent of the federal poverty level. The agency estimates an average of 652 families, including 1,163 children, at an average monthly cost of \$627 in FY 2022. The total costs for the program is estimated to be \$8.7 million. Due to the funding being available through September 2022, the agency estimates providing services to an average of 168 families, including 300 children, at an average monthly cost of \$661 for FY 2023. Child Care Development Fund (CCDF) Discretionary Pandemic Funds authorized through the federal CARES Act are being utilized for these services.

- The agency estimates assisting an average of 5,718 families, including 10,197 children, at an average monthly cost of \$425 per child in the Child Care Assistance Program in FY 2022. The total costs for the program is estimated to be \$52.0 million. For FY 2023, the agency estimates assisting an average of 5,999 families, including 10,698 children, at an average monthly cost of \$435. The total costs for the program is estimated to be \$55.8 million.

- The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 agency request.
- **KANSAS EARLY HEAD START PROGRAM.** This subprogram provides early intervention services to low-income pregnant women and families with infants and toddlers, and children with disabilities through weekly home visits and child care, including physical and mental health education, nutrition education, social services, parental involvement and education, services for

children with disabilities, job seeking and retention support services, and other family support services.

- The agency estimates providing services to an average of 1,005 children monthly in FY 2022 and for FY 2023, at an average monthly cost of \$12,734 per child.
- The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 agency request.

FIGURE 15 ECONOMIC AND EMPLOYMENT SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Percent of TANF Recipients Retaining Employment after One Quarter*	75.3 %	73.0 %	77.5 %	73.0 %	73.0 %
2.Percent of TANF Recipients Obtaining Employment*	48.5 %	41.5 %	44.3 %	46.5 %	46.5 %
3.Percent of Families Losing TANF Due to Employment Who Continue to Receive Food Assistance, Transitional Assistance, and Child Care	88.0 %	70.8 %	84.3 %	75.0 %	75.0 %
4.Percent of employed families receiving child care assistance whose earnings increase at the next review	74.0 %	66.2 %	68.0 %	66.7 %	70.0 %
Output Measure:					
5.Number of child care providers receiving stabilization grants*	N/A	N/A	N/A	3,132	3,132
6.Percentage increase of child care providers accessing professional development*	2.4 %	(6.0) %	3.5 %	2.0 %	2.0 %
Financing					
SGF	\$ 12,567,971	\$ 12,684,829		\$ 10,074,723	\$ 12,931,624
Federal Funds	--	129,109,723		467,765,203	330,671,716
All Other Funds	146,108,950	5,103,977		5,416,791	5,087,334
TOTAL	\$ 158,676,921	\$ 146,898,529		\$ 483,256,717	\$ 348,690,674
Percentage Change:					
SGF	(0.5) %	0.9 %		(20.6) %	28.4 %
All Funds	17.7 %	(7.4) %		229.0 %	(27.8) %
FTE Positions	115.0	90.0		115.0	115.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$485.2 million, including \$10.1 million SGF, for expenditures in the Economic and Employment Services program in FY 2022. This is an increase of \$327.4 million, or 207.4 percent, above the amount approved by the 2021 Legislature.

The increase is primarily attributable to increased federal funding for TANF cash assistance (\$5.1 million), LIEAP (\$54.8 million), the Low Income Water Assistance Program (\$4.1 million), an increase of CCDF funds for child care quality (\$136.4 million), and a CCDF grant DCF received for child care stabilization (\$106.9 million).

The revised estimate includes 115.0 FTE positions, which is an increase of 25.0 FTE above the approved number. This increase is primarily attributable to 10.0 administration positions, the same as the approved number, 1.0 FTE for utility assistance, and 4.0 for child care quality.

The **Governor** recommends expenditures totaling \$483.3 million, including \$10.1 million SGF, in FY 2022. This is a decrease of \$1.9 million below the agency's revised estimate.

The decrease is attributable to the revised estimate for TANF cash assistance from the fall 2021 human services caseloads consensus process.

FY 2023 REQUEST

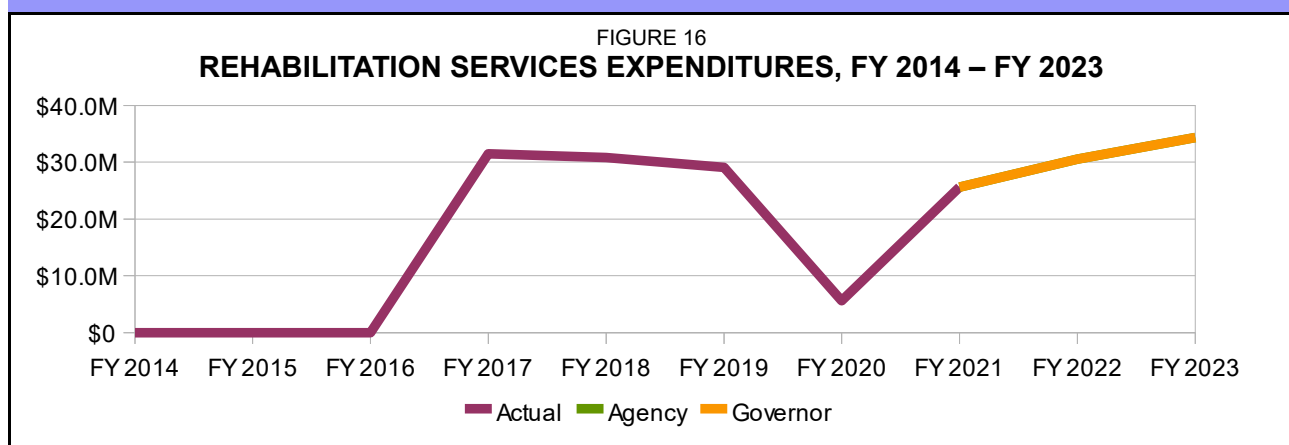
The agency requests FY 2023 Economic and Employment Services program operating expenditures totaling \$351.0 million, including \$12.9 million SGF. This is a decrease of \$134.2 million, or 27.7 percent, below the FY 2022 revised estimate.

The decrease is due decreased federal funds being provided for FY 2023, including for LIEAP (\$51.1 million) and child care quality (\$82.7 million) programming.

The request includes 115.0 FTE positions, which is no change from the FY 2022 revised estimate.

The **Governor** recommends expenditures totaling \$348.7 million, including \$12.9 million SGF, for FY 2023. This is a decrease of \$2.3 million below the agency's request. The decrease is attributable to the revised estimate for TANF cash assistance from the fall 2021 human services caseloads consensus process.

REHABILITATION SERVICES



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 39-708, 75-3339, 75-3343, 75-5391

PROGRAM GOALS:

- Assist individuals with disabilities to gain or regain their independence through employment.
- Provide independent living services to facilitate community inclusion and integration for Kansans with disabilities.
- Perform timely and accurate disability decisions.
- Assure access to qualified sign language interpreters.
- Prepare youth with disabilities to achieve employment and self-sufficiency as adults.

The Rehabilitation Services program is responsible for seeing that comprehensive vocational rehabilitation (VR) services are available to help people with disabilities become gainfully employed. Within the Rehabilitation Services program is the Kansas Commission for the Deaf and Hard of Hearing as well as the Department's responsibilities for the federal Workforce Innovation and Opportunity Act, which requires cooperation with the Kansas Department of Commerce and the Kansas Board of Regents.

Below are descriptions of the Rehabilitation Services subprograms:

- **SERVICES FOR THE BLIND.** This subprogram provides programs for people who are blind or visually impaired, including core VR to help consumers become gainfully employed through the Business Enterprise Program (BEP). The BEP implements the Randolph-Sheppard Act of 1936, which prioritizes vending stands operated by legally blind persons in

federal buildings. Kansas law extends the Act to state and local buildings.

- **DISABILITY DETERMINATION SERVICES.** This subprogram provides services that make disability and blindness determinations for the U.S. Social Security Administration on the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) claims filed or reviewed in Kansas. The workload consists of claims for adults and children filing for initial, reconsideration, and hearings level decisions. Continuing disability reviews also are conducted for Kansans already receiving disability benefits.
- **REHABILITATION SERVICES CASE SERVICES.** This subprogram provides services to assist persons with physical or mental disabilities to obtain employment and live more independently. To be eligible to receive services, a person must have a physical or mental impairment that presents a

substantial impairment to employment. In addition, Rehabilitation Services Independent Living develops and provides services to individuals in partnership with the Statewide Independent Living Council.

- **REHABILITATION SERVICES INDEPENDENT LIVING.** This subprogram develops and provides to individuals the skills for inclusion in all aspects of community life, including engagement on employment goals as well as teaching independent living skills and advocating for inclusion of individuals with disabilities. It also provides specialized independent living services to older individuals (those at

least 55 years old) who are blind or visually impaired to help them continue living in their own homes and communities through grants to community partners.

- **REHABILITATION SERVICES INNOVATION AND EXPANSION.** This subprogram supports the federally mandated State Rehabilitation Council, which provides guidance in implementing the VR program and direction in developing the State Plan. The Council was established in 1998, and Innovation and Expansion was consolidated into the Rehabilitation Services Administration program effective July 1, 2019.

FIGURE 17
REHABILITATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Kansans with disabilities achieving competitive integrated employment	1,225	933	1,120	1,225	1,225
2.Percent of DDS claims processed accurately	97.0 %	97.2 %	97.1 %	97.0 %	97.0 %
3.Number of persons in centers for independent living supported by DCF funding	8,414	8,821	7,841	9,086	9,358
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 4,467,372	\$ 4,696,679		\$ 3,544,519	\$ 5,878,783
Federal Funds	23,642,133	20,701,958		25,511,908	28,315,788
All Other Funds	984,741	209,343		1,500,000	-
TOTAL	\$ 29,094,246	\$ 25,607,980		\$ 30,556,427	\$ 34,194,571
Percentage Change:					
SGF	(1.8) %	5.1 %		(24.5) %	65.9 %
All Funds	(4.3) %	(12.0) %		19.3 %	11.9 %
FTE Positions	128.8	129.3		131.3	131.3

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$30.6 million, including \$3.5 million SGF, for expenditures in the Rehabilitation Services program in FY 2022. This is a decrease of \$88,492, or 0.3 percent, below the amount approved by the 2021 Legislature.

The decrease is primarily attributable to accountant and auditor contractual services and programming and software maintenance that is now paid directly by the Social Security Administration. The decrease is partially offset by increased salaries and wages (\$492,605, or 7.1 percent) and capital outlay (\$112,530, or 35.9 percent) expenditures.

The revised estimate includes 131.3 FTE positions, which is an increase of 2.0 FTE positions above the approved number. The agency added a public service administrator and a support staff member to this program.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The agency requests FY 2023 Rehabilitation Services program operating expenditures totaling \$34.4 million, including \$6.0 million SGF. This is an increase of \$3.8 million, or 12.4 percent, above the FY 2022 revised estimate.

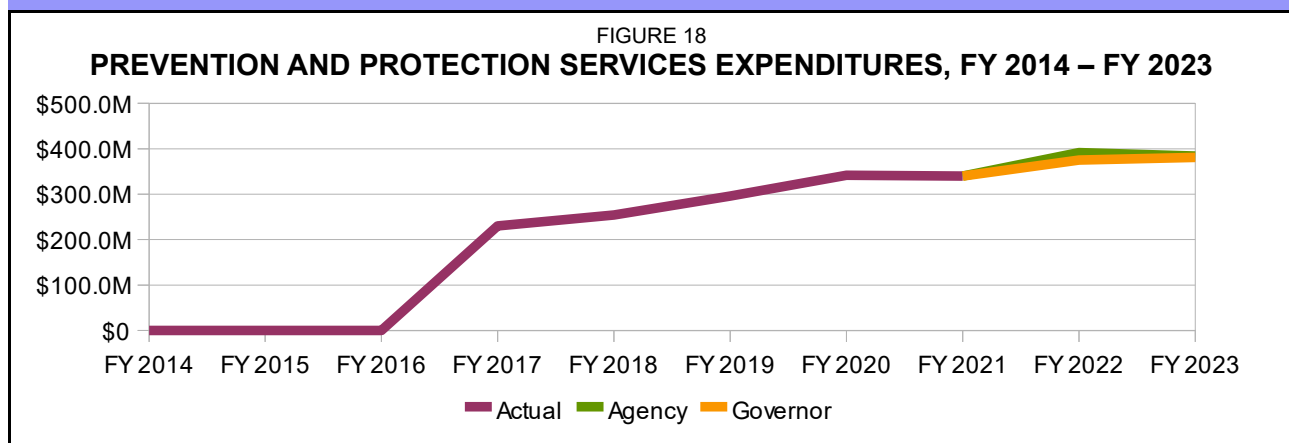
The increase is due to the Kansas Management Information System enhancement request (\$3.5 million) and the request for 2.0 FTE for communications access services under

the Kansas Commission for the Deaf and Hard of Hearing (\$158,531).

The request includes 133.3 FTE positions, which is an increase of 2.0 FTE above the FY 2022 revised estimate. This increase is attributable to the enhancement request for 2.0 FTE positions for communications access services under the Kansas Commission for the Deaf and Hard of Hearing.

The **Governor** recommends expenditures totaling \$34.2 million, including \$5.9 million SGF, for FY 2023. The Governor recommends the enhancement request for the Kansas Management Information System. The Governor does not recommend the request for 2.0 FTE for communications access services under the Kansas Commission for the Deaf and Hard of Hearing.

PREVENTION AND PROTECTION SERVICES



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 38-321, 38-2201, 38-2202, 38-2242, 38-2243, 38-2226, 39-708, 39-709, 39-1433, 65-501, 65-516, 75-53, 75-105

PROGRAM GOALS:

- Provide temporary placements for children who cannot remain safely in their homes.
- Secure permanency for children in care by reuniting them with their families or finding permanent families for children who cannot safely return home.
- Assist youth leaving foster care without permanent families to live independently and become self-sufficient.
- Provide assessments and interventions directed toward safeguarding the well-being and general welfare of children and vulnerable adults who are in need of protection.
- Provide prevention services to families based on each family's individual needs, eligibility, and available resources.

Prevention and Protection Services has a mission to protect children; promote permanent, nurturing families, and strengthen community partnerships to serve children. Prevention and Protection Services delivers services to the target population through multiple subprograms: Administration, Protection Reporting Center, Child Protective Services, Family Services, Reintegration/Foster Care, and Adoption/Alternate Permanency. This division also provides investigative and intervention services for adults directed toward safeguarding the well-being and welfare of adults in need of protection, such as aged and disabled individuals, and potential victims of human trafficking.

Below are the details for selected Prevention and Protection Services subprograms:

- **PROTECTION REPORT CENTER (PRC).** This subprogram provides a 24/7

hotline to take reports from callers statewide regarding alleged abuse or neglect. The PRC screens the reports and sends the reports needing investigation to the local DCF area office if warranted. If reports received at the PRC after hours and are determined to meet the criteria for a same-day response, PRC staff will notify the local law enforcement agency.

- **CHILD PROTECTIVE SERVICES.** This subprogram responds to reports alleging a child is in need of care. Social workers in local DCF offices are responsible for determining if a child abuse report is valid and whether there is a need for further action. If the report alleges abuse or neglect, the response involves assessing the immediate safety of the child, evaluating the family's ability to protect the child, and determining the

services required to support the family in safely caring for their child.

- **ADULT PROTECTIVE SERVICES.** This subprogram provides activities directed toward safeguarding the well-being and welfare of adults in need of protection. Social workers investigate reports of abuse or neglect and arrange for provision of services to those individuals in need.
- **FAMILY SERVICES.** Family services are provided to families in crisis resulting from sudden onset of urgent circumstances endangering a child and resulting in the risk of removal from their home. These services are provided to the entire family rather than to individual family members.
- **FAMILY PRESERVATION SERVICES.** This subprogram provides intensive in-home services offered to families, through a contract with a private vendor, who are at risk of having a child come into the custody of DCF and removed from their home unless the family can make the changes necessary to provide adequate care and safety. The DCF social worker is responsible for monitoring service delivery to achieve established outcomes.
- **FAMILIES FIRST PREVENTION SERVICES.** This subprogram provides prevention services to keep children and youth from entering foster care and out-of-home placement through evidence-based or emerging programs in mental health, substance abuse, parent skill building, and kinship navigation. This subprogram is based on the federal Family First Prevention Services Act requirements, which permit states to use Title IV-E funds for these prevention services. Grants to community partners and stakeholders to provide these services began October 1, 2019.
 - The agency estimates providing services to 2,062 families at an average cost of \$5,877 per

referral in FY 2022. The agency estimates providing services to 2,062 families at an average cost of \$5,877 per referral for FY 2023.

- The **Governor** concurs with the agency's FY 2022 revised estimate.
 - The **Governor** recommends operating expenditures totaling \$23.2 million for FY 2023. This is a decrease of \$2.4 million, or 9.5 percent, below the agency's request. The decrease is attributable to the Governor's only partial recommendation of the Families First Prevention Services SGF only grants.
- **REINTEGRATION/FOSTER CARE SERVICES.** This subprogram provides services that have been provided through private contract agencies since 1997. Services provided by the child welfare case management providers include case planning, placement, service delivery, and collaboration with communities. DCF workers are responsible for monitoring service delivery to achieve established outcomes. Services are provided to children and families when the court has found the child to be a child in need of care and requiring out-of-home placement to meet their safety needs. New foster care grants began October 1, 2019. One grant was awarded in each of the eight DCF catchment areas. The foster grantees are Saint Francis Ministries, KVC Kansas, TFI, and Cornerstones of Care.
 - The agency estimates serving approximately 6,863 children per month at an estimated monthly cost of \$3,224 in FY 2022 and for FY 2023. This does not include any adjustments made to account for the consensus caseload estimating process to which this program is subject.

- The **Governor** recommends operating expenditures totaling \$275.5 million in FY 2022. This is a decrease of \$16.5 million below the agency's revised estimate. The decrease is attributable to the revised estimate for foster care caseloads from the fall 2021 human services caseloads consensus process.
- The **Governor** recommends operating expenditures totaling \$266.0 million for FY 2023. This is an increase of \$500,000 above the agency's request. The increase is attributable to the revised estimate for foster care caseloads from the fall 2021 human services caseloads consensus process.
- **ADOPTION SUPPORT SERVICES.** This subprogram provides services that are designed to benefit children whose parents' parental rights have been terminated or relinquished by providing the children with a permanent family. Examples of services include:
 - Adoption support payments are made to assist adoptive families in meeting the special needs of the children they adopt.
 - Permanent guardianship is an alternative permanent placement when the courts have determined children cannot return home but adoption is not an option.
 - Life Skills and Independent Living Services are provided to older children to prepare them for adulthood once they leave state custody.
 - The agency estimates providing support for an average of 10,777 children at an average monthly cost of \$462 in FY 2022. The agency estimates providing support for an average of 11,151 children at an average monthly cost of \$467 for FY 2023.
- The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.
- **PERMANENT CUSTODIANSHIP.** This is a permanency option when reintegration and adoption are not a preferred option for the child. When a custodianship is established, a subsidy may be provided to assist the families until the child reaches 18 years of age.
 - The agency estimates serving an average of 132 children at an average monthly cost of \$301 in FY 2022. For FY 2023, the agency estimates serving an average of 120 children at an average monthly cost of \$301.
 - The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.
- **INDEPENDENT LIVING.** Independent living services are available to any child in the custody of the Secretary and in out-of-home placement for any length of time on or after their 15th birthday. Available services include assistance with completing secondary and postsecondary education, monthly subsidies, life-skills training, and leadership opportunities.
 - The agency estimates serving an average of 1,001 youth annually at an annual cost per youth of \$9,261 in FY 2022. The agency received additional federal pandemic relief funds for FY 2022. For FY 2023, the agency estimates serving an average of 901 youth annually at an annual cost per youth of \$3,526.
 - The **Governor** concurs with the agency's FY 2022 revised

estimate. The Governor recommends the addition of \$756,000 to this subprogram for FY 2023, which is a partial acceptance of the agency's enhancement request for an independent living subsidy for foster care youth.

- **HUMAN TRAFFICKING PREVENTION AND PROTECTION SERVICES.** This program rapidly assesses alleged juvenile victims of human trafficking and refers them to the appropriate services and temporary placement.

FIGURE 19 PREVENTION AND PROTECTION SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Protection Reporting Center initial assessment decisions completed within the timeframe established in policy	78.5 %	95.2 %	81.0 %	96.0 %	96.0 %
2. Percent of children reaching permanency within 12 months of entering foster care	35.8 %	34.2 %	35.5 %	35.8 %	36.4 %
3. Percent of adult protective service investigations completed timely	84.6 %	84.2 %	83.9 %	84.4 %	84.6 %
Output Measure:					
4. Number of foster care and residential facilities licensed*	3,034	2,850	2,938	3,189	3,529
5. Number of children adopted*	999	846	1,018	896	946
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 226,786,147	\$ 214,478,358		\$ 229,475,052	\$ 243,934,280
Federal Funds	-	118,677,820		129,504,160	123,860,458
All Other Funds	114,930,216	9,915,470		16,064,011	13,422,375
TOTAL	\$ 341,716,363	\$ 343,071,648		\$ 375,043,223	\$ 381,217,113
Percentage Change:					
SGF	22.4 %	(5.4) %		7.0 %	6.3 %
All Funds	19.4 %	0.4 %		9.3 %	1.6 %
FTE Positions	145.0	192.0		202.0	202.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$391.6 million, including \$246.5 million SGF, for expenditures in the Prevention and Protection Services program in FY 2022.

This is a increase of \$22.5 million, or 6.1 percent, above the amount approved by the 2021 Legislature. The increase is primarily attributable to foster care (\$10.0 million), federal funds received for the Independent Living program (\$5.2 million), reappropriated funds being used for the Families First program (\$3.3 million), and an enhancement approved by the

2021 Legislature for the Family Crisis Support program (\$3.0 million).

The revised estimate includes 202.0 FTE positions, which is an increase of 10.0 FTE positions above the approved number. This increase is primarily attributable to 8.0 FTE positions to assist with duties related to getting services and pandemic funding to impacted youth. These positions will end when the pandemic funding expires at the end of federal fiscal year 2022.

The **Governor** recommends expenditures totaling \$375.0 million, including \$229.5 million SGF, in FY 2022. This is a decrease of \$16.5 million, or 4.5 percent, below the agency's revised estimate. The decrease is attributable to the fall 2021 human services consensus caseloads estimate.

FY 2023 REQUEST

The agency requests FY 2023 Prevention and Protection Services operating expenditures totaling \$383.9 million, including \$246.0 million SGF. This is a decrease of \$7.6 million, or 2.0 percent, below the FY 2022 revised estimate.

The decrease is due to the elimination of federal funds for the Independent Living program (\$5.0 million) and reappropriated funds being used for foster care (\$10.0 million) that are available only in FY 2022. This decrease is partially offset by two Families First Prevention Services enhancement requests (\$7.0 million and \$2.8 million).

The request includes 202.0 FTE positions, which is no change from the FY 2022 revised estimate.

The **Governor** recommends expenditures totaling \$381.2 million, including \$243.9 million SGF, for FY 2023. This is a decrease of \$2.7 million, or 0.7 percent, below the agency's request. The decrease is attributable to the Governor not recommending the enhancement request for high quality legal representation for parents involved in a report assigned for assessment or investigation by DCF. Additionally, this decrease is also attributable to the fall 2021 human services consensus caseloads process and the Governor's only partial acceptance of the agency's enhancement request for an independent living subsidy for foster care youth.

FAMILY PRESERVATION SERVICES CONTRACTS

In 2013, the Pew Charitable Trusts (PEW) researchers, as part of the Results First Model, reviewed the performance measures used by the agency for the Family Preservation Program, specifically considering the

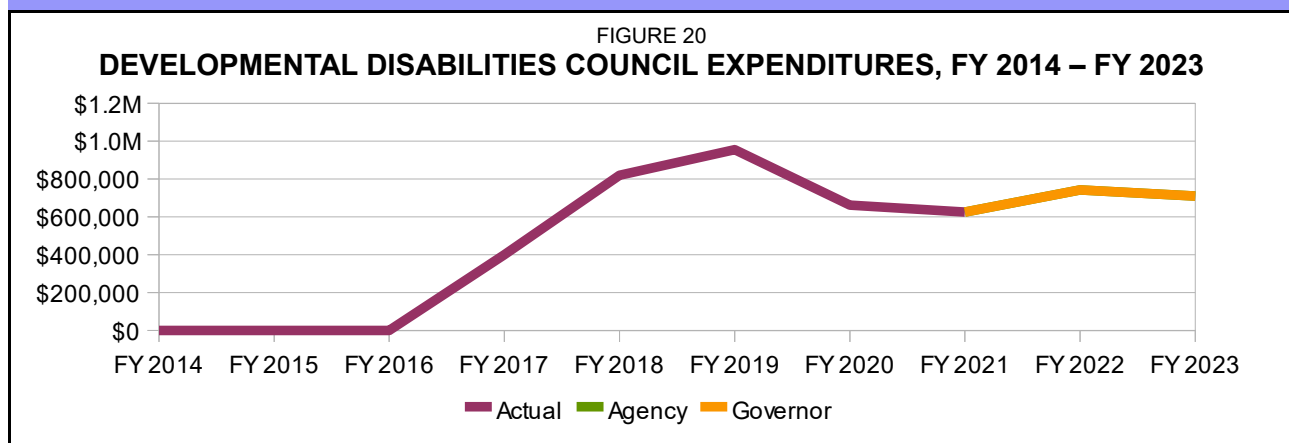
intervention success rates. Of the 21 interventions reviewed, PEW was only able to rate 9 because of the lack of certain data such as the number of participants receiving the service, the duration of the services, and the frequency by which the services are provided. The contractors for Family Preservation did not measure the interventions at that level.

The decision was made to terminate and rebid these contracts in FY 2019. The current contracts include five performance measures for two different tiers. These different tiers include specific intervention types, with Tier 1 considered higher risk than Tier 2. The performance outcomes the contracts require be measured are:

- Families referred shall be engaged in timely Family Preservation Services;
- Families will not experience affirmed or substantiated abuse or neglect during participation in Tier 1 Family Preservation Services or in tier 2 Family Preservation Case Management Services;
- Families will not have a child referred to the foster care program during the referral period of Tier 1 or Tier 2 services or within 30 days of case closure. Children will not be referred to the foster care program during the referral period of Tier 1 or Tier 2 services or within 30 days of case closure;
- Babies are born substance-free to pregnant women using substances other than opioid and who are referred to Family Preservation Services in all Service Tiers; and
- Women using opioids during pregnancy will receive a referral to medication-assisted treatment.

These contracts began January 1, 2020, and will run through June 30, 2024.

DEVELOPMENTAL DISABILITIES COUNCIL



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 39-708(c)

PROGRAM GOALS: • Build capacity and advocate for services supporting individuals with disabilities.

The Developmental Disabilities Council responsibilities include monitoring and evaluating the developmental disabilities program and services to ensure increased

independence, productivity, and integration into the community. This program is federally established and funded.

FIGURE 21
DEVELOPMENTAL DISABILITIES COUNCIL, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of people with developmental disabilities and families who participated in council-supported activities	1,850	2,259	2,253	2,275	2,275
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 4,215	\$ 6,506		\$ 7,264	\$ 7,520
Federal Funds	658,697	619,345		735,569	702,563
All Other Funds		-			-
TOTAL	\$ 662,912	\$ 625,851		\$ 742,833	\$ 710,083
Percentage Change:					
SGF	(28.1) %	54.4 %		11.7 %	3.5 %
All Funds	(30.6) %	(5.6) %		18.7 %	(4.4) %
FTE Positions	4.0	4.0		5.0	5.0

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate is \$742,833, including \$7,264 SGF, for expenditures for the Developmental Disabilities Council in FY 2022. This is a decrease of \$38,035, or 4.9 percent,

below the amount approved by the 2021 Legislature.

The decrease is primarily attributable to a one-time grant being expended (\$121,240),

partially offset by an increase of salaries and wages (\$84,755).

The revised estimate includes 5.0 FTE positions, which is an increase of 1.0 FTE. The council added a program analyst position

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The agency requests FY 2023 Developmental Disabilities Council operating expenditures totaling \$710,083, including

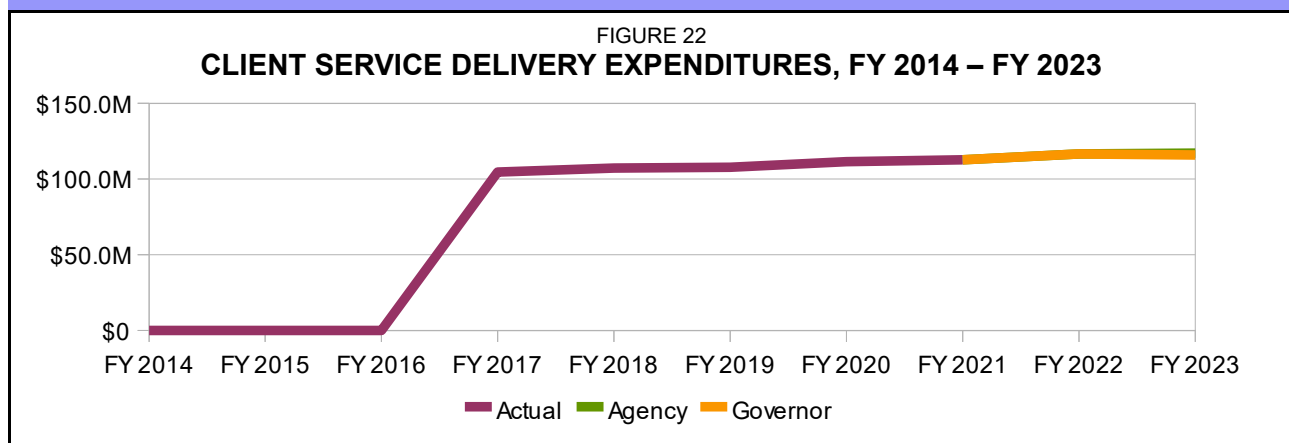
\$7,520 SGF. This is a decrease of \$32,750, or 4.4 percent, below the FY 2022 revised estimate.

The decrease is due to a one-time grant being expended (\$33,736) in FY 2022.

The request includes 5.0 FTE positions, which is no change from the FY 2022 revised estimate.

The **Governor** concurs with the agency's FY 2023 request.

CLIENT SERVICE DELIVERY



Staff note: The agency had restructuring between FY 2016 and FY 2017. Some of the historical budgetary program data is unavailable.

STATUTORY BASIS: • KSA 38-2226, 39-708, 39-709, 39-1433, 75-5316a

PROGRAM GOALS:

- Accurately assess the safety and needs of children and adults during abuse investigations.
- Perform accurate and timely service assessments and eligibility determinations.
- Provide case management and services appropriate to client needs.
- Provide services resulting in gainful employment and self-sufficiency.

Operational staff are employed throughout Kansas and deliver the bulk of all DCF benefits and many direct services in 36 service centers throughout the 4 regional management areas (East, Kansas City, West, and Wichita). The staff in these four regions perform a variety of functions, including determining eligibility for DCF programs; investigating alleged abuse, neglect, and fiduciary abuse of adults, and

helping provide protective services; investigating alleged abuse and neglect of children, and coordinating with and overseeing all foster care, adoption, and family preservation contractors; coordinating all DCF programs and services; and conducting quality assurance and monitoring for children and adults receiving services.

FIGURE 23
CLIENT SERVICE DELIVERY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of EES applications processed timely	95.9 %	95.5 %	96.0 %	97.0 %	97.0 %
2. Food assistance payment error rate	5.9 %	6.6 %	6.2 %	5.5 %	5.5 %
3. Number of Kansans with disabilities achieving competitive, integrated employment	1,225	933	1,120	1,225	1,225
4. Percent of initial assessment decisions completed by child protective service workers within the timeframe established by policy	78.5 %	95.2 %	81.0 %	96.0 %	97.2 %
5. Percent of adult protective service investigations completed timely	84.6 %	84.2 %	83.9 %	84.4 %	84.6 %
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 68,199,939	\$ 66,437,472		\$ 69,317,408	\$ 69,927,732
Federal Funds	155,957	24,592		-	-
All Other Funds	43,282,119	46,256,040		47,294,438	45,971,146
TOTAL	\$ 111,638,015	\$ 112,718,104		\$ 116,611,846	\$ 115,898,878
Percentage Change:					
SGF	5.1 %	(2.6) %		4.3 %	0.9 %
All Funds	3.5 %	1.0 %		3.5 %	(0.6) %
FTE Positions	1,825.5	1,859.9		1,905.9	1,905.9

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$116.6 million, including \$69.3 million SGF, for expenditures in the Client Service Delivery program in FY 2022.

The increase is primarily attributable to temporary positions that will assist with COVID-19-related programs, such as energy, water, and food assistance, which were all expanded; and the HEROES program.

This is an increase of \$4.5 million, or 4.0 percent, above the amount approved by the 2021 Legislature. The revised estimate includes 1,905.9 FTE positions, which is an increase of 46.0 positions.

The **Governor** concurs with the agency's estimate for the Client Service Delivery program in FY 2022.

FY 2023 REQUEST

The Client Service Delivery program requests FY 2023 operating expenditures totaling \$117.1 million, including \$70.5 million SGF. This is a decrease of \$451,000, or 0.4 percent, below the FY 2022 revised estimate.

The increase is due to the enhancement requests for protection specialist salary increases (\$3.7 million), pre-employment training positions (\$735,374 and 12.0 FTE positions), and practicum supervisors (\$428,594 and 6.0 FTE positions), offset by a reduction in shrinkage (\$4.3 million).

The request includes 1,923.3 FTE positions, which is an increase of 18.0 FTE positions above the FY 2022 revised estimate.

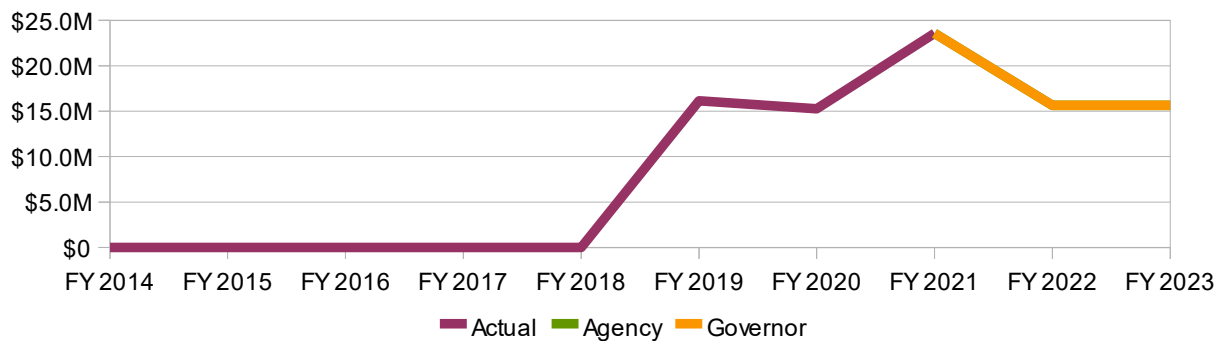
The **Governor** recommends operating expenditures totaling \$115.9 million for FY

2023. This is a decrease of \$1.2 million, or 1.0 percent, below the agency's FY 2023 request. This decrease is attributable to the Governor not recommending funding for the agency's enhancement requests for pre-employment training positions or practicum supervisors. The

recommendation includes 1,905.9 FTE positions, which is a decrease of 12.0 FTE positions below the agency's FY 2023 request due to the Governor not recommending the enhancement requests.

TRANSFERS

FIGURE 24
TRANSFERS, FY 2014 – FY 2023



Staff note: Prior to FY 2019, the historical budgetary transfer data is unavailable.

STATUTORY BASIS: • 42 USC 601-617; 42 USC 9857-9858; 7 USC 2036a; 42 USC 1397

PROGRAM GOALS: • N/A

This section is included for informational purposes only, and the expenditures for this program are not included in other parts of this budget analysis unless specifically noted.

Select services are accomplished through transferring funds to other state agencies that perform the activities. Funds are transferred to:

- Kansas Board of Regents for job credentialing through the Accelerating Opportunity: Kansas Program;
- Kansas Department of Education for the Preschool Program;
- Kansas Department of Health and Environment for child care licensing and for early intervention assessments of infants and toddlers with developmental disabilities or delays;
- Kansas State University for the SNAP Education Program;
- Kansas Department for Aging and Disability Services for the Senior Care Act; and
- Other transfers of lesser amounts.

FIGURE 25
TRANSFERS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
No performance measures were submitted for this program.					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	15,247,499	23,566,057		15,647,317	15,647,317
All Other Funds	-	-		-	-
TOTAL	\$ 15,247,499	\$ 23,566,057		\$ 15,647,317	\$ 15,647,317
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	-- %	54.6 %		(33.6) %	-- %
FTE Positions	--	--		--	--

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency's** revised estimate includes \$15.6 million, all federal funds, for transfers in FY 2022.

The **Governor** concurs with the agency's revised estimate in FY 2022.

FY 2023 REQUEST

The **agency's** FY 2023 request includes \$15.6 million, all federal funds, for transfers.

The **Governor** concurs with the agency's FY 2023 request.

CAPITAL IMPROVEMENTS

The Department for Children and Families requests FY 2022 capital improvements expenditures totaling \$353,823, all from the Project Maintenance Reserve Fund. This is the same amount approved by the 2021

Legislature. The agency requests FY 2023 capital improvements expenditures totaling \$850,000 SGF. This is an increase of \$496,175, or 140.2 percent, above the FY 2022 revised estimate.

FIGURE 26
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
First-floor Flooring	\$ -	\$ 41,825	\$ 41,825	\$ -	\$ -
LED Lighting and Control Replacement	-	312,000	312,000	-	-
Lobby/Interview Rooms Remodel	-	-	-	850,000	450,000
<i>Subtotal–Projects</i>	<i>\$ -</i>	<i>\$ 353,825</i>	<i>\$ 353,825</i>	<i>\$ 850,000</i>	<i>\$ 450,000</i>
Debt Service Principal:					
<i>Subtotal–Debt</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ -	\$ 353,825	\$ 353,825	\$ 850,000	\$ 450,000
Financing:					
SGF	\$ -	\$ -	\$ -	\$ 850,000	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	353,825	353,825	-	450,000
TOTAL	\$ -	\$ 353,825	\$ 353,825	\$ 850,000	\$ 450,000

FY 2022 CAPITAL IMPROVEMENTS

The **agency** requests FY 2022 capital improvements expenditures totaling \$353,825, all from the Project Maintenance Reserve Fund. This is the same amount approved by the 2021 Legislature. The agency is updating all lights, including those in the garage, to LED lighting. This is expected to decrease the overall building power consumption. The agency is also

replacing the flooring on the first floor. The first floor is a high-traffic location with 10,000 clients annually and 250 DCF employees in the Topeka Service Center.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests FY 2023 capital improvements expenditures totaling \$850,000 SGF. This is an increase of \$496,175, or 140.2 percent, above the FY 2022 revised estimate. The increase is attributable to renovating the first-floor lobby and interview rooms at the Topeka Service Center. This includes updating interior finishes and furniture, increasing security in interview rooms with glass and panic

buttons, upgrading technology, centralizing workflow supports, and adding a lactation room and children's lobby play space.

The **Governor** recommends capital improvement expenditures totaling \$450,000, all from the Project Maintenance Reserve Fund, for FY 2023.

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 651,793,279	\$ 894,740,368	\$ 830,723,024	\$ 903,448,989	\$ 970,447,876
Federal Funds	1,381,490,686	1,365,141,240	1,358,030,931	1,343,001,781	1,316,859,808
All Other Funds	122,750,258	85,373,099	78,438,499	82,320,514	61,835,914
Subtotal	\$ 2,156,034,223	\$ 2,345,254,707	\$ 2,267,192,454	\$ 2,328,771,284	\$ 2,349,143,598
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	3,434,349	16,738,077	16,738,077	13,790,142	13,790,142
Subtotal	\$ 3,434,349	\$ 16,738,077	\$ 16,738,077	\$ 13,790,142	\$ 13,790,142
TOTAL	\$ 2,159,468,572	\$ 2,361,992,784	\$ 2,283,930,531	\$ 2,342,561,426	\$ 2,362,933,740
Percentage Change:					
State General Fund	19.0 %	37.3 %	27.5 %	1.0 %	16.8 %
All Funds	7.3 %	9.4 %	5.8 %	(0.8) %	3.5 %
FTE Positions	316.0	325.5	325.5	341.5	330.5

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

The Kansas Department for Aging and Disability Services (KDADS) was established by statute in 1977 as a cabinet-level agency, known as the Department of Aging until 2012. The agency is headed by a secretary appointed by the Governor, subject to confirmation by the Senate. Its goals are to promote the security, dignity, and independence of older adults and persons with disabilities. KDADS is responsible for Medicaid long-term care payments, survey and certification for adult care homes, behavioral health programs, home and community-based services for older adults and persons with disabilities, and the management and oversight of the four state hospitals. KDADS is mandated under the federal Older Americans Act to serve as an advocate for seniors and to administer programs funded by Older Americans Act appropriations.

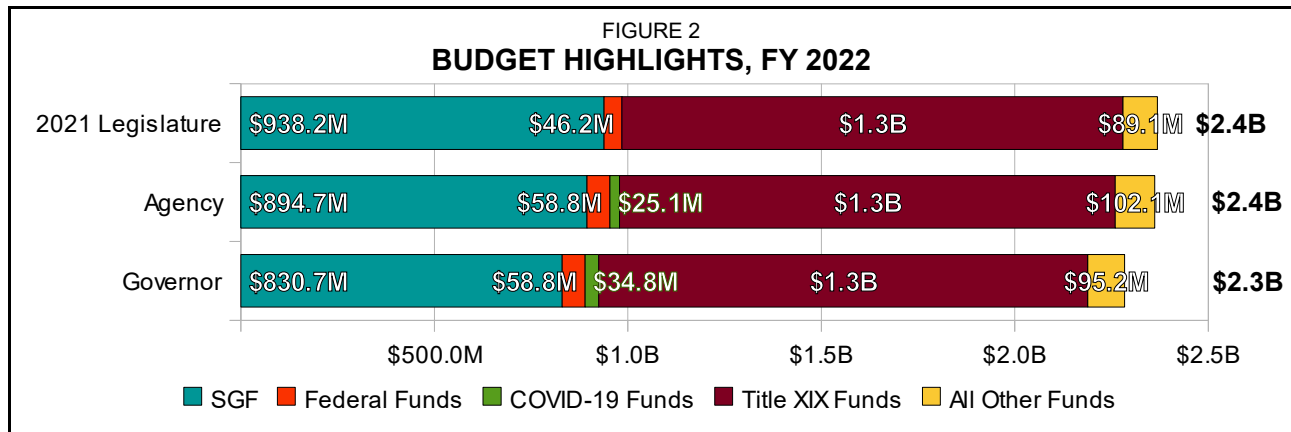
KDADS is responsible for overseeing the administration of the Medicaid Home and Community Based Services (HCBS) waivers for older adults and persons with disabilities. Kansas currently has seven separate HCBS waivers: Autism (AU), Frail Elderly (FE), Intellectual and Developmental Disability (I/DD), Physical Disability (PD), Serious Emotional Disturbance (SED), Technology Assisted (TA), and Brain Injury (BI).

KDADS is organized into the major areas of Administration; the Commission on Aging and Disability Community Services and Programs; Medicaid programs; the Behavioral Health Commission; the Survey, Certification, and Credentialing Commission; and the State Hospital Commission.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$2.3 billion, including \$873.9 million from the State General Fund (SGF), for the Kansas Department for Aging and Disability Services for FY 2022. One adjustment has been made to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency includes the following:

- **SGF REAPPROPRIATIONS.** The agency received approximately \$64.3 million SGF in reappropriated funds from FY 2021 into FY 2022. These reappropriations were primarily related to Medicaid-related expenditures as well as funds associated with program delays due to the timing of when contracts were executed.



The **agency** requests a revised estimate of \$2.4 billion, including \$894.7 million SGF, in FY 2022. This is a decrease of \$6.9 million below the amount approved by the 2021 Legislature. Significant items in the agency estimate include the following:

- **CONTINUED COVID-19 PANDEMIC RELIEF FUNDS.** In FY 2021, the agency received a large influx of COVID-19 pandemic-related relief funds. Some of this aid was provided through direct distributions from several federal relief acts, which the agency passed on to the appropriate organizations for disbursement. Subsequent to the calendar year 2021 budget discussions, the agency received more federal moneys from the federal American Rescue Plan Act (ARPA) to be provided to organizations in FY 2022. Additionally, the agency continues to receive an increased Federal Medical Assistance Percentage (FMAP) rate increase as the federal public health emergency continues.
- **10.0 PERCENT INCREASE IN THE FMAP RATE FOR HCBS WAIVER SERVICES.** Included in the APRA funding the agency anticipates receiving is an increase in the FMAP rate for HCBS waiver services. ARPA included a provision for the increased FMAP rate as an incentive for states to invest, supplement, or strengthen their home and community-based services. The agency viewed this increase as an opportunity to study some of the issues surrounding the waivers as well as provide some relief to providers. It submitted its plan to the federal Centers for Medicare and Medicaid Services (CMS) and is awaiting approval in order to draw down the additional federal funds.
- **DELAYED IMPLEMENTATION OF PROGRAMS.** There were several projects that the agency originally anticipated would begin in FY 2022. These include the installation of the infrastructure for the Electronic Health Records system at the four state hospitals and the establishment of the acute psychiatric beds for youth in Hays. Both of these projects were delayed due to the contract procurement process. Additionally, the project

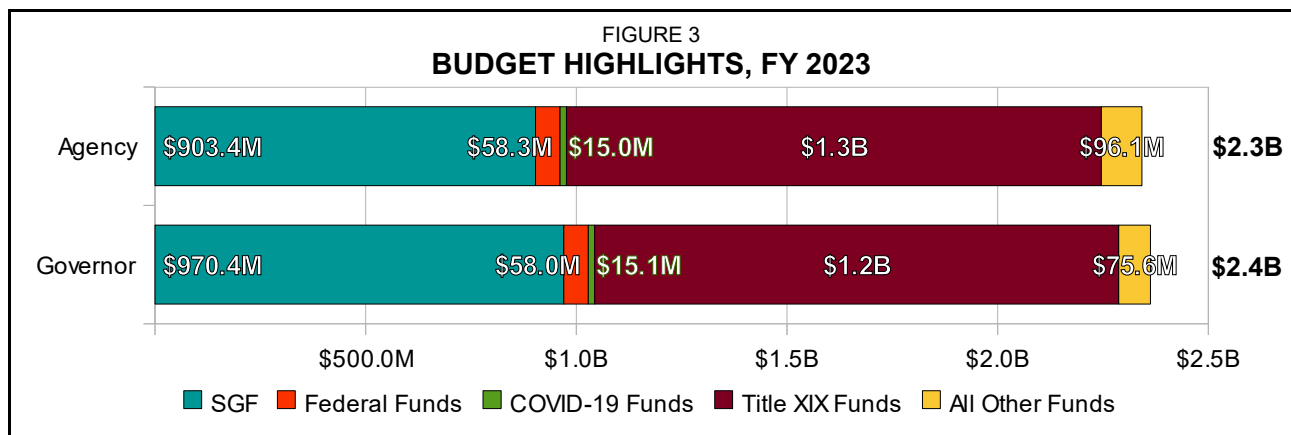
to remodel the Biddle Building at Osawatomie State Hospital was delayed due to supply and labor issues associated with the COVID-19 pandemic. As a result, a new estimate was drafted for the cost of the remodel. The revised estimate was \$1.7 million higher than the original appropriation, which the agency has subsequently requested as a supplemental.

The revised estimate also includes 325.5 FTE positions, which is an increase of 29.5 FTE positions above the number approved by the 2021 Legislature.

The **Governor** recommends \$2.3 billion, including \$830.7 million SGF, for expenditures in FY 2022. This is a decrease of \$78.1 million below the agency's FY 2022 revised estimate. Significant items in the Governor's recommendation include the following:

- **HUMAN SERVICES CONSENSUS CASELOADS.** The Governor's recommendation adopts the Fall 2021 Human Services Consensus Caseloads estimate. This amounts in a decrease of approximately \$89.7 million, including \$66.0 million SGF below the agency's revised estimate. The decrease is due to a lower than anticipated Medicaid eligible population than what was originally estimated in Spring 2021.
- **GOVERNOR'S 24/7 PAY PLAN.** The Governor's recommendation includes the addition of \$9.6 million, all from federal ARPA-related funding, to allow for salary increases for the nursing staff at the state hospitals. The Governor's pay plan includes both permanent increases in the base pay for certain nursing positions as well as temporary increases if facilities meet certain criteria. The goal of these increases is to assist the state hospitals with retention issues they have historically faced, which increased due to the COVID-19 pandemic.
- **CRISIS INTERVENTION CENTERS.** The recommendation also includes \$2.0 million SGF for the implementation of crisis intervention centers. Currently, the state has several crisis stabilization centers, which provide services to individuals on a voluntary basis who are experiencing a mental health crisis. The funding aims to provide KDADS funding to establish a new classification in the state to allow involuntary patients similar services within the community. These additional services aim to reduce the number of involuntary admissions to the state hospitals.

The **Governor's** recommendation also includes 325.5 FTE positions, which is the same as the number requested in the agency's FY 2022 revised estimate.



The **agency** requests \$2.3 billion, including \$903.4 million SGF, for FY 2023. This is a decrease of \$19.4 million below the agency's FY 2022 revised estimate. Significant items in the agency

request include the following:

- **DECREASING COVID-19 PANDEMIC RELIEF EXPENDITURES.** As the agency anticipates the pandemic's conclusion, the request for pandemic-related expenditures decreases. As such, the agency's FY 2023 request reflects a decrease of approximately \$10.3 million in COVID-19 pandemic-related transactions.
- **RETURN TO REGULAR FMAP DISTRIBUTION.** Similarly, the agency anticipates the increased FMAP associated with the COVID-19 pandemic will end in FY 2022. As such, the agency's submission reflects an increase of \$87.8 million SGF for the increased utilization of state funds for HCBS waiver services.
- **ENHANCEMENTS RELATED TO MEDICAID SERVICES.** The agency requests approximately \$34.7 million, including \$13.8 million SGF, for several enhancements related to Medicaid services. These enhancements are primarily centered around standardizing reimbursement rates between waivers and increasing funding to address waiver waitlists. *Staff note:* For more detailed information on these enhancements, please see Request 1 in the Enhancement Section.
- **ENHANCEMENTS RELATED TO HCBS I/DD WAIVER.** The agency requests \$21.5 million, including \$9.0 million SGF, for several enhancements related to the I/DD waiver. These enhancements center around raising the reimbursement rate for specialized nursing services to match the rate for the TA waiver, and funding in order to bring individuals off the waitlist and onto the waiver. *Staff note:* For more detailed information on these enhancements, please see Request 2 in the Enhancement Section.
- **ENHANCEMENTS RELATED TO OVERSIGHT OF FACILITIES.** The agency requests \$14.7 million, including \$9.0 million SGF, for several enhancements related to the agency's oversight of adult care homes. These enhancements are generally related to increasing the agency's staff to survey these facilities as well as additional funding to supplement its statutory background check requirements. *Staff note:* For more detailed information on these enhancements, please see Request 3 in the Enhancement Section.

The revised estimate also includes 341.5 FTE positions, which is an increase of 16.0 FTE positions above the number included in the FY 2022 revised estimate. This increase is due to the agency's enhancement requests for additional staffing.

The **Governor** recommends \$2.4 billion, including \$970.4 million SGF, for FY 2023 expenditures. This is an increase of \$20.4 million, including \$67.0 million SGF, above the agency's FY 2023 request. Significant items in the Governor's recommendation include the following:

- **CONTINUATION OF FY 2022 INITIATIVES.** The Governor's recommendation includes the addition of \$28.0 million SGF to continue funding associated with the salary increase provided by the Governor's 24/7 facility pay plan, as well as funding for crisis intervention centers. For FY 2023, the Governor recommends that the expenditures for the 24/7 facility pay plan be funded with SGF moneys rather than federal ARPA funds.
- **EXPANSION OF MENTAL HEALTH SERVICES.** The Governor's recommendation includes \$19.3 million SGF in additional funding for mental health services. This includes initiatives to reduce the burden on the state hospitals through expanded funding for mobile competency evaluations and expansion of regional hospital beds to provide inpatient mental health services.

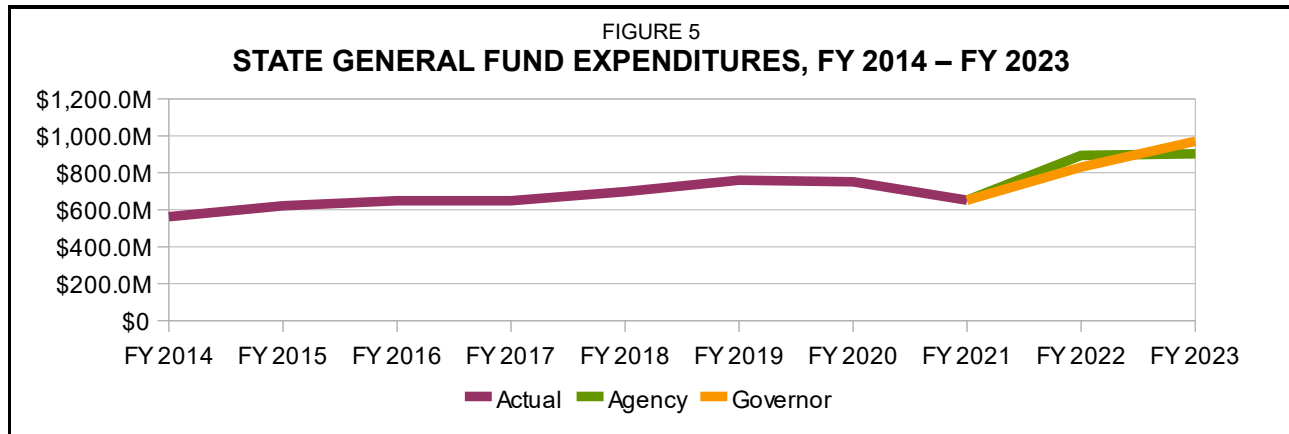
- **SHIFT IN FUNDING FOR MENTAL HEALTH EXPENDITURES.** The Governor's recommendation includes shifting the source of approximately \$13.6 million in mental health related expenditures from special revenue funds to the SGF. These shifts move the expenditures from the State Highway Fund and the Children's Initiatives Fund.
- **DECREASES ASSOCIATED WITH ENHANCEMENTS.** The Governor's recommendation also includes a decrease of \$35.3 million, including \$17.7 million SGF, associated with the Governor not recommending adoption of several of the agency's enhancement requests. *Staff Note:* For more detail on the agency's enhancement requests please see the Supplemental and Enhancement Requests section.

The **Governor's** recommendation also includes 330.5 FTE positions, which is a decrease of 11.0 FTE positions below the agency's FY 2023 request. This decrease is due to the transfer of the KanCare Ombudsman to the Department of Administration and the partial adoption of the agency's enhancement request for additional survey and credentialing staff.

EXPENDITURES AND FINANCING

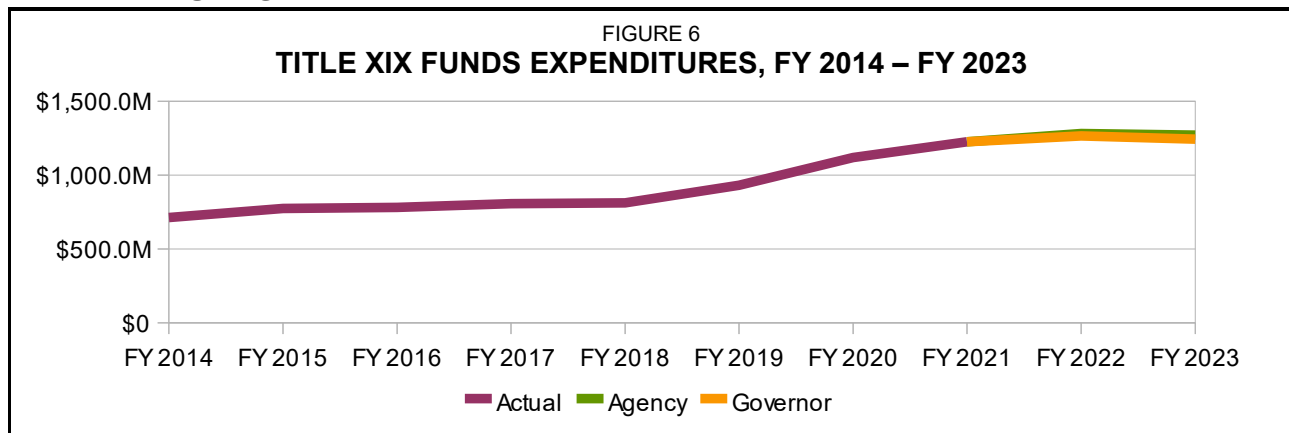
FIGURE 4 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 17,248,651	\$ 23,273,339	\$ 32,919,029	\$ 25,073,623	\$ 41,958,861
Contractual Services	45,398,406	73,912,792	75,912,792	66,698,901	88,670,901
Commodities	22,205,321	380,207	380,207	211,590	211,590
Capital Outlay	3,189,671	9,729,509	9,729,509	2,152,400	2,152,400
Debt Service Interest	6,116,833	248,200	248,200	131,200	131,200
Subtotal	\$ 94,158,882	\$ 107,544,047	\$ 119,189,737	\$ 94,267,714	\$ 133,124,952
Aid to Local Units	95,578,534	105,814,637	105,814,637	101,694,931	101,694,931
Other Assistance	1,966,296,807	2,131,896,023	2,042,188,080	2,132,808,639	2,114,323,715
Subtotal—Operating	\$ 2,156,034,223	\$ 2,345,254,707	\$ 2,267,192,454	\$ 2,328,771,284	\$ 2,349,143,598
Capital Improvements	3,434,349	14,398,077	14,398,077	11,335,142	11,335,142
Debt Service	-	2,340,000	2,340,000	2,455,000	2,455,000
Principal					
TOTAL	\$ 2,159,468,572	\$ 2,361,992,784	\$ 2,283,930,531	\$ 2,342,561,426	\$ 2,362,933,740
Financing:					
State General Fund	\$ 651,793,279	\$ 894,740,368	\$ 830,723,024	\$ 903,448,989	\$ 970,447,876
COVID-19 Federal	90,144,200	25,100,921	34,833,611	14,982,570	15,069,570
Funds					
Title XIX Funds	1,224,490,773	1,281,165,157	1,264,409,158	1,269,692,487	1,243,753,914
Other Federal Funds	66,855,713	58,875,162	58,788,162	58,326,724	58,036,324
State Institutions	11,751,193	17,537,387	17,537,387	13,921,342	13,921,342
Building Fund					
All Other Funds	114,433,414	84,573,789	77,639,189	82,189,314	61,704,714
TOTAL	\$ 2,159,468,572	\$ 2,361,992,784	\$ 2,283,930,531	\$ 2,342,561,426	\$ 2,362,933,740
FTE Positions	316.0	325.5	325.5	341.5	330.5

STATE GENERAL FUND



For the Kansas Department for Aging and Disability Services, SGF expenditures are the second largest source of financing for the agency. The agency uses a large portion of SGF expenditures as the State's contribution to draw down various federal funds. Over the last several years, the agency's SGF expenditures have almost reached \$800.0 million, however the State's utilization of SGF moneys for services decreased dramatically in FY 2020 and FY 2021 due to the COVID-19 pandemic. At the start of the pandemic, the federal government authorized a 6.2 percent increase in the Federal Medical Assistance Percentage (FMAP) rate. This increase in the FMAP allowed the agency to utilize less SGF moneys and draw down more federal funds. As a result, the agency realized a significant decrease in its SGF utilization. This increase is expected to end in FY 2022, which will result in a resumption of the use of SGF moneys in FY 2023.

TITLE XIX FUNDS



Title XIX Funds are federal Medicaid moneys the agency receives as reimbursement for providing various Medicaid services. It is the largest source of funding for the agency, and is largely determined by the FMAP rate. These funds are generally used for Medicaid expenditures for behavioral health services, nursing facility reimbursements, and Home and Community Based Services (HCBS). The large increase starting in FY 2020 is due to the increased FMAP rate related to the COVID-19 pandemic. This increase is anticipated to continue until the end of the declared public health emergency.

FY 2022 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 873,944,100	\$ 1,430,714,132	\$ 2,304,658,232	296.0
1. SGF Reappropriation	64,258,157	10,348,064	74,606,221	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 938,202,257</i>	<i>\$ 1,441,062,196</i>	<i>\$ 2,379,264,453</i>	<i>296.0</i>
Agency Revised Estimate:				
2. Medicaid Reappropriation Lapse	\$ (43,934,802)	\$ -	\$ (43,934,802)	--
3. Electronic Health Records Delay	-	-	-	--
4. Crisis Expenditures and Clubhouse Adjustments	-	2,288,334	2,288,334	--
5. Additional COVID-19 Relief	-	24,681,402	24,681,402	--
6. 10.0 Percent FMAP Increase Funding	-	-	-	--
7. Supplemental - Additional Biddle Funding	-	1,734,000	1,734,000	--
8. All Other Adjustments	472,913	(2,513,516)	(2,040,603)	29.5
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 894,740,368</i>	<i>\$ 1,467,252,416</i>	<i>\$ 2,361,992,784</i>	<i>325.5</i>
Governor's Recommendation:				
9. Fall 2021 Caseloads Adjustments	\$ (66,017,344)	\$ (23,690,599)	\$ (89,707,943)	--
10. Governor's 24/7 Pay Plan Base Increase	-	1,302,885	1,302,885	--
11. Governor's 24/7 Pay Plan Differential Pay	-	8,342,805	8,342,805	--
12. Crisis Intervention Centers	2,000,000	-	2,000,000	--
TOTAL	\$ 830,723,024	\$ 1,453,207,507	\$ 2,283,930,531	325.5

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$2.3 billion, including \$873.9 million SGF, appropriated to the Kansas Department for Aging and Disability Services for FY 2022. The adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** The agency received approximately \$64.3 million SGF in reappropriated funds from FY 2021 into FY 2022. These reappropriations were primarily for Medicaid-related expenditures. Twice a year, the Kansas Legislative Research Department and the Division of the Budget work together to estimate total Medicaid expenditures. When the actual expenditures are lower than the estimates, the excess moneys reappropriate into the following year. Additionally, there are several reappropriations associated with program delays due to the timing of when contracts are executed.

AGENCY ESTIMATE

The **agency** requests \$2.4 billion, including \$894.7 million SGF, for expenditures in FY 2022. This is a decrease of \$6.9 million below the amount approved by the 2021 Legislature. The **agency** estimate includes the following adjustments:

2. **LAPSE OF MEDICAID-RELATED REAPPROPRIATIONS.** As detailed above, the agency had reappropriations due to actual expenditures being lower than the human

services caseloads estimate. This year, approximately \$43.9 million SGF reappropriated from FY 2021 into FY 2022. Since these expenditures were related to the spring human services caseloads, the agency proposes those be lapsed back to the SGF.

3. **DELAY OF ELECTRONIC HEALTH RECORDS SYSTEMS.** The 2021 Legislature appropriated \$7.6 million SGF in FY 2021 for infrastructure costs associated with establishing the new Electronic Health Records system at the four state hospitals. The agency and the hospitals have indicated that the current system utilized outdated technology and software. The contract for the new system was not signed until the end of FY 2021, which delayed the project into FY 2022.
4. **CRISIS STABILIZATION AND CLUBHOUSE ADJUSTMENTS.** Due to increased revenue from the lottery vending machines, there were higher than anticipated transfers for the community crisis stabilization services and clubhouse model services. Therefore, the agency raised the expenditures for these programs to utilize the full transfer amount available. For community crisis stabilization, this increased expenditures from the fund by \$1.9 million, and for clubhouse model services this increased expenditures by \$348,080 in FY 2022.
5. **ADDITIONAL COVID-19 PANDEMIC RELIEF.** The FY 2022 revised estimate also includes \$24.7 million, all from federal funds, in COVID-19 pandemic relief that was received after the 2021 Legislature approved the FY 2022 budget. These are largely funds awarded to the agency through the federal American Rescue Plan Act (ARPA). The funds are largely awarded to KDADS and disbursed to the appropriate organizations.
6. **10.0 PERCENT FMAP INCREASE FOR HOME AND COMMUNITY-BASED SERVICES.** Through ARPA, the agency had an opportunity to receive additional funding for HCBS waiver services through a 10.0 percent increase in the Federal Medical Assistance Percentage (FMAP). This increase was designed to assist in strengthening and supporting HCBS waivers services. The agency is currently awaiting approval from the federal Centers for Medicare and Medicaid Services (CMS) before it can draw down the additional federal funds. However, the agency's request has budgeted for the SGF moneys it anticipates utilizing to draw down the additional funding.
7. **SUPPLEMENTAL—ADDITIONAL FUNDING FOR BIDDLE REMODEL.** The 2020 Legislature appropriated \$5.0 million in FY 2021 in funding for remodel of the Biddle building at Osawatomie State Hospital as part of the agency's plan to lift the moratorium on admissions to the state hospital. The plan included remodeling the Biddle building to meet CMS guidelines to certify an additional 14 beds at the hospital. The project lead revised the estimate to account for the increases in supplies and labor costs associated with the COVID-19 pandemic. This revised estimate increased the total cost by \$1.7 million, which the agency requests as a supplemental.
8. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate also includes several adjustments related to the agency adjusting its budget to account for actual spending patterns in FY 2021. As well as adjusting funding based on increased grants received after the approval of the budget, primarily the mental health and substance use disorder block grants.

The **agency** estimate also includes 325.5 FTE positions, which is an increase of 29.5 FTE positions above the number approved by the 2021 Legislature. The increase is related to the influx of federal funding, which the agency indicates has allowed it to bring on additional temporary staff.

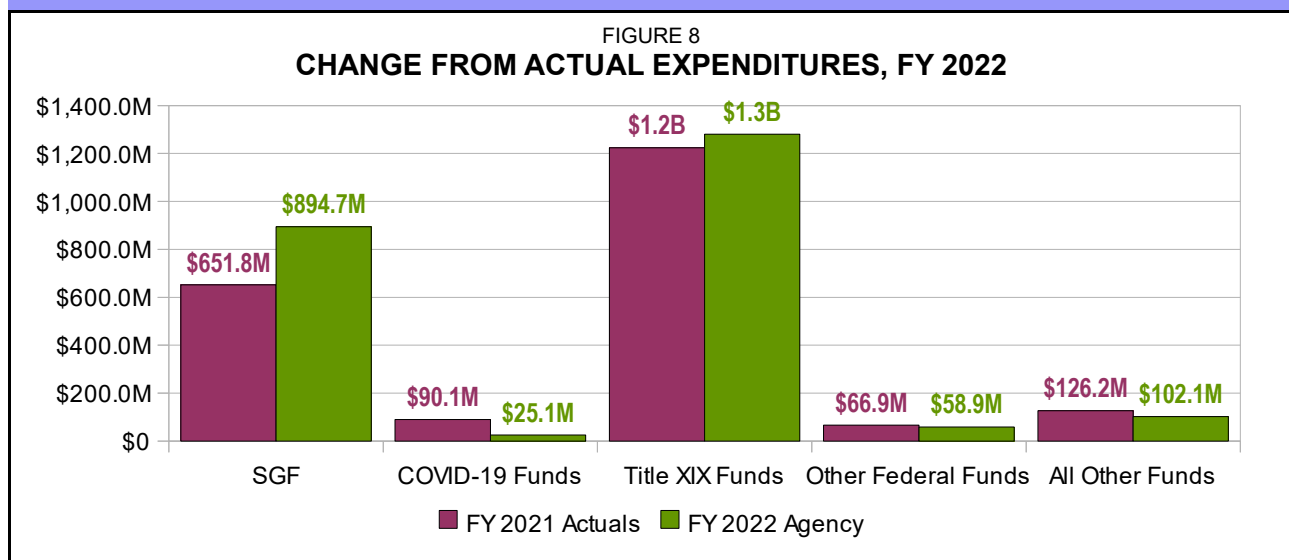
GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$2.3 billion, including \$830.7 million SGF, for expenditures in FY 2022. This is a decrease of \$78.1 million below the agency's FY 2022 revised estimate. Significant items in the Governor's recommendation include the following:

9. **FALL 2021 CASELOADS ADJUSTMENTS.** The Governor's recommendation includes a decrease of \$89.7 million, including \$66.0 million SGF, to adjust the agency's budget to reflect the human services consensus caseload estimate. The estimate decreased overall to account for a lower Medicaid-eligible population than originally anticipated in the spring 2021 estimate.
10. **GOVERNOR'S 24/7 PAY PLAN BASE INCREASE.** The recommendation includes an increase of \$1.3 million, all from federal ARPA funds, to fund a permanent increase to the base pay of several nursing positions at the state hospitals. KDADS receives these funds on behalf of the hospitals to disperse accordingly.
11. **GOVERNOR'S 24/7 PAY PLAN DIFFERENTIAL.** The recommendation includes an increase of \$8.3 million, all from federal ARPA funds, to provide an increased hourly rate in certain circumstances and a bonus to salaried positions. KDADS receives these funds on behalf of the hospitals to disperse them accordingly.
12. **CRISIS INTERVENTION CENTERS.** The recommendation includes \$2.0 million SGF for the implementation of crisis intervention centers. Currently, the state has several crisis stabilization centers, which provide services to individuals on a voluntary basis who are experiencing a mental health crisis. The funding aims to provide KDADS funding to establish a new classification in the state to allow involuntary patients similar services within the community. These additional services aim to reduce the number of involuntary admissions to the state hospitals.

The **Governor's** recommendation also includes 325.5 FTE positions, which is the same as the number requested in the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The change from actual expenditures is tied to the human services caseloads consensus estimate process. Twice a year, Kansas Legislative Research Department (KLRD) and the Division of the Budget (DOB) works with KDADS, the Kansas Department of Health and Environment, and the Department for Children and Families to develop a consensus estimate for human services entitlement expenditures. In April 2021, KLRD and DOB revised the estimates for FY 2021 and FY 2022. At the time, the temporary increase in the FMAP rate was estimated to end the first quarter of FY 2022, and as a result, SGF expenditures increased in the final three quarters to account for the State utilizing more SGF moneys to draw down federal funds. Therefore, the SGF estimate was already increased due to the ending of the temporary 6.2 percent FMAP increase. As discussed above, the FY 2021 actual expenditures were lower than the estimate, which results in a further change between the actual expenditures and the revised estimate.

Outside of the caseloads, the revised estimate includes an additional \$65.3 million SGF that the agency has set aside to draw down additional federal funds associated with the ARPA 10.0 percent FMAP increase for HCBS waivers. The agency currently anticipates keeping the funds separate to ensure the funds are used for the appropriate purposes under ARPA.

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 894,740,368	\$ 1,467,252,416	\$ 2,361,992,784	325.5
Agency Request:				
1. Enhancement Requests Related to Medicaid Services	\$ 13,837,340	\$ 20,904,838	\$ 34,742,178	--
2. Enhancement Requests Related to HCBS I/DD Waiver	9,018,318	12,492,779	21,511,097	--
3. Enhancement Requests Related to Facilities	6,157,400	8,540,800	14,698,200	16.0
4. Electronic Health Records System	(7,550,959)	-	(7,550,959)	--
5. HCBS Shift for FMAP Changes	-	-	-	--
6. Hays Youth Psychiatric Beds	(4,000,000)	-	(4,000,000)	--
7. Decreased COVID-19 Expenditures	-	(10,324,115)	(10,324,115)	--
8. All Other Adjustments	(8,753,478)	(59,754,281)	(68,507,759)	--
Subtotal—Agency Request	\$ 903,448,989	\$ 1,439,112,437	\$ 2,342,561,426	341.5
Governor's Recommendation:				
9. Fall 2021 Caseloads Adjustments	\$ 24,112,282	\$ (15,533,571)	\$ 8,578,711	--
10. Governor's 24/7 Pay Plan Base Increase	2,419,644	-	2,419,644	--
11. Governor's 24/7 Pay Plan Differential Pay	15,588,008	-	15,588,008	--
12. Crisis Intervention Centers	10,000,000	-	10,000,000	--
13. KanCare Ombudsman Transfer	(224,814)	-	(224,814)	(3.0)
14. Mental Health Grants SHF Swap	9,750,000	(9,750,000)	-	--
15. Children's Initiative Fund Swap	3,800,000	(3,800,000)	-	--
16. Mobile Competency Expansion	2,800,000	-	2,800,000	--
17. Regional Hospital Expansion	15,000,000	-	15,000,000	--
18. Suicide Prevention Plan	1,500,000	-	1,500,000	--
19. Enhancements Not Recommended	(17,746,233)	(17,543,002)	(35,289,235)	(8.0)
TOTAL	\$ 970,447,876	\$ 1,392,485,864	\$ 2,362,933,740	330.5

AGENCY REQUEST

The **agency** requests \$2.3 billion, including \$903.4 million SGF, for FY 2023. This is a decrease of \$19.4 million below the agency's FY 2022 revised estimate. The **agency** request includes the following adjustments:

- 1. ENHANCEMENTS RELATED TO MEDICAID SERVICES.** The agency requests \$34.7 million, including \$13.8 million SGF, for several enhancements related to Medicaid services. These enhancements are primarily centered around standardizing reimbursement rates and between waivers and increasing funding to address waiver waitlists. *Staff note:* For more detailed information on these enhancements, please see Request 2 in the Enhancement Section.
- 2. ENHANCEMENTS RELATED TO HCBS I/DD WAIVER.** The agency requests \$21.5 million, including \$9.0 million SGF, for several enhancements related to the I/DD waiver. These enhancements center around raising the reimbursement rate for specialized nursing services to match the rate for the TA waiver, and funding in order to bring individuals off the waitlist and onto the waiver. *Staff note:* For more detailed information on these enhancements please see Request 3 in the Enhancement Section.

3. **ENHANCEMENTS RELATED TO OVERSIGHT OF FACILITIES.** The agency requests \$14.7 million, including \$9.0 million SGF, for several enhancements related to the agency's oversight of adult care homes. These enhancements are generally related to increasing the agency's staff to survey these facilities as well as additional funding to supplement the statutory background check requirements *Staff note:* For more detailed information on these enhancements, please see Request 4 in the Enhancement Section.
4. **ELECTRONIC HEALTH RECORDS SYSTEM IMPLEMENTATION.** As indicated above, the Electronic Health Records system was delayed into FY 2022. Currently, the agency anticipates that project completing in FY 2022, and as such those expenditures related to the installation of the infrastructure for the system will not reoccur in FY 2023. Outside of the infrastructure costs, there is approximately \$2.0 million included in the agency's base budget for ongoing maintenance of the system.
5. **FUNDING SHIFT FOR HOME AND COMMUNITY-BASED SERVICES.** As indicated above, the agency anticipates receiving additional federal funding for HCBS waiver improvement projects associated with additional 10.0 percent FMAP increase it will receive through ARPA. Currently, the agency only anticipates these expenditures in FY 2022, as they do not reoccur in FY 2023.

The FY 2023 request also includes a shift in the funding source for HCBS services. As part of the ongoing COVID-19 pandemic, the federal government provided a temporary increase in the FMAP rate of 6.2 percent. This increase continues until the end of the quarter in which the federally declared public health emergency ends. Currently, the increase is anticipated to end in March 2022.

Therefore, in FY 2023, the State will have to utilize more SGF moneys for its HCBS waiver services to replace the federal funds it received during the temporary increase. However, due to the temporary 6.2 percent in addition to the 10.0 percent FMAP increase, the precise amount is not easily determined.

6. **PSYCHIATRIC BEDS IN HAYS REAPPROPRIATION.** The 2020 Legislature approved \$4.0 million SGF for funding acute psychiatric beds for youth in Hays in FY 2021. This funding had been reappropriated into FY 2022 while the agency worked with the Kansas Department of Administration to secure a contract for these beds. The agency anticipated utilizing those reappropriated funds in FY 2022. The expenditures associated with the reappropriated funds do not reoccur in FY 2023.
7. **DECREASED COVID-19 PANDEMIC EXPENDITURES.** The agency anticipates \$18.5 million for COVID-19 pandemic expenditures for FY 2023. This is a decrease of \$10.3 million below the expenditures included in the FY 2022 revised estimate. The agency anticipates fewer expenditures associated with COVID-19 as the pandemic and funding associated with the pandemic end.
8. **ALL OTHER ADJUSTMENTS.** The agency request also include a decrease of approximately \$68.3 million, including \$5.3 million SGF, associated with adjustments to the agency's budget to account for various changes including but not limited to grants ending, employee benefits changes, and reductions in operating expenditures based on anticipated needs.

The **agency** request also includes 341.5 FTE positions, which is an increase of 16.0 FTE positions above the number in the FY 2022 revised estimate.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$2.4 billion, including \$970.4 million SGF, for FY 2023 expenditures. This is an increase of \$20.4 million above the agency's FY 2023 request. The **Governor's** recommendation includes the following adjustments:

9. **FALL 2021 CASELOADS ADJUSTMENTS.** The Governor's recommendation includes an increase of \$8.6 million, including \$24.1 million SGF, to adjust the agency's budget to reflect the fall 2021 human services consensus caseload estimate.
10. **GOVERNOR'S 24/7 PAY PLAN BASE INCREASE.** The recommendation includes an increase of \$2.4 million SGF to continue the permanent increase to the base pay of several nursing positions at the state hospitals. KDADS receives these funds on behalf of the hospitals to disperse accordingly.
11. **GOVERNOR'S 24/7 PAY PLAN DIFFERENTIAL.** The recommendation includes an increase of \$15.6 million SGF to provide an increased hourly rate in certain circumstances and a bonus to salaried positions. KDADS receives these funds on behalf of the hospitals to disperse accordingly.
12. **CRISIS INTERVENTION CENTERS.** The recommendation includes \$10.0 million SGF to continue the funding for crisis intervention centers services included in the FY 2022 recommendation, as well as some enhanced funding to expand services in FY 2023.
13. **KANCARE OMBUDSMAN TRANSFER.** The recommendation also includes transferring the funding and 3.0 FTE positions associated with the KanCare Ombudsman Office from KDADS to the Department of Administration. This shift reflects changes made by the Governor's Executive Order 21-27, establishing the Office of Public Advocates within the Department of Administration. As part of the establishment of the office, the KanCare Ombudsman was transferred to the newly established office.
14. **STATE HIGHWAY FUND SWAP OF MENTAL HEALTH GRANTS.** The recommendation includes a swap in the funding source of mental health grants from the State Highway Fund to the SGF. Historically, there is a transfer of \$9.8 million from the State Highway Fund for various mental health grants. However, as part of the the Governor's plan to reduce transfers from the State Highway Fund, the funding source for these grants would shift to the SGF. While the funding source would shift, expenditures would not be reduced.
15. **CHILDREN'S INITIATIVE FUND SWAP FOR CASELOADS EXPENDITURES.** The recommendation includes a swap in the funding source of Medicaid expenditures from the Children's Initiative Fund to the SGF. Historically, there is a \$3.8 million transfer from the Children's Initiative Fund for Medicaid expenditures. These funds are traditionally used to draw down additional federal funds to cover mental health related Medicaid expenditures for children. Shifting the source of these expenditures would allow for the Children's Initiative Fund moneys to be used elsewhere as recommended by the Children's Cabinet.
16. **MOBILE COMPETENCY EXPANSION.** The recommendation includes \$2.8 million SGF to expand funding for mobile competency evaluations. This funding would allow the

agency to expand its providers for mobile competency evaluations and restoration services. The goal in expanding mobile competency services is to reduce the burden on the state hospitals to provide those services and therefore reduce the wait time at the state hospitals.

17. **REGIONAL HOSPITAL EXPANSION.** The recommendation includes \$15.0 million SGF to expand bed capacity for regional mental health beds. This funding would provide an additional 25 new regional beds for involuntary patients and 25 beds for competency needs.
18. **SUICIDE PREVENTION PLAN.** The recommendation includes \$1.5 million SGF to implement the State's new suicide prevention plan. The funding would support local coalitions and provide grants to local communities for suicide prevention.
19. **ENHANCEMENTS NOT RECOMMENDED.** The recommendation includes a decrease of \$35.3 million, including \$17.8 million SGF, which represents the Governor not approving several of the agency's enhancement requests including:
 - **Community Developmental Disability Organization Allocation.** The agency had requested \$2.5 million, including \$1.5 million SGF, to increase its allocation for Community Developmental Disability Organizations for FY 2023.
 - **Funding to Reduce I/DD and PD Waiver Wait Lists.** The agency had requested \$24.7 million, including \$9.8 millions SGF, to reduce the number of individuals waiting for services through the Intellectual/Developmental Disability (I/DD) and Physical Disability (PD) waivers.
 - **Fingerprint Background Checks.** The agency had requested \$4.8 million SGF to supplement the costs of background checks it requires as part of its certification responsibilities.
 - **Additional State Hospital Commission FTEs.** The agency had requested \$87,000 SGF for an additional FTE positions to facilitate its new performance management system at the state hospitals.
 - **Partial Adoption of Additional Survey and Credentialing Positions.** The agency had originally requested \$1.7 million, including \$1.3 million SGF, for additional survey and credentialing staff to assist in ensuring compliance of adult care facilities in the State. The Governor recommended \$838,600, including \$635,200 SGF, for 8.0 FTE positions.

The **Governor's** recommendation also includes 330.5 FTE positions, which is a decrease of 11.0 FTE positions below the agency's FY 2023 request. This decrease is due to the transfer of the KanCare Ombudsman (3.0 FTE positions) to the Department of Administration and only partial adoption of the agency's enhancement request for additional survey and credentialing staff.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1

SUPPLEMENTAL REQUESTS

The agency requests two supplemental requests in FY 2022. They are primarily related to funds that reappropriated from FY 2021 related to Medicaid expenditures and to increase capital improvement expenditures related to the Biddle building at Osawatomie State Hospital.

SUPPLEMENTAL REQUESTS				
Item	Agency		Gov. Rec.	
	SGF	All Funds	SGF	All Funds
Lapse FY 2021 Medicaid Reappropriations	(43,934,802)	(43,934,802)	(43,934,802)	(43,934,802)
Funding for Biddle Remodel at OSH	-	1,734,000	-	1,734,000
TOTAL	\$ (43,934,802)	\$ (42,200,802)	\$ (43,934,802)	\$ (42,200,802)

LAPSED REAPPROPRIATIONS. The agency's FY 2022 revised estimate proposes to lapse \$43.9 million SGF that reappropriated from FY 2021. These reappropriations were funds that were originally estimated expenditures associated with human services caseload estimates. When actual expenditures are below the estimate, those funds reappropriate into the next fiscal year.

The Governor recommends adoption of this request.

BIDDLE REMODEL AT OSH. The 2020 Legislature approved \$5.0 million from the State Institutions Building Fund to remodel the Biddle building at Osawatomie State Hospital to allow for CMS recertification in FY 2021. The project was delayed due to the COVID-19 pandemic. The agency requests an additional \$1.7 million, all from the State Institutions Building Fund, for additional funding associated with the Biddle remodel due to COVID-19 pandemic related increases in supplies and labor.

The Governor recommends adoption of this request.

REQUEST 2

MEDICAID RELATED REQUESTS

KDADS is the agency tasked with oversight of the Medicaid HCBS waivers, and the Program of All-Inclusive Care for the Elderly (PACE). Both the Medicaid HCBS waivers and PACE provide community services to assist individuals in receiving care in the community. As such, KDADS provides administration and funding for the waivers. In addition to the HCBS waivers, KDADS oversees the funding for mental health-related Medicaid reimbursements and Medicaid payments for nursing facilities.

MEDICAID-RELATED REQUESTS					
Item	Agency		Gov. Rec.		
	SGF	All Funds	SGF	All Funds	
Standardize and Increase PCA Services for Waivers	\$ 9,250,083	\$ 23,219,297	\$ 9,250,083	\$ 23,219,297	
Rebase PACE Rates	959,777	2,410,895	959,777	2,410,895	
Reduce PD Waiver Waitlist	2,910,987	7,312,200	-	-	
Increase Cap on Assistive Services	716,493	1,799,786	716,493	1,799,786	
TOTAL	\$ 13,837,340	\$ 34,742,178	\$ 10,926,353	\$ 27,429,978	

PCA RATES. Throughout the last several years, there have been multiple increases in HCBS waiver reimbursement rates. As such, the rates related to personal care attendant (PCA) services have become inconsistent among the waivers. The agency reports that these inconsistencies have created issues in recruiting attendants when individuals transition between waivers. Therefore, the agency requests \$23.2 million, including \$9.3 million SGF, to standardize the PCA service rates across all of the waivers and provide a 2.0 percent increase to those rates for FY 2023.

The Governor recommends adoption of this request.

PACE RATES REBASE. According to the agency, federal rules require that PACE rates be rebased no less than every three years. The State last provided a rebase of PACE rates effective FY 2020. The agency requests \$2.4 million, including \$959,777 SGF, to rebase PACE rates for FY 2023. This would effectively provide a 6.5 percent increase for PACE rates.

The Governor recommends adoption of this request through adoption of the human services consensus caseloads estimate.

PD WAIVER WAITLIST. Both the Physical Disability (PD) and Intellectual/Developmental Disability (I/DD) waivers have historically had waitlists for services. As of November 2021, there were 2,195 individuals waiting for PD waiver services. KDADS requests \$7.3 million, including \$2.9 million SGF, for funding to reduce the PD waiver waitlist, which KDADS estimates will transition approximately 350 individuals to the waiver.

The Governor does not recommend adoption of this request.

CAP FOR ASSISTIVE SERVICES. The HCBS waivers include assistive services to allow for home modifications, vehicle modifications, and durable medical equipment. Currently, there is a lifetime cap on assistive services of \$7,500, and the agency reports that the limit hasn't been increased for two decades. Therefore, the agency requests \$1.8 million, including \$716,495 SGF, to increase the lifetime limit on assistive services from \$7,500 to \$10,000 for FY 2023.

The Governor recommends adoption of this request.

REQUEST 3

HCBS I/DD WAIVER-RELATED REQUESTS

The HCBS I/DD waiver provides a variety of services to individuals with intellectual and developmental disabilities to assist them in remaining in the community as opposed to residing in an institution. The I/DD waiver is the largest of the State's seven HCBS waivers. The following enhancement requests specifically affect the HCBS I/DD waiver:

HCBS I/DD WAIVER-RELATED REQUESTS					
Item	Agency		Gov. Rec.		
	SGF	All Funds	SGF	All Funds	
Increase in the T1000 Specialized Nursing Code	\$ 665,049	\$ 1,670,557	\$ 665,049	\$ 1,670,557	
Funding to Reduce I/DD Waiver Waitlist	6,903,269	17,340,540	-	-	
Increase in CDDO Administration Funding	1,450,000	2,500,000	-	-	
TOTAL	\$ 9,018,318	\$ 21,511,097	\$ 665,049	\$ 1,670,557	

T1000 SPECIALIZED NURSING CODE. The 2021 Legislature added funding to increase the T1000 Specialized Nursing Code from approximately \$31.00 to \$43.00 per hour for the Technology Assisted (TA) waiver. The T1000 code is also used in the I/DD waiver. KDADS requests \$1.7 million, including \$665,049 SGF, to raise the rate for the T1000 code to \$43.00 per hour to match the rate on the TA Waiver. During a meeting of the 2021 Special Committee on Home and Community Based Services Intellectual and Developmental Disability Waiver, a representative of Sunflower Health Plan indicated that the organization had seen issues where T1000 services providers began refusing to take new I/DD waiver clients due to the discrepancy in the rates.

The Governor recommends adoption of this request.

I/DD WAIVER WAITLIST. Both the PD and I/DD waivers have historically had waitlists for services. As of November 2021, there were 4,612 individuals waiting for I/DD waiver services. KDADS requests \$17.3 million, including \$6.9 million SGF, to reduce the I/DD waiver waitlist, which KDADS estimates will transition approximately 350 individuals to the waiver.

The Governor does not recommend adoption of this request.

CDDO ADMINISTRATION ALLOCATION. Community Developmental Disability Organizations (CDDOs) provide several services to I/DD waiver participants and serve as the entities that assess waiver applicants for functional eligibility for waiver services. Similar to Community Mental Health Centers, CDDOs receives funding from the State for administrative purposes. KDADS requests \$2.5 million, including \$1.5 million SGF, to increase the allocation for CDDOs. The agency anticipates that this increase will help CDDOs meet increased demand for eligibility and expand system capacity.

The Governor does not recommend adoption of this request.

REQUEST 4

REQUESTS RELATED TO FACILITIES

In addition to oversight of the aging, disabilities, and behavioral health programs, KDADS provides oversight over adult care facilities and the state hospitals. For adult care facilities, this translates into surveying and certification of facilities. KDADS also coordinates capital improvement requests for the state hospitals.

REQUESTS RELATED TO FACILITIES					
Item	Agency		Gov. Rec.		
	SGF	All Funds	SGF	All Funds	
Survey and Credentialing FTEs	\$ 1,270,400	\$ 1,677,200	\$ 635,200	\$ 838,600	
Fingerprint Background Checks	4,800,000	4,800,000	-	-	
Additional State Hospital Commission FTE	87,000	87,000	-	-	
Additional SIBF Funding for Capital Projects	-	8,134,000	-	8,134,000	
TOTAL	\$ 6,157,400	\$ 14,698,200	\$ 635,200	\$ 8,972,600	

FUNDING AND FTE POSITIONS FOR SURVEY AND CREDENTIALING. The Survey and Credentialing commission provides oversight for adult care homes through surveys to ensure state statutory compliance, as well as CMS compliance for federally licensed facilities. The agency requests \$1.7 million, including \$1.3 million SGF, as well as 15.0 FTE positions for FY 2023. A majority of these FTE positions would increase the surveying staff for the state-licensed facilities. Currently, the state has 7.0 FTE positions to cover 457 facilities. This increase would bring the surveying team to 15.0 FTEs positions. The request also includes positions for data specialists, quality improvement coordinators, and administrative support.

The Governor recommends partial adoption of this request.

FINGERPRINT BACKGROUND CHECKS. The State requires individuals applying to work in various long-term care facilities to have a completed background check. The agency is currently limited to charging \$19.00 through agreements with providers for each background check. The agency reports that the actual cost is \$47.00 for each check, which leaves \$28.00 which the agency must absorb in its operational costs. Therefore, the agency requests \$4.8 million SGF to cover the costs associated with the background checks while the agency explores a statutory change to the background check requirements.

The Governor does not recommend adoption of this request.

ADDITIONAL STATE HOSPITAL COMMISSION FTE POSITION. KDADS is in the process of implementing a new performance management system to deliver and track employee training. The agency requests \$87,000 for a new program manager position to facilitate support of the new system at the state hospitals.

The Governor does not recommend adoption of this request.

OTHER CAPITAL IMPROVEMENT PROJECTS. The agency requests \$8.1 million, all from the State Institutions Building Fund, for capital improvement projects at the four state hospitals. Traditionally, the hospitals coordinate with KDADS for capital improvement needs, and the expenditures appear in the KDADS budget request. More information on these requests can be found in the capital improvements section.

The Governor recommends adoption of this request.

SPECIAL TOPICS

TOPIC 1

HUMAN SERVICES CONSENSUS CASELOAD ESTIMATES

Twice a year, in the spring and fall, the Division of the Budget, the Department for Children and Families, the Department of Health and Environment, KDADS, and the Legislative Research Department meet to revise and develop estimates for entitlement expenditures for the current fiscal year and the budget year. The group met on October 28, 2021, to revised the estimates in FY 2022 and develop an estimate for FY 2023.

KDADS REVISED FY 2022 ESTIMATE

KANCARE EXPENDITURES

The agency's portion of the revised estimate was \$991.0 million, including \$312.0 million SGF, for KanCare expenditures in FY 2022. This was a decrease of \$109.6 million, or \$85.1 million SGF, below the FY 2022 approved amount. The decrease was primarily associated with a lower than anticipated Medicaid population.

NON-KANCARE EXPENDITURES

The agency's portion of the revised estimate was \$39.4 million, including \$24.6 million SGF, for non-KanCare expenditures in FY 2022. This was a decrease of \$109.6 million, including \$85.1 million SGF, below the FY 2022 approved amount. The decrease was primarily due to lower nursing facility fee-for-service payments. Additionally, the estimate represented an increase in the cost for I/DD waiver assessments from \$125 to \$150 per assessment starting in January 2022.

KDADS FY 2023 ESTIMATE

KANCARE EXPENDITURES

The agency's portion of the estimate was \$1.1 billion, including \$397.0 million SGF, for KanCare expenditures for FY 2023. This is an increase of \$109.0 million, including \$85.0 million SGF, above the FY 2022 revised estimate. The increase includes an increase in the anticipated Medicaid-eligible population. The increase also includes funding for certified community behavioral health clinics (CCBHCs) Medicaid payments as well as a 3.0 percent increase in the Medicaid nursing facility daily rate.

NON-KANCARE EXPENDITURES

The agency's portion of the estimate was \$85.1 million, including \$44.2 million SGF, for non-KanCare expenditures for FY 2023. This is an increase of \$45.7 million, or \$19.6 million SGF, above the FY 2022 revised estimate. The increase is primarily related to the inclusion of PACE non-medical payments in the consensus caseloads. PACE medical payments have traditionally been included in caseloads, however prior to the implementation of KanCare, the PACE non-medical payments were removed to monitor the growth of the program. The estimate also includes funding to rebase the PACE rates that the agency had originally included as an enhancement request.

Adjustments to the human services consensus caseloads estimate traditionally appear in the Governor's recommendation. *Staff Note:* For more information on the human services consensus caseload estimate, please refer to KLRD's Fall 2021 Human Services Consensus Caseload Estimates for FY 2022 and FY 2023 memorandum, dated November 4, 2021.

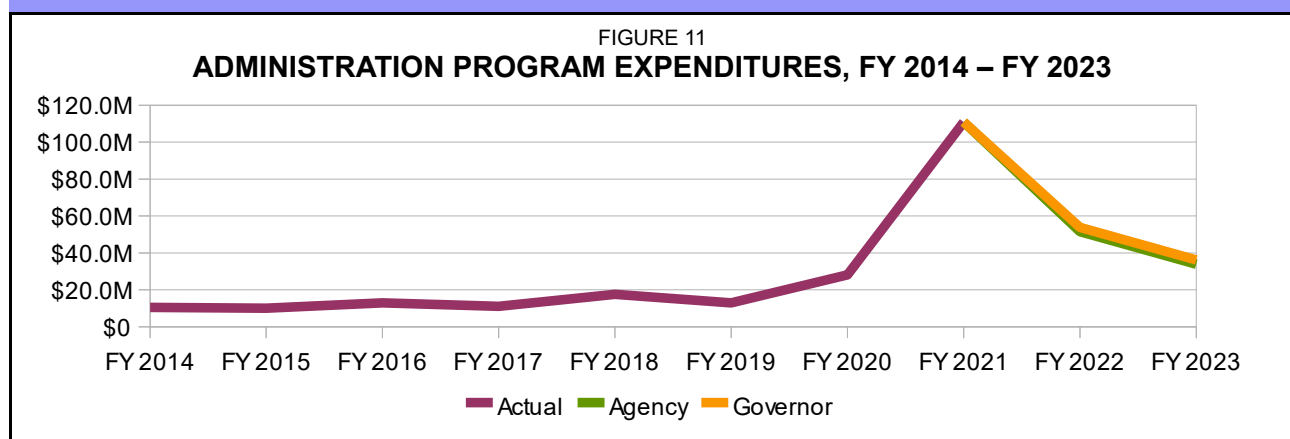
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 110,788,843	\$ 53,763,772	\$ 53,763,772	\$ 36,351,600	\$ 36,126,786
Aging and Disability Commission	52,508,247	59,615,208	59,615,208	60,681,632	58,181,632
Behavioral Health Commission	124,140,800	145,064,766	147,064,766	137,707,468	167,007,468
Medicaid Programs	1,855,789,380	2,066,192,376	1,976,484,433	2,075,069,646	2,056,584,722
State Hospital Commission	3,117,835	10,670,210	20,315,900	3,170,743	21,091,395
Survey and Certification Commission	9,689,118	12,288,375	12,288,375	18,245,195	12,606,595
Capital Improvements	3,434,349	14,398,077	14,398,077	11,335,142	11,335,142
TOTAL	\$ 2,159,468,572	\$ 2,361,992,784	\$ 2,283,930,531	\$ 2,342,561,426	\$ 2,362,933,740
FTE Positions:					
Administration	112.0	109.5	109.5	109.5	106.5
Aging and Disability Commission	44.0	48.0	48.0	48.0	48.0
Behavioral Health Commission	32.0	42.4	42.4	42.4	42.4
Medicaid Programs	--	--	--	--	--
State Hospital Commission	7.0	7.0	7.0	8.0	7.0
Survey and Certification Commission	121.0	118.7	118.7	133.6	126.7
Capital Improvements	--	--	--	--	--
TOTAL	316.0	325.5	325.5	341.5	330.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION PROGRAM



STATUTORY BASIS: • KSA 75-5901 *et seq.*; KSA 75-59-45; KSA 75-5321a; KSA 39-925

PROGRAM GOALS:

- Planning, policy development, administration, coordination, prioritization, and evaluation of all state activities related to older Kansans and Kansans with disabilities.
- Promote healthy aging with personal and financial independence and high-quality service and supports at all levels of individuals needs.
- Analyze consumer-focused quality data (timely and accurately) across all service settings to improve the service quality.

The Administration Program includes all administrative functions of KDADS. The Secretary for Aging and Disability Services has organized the program into the Office of the Secretary and the Financial and Information Services Commission. The Office of the Secretary provides general administrative functions of KDADS. The Financial and

Information Services Commission is responsible for all fiscal information and technology services for the agency.

Expenditures for the program include debt service interest payments, and, during the COVID-19 pandemic, all COVID-19 pandemic related funding.

FIGURE 12
ADMINISTRATION PROGRAM, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Target 3-Year Avg.	Target FY 2022	Target FY 2023
There are no performance measures submitted for this program.					

Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 8,693.2	\$ 6,087.0		\$ 13,630.4	\$ 6,316.2
Federal Funds	2,770.3	91,867.3		28,555.8	20,680.7
All Other Funds	4,585.9	12,834.5		11,577.6	9,129.9
TOTAL	\$ 16,049.4	\$ 110,788.8		\$ 53,763.8	\$ 36,126.8

Percentage Change:					
SGF	117.7 %	(30.0) %		123.9 %	(53.7) %
All Funds	51.6 %	590.3 %		(51.5) %	(32.8) %
FTE Positions	93.1	112.0		109.5	106.5

BUDGET ANALYSIS

The Administration Program covers all of the agency's administrative functions. These largely include legal consultation, legislative policy monitoring, budgetary recommendations and development, and development/management of information services.

COVID-19 PANDEMIC FUNDING

Due to the COVID-19 pandemic, the State received a large influx of COVID-19-related federal funding to respond to the pandemic. In order to easily track, monitor, and disperse the funding, the agency budgets all of its COVID-19 relief transactions in one program, which is included in the larger Administration program. This includes all funding the Agency receives from the Strengthening People and Revitalizing Kansas (SPARK) Taskforce as well as several direct disbursements the agency received for federal Older Americans Act services.

Due to this additional funding, the expenditures for this program appear to have dramatically increased in FY 2021, however a majority of those expenditures are pandemic-related funds that pass through the agency and are provided to organizations such as community mental health centers, nursing facilities, and Area Agencies on Aging.

In FY 2021, the agency received approximately \$93.8 million, including \$81.0 million from the federal Coronavirus Relief Fund, for COVID-19-related expenditures. The four major projects were:

- A temporary \$20 increase in the Medicaid reimbursement rate for Medicaid-qualified residents of nursing facilities and intermediate care facilities;
- A temporary 5.0 percent increase in reimbursement rates for HCBS and PACE providers;

- Supplemental grants to behavioral health providers for costs incurred in response to COVID-19 and to support telemedicine; and
- Funding for personal protective equipment, communication devices, and visitation equipment for adult care facilities.

The agency anticipates \$28.9 million for COVID-19 pandemic-related expenditures in FY 2022. For FY 2023, the agency anticipates \$18.6 million. As with FY 2021, these moneys pass through the agency and are provided to outside organizations for disbursement.

FY 2022 REVISED ESTIMATE

The **agency** requests \$53.8 million, including \$13.6 million SGF, for Administrative program expenditures. This is an increase of \$28.2 million above the FY 2022 approved amount, which is due to the additional COVID-19 funding described above.

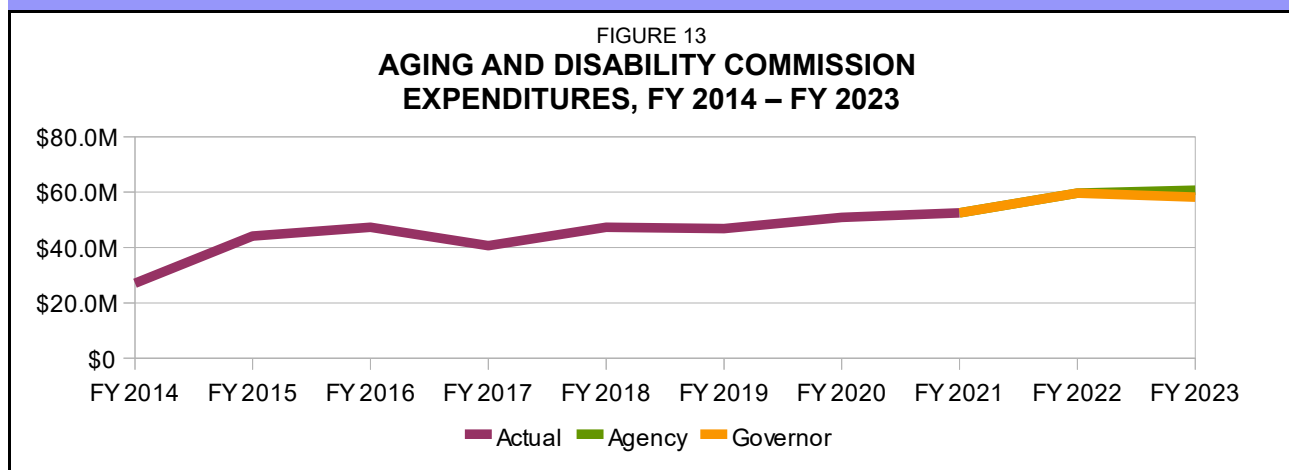
The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The **agency** requests \$36.4 million, including \$6.5 million SGF, for Administrative program expenditures. This is a decrease of \$17.4 million below the FY 2022 revised request. This decrease is partly due to decreased COVID-19 pandemic expenditures.

The **Governor** recommends Administrative program expenditures of \$36.1 million, including \$6.3 million SGF, for FY 2023. This is a decrease of \$224,814 and 3.0 FTE positions below the agency's FY 2023 request. This decrease is due to the Governor recommending the transfer of the KanCare Ombudsman from the agency to the Office of Public Advocates within the Department of Administration.

AGING AND DISABILITY COMMISSION



STATUTORY BASIS: • KSA 65-5101 *et seq.* and KSA 65-6201, KSA 39-1801, KSA 65-4411, KSA 75-5903, KSA 75-5926, KSA 75-5903, KSA 65-4411 *et seq.*, and KSA 39-1801 *et seq.*

PROGRAM GOALS: • Assist older Kansans who are at risk of institutionalization with services to help them remain in their homes.
• Provide quality meal services to older Kansans in order to improve or maintain their health and nutritional status.
• Implement person-centered, self-determined services that allow individuals to live successfully in their home and community.

The Aging and Disability Commission was established in FY 2020 when the Commission on Aging and Disability Community Services and Programs was merged with the Community Services Commission. It now includes two organizational units, the HCBS Waiver Services Program and the Aging Services Unit.

HCBS WAIVER SERVICES PROGRAM

The HCBS Waiver Services Program oversees community-based supports and services provided through the State's managed care plan, KanCare, to approximately 25,000 persons with disabilities to assist them in living an integrated, safe, and healthy community life. KanCare was implemented on January 1, 2013. HCBS waiver services providers contract with the three KanCare Managed Care Organizations (MCOs) to provide home- and community-based services for each of the waivers. Oversight of the Medicaid program services is supported by HCBS Waiver Program Managers, Program Integrity Specialists,

Quality Assurance Reviewers, and a Policy and Program Oversight Manager.

AGING SERVICES UNIT

The Aging Services Unit seeks to assist older Kansans in avoiding premature nursing facility placement through an effective and supportive community aging network. It includes seven programs: 1) Older Americans Act (OAA); 2) Senior Care Act (SCA); 3) Transitional Services and Client Assessment, Referral, and Evaluation (CARE); 4) Information and Community Resources; 5) Aging and Disability Resource Centers; 6) Quality Review; and 7) Nutrition Programs. The Aging Services Unit is responsible for providing services to Kansas seniors through a privatized network of providers. The unit provides day-to-day management and training and provision of technical assistance to providers funded by the Senior Care Act, Older Americans Act, Medicaid, and the SGF. The Area Agencies on Aging function as the point of entry for seniors seeking services.

FIGURE 14

AGING AND DISABILITY COMMISSION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percentage of Customers that Would Recommend the SCA** Program to a Friend or Relative*	97.0 %	98.0 %	98.0 %	100.0 %	100.0 %
2. SCA -Percentage of Customers that have Contacted their Provider in the Last 2-3 Months*	71.0 %	62.0 %	67.0 %	70.0 %	70.0 %
3. Percentage of Customers that Would Recommend the OAA*** Program to a Friend or Relative*	96.0 %	100.0 %	98.0 %	99.0 %	99.0 %
4. Percentage of OAA Customers that have Contacted their Provider in the Last 2-3 Months*	64.0 %	60.0 %	62.0 %	65.0 %	65.0 %
Output Measure:					
5. Number of Individuals Served through the Senior Care Act*	3,873	3,348	3,738	3,801	3,801
6. Number of Individuals Served through the Older Americans Act*	30,605	34,000	32,521	34,001	34,001
7. Number of Congregate Meals Served*	1,210,292	1,145,500	1,193,371	1,145,500	1,145,500
8. Number of Home Delivered Meals*	1,478,154	1,984,500	1,780,788	1,984,500	1,984,500
9. Number of Customers Receiving Nutritional Program Services*	32,564	35,000	33,747	35,000	35,000
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 18,924.0	\$ 19,502.8		\$ 26,183.9	\$ 24,856.6
Federal Funds	275.7	150.0		120.7	120.7
All Other Funds	31,677.7	32,855.5		33,310.6	33,204.3
TOTAL	\$ 50,877.4	\$ 52,508.3		\$ 59,615.2	\$ 58,181.6
Percentage Change:					
SGF	2.4 %	3.1 %		34.3 %	(5.1) %
All Funds	8.5 %	3.2 %		13.5 %	(2.4) %
FTE Positions	44.0	44.0		48.0	48.0
*The Governor's Office does not utilize this measure for evaluation purposes.					
**Senior Care Act					
***Older Americans Act					

PERFORMANCE AND BUDGET ANALYSIS

The Aging and Disability Commission administers the aging related programs as well as the HCBS waivers.

AREA AGENCIES ON AGING

With respect to aging services, the agency traditionally distributes funds to Area Agencies on Aging (AAAs), which then contract out to providers to serve individuals. AAAs are generally private nonprofit organizations, but

can be a unit of county government, which serve as the first resource for Kansas seniors. There are currently 11 AAAs in Kansas, which also serve as Aging and Disability Resources Centers.

In their capacity as Aging and Disability Resources Centers, the AAAs serve as organizations to assess individuals for Home and Community Based Services (HCBS) for the Frail Elderly, Physical Disability, and Brain Injury Medicaid waivers; Program of All-Inclusive Care for the Elderly (PACE); and Client Assessment, Referral, and Evaluation (CARE).

SENIOR CARE ACT SERVICES

The Senior Care Act (SCA) provides early intervention components to the Kansas long-term care network. The SCA program provides services in the customer's home, such as homemaker, chore, attendant care, and case

management services. The services are designed to prevent premature nursing home placement for persons who have not exhausted their financial resources, unlike the HCBS Frail Elderly Waiver (HCBS FE) waiver. The program is targeted at those who are 60 years of age or older. Participants contribute a significantly higher proportion of the cost of SCA services than participants on the HCBS FE waiver.

The total number of SCA participants has remained flat over the last several years, with a three-year average of 3,873 individuals per year. There was a slight dip in FY 2021 related to the COVID-19 pandemic. Over the last ten years, the funding for the SCA has also remain relatively flat at approximately \$7.0 million per year, with a \$3.0 million SGF increase that was approved by the 2021 Legislature, which brings the total to \$10.0 million in FY 2022 and for FY 2023.

FIGURE 15 NUTRITIONAL GRANTS				
	Actual FFY 2019	Actual FFY 2020	Actual FFY 2021	Estimate FFY 2022
Total Meals Served	3,104,031	3,130,000	3,130,000	3,130,000
Cost Per Meal	\$6.20	\$6.20	\$6.20	\$6.20
<i>Staff note:</i> Each Federal Fiscal Year (FFY) comprises October 1 to September 30 of the following year.				

NUTRITIONAL PROGRAM

The agency provides some nutritional programing through the federal Older Americans Act. Meals are provided in two ways: home delivered or in a congregate setting (such as through an AAA). During the 2021 Session, the Governor's budget recommendation included reduced resources of \$850,000 in the nutritional program in FY 2022. However, the agency indicated that it would be able to cover the costs of the decrease through federal funding and it would not result in reduced services.

FY 2022 REVISED ESTIMATE

The **agency** requests \$59.6 million, including \$26.2 million SGF, for Aging and Disability Commission expenditures. This is an increase of \$3.7 million above the FY 2022 approved amount.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The agency requests \$60.7 million, including \$26.3 million SGF, for Aging and Disability Commission expenditures. This is an increase of \$1.1 million above the FY 2022 revised estimate. The increase is partly due to the agency's enhancement request to increase the Community Developmental Disability Organizations (CDDOs) administration allocation.

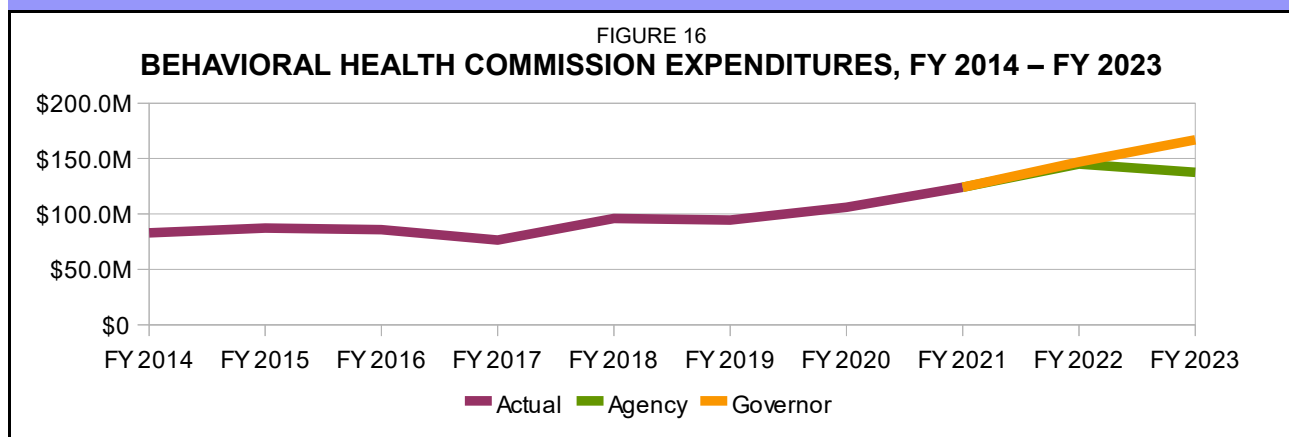
ENHANCEMENT REQUEST FOR CDDO ADMINISTRATION ALLOCATION

CDDOs serve as the entry point to the developmental disabilities services system, similar to how AAAs or community mental health centers function. As such, CDDOs serve

as entities that assess wavier applicants for functional eligibility for waiver services. Similar to community mental health centers, CDDOs receives funding from the State for administrative purposes. KDADS requests \$2.5 million, including \$1.5 million SGF, to increase the allocation for CDDOs. The agency anticipates that this increase will help CDDOs meet increased demand for eligibility and expand system capacity.

The **Governor** recommends Aging and Disability Commission expenditures of \$58.2 million, including \$24.9 million SGF, for FY 2023. This is a decrease of \$2.5 million below the agency's FY 2023 request. This decrease is due to the Governor not recommending the agency's enhancement request for an increase in the CDDO administration allocation.

BEHAVIORAL HEALTH COMMISSION



STATUTORY BASIS: • KSA 65-4001, KSA 75-5375, KSA 65-4007, KSA 75-3307b, KSA 79-4805, KSA 39-1601 to KSA 39-1604

PROGRAM GOALS:

- Address and treat people who are in immediate crisis.
- Increase availability of diagnosis and treatment of serious mental illness (SMI) and substance use disorder (SUD).
- Stabilize patients so that they can return to the community.

The Behavioral Health Commission provides oversight for various programs and grants to assist individuals with severe and persistent mental illness (SPMI) and individuals with substance use disorders (SUDs).

MENTAL HEALTH SERVICES

The foundation for all community mental health services is the Mental Health Reform Act, (KSA 39-1601 *et seq.*). Additionally, the Treatment Act for Mentally Ill Persons, KSA 59-2901 *et seq.*, provides for how patients shall be provided both voluntary and involuntary psychiatric treatment. Funding through grants and contracts is awarded to community mental health centers (CMHCs), private community mental health providers, psychiatric residential treatment facilities (PRTFs), nursing facilities for mental health (NFMHs), consumer-run

organizations, advocacy groups, a pharmacy benefits manager, housing organizations, and universities.

SUBSTANCE USE DISORDERS AND ADDICTION SERVICES

The Behavioral Health Commission supports a system of services for individuals experiencing alcoholism, drug dependence, or a gambling addiction, using federal block grant moneys, Medicaid, and state funds. The Commission's SUD and additional services are generally broken up into efforts toward prevention through education, awareness, and contact, and grants to support a system of services for low-income individuals experiencing alcoholism, drug dependence, or gambling addiction.

FIGURE 17
BEHAVIORAL HEALTH COMMISSION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of Persons with Severe and Persistent Mental Illness Receiving Outpatient Services	17,116	15,691	17,515	16,404	18,044
2.Number of Individuals Receiving SUD treatment*	9,206	9,876	9,445	10,500	10,500

FIGURE 17

BEHAVIORAL HEALTH COMMISSION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3.Number of Individuals Served in a KDADS-Funded Crisis Program*	13,094	13,260	16,717	14,586	16,045
4.Number of Individuals Receiving Problem Gambling Treatment*	193	223	198	234	246
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 53,713.2	\$ 43,720.0		\$ 88,010.5	\$ 120,739.9
Federal Funds	27,118.6	37,814.7		25,430.1	24,781.2
All Other Funds	25,268.6	42,606.1		33,624.1	21,486.4
TOTAL	\$ 106,100.4	\$ 124,140.8		\$ 147,064.7	\$ 167,007.5
Percentage Change:					
SGF	14.9 %	(18.6) %		101.3 %	37.2 %
All Funds	12.1 %	17.0 %		18.5 %	13.6 %
FTE Positions	24.0	32.0		48.0	48.0

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

The Behavioral Health Commission primarily oversees grants and contracts for Kansas' various mental health and substance use disorder providers.

FUNDING FOR COMMUNITY MENTAL HEALTH CENTERS

As part of its oversight, the agency serves as the pass-through agency for funding to the community mental health centers (CMHCs) across the state. There are currently 26 CMHCs in the state to provide behavioral health services to individuals. In FY 2021, CMHCs receive approximately \$54.0 million, including \$37.1 million SGF, from the agency to provide behavioral health services to Kansans. This funding generally goes towards services for uninsured, and other at-risk individuals and provides screenings for the state hospitals.

- Person-centered treatment planning;
- Crisis services;
- Outpatient mental health and substance use services; and
- Screening, assessment, diagnosis and risk assessment.

There are currently no CCBHCs operating in the state. KDADS indicated that it would implement a phased approach to transitioning CMHCs to CCBHCs. This plan would begin in FY 2022 and continue through FY 2025.

CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINICS

During the 2021 Session, the Legislature passed Senate Sub. for HB 2208, which, among other things, required KDADS to establish a certification process for certified community behavioral health clinics (CCBHCs), a relatively new Medicaid provider type. Generally, these providers are required to provide expanded services, including but not limited to:

FIGURE 18
PHASED IMPLEMENTATION OF CCBHC CERTIFICATION

	FY 2022	FY 2023	FY 2024	FY 2025
Number of CCBHCs	6	9	18	26
Services Cost Estimate—Low End				
SGF	\$ 627,342	\$ 5,646,077	\$ 11,292,153	\$ 16,310,888
All Funds	1,568,355	14,115,191	28,230,383	40,777,220
Services Cost Estimate—High End				
SGF	\$ 1,106,096	\$ 9,954,861	\$ 19,909,722	\$ 28,758,488
All Funds	2,765,239	24,887,153	49,774,306	71,896,220

In 2021 SB 159, the Legislature added \$2.7 million, including \$1.2 million SGF, for CCBHC funding for FY 2022. This funding would provide \$1.6 million, including \$627,342 SGF, for the low-end service estimate in FY 2022. *Staff note:* These service figures would be included as Medicaid Programs expenditures.

The additional \$1.1 million, including \$556,710 SGF, would provide additional operating funding for the agency itself to allow for 10.0 FTE positions and other contractual services associated with CCBHC certification and ongoing compliance duties the agency anticipates.

FY 2022 REVISED ESTIMATE

The **agency** requests \$145.1 million, including \$86.0 million SGF, for Behavioral Health Commission expenditures in FY 2022. This is an increase of \$10.7 million above the FY 2022 approved amount.

This increase is partly due to an internal reorganization incorporating the staff in charge of the Client Assessment, Referral, and Evaluation assessment. These assessments to identify mental health needs for anyone entering into a nursing facility. The increase is also due to additional funding for the agency's State Institutional Alternatives contract, which is the agency's initiative to screen individuals prior to admission into a state hospital for potential care in the community.

Additionally, the revised estimate includes reappropriations for acute psychiatric beds for youth in Hays. These funds were originally

budgeted in FY 2021, but due to delays in securing the contract, the funds were delayed into FY 2022. The agency anticipates still using those funds in FY 2022 as part of the efforts to remodel the space to prepare the planned beds.

The **Governor** recommends Behavioral Health Commission expenditures of \$147.1 million, including \$88.0 million SGF, in FY 2022. This is an increase of \$2.0 million above the agency's FY 2022 revised estimate. This increase is due to the Governor's recommendation to fund Crisis Intervention Centers. This funding would assist in the establishment of Crisis Intervention Centers, which would provide new capacity within communities for involuntary patients experiencing mental health crises. Currently, Crisis Stabilization Centers provide services for individuals on a voluntary basis, and are not designed for involuntary treatment. The goal of these new centers is to divert involuntary admissions from the state hospitals by treating those individuals in the community.

FY 2023 REQUEST

The agency requests \$137.7 million, including \$81.7 million SGF, for Behavioral Health Commission expenditures for FY 2023. This is a decrease of \$7.4 million below the FY 2022 revised estimate. This decrease is primarily due to the costs associated with the reappropriations for the youth acute care beds in Hays not reoccurring in FY 2023.

The **Governor** recommends Behavioral Health Commission expenditures of \$167.0

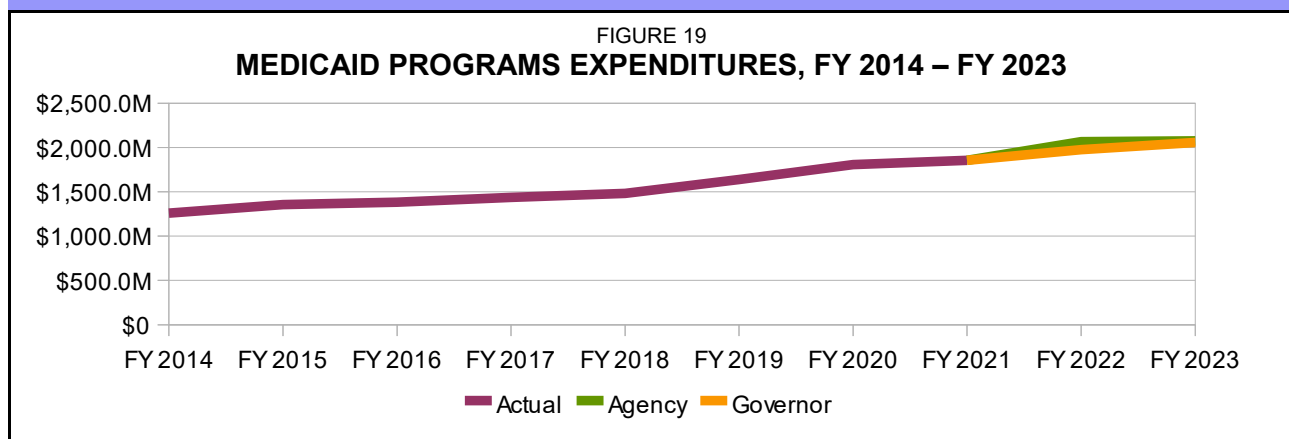
million, including \$120.7 million SGF, for FY 2023. This is an increase of \$29.3 million above the agency's FY 2023 request. This increase continues the Governor's recommendation to fund Crisis Intervention Centers. The increase also includes \$2.8 million SGF for additional enhanced funding for mobile competency evaluations to reduce waiting times for the state hospitals.

Additionally, the recommendation includes an increase of \$15.0 million SGF to build capacity for 50 new regional beds. This funding would add 25 new regional involuntary beds and 25 forensic beds for competency needs. These

beds would aim to reduce wait times at the state hospitals. Lastly, the increase also represents \$1.5 million SGF to implement the State's Suicide Prevention Plan, which would support local suicide prevention coalitions and provide grants to local communities.

The recommendation also includes a shift in the funding source of \$7.5 million from the State Highway Fund to the SGF. These were funds traditionally utilized for mental health grants. The shift in funding would not reduce services, but is part of the Governor's plan to reduce transfers from the State Highway Fund.

MEDICAID PROGRAMS



STATUTORY BASIS: • KSA 75-5945 & 39-1801 *et seq.* HCBS (FE) KS.0303.R05.00; HCBS (IDD) KS.0224.R06.00; HCBS (AU) KS.0476.R02.00; HCBS (PD) KS.0304.R05.00; HCBS (TA):KS.4165.R06.00; HCBS (BI) KS.4164.R06.02; HCBS (SED):KS.0320.R04.00

PROGRAM GOALS:

- Ensure that Kansas with high level of care needs (regarding activities of daily living and instrumental activities of daily living) and at imminent risk of institutionalization are served and supported while remaining in the homes and communities.
- Deliver equitable services and supports to Kansans with different forms of disabilities by encouraging competitive and integrated employment alternatives and opportunities, incentivizing positive movement towards greater independence through competitive employment, and creating a path for disability employment and empowerment in the state of Kansas.
- Divert psychiatric hospitalization by providing intensive Home and Community Based Support Services (HCBS) to children and youth in their homes and communities; provide short-term rehabilitation to individuals with brain injury; support parents of children with autism spectrum disorder; support children and youth chronically ill or medically fragile and dependent upon a ventilator or medical device to compensate for the loss of vital bodily function; and support frail and elderly Kansans above 65 years of age.

Medicaid Programs include all of the medical services programs KDADS manages, most of which are included in KanCare. Services include mental health services, psychiatric residential treatment facilities, nursing facilities for mental health, substance use disorder

services, the Nursing Facility Program, Head Injury Rehabilitation Hospitals, Intermediate Care Facilities for Individuals with Intellectual Disabilities, HCBS waivers, and the Program for All-Inclusive Care for the Elderly (PACE).

FIGURE 20
MEDICAID PROGRAMS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of Participants Eligible to Receive HCBS I/DD Services (Monthly Average)*	9,115	9,155	9,108	9,155	9,155
2.Number of Individuals on Waitlist to Receive HCBS I/DD Services*	4,464	4,720	4,423	4,768	4,943

FIGURE 20
MEDICAID PROGRAMS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3.Number of Participants Eligible to Receive HCBS PD Services (Monthly Average)*	6,128	6,221	6,059	6,221	6,221
4.Number of Individuals on Waitlist to Receive HCBS PD Services*	2,027	2,227	1,919	2,427	2,627
5.Number of Participants Enrolled In PACE Program (Monthly Average)	676	729	663	822	899
Financing (In Millions)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 666.5	\$ 578.8		\$ 689.2	\$ 793.7
Federal Funds	1,106.0	1,210.9		1,249.0	1,228.3
All Other Funds	34.6	66.1		38.3	34.5
TOTAL	\$ 1,807.1	\$ 1,855.8		\$ 1,976.5	\$ 2,056.6
Percentage Change:					
SGF	(2.8) %	(13.2) %		19.1 %	15.2 %
All Funds	10.3 %	2.7 %		6.5 %	4.1 %
FTE Positions	--	--		--	--

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

Generally, Medicaid Programs include reimbursements for all of the Medicaid programs that KDADS oversees including: payments for behavioral health services, nursing facility payments, and HCBS waiver services.

HCBS WAIVER SERVICES

The HCBS waiver program is authorized under Section 1915(c) of the Social Security Act. Through the HCBS waiver program, a Medicaid beneficiary can receive a wide range of services designed to allow the individual to live in their home or community rather than receive institutionalized care.

WAITLIST HISTORY

Due to funding constraints and capacity issues, several of the waivers have waitlists, by which individuals are assessed, and determined eligible, but are placed on a list until HCBS services can be provided. Both the Physical Disability (PD) and the Intellectual/Developmental Disability (I/DD) waivers have historically had waitlists. While not technically a waitlist, the Autism waiver has a proposed recipient list, where individuals are

identified as potential waiver participants, and once a spot on the waiver opens, the individual is assessed and placed on the waiver.

During the 2021 Legislature, funding was added for Brain Injury (BI) waiver services in order to avoid a potential waitlist. Several years ago, the Legislature expanded the population eligible for the BI waiver. With this expanded population, the agency anticipates an increase in waiver participants over the next several years.

REIMBURSEMENT RATES

The agency sets a base rate that a managed care organization is permitted to pay a provider for HCBS services. These rates have remained relatively flat over the last several years, with incremental increases beginning in FY 2017. While there were increases for all of the waivers in FY 2017, FY 2018, and FY 2019, the only percentage increase for rates in FY 2021 and FY 2022 were for the I/DD wavier. Additionally, the 2021 Legislature approved an increase for the T1000 (specialized medical care) code for the Technology Assisted (TA) waiver. However,

that code also appears in the I/DD waiver, which did not receive the same increase.

PROGRAM FOR ALL-INCLUSIVE CARE FOR THE ELDERLY

This program also includes expenditures for PACE, which provides community-based care and services to individuals age 55 or older who would otherwise need a nursing home level of care. There have been efforts during the last several sessions to expand PACE.

These efforts include increasing the protected income level for PACE and HCBS waivers to 300.0 percent of supplemental security income. During the 2021 Interim, the agency presented testimony to the Senior Care Task Force noting that as of August 1, 2021, there were approximately 758 PACE participants. At the final 2021 Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight meeting, the agency provided an updated report that PACE enrollment had increased to 817, as of December 1, 2021.

FY 2022 REVISED ESTIMATE

The agency's revised estimate totals \$2.1 billion, including \$755.2 million SGF, for Medicaid Programs expenditures in FY 2022. This is a decrease of \$58.4 million below the FY 2022 approved amount. The decrease is primarily related to a decrease in the estimate for HCBS waiver services.

LAPSED REAPPROPRIATIONS

The agency's FY 2022 revised estimate proposes to lapse \$43.9 million SGF that reappropriated from FY 2021 in FY 2022. These reappropriations were funds associated with human services caseload estimates.

The **Governor** recommends Medicaid expenditures of \$2.0 billion, including \$689.2 million SGF, in FY 2022. This is a decrease of \$89.7 million below the agency's FY 2022 revised estimate. This decrease is an adjustment to bring the Medicaid expenditures inline with the fall 2021 human services consensus caseloads estimate, which decreased primarily due to a lower than anticipated medicaid-eligible population.

FY 2023 REQUEST

The agency requests \$2.1 billion, including \$776.6 million SGF, for Medicaid Programs expenditures for FY 2023. This is an increase of \$8.9 million above the FY 2022 revised estimate. The increase is primarily related to the agency's enhancement requests, detailed below, as well as a slight increase in the estimated expenditures for waiver services based on expected population increases. The increase is partially offset by the absence of expenditures for the agency's 10.0 percent HCBS Federal Medical Assistance Percentage (FMAP) plan, which do not reoccur for FY 2023.

PCA RATES

The agency requests \$23.2 million, including \$9.3 million SGF to standardize the personal care attendant (PCA) services rates across all of the waivers and provide a 2.0 percent increase in those rates for FY 2023. The agency reports that these rates are not uniform across the waivers, which has created issues in recruiting attendants when individuals transition between waivers.

PACE RATES REBASE

The agency requests \$2.4 million, including \$959,777 to rebase PACE rates for FY 2023. This would effectively provide a 6.5 percent increase for PACE rates. According to the agency, federal rules require that PACE rates be rebased no less than every three years. The state last provided a rebase of PACE rates effective FY 2020.

FUNDING TO REDUCE WAITLISTS

Both the PD and I/DD waivers have historically had waitlists for services.

- **PD WAVIER.** KDADS requests \$7.3 million, including \$2.9 million SGF, for funding to reduce the PD waiver waitlist, which KDADS estimates will transition approximately 350 individuals to the waiver. As of November 2021, there were 2,195 individuals waiting for PD waiver services.
- **I/DD WAIVER.** KDADS requests \$17.3 million, including \$6.9 million SGF, for funding to reduce the I/DD waiver

waitlist, which KDADS estimates will transition approximately 350 individuals to the waiver. As of November 2021, there were 4,612 individuals waiting for I/DD waiver services.

CAP FOR ASSISTIVE SERVICES

The agency requests \$1.8 million, including \$716,495 SGF, to increase the lifetime limit on assistive services from \$7,500 to \$10,000 for FY 2023. These services allow for home modifications, vehicle modifications, and durable medical equipment. Currently, there is a lifetime cap on assistive services of \$7,500, and the agency reports that the limit has not been increased for two decades.

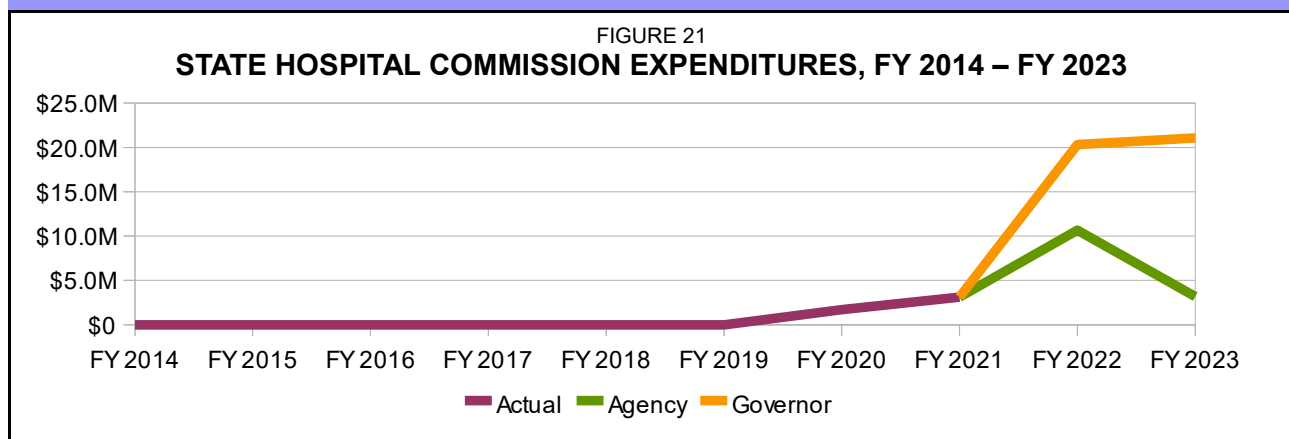
T1000 SPECIALIZED NURSING CODE.

The agency requests \$1.7 million, including \$665,049 SGF, to raise the rate for the T1000 code to \$43.00 per hour to match the rate on the TA Waiver. The 2021 Legislature added funding to increase the T1000 Specialized Nursing Code from approximately \$31.00 to \$43.00 per hour for the TA waiver, but not for the I/DD waiver.

The **Governor** recommends Medicaid expenditures of \$2.1 billion, including \$793.7 million SGF, for FY 2023. This is a decrease of \$18.5 million below the agency's FY 2023 request. The decrease is primarily attributable to the Governor not recommending the agency's enhancement requests for additional funding to move people from the I/DD and PD waiver waitlists onto the waiver.

The recommendation also includes an increase of \$8.6 million, including \$24.1 million SGF, to bring Medicaid expenditures consistent with the fall 2021 human services consensus caseloads estimate. The Governor also recommended a shift in the funding source of \$3.8 million from the Children's Initiative Fund to the SGF. These funds are traditionally used in caseloads to draw down additional Medicaid funding, however the Governor recommends using SGF moneys for these expenditures to allow for the Children's Initiative Fund moneys to be used elsewhere as recommended by the Children's Cabinet.

STATE HOSPITAL COMMISSION



STATUTORY BASIS: • KSA 76-12a01

PROGRAM GOALS:

- Ensure state hospital budget submissions are integrated into the KDADS budget priorities and goals.
- Standardize risk management reporting across the state hospitals to inform the Governing Body about patient safety and care practices.
- Lead projects to modernize processes and implement technology solutions to improve and enhance critical processes, patient safety and clinical outcomes.

The State Hospital Commission is responsible for providing leadership, guidance, direction, oversight, training, and support to the state hospitals. The Commission provides day-to-day management and collaboration with

superintendents and executive staff at the state hospitals to assist the hospitals with conditions of participation for certification with the federal Centers for Medicare and Medicaid Services and accreditation with The Joint Commission.

FIGURE 22
STATE HOSPITAL COMMISSION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
There are no performance measures submitted for this program.					

Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,438.4	\$ 588.3		\$ 9,763.8	\$ 20,736.1
Federal Funds	129.8	72.2		9,645.7	-
All Other Funds	132.3	2,457.4		906.4	355.3
TOTAL	\$ 1,700.5	\$ 3,117.9		\$ 20,315.9	\$ 21,091.4

Percentage Change:					
SGF	--	(59.1) %		1,559.7 %	112.4 %
All Funds	--	83.4 %		551.6 %	3.8 %
FTE Positions	7.5	7.0		7.0	7.0

BUDGET ANALYSIS

The State Hospital Commission was formed in FY 2019 to provide oversight over the four state hospitals in an effort to facilitate

coordinated leadership, guidance, direction, oversight, and training.

FY 2022 REVISED ESTIMATE

The agency requests \$10.7 million, including \$9.8 million SGF, for State Hospital Commission expenditures. This is an increase of \$7.2 million above the FY 2022 approved amount, which is due to the project to replace the State Hospitals' Electronic Health Records system being delayed into FY 2022.

The **Governor** recommends State Hospital Commission expenditures of \$20.3 million, including \$9.8 million SGF, in FY 2022. This is an increase of \$9.6 million above the agency's FY 2022 revised estimate. The increase is due to the Governor's plan for salaries and wages increases for nursing staff at 24/7 facilities. The recommendation funds the increases with ARPA moneys in FY 2022.

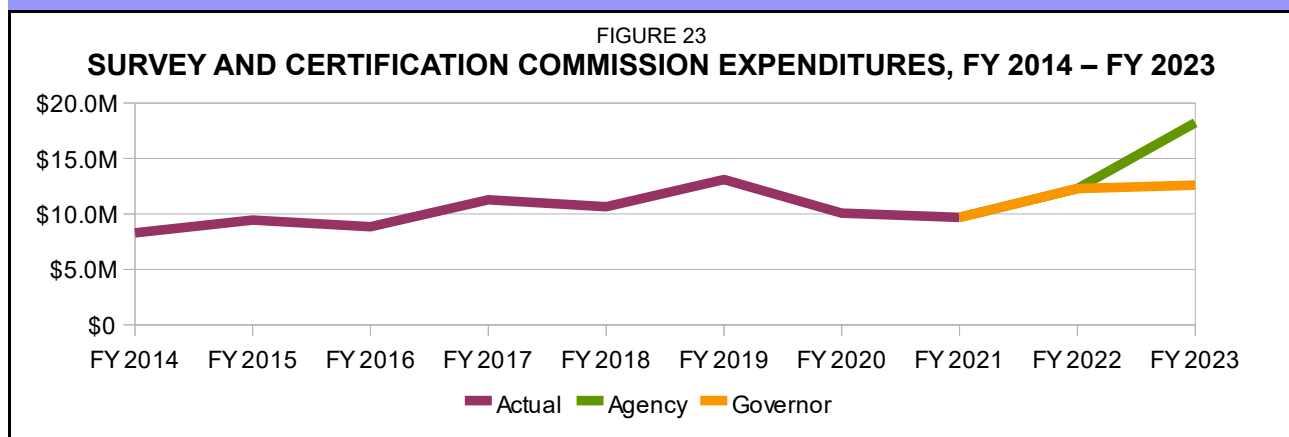
FY 2023 REQUEST

The agency requests \$3.2 million, including \$2.8 million SGF, for State Hospital Commission expenditures. This is a decrease of

\$7.5 million below the FY 2022 revised estimate. This decrease is due to the agency anticipating completion of infrastructure installation for the Electronic Health Records system in FY 2022.

The **Governor** recommends State Hospital Commission expenditures of \$21.1 million, including \$20.7 million SGF, for FY 2023. This is an increase of \$17.9 million above the agency's FY 2023 request. The increase is attributable to the funding associated with the Governor's 24/7 Pay Plan. As with FY 2022, these funds are provided to KDADS to be disbursed to the state hospitals. However, for FY 2023, the Governor recommends these expenditures be funded with SGF moneys as opposed to federal ARPA funds. The increase is partially offset by an \$87,000 SGF reduction due to the Governor not recommending the agency's enhancement request for an additional FTE position for the commission.

SURVEY AND CERTIFICATION COMMISSION



STATUTORY BASIS: • 42 CFR Parts 405, 431, 447, 482, 483, 485, 488, and 489; KSA Chapter 39 Article 9 Adult Care Home Statutes; KAR Chapter 26 Adult Care Homes

PROGRAM GOALS:

- Provide enforcement and oversight to ensure the requirements that long-term care facilities must meet to participate in the Medicare and Medicaid programs.
- Ensure compliance with statutory requirements for licensure of adult care homes and ongoing inspections/investigations of complaints related to allegations of Abuse Neglect and Exploitation.
- Ensure compliance with statutory requirements for the Criminal Record Check Program and Nurse Aide registry as well as several health occupations curriculum, course approval, and licensure/certification of these occupations.

The primary purpose of the Survey and Certification Commission is to protect public health through the inspection and licensing of adult care homes in Kansas, as defined by KSA 39-923. The Commission develops and enforces regulations related to adult care homes. Field staff document compliance with state regulations and federal certification standards through on-site surveys. Investigations of alleged abuse, neglect, or exploitation also are conducted. In rare cases, the Commission may assume temporary management of a nursing home facility pursuant to a court order.

Health Occupations Credentialing (HOC) administers the Health Occupations Credentialing Act (KSA 65-5001 *et seq.*), a review process whereby health professions seeking credentialing apply for a credentialing review. The program also issues licenses to dietitians, speech-language pathologists, audiologists, and adult care home administrators. Certification programs administered by the program include nurse aides, home health aides, and medication aides.

FIGURE 24
SURVEY AND CERTIFICATION COMMISSION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Average Number of months between surveys	13	16	14	16	16
2.Number of Background Checks Processed*	75,000	86,017	77,006	174,000	174,000
3.Number of Surveys Exited*	290	342	307	350	350

Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,623.9	\$ 3,053.4		\$ 3,974.9	\$ 4,078.3
Federal Funds	6,202.4	5,507.2		6,479.9	6,691.6
All Other Funds	1,232.5	1,128.5		1,833.6	1,836.6
TOTAL	\$ 10,058.8	\$ 9,689.1		\$ 12,288.4	\$ 12,606.6
Percentage Change:					
SGF	(25.7) %	16.4 %		30.2 %	2.6 %
All Funds	(23.2) %	(3.7) %		26.8 %	2.6 %
FTE Positions	118.4	121.0		118.7	126.7
*The Governor's Office does not utilize this measure for evaluation purposes.					

PERFORMANCE AND BUDGET ANALYSIS

The Survey and Certification Commission largely operates through surveying adult care homes for compliance in state and federal guidelines. The facilities include:

- **NURSING FACILITIES**, which are facilities that provide 24/7 care for six or more individual who require skilled nursing care;
- **ASSISTED LIVING FACILITIES**, which provide care for six or more individuals who require assistance in their daily activities, but do not require 24/7 care;
- **RESIDENTIAL HEALTH CARE FACILITIES**, which provide care for six or more individuals who require assistance in their daily activities, but do not require 24/7 care where the facility is divided into individual living units;
- **HOME PLUS FACILITIES**, which provide care to not more than 12 individuals and are typically located in a residential area; and
- **ADULT DAY CARE FACILITIES**, which provide care for individuals needing assistance with activities of daily living, but operate less than 24 hours a day.

HEALTH OCCUPATIONS CREDENTIALING

Included in the Survey and Certification Commission is the health occupations credentialing program, which provides the oversight and licensing for a number of long-term care positions including, but not limited to:

nurse aides, home health aides, and adult care home operators. As part of the licensing process, the agency requires criminal background checks to be conducted for all individuals employed by facilities licensed by KDADS.

FY 2022 REVISED ESTIMATE

The agency requests \$12.3 million, including \$4.0 million SGF, for Survey and Certification Commission expenditures. This is a decrease of \$328,385 below the FY 2022 approved amount, which is primarily due to the agency readjusting its request to better reflect FY 2021 actual expenditures.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The agency requests \$18.2 million, including \$9.5 million SGF, for Survey and Certification Commission expenditures. This is an increase of \$6.0 million above the FY 2022 revised estimate. This increase is primarily due to the agency's enhancement requests detailed below:

FUNDING AND FTE POSITIONS FOR SURVEY AND CREDENTIALING

The agency requests \$1.7 million, including \$1.3 million SGF, as well as 15.0 FTE positions, for FY 2023. A majority of these FTE positions would increase the surveying staff for the state-licensed facilities. Currently, the state has 7.0 FTE positions to cover 457 facilities. This increase would bring the surveying team to 15.0 FTE positions. The request also includes

positions for data specialists, quality improvement coordinators, and administrative support.

FINGERPRINT BACKGROUND CHECKS

The agency requests \$4.8 million SGF to cover the costs associated with the background checks while the agency explores a statutory change to the background check requirements. The state requires individuals applying to work in various long-term care facilities to have a completed background check. The agency is currently limited to charging \$19.00 through agreements with providers for each background check. The agency reports that the actual cost is \$47.00 for each check, which leaves \$28.00 that the agency must absorb in its operational costs.

The **Governor** recommends Survey and Certification Commission expenditures of \$12.6 million, including \$4.1 million SGF, for FY 2023. This is a decrease of \$5.6 million, including \$5.4 million SGF, below the agency's FY 2023 request. The decrease is due to the the Governor not recommending the agency's enhancement request to cover costs associated with fingerprint background checks the agency is required to conduct as part of its credentialing duties. The decrease is also due to the Governor only partially recommending the agency's enhancement for additional surveying staff. The Governor's recommendation includes 8.0 FTE positions, which is half of the number requested by the agency.

CAPITAL IMPROVEMENTS

The Kansas Department for Aging and Disability Services serves as the point of contact to coordinate all of the capital improvement projects for the four state hospitals:

KANSAS NEUROLOGICAL INSTITUTE

Kansas Neurological Institute (KNI) was established in 1960 by repurposing a former veterans' hospital.

PARSONS STATE HOSPITAL AND TRAINING CENTER

Established in 1903, Parsons State Hospital and Training Center (Parsons) is one of the two state institutions serving individuals with intellectual and developmental disabilities. The

hospital has historically reported that its infrastructure is deteriorating.

LARNED STATE HOSPITAL

Larned State Hospital (LSH) was established in 1914 and serves the western portion of the state. It comprises three main units: an adult psychiatric program, the state security program, and the sexual predator treatment program.

OSAWATOMIE STATE HOSPITAL

Established in 1866, Osawatomie State Hospital (OSH) was Kansas' first established institution for mental health. While the original buildings have been demolished, the campus comprises several older buildings that have fallen into disrepair.

FIGURE 25 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehab and Repair Projects	\$ 3,339,076	\$ 6,292,463	\$ 6,292,463	\$ 11,335,142	\$ 11,335,142
Biddle Remodel	-	6,969,001	6,969,001	-	-
Spruce Remodel	95,273	1,136,613	1,136,613	-	-
<i>Subtotal–Projects</i>	<i>\$ 3,434,349</i>	<i>\$ 14,398,077</i>	<i>\$ 14,398,077</i>	<i>\$ 11,335,142</i>	<i>\$ 11,335,142</i>
Debt Service Principal:					
State Rehab and Repair Debt Service	-*	2,340,000	2,340,000	2,455,000	2,455,000
<i>Subtotal–Debt</i>	<i>\$ -</i>	<i>\$ 2,340,000</i>	<i>\$ 2,340,000</i>	<i>\$ 2,455,000</i>	<i>\$ 2,455,000</i>
TOTAL	\$ 3,434,349	\$ 16,738,077	\$ 16,738,077	\$ 13,790,142	\$ 13,790,142
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	3,434,349	16,738,077	16,738,077	13,790,142	13,790,142
TOTAL	\$ 3,434,349	\$ 16,738,077	\$ 16,738,077	\$ 13,790,142	\$ 13,790,142

*The agency had approximately \$6.1 million, all from the State Institutions Building Fund, for debt service principal payments in FY 2021 that were miscategorized as debt service interest payments. Therefore they do not appear in the table above.

FY 2022 CAPITAL IMPROVEMENTS

The **agency** requests \$16.7 million, all from the State Institutions Building Fund, for expenditures in FY 2022. This includes the

costs associated with remodel of the Biddle Building in relation to the plan to lift the moratorium on voluntary admissions at OSH.

The 2020 Legislature originally appropriated the funding in FY 2021, however the project has continually been delayed due to the COVID-19 pandemic. The revised estimate includes \$1.1 million associated with the remodel of the Spruce Building at Parsons. This was also a project that was previously planned but delayed. The request also include \$2.3 million

for debt service principal payments associated with previous rehabilitation and repair projects at the state hospitals.

The **Governor** concurs with the agency's revised estimate for capital improvement expenditures in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$13.8 million, all from the State Institutions Building Fund, for capital improvement expenditures for FY 2023. This includes \$11.3 million for rehabilitation and repair projects at the state hospitals and \$2.5 million for debt service principal payments for

older rehabilitation and repair projects at the state hospitals.

The **Governor** concurs with the agency's revised estimate for capital improvement expenditures for FY 2023.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 5,906,480	\$ 6,407,322	\$ 6,407,322	\$ 9,183,137	\$ 10,315,829
Federal Funds	13,351,814	11,603,547	13,724,906	8,929,271	8,929,271
All Other Funds	4,149,486	4,517,714	4,517,714	4,324,919	4,324,919
<i>Subtotal</i>	<i>\$ 23,407,780</i>	<i>\$ 22,528,583</i>	<i>\$ 24,649,942</i>	<i>\$ 22,437,327</i>	<i>\$ 23,570,019</i>
Capital Improvements:					
State General Fund	\$ 46,500	\$ 111,900	\$ 111,900	\$ 127,000	\$ 127,000
Federal Funds	-	1,410,808	1,410,808	-	-
All Other Funds	1,799,110	2,786,624	2,786,624	1,826,215	1,826,215
<i>Subtotal</i>	<i>\$ 1,845,610</i>	<i>\$ 4,309,332</i>	<i>\$ 4,309,332</i>	<i>\$ 1,953,215</i>	<i>\$ 1,953,215</i>
TOTAL	\$ 25,253,390	\$ 26,837,915	\$ 28,959,274	\$ 24,390,542	\$ 25,523,234
Percentage Change:					
State General Fund	(11.3) %	9.5 %	9.5 %	42.8 %	60.2 %
All Funds	(2.5) %	6.3 %	14.7 %	(9.1) %	(11.9) %
FTE Positions	373.0	373.0	373.0	373.0	375.0

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

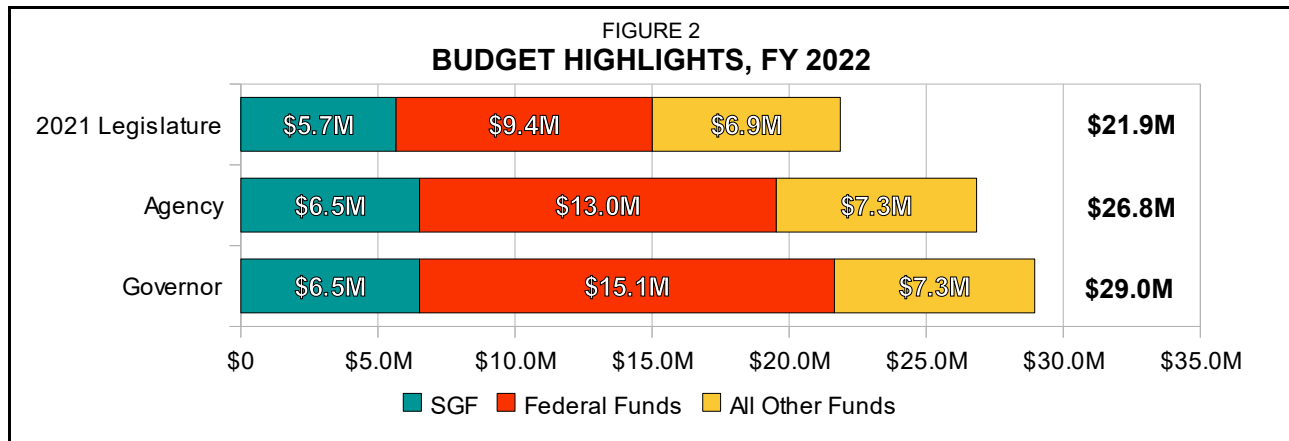
The mission of the Kansas Commission on Veterans Affairs Office (KCVAO) is to serve Kansas veterans and their families, relatives, and dependents with information, advice, direction, and assistance through the coordination of programs and services in the fields of education, health, vocational guidance and placement, and economic security.

Services provided by the agency include long-term nursing and assisted living care to eligible veterans, completion and maintenance of four state veterans' cemeteries, and coordination with federal agencies to provide financial assistance to Kansas veterans for health care and disability income.

The agency serves veterans through 15 field offices, 6 service organization offices, 2 mobile vans, and the central office located in Topeka. Additional services are provided through services grants to veterans' service organizations. Nursing and assisted living care are provided through the Kansas Soldiers' Home (KSH) at Fort Dodge, KS and the Kansas Veterans' Home (KVH) in Winfield, KS.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$21.9 million, including \$5.7 from the State General Fund (SGF), for the Kansas Commission on Veterans Affairs Office in FY 2022. No adjustments have been made subsequently to that amount.



The **agency** requests a revised estimate of \$26.8 million, including \$6.5 million SGF, in FY 2022. This is an all funds increase of \$5.0 million, or 22.7 percent, including an SGF increase of \$863,348, or 15.3 percent, above the FY 2022 approved amount.

Significant items in the agency estimate include the following:

- **FEDERAL FUNDING.** The agency request includes additional federal funding from the American Rescue Plan Act (\$2.2 million) for the veterans' homes and the Consolidated Appropriations Act of 2021 (\$355,754) for state extended care facilities to address the COVID-19 pandemic.
- **SUPPLEMENTAL REQUESTS.** The agency request includes funding requests for temporary staffing (\$500,000), Veterans Services Program (\$85,130), architect fees for a new veterans' home (\$250,000), and funding for a new Information Resource Manager position (\$36,625) in FY 2022.
- **CAPITAL IMPROVEMENTS.** The agency request includes a revised estimate of \$4.3 million, including \$111,900 SGF, in FY 2022.

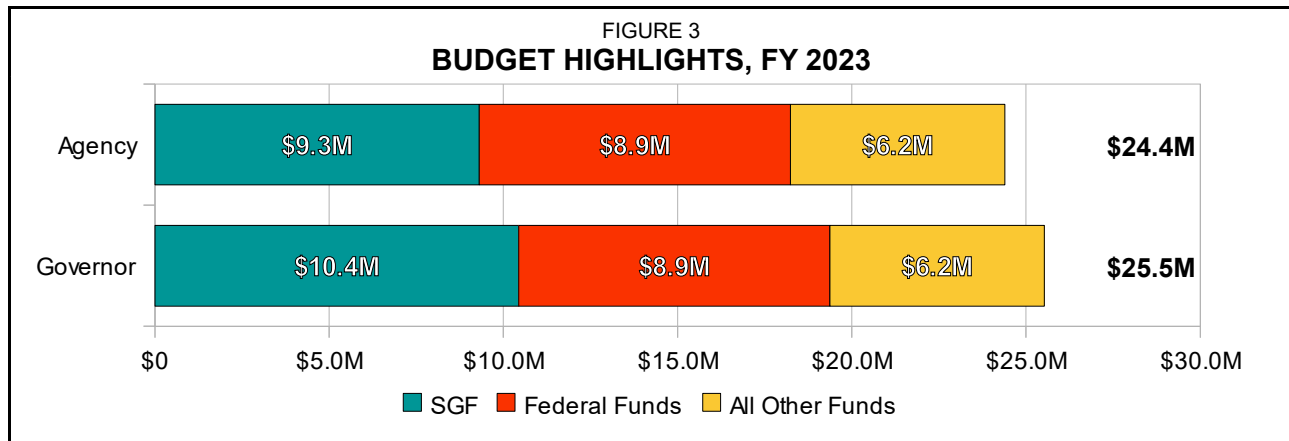
The **agency** estimate also includes 373.0 FTE positions, which is the same as the FY 2022 approved number.

The **Governor** recommends \$29.0 million, including \$6.5 million SGF, for expenditures in FY 2022. This is an increase of \$2.1 million, or 7.9 percent, above the agency's FY 2022 revised estimate.

Significant items in the Governor's recommendation include the following:

- **ARPA 24/7 PAY PLAN.** The Governor recommends adding \$2.1 million, all from the federal American Rescue Plan Act Fund, in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce Executive Committee and approved by the State Finance Council. The plan provides a base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.

The **Governor's** recommendation also includes 373.0 FTE positions, which is the same number as the agency's FY 2022 revised estimate.



The **agency** requests \$24.4 million, including \$9.3 million SGF, in expenditures for FY 2023. This is an all funds decrease of \$2.4 million, or 9.1 percent, including an SGF increase of \$2.8 million, or 42.8 percent, from the FY 2022 approved amount.

Significant items in the agency request include the following:

- **ENHANCEMENT REQUESTS.** The agency request includes funding to address revenue shortfalls (\$3.2 million), the Veterans Services Program (\$340,519), and funding for a new Information Resource Manager position (\$111,239).
- **CAPITAL IMPROVEMENTS.** The agency requests a total capital improvements estimate of \$2.0 million, including \$127,000 SGF, for FY 2023.

The **agency** request also includes 373.0 FTE positions, which is the same as the FY 2022 approved number.

The **Governor** recommends \$25.5 million, including \$10.4 million SGF, in expenditures for FY 2023. This is an increase of \$1.1 million, or 4.4 percent, above the agency's FY 2022 revised estimate.

Significant items in the Governor's recommendation include the following:

- **24/7 PAY PLAN.** The Governor also recommends adding \$4.1 million SGF for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce Executive Committee and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as the temporary pay differentials for hourly personnel.

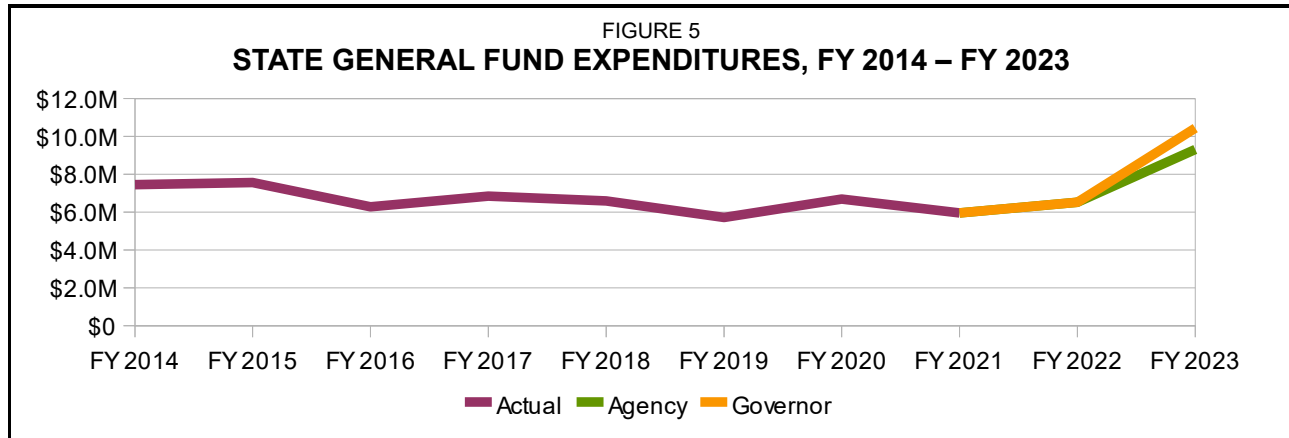
The **Governor's** recommendation also includes 375.0 FTE positions, which is 2.0 FTE positions above the agency's FY 2023 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

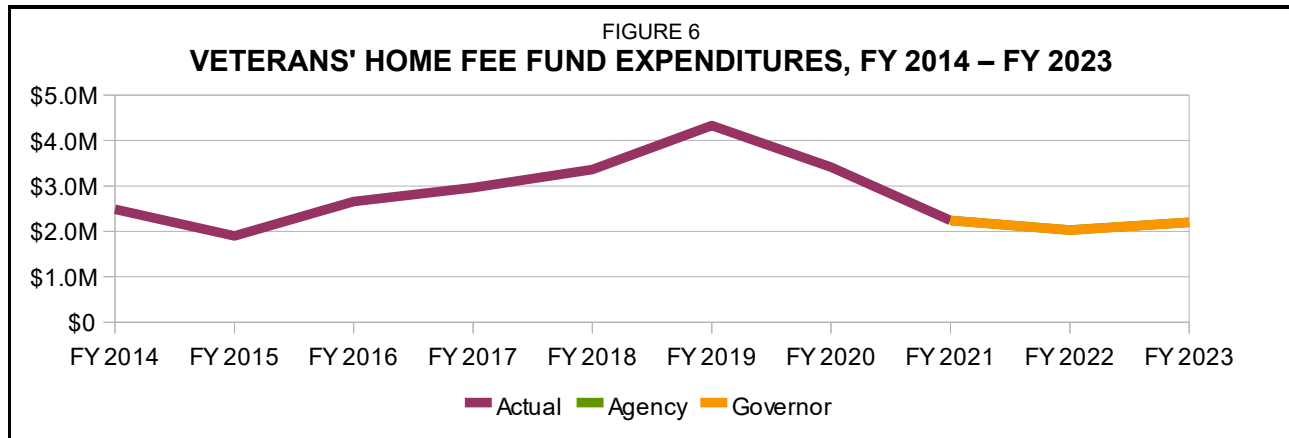
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 13,481,481	\$ 15,600,634	\$ 17,721,993	\$ 15,902,989	\$ 17,035,681
Contractual Services	7,129,076	4,670,098	4,670,098	4,017,253	4,017,253
Commodities	2,632,100	1,244,727	1,244,727	1,501,291	1,501,291
Capital Outlay	1,099,482	308,268	308,268	310,938	310,938
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 24,342,139	\$ 21,823,727	\$ 23,945,086	\$ 21,732,471	\$ 22,865,163
Aid to Local Units	-	-	-	-	-
Other Assistance	696,458	704,856	704,856	704,856	704,856
Subtotal—Operating	\$ 25,038,597	\$ 22,528,583	\$ 24,649,942	\$ 22,437,327	\$ 23,570,019
Capital Improvements	214,793	4,309,332	4,309,332	1,953,215	1,953,215
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 25,253,390	\$ 26,837,915	\$ 28,959,274	\$ 24,390,542	\$ 25,523,234
Financing:					
State General Fund	\$ 5,952,980	\$ 6,519,222	\$ 6,519,222	\$ 9,310,137	\$ 10,442,829
KVH Fee Fund	2,237,162	2,028,172	2,028,172	2,197,588	2,197,588
KSH Fee Fund	1,120,324	984,783	984,783	934,746	934,746
Federal Funds	13,351,814	13,014,355	15,135,714	8,929,271	8,929,271
All Other Funds	2,591,110	4,291,383	4,291,383	3,018,800	3,018,800
TOTAL	\$ 25,253,390	\$ 26,837,915	\$ 28,959,274	\$ 24,390,542	\$ 25,523,234
FTE Positions	373.0	373.0	373.0	373.0	375.0

STATE GENERAL FUND



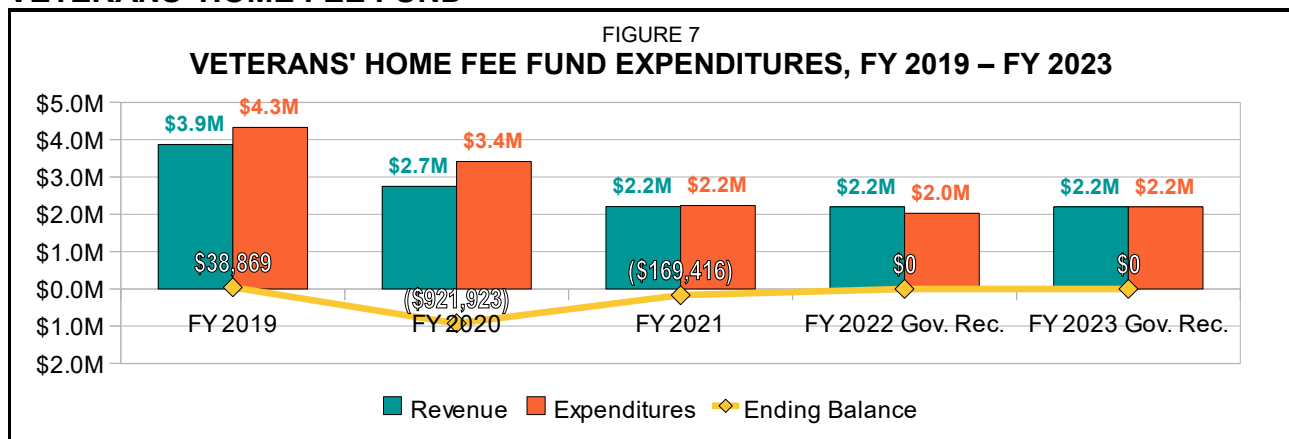
For the Kansas Commission on Veterans Affairs Office, SGF actual expenditures averaged \$6.6 million from FY 2014 to FY 2021. FY 2022 and FY 2023 budgeted expenditures increased due to several SGF enhancement requests primarily to address staffing needs at the veterans' homes and revenue shortfalls due to lower than expected census numbers at the veterans' homes.

VETERANS' HOME FEE FUND



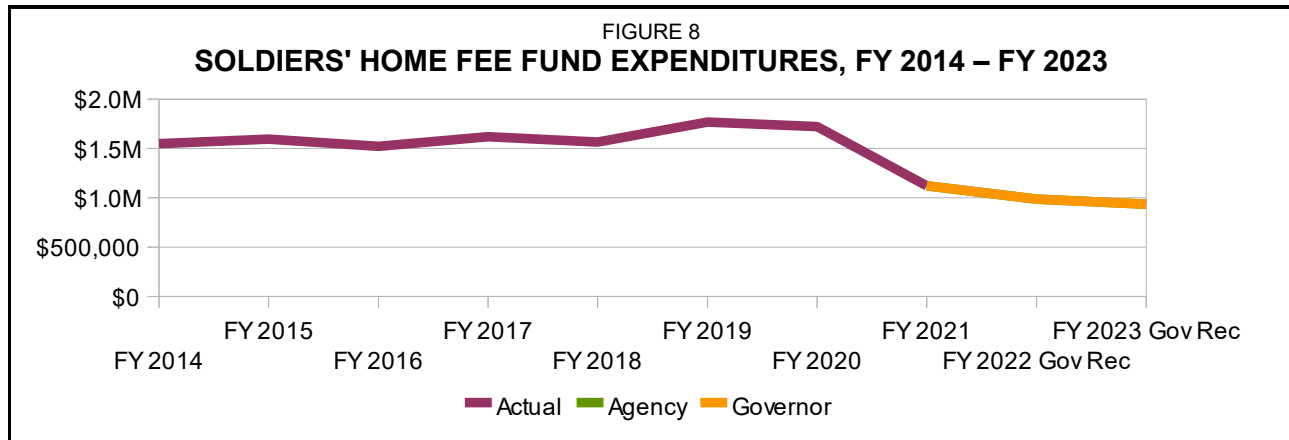
The Veterans' Home Fee Fund, authorized by KSA 76-1952, includes revenues from resident fees, interest, rent of unimproved lands, oil royalties, and other miscellaneous sources. Determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of his or her financial status. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, or any Veterans' Affairs pension or compensation program.

VETERANS' HOME FEE FUND



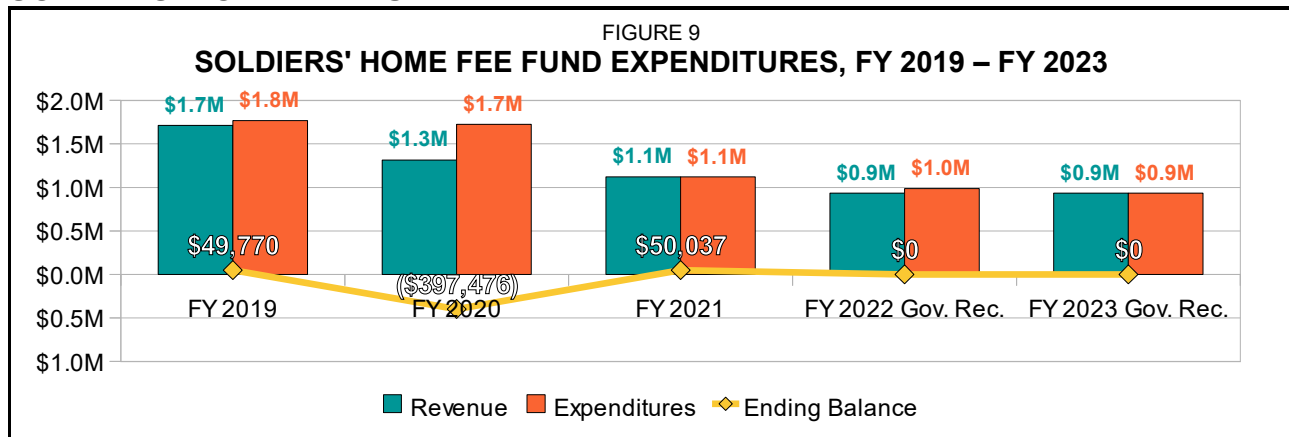
In FY 2021, a decrease in resident census due to COVID-19 pandemic negatively affected the projected revenues for FY 2022 and FY 2023. The decrease in long-term-care and domiciliary census lowers estimated revenues in FY 2022 and FY 2023. The monthly charge for a semi-private room in the domiciliary unit is \$1,658. The monthly charge for a private room in the Nursing Care Unit is \$3,394. The monthly charge for a room in the Alzheimer's Special Care Unit is \$3,820. In FY 2020, the agency indicated that it had double counted and encumbered some of its expenditures during the accounting process, which resulted in the funds showing a negative balance.

SOLDIERS' HOME FEE FUND



The Soldiers' Home Fee Fund, authorized by KSA 76-1952, includes revenues from resident fees and other miscellaneous revenues, such as farm and garage rentals, interest, and obsolete equipment and material sales. Determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of his or her financial status. Veterans and eligible dependents with limited resources are required to apply for all programs for which they are eligible, including Medicaid, Medicare, Social Security, or any Veterans' Affairs pension or compensation program.

SOLDIERS' HOME FEE FUND



The monthly charge for a room in the Domiciliary is \$1,225.05 for Veterans and \$2,249.45 for eligible dependents. The monthly charge for a semi-private room in the Nursing Care Unit is \$2,992.71 for Veterans and \$5,640.22 for eligible dependents. In FY 2020, the agency indicated that it had double counted and encumbered some of its expenditures during the accounting process which resulted in the funds showing a negative balance.

FY 2022 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 5,655,874	\$ 16,213,373	\$ 21,869,247	373.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 5,655,874</i>	<i>\$ 16,213,373</i>	<i>\$ 21,869,247</i>	<i>373.0</i>
Agency Revised Estimate:				
2. American Rescue Plan Act (KVH/KSH)	\$ -	\$ 2,172,115	\$ 2,172,115	--
3. Consolidated Appropriations Act of 2021 (KSH)	-	355,754	355,754	--
4. Winfield Columbarium Wall	-	1,410,808	1,410,808	--
5. Supplemental—Temporary Staffing	500,000	-	500,000	--
6. Supplemental—Veteran Services Program Restoration	85,130	-	85,130	--
7. Supplemental—Architect Fees for New Veterans Home	250,000	-	250,000	--
8. Supplemental—Information Resource Manager	36,625	-	36,625	--
9. All Other Adjustments	(8,407)	166,643	158,236	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 6,519,222</i>	<i>\$ 20,318,693</i>	<i>\$ 26,837,915</i>	<i>373.0</i>
Governor's Recommendation:				
10. ARPA 24/7 Pay Plan Base Increase	\$ -	\$ 284,386	\$ 284,386	--
11. ARPA 24/7 Pay Plan Shift Differential	\$ -	\$ 1,836,973	\$ 1,836,973	--
TOTAL	\$ 6,519,222	\$ 22,440,052	\$ 28,959,274	373.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$21.9 million appropriated to the Kansas Commission on Veterans Affairs Office in FY 2022.

1. **NO CHANGES.** No adjustments were made to the \$21.9 million appropriated to the Kansas Commission on Veterans Affairs Office in FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$26.8 million, including \$6.5 million SGF, in FY 2022. This is an all funds increase of \$5.0 million, or 22.7 percent, including an SGF increase of \$863,348, or 15.3 percent, above the FY 2022 approved amount.

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

2. **AMERICAN RESCUE PLAN ACT (KVH/KSH).** The agency's revised estimate includes \$2.2 million, all from federal funds, for the Veterans' and Soldiers' homes. Of this amount, \$1.2 million has been allocated to the Veterans' Home and \$960,459 for the Soldiers' Home. These moneys are one-time and can be used for operational needs, with an expiration date of September 30, 2022.
3. **CONSOLIDATED APPROPRIATIONS ACT OF 2021 (KSH).** The agency's revised estimate includes \$355,754, all from federal funds, as a one-time emergency payment to existing State extended care facilities for veterans to prevent, prepare for, and

respond to the COVID-19 pandemic. This amount is carryover of unspent funds from FY 2021 into FY 2022.

4. **WINFIELD COLUMBARIUM WALL.** The agency's revised estimate includes \$1.4 million, all from a National Cemetery Administration grant, to expand the columbarium wall at Winfield. The current wall is expected to reach capacity in the 2022 calendar year.
5. **SUPPLEMENTAL—TEMPORARY STAFFING.** The agency's revised estimate includes \$500,000 SGF for anticipated expenditures associated with the effects of the COVID-19 pandemic on skilled nursing staffing.
6. **SUPPLEMENTAL—VETERAN SERVICES PROGRAM RESTORATION.** The agency's revised estimate includes \$85,130 SGF to fund the 5.0 FTE positions in the Veterans Service program that were temporarily held vacant due to the agency's reduced resources budget.
7. **SUPPLEMENTAL—ARCHITECT FEES FOR NEW VETERANS' HOME.** The agency's revised estimate includes \$250,000 SGF to pay for an architect firm to assist in the initial application process to build a new veterans' home in northeast Kansas.
8. **SUPPLEMENTAL—INFORMATION RESOURCE MANAGER.** The agency's revised estimate includes \$36,625 SGF to hire an Information Resource Manager.
9. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other minor adjustments across multiple expenditures categories.

The agency estimate also includes 373.0 FTE positions, which is the same as the FY 2022 approved amount.

GOVERNOR'S RECOMMENDATION

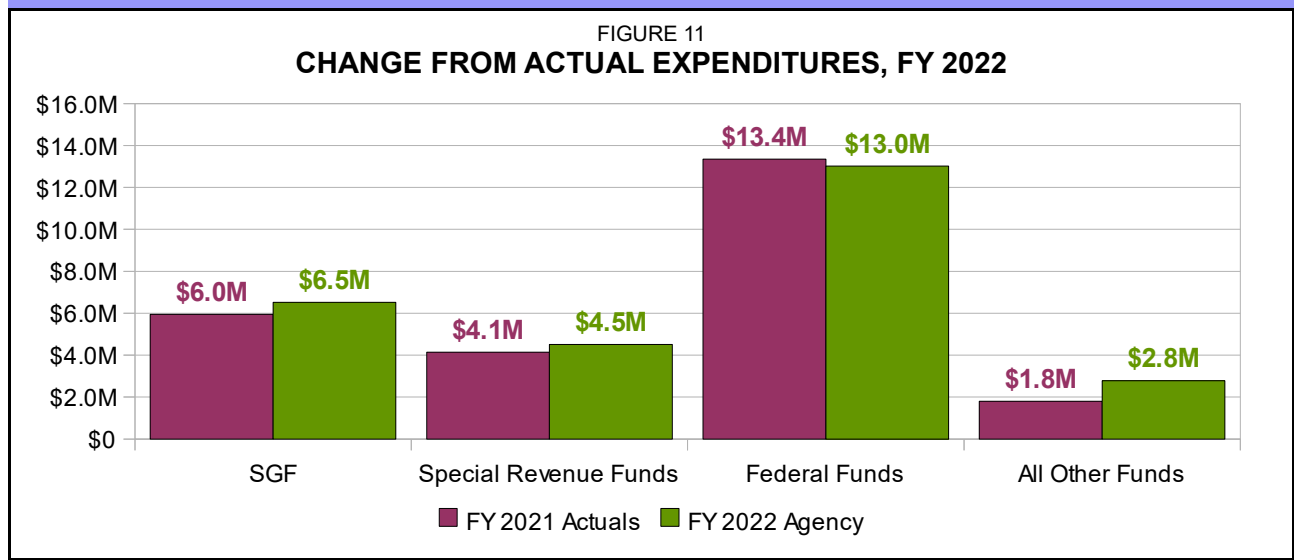
The **Governor** recommends \$29.0 million, including \$6.5 million SGF, for expenditures in FY 2022. This is an increase of \$2.1 million, or 7.9 percent, above the agency's FY 2022 revised estimate.

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

10. **ARPA 24/7 PAY PLAN BASE INCREASE.** The recommendation includes an increase of \$284,386, all from the federal American Rescue Plan State Relief Fund, for the permanent increase to the base pay of nursing staff at the veterans homes.
11. **ARPA 24/7 PAY PLAN SHIFT DIFFERENTIAL.** The recommendation includes an increase of \$1.8 million, all from the federal American Rescue Plan State Relief Fund, to provide an increased hourly rate in certain circumstances and a bonus to salaried positions.

The **Governor's** recommendation also includes 373.0 FTE positions, which is the same as the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures totaling \$26.9 million, including \$6.5 million SGF. This is an all funds increase of \$1.6 million, or 6.2 percent, and an SGF increase of \$566,242, or 9.5 percent, above the FY 2021 actual expenditures. These changes are attributable to decreased COVID-19 pandemic relief expenditures during FY 2021, such as federal CARES Act and Provider Relief Fund moneys not carrying over into FY 2022.

FY 2023 ANALYSIS

FIGURE 12
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 6,519,222	\$ 20,318,693	\$ 26,837,915	373.0
Agency Request:				
1. Capital Improvements Adjustment	15,100	(2,371,217)	(2,356,117)	--
2. Enhancement—Revenue Shortfall	\$ 3,204,752	\$ -	\$ 3,204,752	--
3. Enhancement—Veteran Services Program Restoration	340,519	-	340,519	--
4. Enhancement—Information Resource Manager	111,239	-	111,239	--
5. All Other Adjustments	(880,695)	(2,867,071)	(3,747,766)	--
Subtotal—Agency Request	\$ 9,310,137	\$ 15,080,405	\$ 24,390,542	373.0
Governor's Recommendation:				
6. 24/7 Pay Plan Base Increase	\$ 528,145	\$ -	\$ 528,145	--
7. 24/7 Pay Plan Shift Differential	3,595,549	-	3,595,549	--
8. Enhancement—Revenue Shortfall	(3,204,752)	-	(3,204,752)	--
9. Director of Public Information	97,500	-	97,500	1.0
10. Director of Operations	116,250	-	116,250	1.0
TOTAL	\$ 10,442,829	\$ 15,080,405	\$ 25,523,234	375.0

AGENCY REQUEST

The **agency** requests \$24.4 million, including \$9.3 million SGF, in expenditures for FY 2023. This is an all funds decrease of \$2.5 million, or 8.9 percent, and an SGF increase of \$2.8 million, or 42.8 percent, from the FY 2022 revised estimate.

The agency request includes the following adjustments:

- CAPITAL IMPROVEMENTS ADJUSTMENT.** The agency's request includes capital improvement expenditure adjustments, which reflect grant funding that expired in FY 2022 and the completion of other projects that do not carry over into FY 2023.
- ENHANCEMENT—REVENUE SHORTFALL.** The agency's enhancement request includes a total of \$3.2 million SGF for FY 2023 to protect the agency against estimated revenue shortfall for the Kansas Veterans' Home (\$1.4 million) and the Kansas Soldiers' Home (\$1.8 million). The shortfall is the result of lower than expected census numbers that results in reduced federal funding.
- ENHANCEMENT—VETERAN SERVICES PROGRAM RESTORATION.** The agency's enhancement request includes \$340,519 SGF to fund the 5.0 FTE positions in the Veterans Service program that were temporarily held vacant due to the agency's reduced resources budget. This is a continuation of the agency's FY 2022 supplemental request.
- ENHANCEMENT—INFORMATION RESOURCE MANAGER.** The agency's enhancement request includes \$111,239 SGF to hire an Information Resource Manager to supervise existing IT staff, develop standards and guidelines to ensure compliance with state and federal regulations, and collaborate with other agencies and organizations. This is a continuation of the agency's FY 2022 supplemental request.

5. **ALL OTHER ADJUSTMENTS.** The agency's requests includes adjustments in all categories of expenditure and includes a reduction in federal funds received due to federal ARPA and Consolidated Appropriations Act funding not carrying over in the agency's FY 2023 budget request.

The agency request also includes 373.0 FTE positions, which is the same as the FY 2022 approved number.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$25.5 million, including \$10.4 million SGF, in expenditures for FY 2023. This is an increase of \$1.1 million, or 4.4 percent, above the agency's FY 2022 revised estimate.

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

6. **24/7 PAY PLAN BASE INCREASE.** The recommendation includes \$528,145 SGF for the permanent increase to the base pay of nursing staff at the veterans homes.
7. **24/7 PAY PLAN SHIFT DIFFERENTIAL.** The recommendation includes \$3.6 million SGF to provide an increased hourly rate in certain circumstances and a bonus to salaried positions.
8. **ENHANCEMENT—REVENUE SHORTFALL.** The recommendation does not include \$3.2 million SGF for FY 2023 to protect the agency against estimated revenue shortfall for the Kansas Veterans' Home (\$1.4 million) and the Kansas Soldiers' Home (\$1.8 million).
9. **DIRECTOR OF PUBLIC INFORMATION.** The recommendation includes \$97,500 SGF and 1.0 FTE position to hire a Director of Public Information for the agency.
10. **DIRECTOR OF OPERATIONS.** The recommendation includes \$116,250 SGF and 1.0 FTE position to hire a Director of Operations for the agency.

The **Governor's** recommendation also includes 375.0 FTE positions, which is 2.0 FTE positions above the agency's FY 2023 request.

SUPPLEMENTAL REQUESTS

FY 2022 SUPPLEMENTAL REQUESTS					
Item	Agency		Gov. Rec.		
	SGF	All Funds	SGF	All Funds	
Temporary Staffing	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	
Veteran Services Program Restoration	85,130	85,130	85,130	85,130	
Architect Fees for New Veterans Home	250,000	250,000	250,000	250,000	
Information Resource Manager	36,625	36,625	36,625	36,625	
TOTAL	\$ 871,755	\$ 871,755	\$ 871,755	\$ 871,755	

TEMPORARY STAFFING. The agency reports that that it is difficult to recruit and retain staff, and when the agency cannot use existing staff to meet scheduling demands, temporary agency staffing must be utilized to provide care to residents. The amount requested is to address the increased costs associated with hiring temporary staff.

The Governor recommends adoption of this request.

VETERAN SERVICES PROGRAM RESTORATION. As part of the agency's reduced resources budget in FY 2021, the agency ceased all itinerant travel and temporarily held open 5.0 FTE positions in the Veterans Services program. The positions were for Veteran Services Representatives who provide claims and outreach services. In the 2021 Governor's Budget Amendment No. 3, the Governor recommended and the Legislature approved adding funds in FY 2022 to partially restore the reduction to the agency travel expenditures. The current amount reflects what the agency will need for the final quarter of FY 2022.

The Governor recommends adoption of this request.

ARCHITECT FEES FOR NEW VETERANS' HOME. In March 2021, Executive Order 21-07 instructed the agency to submit an initial application to the federal U.S. Department of Veterans Affairs for construction of a state veterans' home in northeast Kansas on or before April 15, 2022. The agency, in conjunction with the Department of Administration, determined that it will be necessary to hire an architect firm to assist in completing the application.

The Governor recommends adoption of this request.

INFORMATION RESOURCE MANAGER. The agency requests funding to hire an Information Resource Manager (IRM) to supervise existing information technology (IT) staff, develop standards and guidelines to ensure compliance with state and federal regulations, and collaborate with other agencies and organizations. The IRM will be responsible for managing the information resources to ensure the successful delivery of services for the agency, including cybersecurity, internet, intranet networks, data networks, wireless network, voice networks, cellular services, data governance, and all related software services at the Central Office, veterans homes, field offices, cemeteries, and remote telework locations.

The Governor recommends adoption of this request.

ENHANCEMENT REQUESTS

FY 2023 ENHANCEMENT REQUESTS					
Item	Agency		Gov. Rec.		
	SGF	All Funds	SGF	All Funds	
Revenue Shortfall	\$ 3,204,752	\$ 3,204,752	\$ -	\$ -	
Veteran Services Program Restoration	340,519	340,519	340,519	340,519	
Information Resource Manager	111,239	111,239	111,239	111,239	
TOTAL	\$ 3,656,510	\$ 3,656,510	\$ 451,758	\$ 451,758	

REVENUE SHORTFALL. The agency estimates shortfalls totaling \$1.8 million in FY 2023 for the Kansas Soldiers' Home and a shortfall totaling \$1.4 million in FY 2023 for the Kansas Veterans' Home. The agency indicates it will seek to increase census numbers by 10.0 percent, in the aggregate, over the next year and half to reduce stress on limited state resources.

The Governor does not recommend adoption of this request.

VETERAN SERVICES PROGRAM RESTORATION. As part of the agency's reduced resources budget in FY 2021, the agency ceased all itinerant travel and temporarily held open 5.0 FTE positions in the Veterans Services program. The positions were for Veteran Services Representatives, who provide claims and outreach services. In the 2021 Governor's Budget Amendment No. 3, the Governor recommended and the Legislature approved adding funds in FY 2022 to partially restore the reduction to the agency travel expenditures. The current amount reflects what the agency would need for the final quarter of FY 2022.

The Governor recommends adoption of this request.

INFORMATION RESOURCE MANAGER. The agency requests funding to hire an Information Resource Manager (IRM) to supervise existing information technology (IT) staff, develop standards and guidelines to ensure compliance with state and federal regulations, and collaborate with other agencies and organizations. The IRM will be responsible for managing the information resources to ensure the successful delivery of services for the agency, including cybersecurity, internet, intranet networks, data networks, wireless network, voice networks, cellular services, data governance, and all related software services at the Central Office, veterans homes, field offices, cemeteries, and remote telework locations.

The Governor recommends adoption of this request.

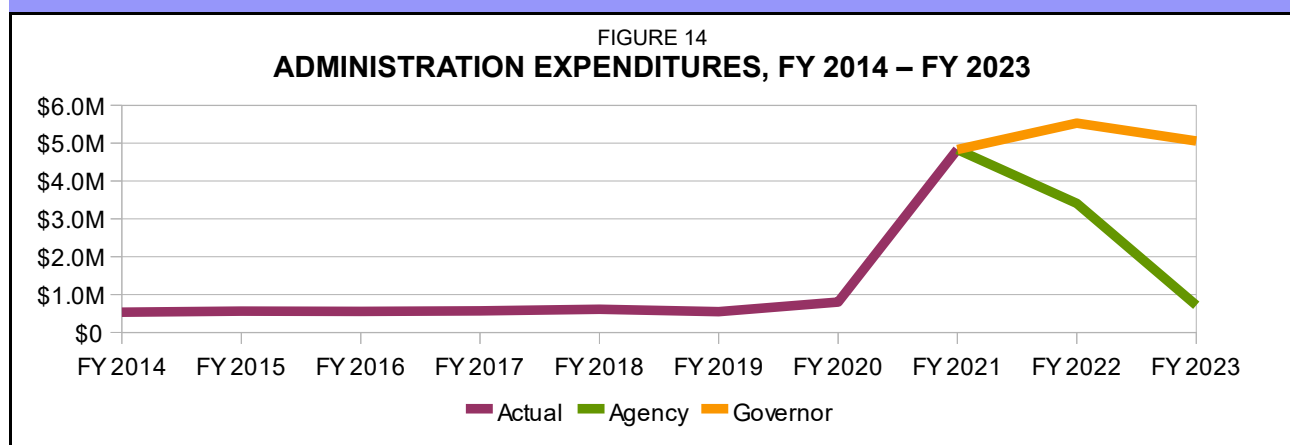
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 13 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 4,829,836	\$ 3,406,730	\$ 5,528,089	\$ 721,881	\$ 5,059,325
Cemeteries	1,024,763	1,084,936	1,084,936	1,089,754	1,089,754
Kansas Soldiers' Home	6,215,856	6,730,012	6,730,012	8,083,572	6,236,119
Kansas Veterans' Home	8,775,186	8,576,711	8,576,711	9,544,778	8,187,479
Veterans Services	2,562,139	2,730,194	2,730,194	2,997,342	2,997,342
Capital Improvements	1,845,610	4,309,332	4,309,332	1,953,215	1,953,215
TOTAL	\$ 25,253,390	\$ 26,837,915	\$ 28,959,274	\$ 24,390,542	\$ 25,523,234
FTE Positions:					
Administration	7.0	7.0	7.0	7.0	9.0
Cemeteries	17.0	17.0	17.0	17.0	17.0
Kansas Soldiers' Home	119.0	119.0	119.0	119.0	119.0
Kansas Veterans' Home	196.0	196.0	196.0	196.0	196.0
Veterans Services	34.0	34.0	34.0	34.0	34.0
Capital Improvements	--	--	--	--	--
TOTAL	373.0	373.0	373.0	373.0	375.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 73-1208e; KSA 73-1209

PROGRAM GOALS: • Provide guidance and oversight for Veteran programs.
• Provide fiscal, human resources, and IT services to other program areas.

The Administration program provides guidance and oversight for all veteran programs while also providing leadership, direction, technical guidance, and support for all agency staff. The program contains the agency's fiscal services, human resources, and information technology functions. The program oversees

the Central Office in Topeka, which includes the Agency Director and administrative staff, the State Veteran Services Program Director, the State Cemetery Program Director, the Human Resource Director, and the Chief Property and Fiscal Officer and staff.

FIGURE 15
ADMINISTRATION, PERFORMANCE MEASURES

There were no performance measures submitted for this program.

	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
Financing					
SGF	\$ 575,614	\$ 732,752		\$ 878,861	\$ 5,059,325
Federal Funds	223,209	4,098,357		4,649,228	-
All Other Funds	1,594	(1,273)		-	-
TOTAL	\$ 800,417	\$ 4,829,836		\$ 5,528,089	\$ 5,059,325
Percentage Change:					
SGF	4.7 %	27.3 %		19.9 %	475.7 %
All Funds	45.7 %	503.4 %		14.5 %	(8.5) %
FTE Positions	7.0	7.0		9.0	9.0

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency** requests \$3.4 million, including \$878,861 SGF, in FY 2022. This is an all funds increase of \$2.8 million, or 475.2 percent, and an SGF increase of \$286,625, or 48.4 percent, above the approved amount. The increase is primarily due to the agency's receipt of federal ARPA funds (\$2.2 million), federal Consolidated

Appropriations Act funds (\$355,754), and a supplemental request for architect fees for the new veterans' home in northeast Kansas.

The **Governor** recommends \$5.5 million, including \$878,861 SGF, for FY 2022. The recommendation is an increase of \$2.1 million

above the agency's FY 2022 revised estimate. The increase is attributable to the Governor's recommendation to add federal funding to for the 24/7 pay initiative recommended by the SPARK Taskforce Executive Committee and approved by the State Finance Council.

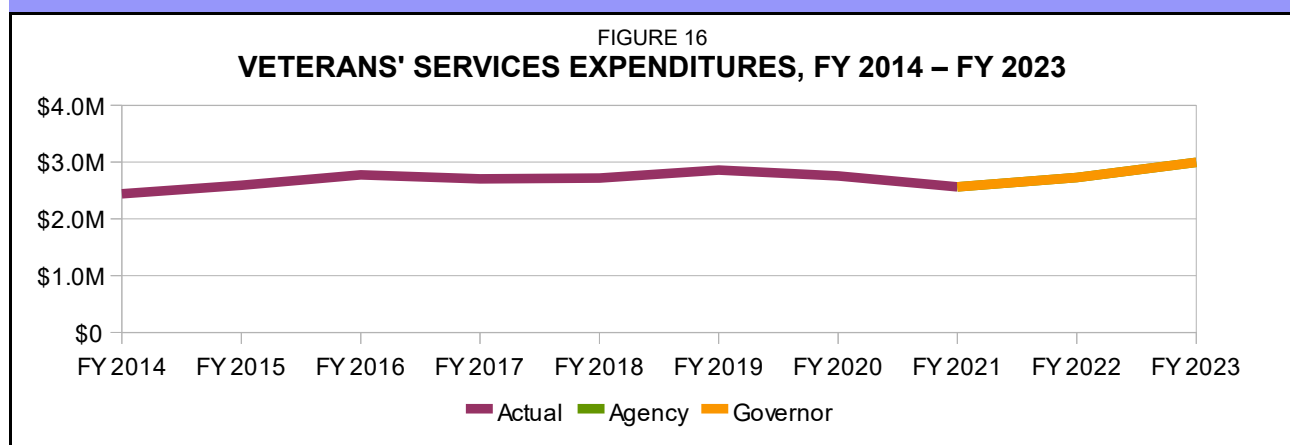
FY 2023 REQUEST

The **agency** requests \$721,881 SGF for FY 2023. This is an all funds decrease of \$2.4 million, or 9.1 percent, and an SGF decrease of \$156,908, or 17.0 percent, below the FY 2022 revised estimate. The decrease is due to ARPA and Consolidated Appropriations Act moneys not carrying over into FY 2023, and the FY 2022 supplemental request for architect fees for

the new veterans' home in northeast Kansas not reoccurring for FY 2023.

The **Governor** recommends expenditures of \$5.1 million SGF for FY 2023. This is an increase of \$4.3 million, or 85.7 percent, above the agency's FY 2023 request. The increase is due to the Governor funding 2.0 FTE positions for the Director of Public Information and the Director of Operations. Additionally, the Governor also recommends adding \$4.1 million SGF to continue the 24/7 pay initiative recommended by the SPARK Taskforce Executive Committee and approved by the State Finance Council.

VETERANS' SERVICES



STATUTORY BASIS: • KSA 73-1208f; KSA 73-1209; KSA 73-1234; KSA 74-8724; KSA 73-1238

PROGRAM GOALS: • Provide information and advocacy to Kansas Veterans and eligible family members by assisting them in obtaining all federal and state benefits they have earned.

The Veterans' Services program provides and administers a system by which the eligible residents of Kansas can obtain assistance and advice in procuring benefits from the state and federal governments in the area of veterans' or survivors' benefits. Services are provided through 13 field offices located throughout the state, 2 mobile vans, and 6 offices located in the federal Department of Veterans' Affairs (VA) Medical Centers in Topeka, Leavenworth, and Wichita.

Additional services are provided through service grants to Veterans' Service Organizations (VSOs). Where services through VSOs are not available, the agency's Veteran Services Representatives provide support. Quality control measures are performed at the Wichita VA Medical Center. Services provided by the program include assistance with obtaining services in the areas of education, health, vocational guidance, and economic security. KCVAO is the state approving agency for the federal GI Bill Education program.

FIGURE 17
VETERANS' SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Monetary Value of Claims Awarded (in Millions)	\$ 199.4	\$ 202.4	\$ 190.0	\$ 200.0	\$ 205.0
2.New Claims Submitted*	6,310	6,062	7,715	6,250	6,500
3.Veterans in Database*	100,505	106,098	95,644	107,500	109,000
Output Measure:					
4.Number of outreach briefings/events	376	27	312	215	375
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,055,980	\$ 2,112,998		\$ 2,029,387	\$ 2,259,184
Federal Funds	174,915	175,068		175,583	175,573
All Other Funds	525,213	274,073		525,224	562,585
TOTAL	\$ 2,756,108	\$ 2,562,139		\$ 2,730,194	\$ 2,997,342

Percentage Change:					
SGF	(5.5) %	2.8 %		(4.0) %	11.3 %
All Funds	(3.6) %	(7.0) %		6.6 %	9.8 %
FTE Positions	34.0	34.0		34.0	34.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency** requests \$2.7 million, including \$2.0 million SGF, in FY 2022. This is a decrease of \$31,945, or 1.2 percent, below the approved amount. The decrease is primarily due to changes in rent and transportation expenditures.

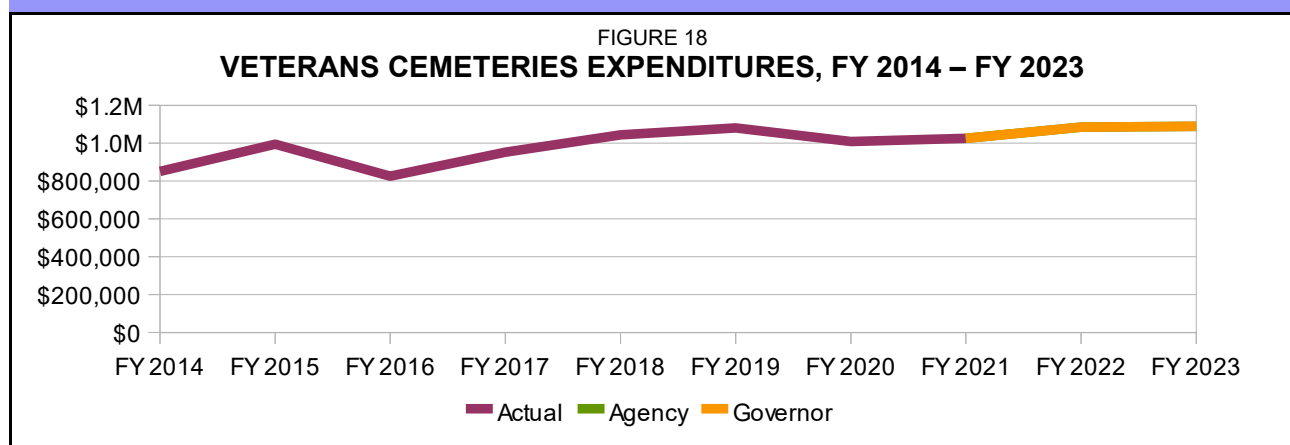
The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The **agency** requests \$3.0 million, including \$2.3 million SGF, for FY 2023. This is an increase of \$267,148, or 9.8 percent, above the FY 2022 revised estimate. The increase is primarily attributable to salaries and wages, including fringe benefits.

The **Governor** concurs with the agency's FY 2023 request.

VETERANS CEMETERIES



STATUTORY BASIS: • KSA 73-1232

PROGRAM GOALS: • Provide Veterans and their eligible family members with interment opportunities for burial with dignity and honor in a Kansas Veterans' Cemetery.

The Veterans Cemeteries program provides veterans and their eligible dependents with internment opportunities for burial in a Kansas veterans' cemetery. The program manages and operates the four veterans' cemeteries and provides staff support and assistance to veterans statewide regarding their interment options and procedures for pre-certification. Cemetery construction was 100.0 percent

funded by federal grants from the federal Department of Veterans' Affairs National Cemetery Administration State Cemetery Grants Programs. Ongoing cemetery operations are largely funded by the State, with minimal federal funding. The cemeteries are located at Fort Dodge, Fort Riley, WaKeeney, and Winfield.

FIGURE 19
VETERANS CEMETERIES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of burials per year	361	391	384	377	380
2.Number of pre-certifications received per year	411	426	404	400	405
Output Measure:					
3.Number of funeral homes visited/contacted per year to update/promote the cemeteries	18	-	-	25	25
4.Number of events (speaking/handout information) attended locally and statewide	8	3	10	10	10
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 610,456	\$ 667,595		\$ 603,040	\$ 598,689
Federal Funds	379,442	215,949		257,690	266,860
All Other Funds	19,055	141,219		224,206	224,205
TOTAL	\$ 1,008,953	\$ 1,024,763		\$ 1,084,936	\$ 1,089,754
Percentage Change:					
SGF	2.0 %	9.4 %		(9.7) %	(0.7) %
All Funds	(6.6) %	1.6 %		5.9 %	0.4 %
FTE Positions	17.0	17.0		17.0	17.0

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency's** revised estimates totals \$1.1 million, including \$603,040 SGF, in FY 2022. This is an increase of \$18,836, or 1.8 percent, above the approved amount. The increase is primarily due to equipment and machinery expenditures.

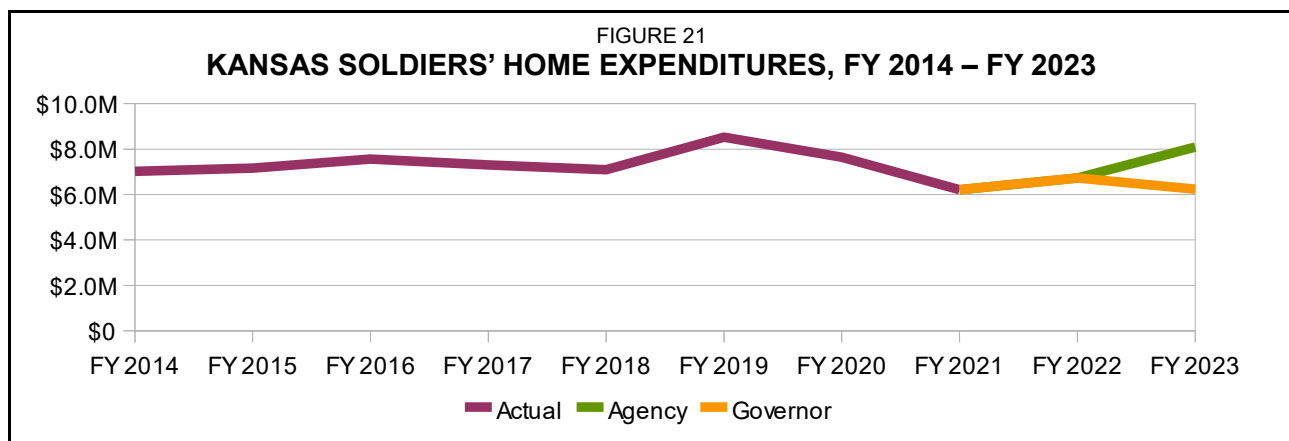
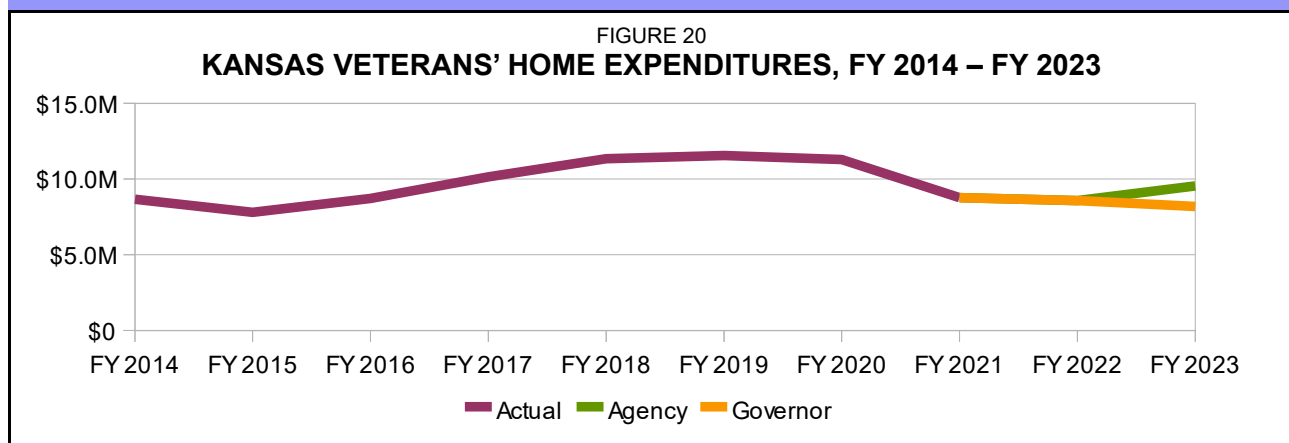
The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The **agency** requests \$1.1 million, including \$598,869 SGF, for FY 2023. This is an increase of \$4,818, or 0.4 percent, above the FY 2022 revised estimate. The increase is primarily attributable to utilities, equipment, and machinery expenditures.

The **Governor** concurs with the agency's FY 2023 request.

VETERANS' NURSING HOMES



STATUTORY BASIS: • KSA 76-1901 through 76-1941; KSA 76-1951 through 76-1958

PROGRAM GOALS:

- Provide quality long term health care services to eligible Kansas Veterans through services provided by the Kansas Veterans' Home and Kansas Soldiers' Home.
- Kansas Veterans' Home and Kansas Soldiers' Home will maintain fiscal integrity and good relations with other state agencies, vendors, and contractors.
- Maintain and encourage facilities' connections with the local community area media outlets, and local and national service organizations.

The Veterans' Nursing Homes program's primary purpose is to take care of any person who served in the active military service of the United States during any period of war, or who served in the active military service of the United States during peacetime and is entitled to VA hospitalization or domiciliary care under Title 38 of the United States Code and the federal VA rules and regulations. The homes serve these eligible veterans who have been discharged under conditions other than dishonorable who may be disabled by disease, wounds, old age, or otherwise disabled, and who, by reason of such disability, are incapacitated from earning a living.

The program's secondary purpose is to provide domiciliary care, such as shelter, food, and necessary medical care, on an ambulatory self-care basis to assist eligible veterans who are suffering from a disability, disease, or defect of such a degree that incapacitates the veteran from earning a living, but who are not in need of hospitalization or nursing care services.

Both the Kansas Veterans' Home (KVH) and Kansas Soldiers' Home (KSH) may provide nursing home care and domiciliary care, on a space-available basis, to veteran family members; i.e. spouses, surviving spouses, and Gold Star parents.

FIGURE 22
VETERANS' NURSING HOMES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average Daily Census (KVH)	104	94	109	94	101
2. Average Daily Census (KSH)	96	81	96	76	85
3. Hours Per Resident Day (KVH)	4.58	4.99	4.61	4.70	4.75
4. Hours Per Resident Day (KSH)	4.27	4.52	4.35	4.52	4.25
5. VA/CMS deficiencies in business practices (KVH)	-	-	0.67	-	-
6. VA/CMS deficiencies in business practices (KSH)	-	-	-	-	-
7. Volunteer hours logged (KVH)*	1,663	568	1,901	1,000	1,500
8. Volunteer hours logged (KSH)*	3,250	-	-	2,500	4,500
Output Measure:					
9. LTC Residents on Medicaid (KVH)*	29.0 %	30.0 %	28.0 %	30.0 %	30.0 %
10. LTC Residents on Medicaid (KSH)*	50.0 %	50.0 %	50.0 %	50.0 %	50.0 %
11. Outreach/Speaking engagements promoting the home (KVH)*	3	2	5	5	5
12. Outreach/Speaking engagements promoting the home (KSH)*	12	3	8	10	10
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,453,609	\$ 2,393,135		\$ 2,896,034	\$ 2,398,631
Federal Funds	3,370,046	8,862,440		8,642,405	8,486,838
All Other Funds	12,103,462	3,735,467		3,768,284	3,538,129
TOTAL	\$ 18,927,117	\$ 14,991,042		\$ 15,306,723	\$ 14,423,598
Percentage Change:					
SGF	44.4 %	(30.7) %		21.0 %	(17.2) %
All Funds	(5.7) %	(20.8) %		2.1 %	(5.8) %
FTE Positions	315.0	315.0		315.0	315.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

FY 2022 REVISED ESTIMATE

The **agency's** revised estimate for **Kansas Veterans' Home** expenditures totals \$8.6 million, including \$1.0 SGF, in FY 2022. This is an increase of \$393,768, or 4.8 percent, above the approved amount. The increase is primarily due to a reduction in salaries and wages shrinkage (\$1.3 million).

The **Governor** concurs with the agency's FY 2022 revised estimate.

The **agency's** revised estimate for **Kansas Soldiers' Home** expenditures total \$6.7 million, including \$1.9 million SGF, in FY 2022. This is a decrease of \$645,625, or 8.8 percent, below the

approved amount. The decrease is primarily staffing and recruiting services.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 REQUEST

The **agency** requests **Kansas Veterans' Home** expenditures of \$9.5 million, including \$1.9 million SGF, for FY 2023. This is an increase of \$968,067, or 11.3 percent, above the FY 2022 revised estimate. The increase is primarily attributable to utilities, accountants, and temporary staffing and the agency's enhancement requests.

The **Governor** recommends expenditures of \$8.2 million, including \$531,890 SGF, for FY 2023. This is a decrease of \$1.4 million SGF, or 16.6 percent, below the agency's FY 2023 request. This reduction is due to the Governor not recommending the agency's enhancement request to address revenue shortfall at the Kansas Veterans' Home.

The **agency** requests **Kansas Soldiers' Home expenditures** of \$8.1 million, including \$3.7 million SGF, for FY 2023. This is an increase of \$1.4 million, or 20.1 percent, above

the FY 2022 revised estimate. The increase is primarily attributable to staffing and recruiting services.

The **Governor** recommends expenditures of \$6.2 million, including \$1.9 million SGF, for FY 2023. This is a decrease of \$1.8 million SGF, or 29.6 percent, below the agency's FY 2023 request. This reduction is due to the Governor not recommending the agency's enhancement request to address revenue shortfall at the Kansas Soliders' Home.

CAPITAL IMPROVEMENTS

FIGURE 23 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
KVH Rehab. and Repair and Other Projects	\$ 758,281	\$ 1,270,413	\$ 1,270,413	\$ 1,040,856	\$ 1,040,856
KSH Rehab. and Repair and Other Projects	990,993	1,516,211	1,516,211	785,359	785,359
Cemeteries Rehab. and Repair and Other Projects	96,336	1,522,708	1,522,708	127,000	127,000
TOTAL	\$ 1,845,610	\$ 4,309,332	\$ 4,309,332	\$ 1,953,215	\$ 1,953,215
Financing:					
SGF	\$ 46,500	\$ 111,900	\$ 111,900	\$ 127,000	\$ 127,000
Federal Funds	-	1,410,808	1,410,808	-	-
All Other Funds	1,799,110	2,786,624	2,786,624	1,826,215	1,826,215
TOTAL	\$ 1,845,610	\$ 4,309,332	\$ 4,309,332	\$ 1,953,215	\$ 1,953,215

FY 2022 CAPITAL IMPROVEMENTS

The **agency's** revised estimate totals \$4.3 million, including \$111,900 SGF, in FY 2022. This is an all funds increase of \$2.4 million, or 128.0 percent, and an SGF increase of \$65,400, or 58.4 percent, above the approved amount. The increase is primarily attributable to

a federal grant for the Winfield Columbarium Wall and the start of new projects.

The **Governor** concurs with the agency's FY 2022 revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$2.0 million, including \$127,000 SGF, for FY 2023. This is an all funds decrease of \$2.4 million, or 54.7 percent, and an SGF increase of \$15,100 or 13.5.4 percent, from the FY 2022 revised estimate. The all funds decrease is primarily attributable to the

anticipated completion of the Winfield Columbarium project and other project in FY 2022.

The **Governor** concurs with the agency's FY 2023 request.

KANSAS DEPARTMENT OF LABOR

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

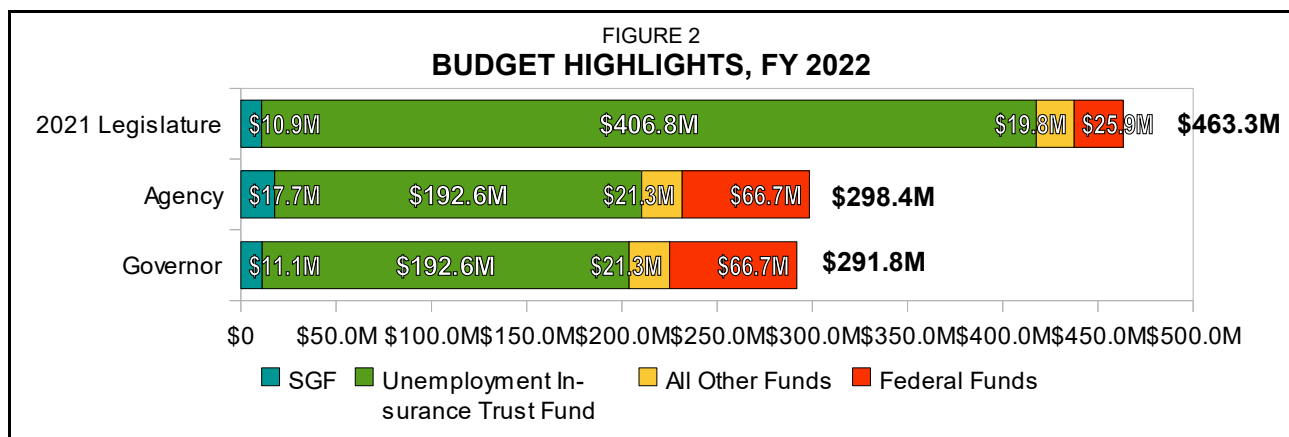
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 1,442,245	\$ 17,738,541	\$ 11,142,773	\$ 8,487,793	\$ 3,912,564
Federal Funds	207,818,132	55,709,978	55,709,978	37,459,477	37,459,477
All Other Funds	1,807,336,449	223,218,852	223,218,852	174,348,922	174,348,922
<i>Subtotal</i>	<i>\$ 2,016,596,826</i>	<i>\$ 296,667,371</i>	<i>\$ 290,071,603</i>	<i>\$ 220,296,192</i>	<i>\$ 215,720,963</i>
Capital Improvements:					
State General Fund	\$ 40	\$ -	\$ -	\$ -	\$ -
Federal Funds	83	-	-	-	-
All Other Funds	1,408,874	1,745,000	1,745,000	1,555,000	1,555,000
<i>Subtotal</i>	<i>\$ 1,408,997</i>	<i>\$ 1,745,000</i>	<i>\$ 1,745,000</i>	<i>\$ 1,555,000</i>	<i>\$ 1,555,000</i>
TOTAL	\$ 2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
Percentage Change:					
State General Fund	49.8 %	1,129.9 %	672.6 %	(52.2) %	(64.9) %
All Funds	49.4 %	(85.2) %	(85.5) %	(25.7) %	(25.5) %
FTE Positions	485.9	595.9	485.9	595.9	511.9

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

The Kansas Department of Labor's mission is to provide workers and employers with information and services that are accurate and timely, efficient and effective, and fair and impartial. The agency has six programs to assist with the agency's mission: Administration and Support Services, Labor Market Information Services, Unemployment Insurance Services, Industrial Safety and Health, Workers Compensation, and Labor Relations and Employment Standards.

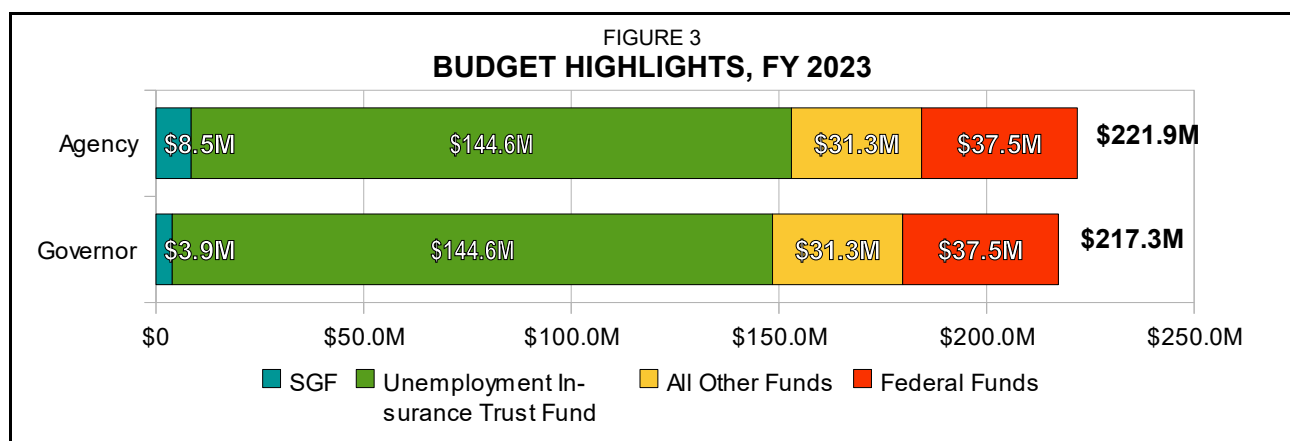
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$467.1 million, including \$10.9 million from the State General Fund (SGF), appropriated to the Kansas Department of Labor for FY 2022. The agency carried over \$3,180 SGF from FY 2021 to FY 2022. This brings the approved SGF amount to \$10.9 million in FY 2022.



The **agency** estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount. The SGF increase is due to the agency's supplemental request for additional staffing in the Administration and Unemployment Insurance Services programs. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The agency states it estimates decreased benefit expenditures as additional federal benefit program have ended and fewer individuals are claiming benefits. This decrease is partially offset by increased federal COVID-19 relief funds. In August 2021, the State Finance Council approved \$11.0 million in federal COVID-19 relief funds for surge staffing in the agency's call center.

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate. This decrease is due to the Governor not recommending the agency's enhancement request for staffing for the Administration and Unemployment Insurance Benefits programs. This decrease is partially offset by the Governor's recommendations for salary enhancements for customer service representatives and adjudicators and for costs to implement 2021 Special Session HB 001, which requires the agency to investigate complaints filed under the provisions of the bill.



The **agency** requests FY 2023 expenditures of \$225.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate. The SGF decrease is due to the unemployment insurance benefit system update, which occurred in FY 2022 and does not reoccur in FY 2023, partially offset by the agency's enhancement request for additional staffing. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits and decreased federal COVID-19 relief funds for FY 2023.

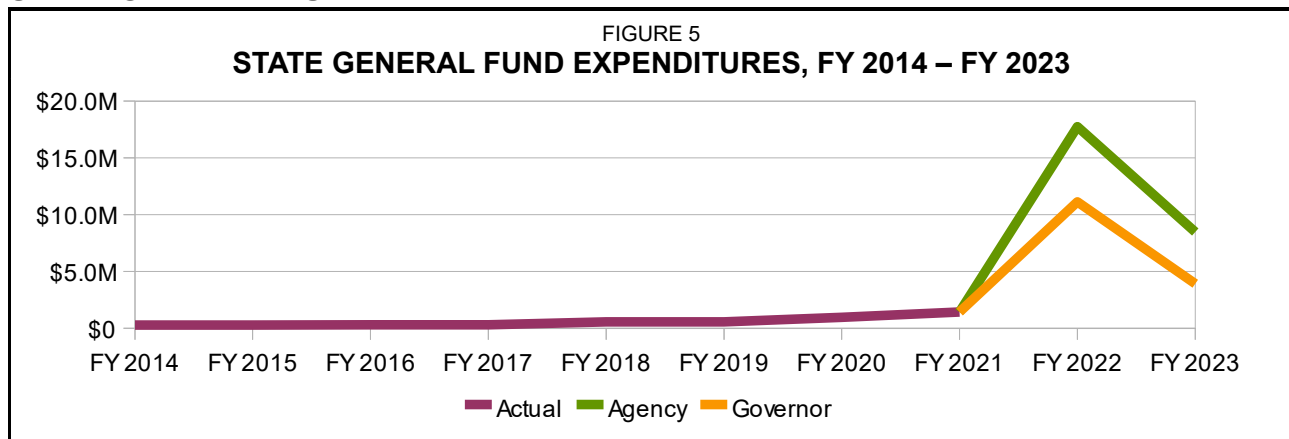
The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request. This decrease is primarily due to the Governor recommending only partial funding for the agency's enhancement request for additional staffing. The Governor also recommends additional funding for customer service representatives and adjudicators salary enhancements.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 29,680,180	\$ 36,628,484	\$ 29,932,716	\$ 36,015,417	\$ 31,440,188
Contractual Services	87,998,788	49,805,581	49,905,581	26,827,224	26,827,224
Commodities	241,893	340,129	340,129	304,517	304,517
Capital Outlay	1,124,336	17,071,025	17,071,025	12,584,457	12,584,457
Debt Service Interest	24,155	12,691	12,691	-	-
Subtotal	\$ 119,069,352	\$ 103,857,910	\$ 97,262,142	\$ 75,731,615	\$ 71,156,386
Aid to Local Units	-	-	-	-	-
Other Assistance	1,897,527,474	192,809,461	192,809,461	144,564,577	144,564,577
Subtotal—Operating	\$2,016,596,826	\$ 296,667,371	\$ 290,071,603	\$ 220,296,192	\$ 215,720,963
Capital Improvements	1,158,997	1,475,000	1,475,000	1,555,000	1,555,000
Debt Service Principal	250,000	270,000	270,000	-	-
TOTAL	\$2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
Financing:					
State General Fund	\$ 1,442,285	\$ 17,738,541	\$ 11,142,773	\$ 8,487,793	\$ 3,912,564
Unemployment Insurance Trust Fund	1,763,685,311	192,626,734	192,626,734	144,564,577	144,564,577
Federal COVID-19 Relief Funds	30,000,002	10,999,998	10,999,998	-	-
Other Federal Funds	207,818,215	55,709,978	55,709,978	37,459,477	37,459,477
All Other Funds	15,060,010	21,337,120	21,337,120	31,339,345	31,339,345
TOTAL	\$2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
FTE Positions	485.9	595.9	485.9	595.9	511.9

STATE GENERAL FUND



Prior to FY 2022, the agency primarily used SGF moneys to fund salaries and wages in the Industrial Safety and Health program and for the Labor Relations program. In FY 2022, the Legislature added \$9.6 million SGF to update the unemployment insurance benefit system. The agency is also requesting \$6.8 million in SGF supplemental requests in FY 2022 for surge staffing due to the COVID-19 pandemic. The agency is requesting similar funding for surge staffing for FY 2023. These funds are partially offset by a decrease in expenditures for unemployment insurance benefit system modernization for FY 2023.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 10,906,186	\$ 452,418,786	\$ 463,324,972	506.1
1. SGF Reappropriation	3,180	-	3,180	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 10,909,366</i>	<i>\$ 452,418,786</i>	<i>\$ 463,328,152</i>	<i>506.1</i>
Agency Revised Estimate:				
2. Unemployment Insurance Benefits	\$ -	\$ (214,124,619)	\$ (214,124,619)	--
3. Federal COVID-19 Relief Funds	-	10,999,998	10,999,998	--
4. Federal UI Administration	-	29,650,920	29,650,920	--
5. State UI Administration	-	2,582,204	2,582,204	--
6. Staffing Supplementals	6,830,768	-	6,830,768	110.0
7. Supplemental—Capital Improvements	-	450,000	450,000	--
8. All Other Adjustments	(1,593)	(1,303,459)	(1,305,052)	(20.2)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 17,738,541</i>	<i>\$ 281,977,289</i>	<i>\$ 298,412,371</i>	<i>595.9</i>
Governor's Recommendation:				
9. Staffing Supplementals	\$ (6,830,768)	\$ -	\$ (6,830,768)	(110.0)
10. Salary Enhancements	135,000	-	135,000	--
11. 2021 Special Session HB 2001	100,000	-	100,000	--
TOTAL	\$ 11,142,773	\$ 281,977,289	\$ 291,816,603	485.9

LEGISLATIVE APPROVED

1. Subsequent to the 2021 Session, one adjustment was made to the \$467.1 million, including \$10.9 million SGF, appropriated to the Kansas Department of Labor for FY 2022. The agency carried over \$3,180 SGF from FY 2021 to FY 2022. This brings the approved SGF amount to \$10.9 million in FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount.

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

- UNEMPLOYMENT INSURANCE BENEFITS.** Unemployment insurance benefit expenditures increased in FY 2020 and FY 2021 due to the COVID-19 pandemic. The agency states it estimates decreased benefit expenditures by \$214.1 million as additional federal benefit programs have ended and fewer individuals are claiming benefits.
- FEDERAL COVID-19 RELIEF FUNDS.** On August 5, 2021, the State Finance Council approved \$11.0 million, all from federal COVID-19 relief funds, to continue to support surge staffing in the call center in FY 2022.
- FEDERAL UI ADMINISTRATION.** The administration of the Unemployment Insurance (UI) Services program is typically entirely federally funded. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services administration expenditures. The amount estimated in FY 2022 is a decrease

from FY 2021, but still an increase over the FY 2022 approved amount.

5. **STATE UI ADMINISTRATION.** The Special Employment Security Fund receives revenue from penalties paid by employers who are untimely in paying their contribution tax. KSA 44-716a states that these funds must be expended on costs that cannot be covered by federal funds for the administration of the employment security law. This fund shall be used to cover administration costs in excess of what federal funds are able to cover. Expenditures for this fund are budgeted entirely under the Administration program. As additional federal funds for administration of the Unemployment Insurance Services program decrease compared to FY 2020 and FY 2021, these funds are budgeted to increase to cover program costs.
6. **STAFFING SUPPLEMENTALS.** The agency is requesting \$6.8 million SGF and 110.0 FTE positions in FY 2022 for additional staffing in its Administration and Unemployment Insurance Services programs.
7. **SUPPLEMENTAL—CAPITAL IMPROVEMENTS.** The agency notes that some capital improvements projects were unable to be completed in FY 2021 and have carried over into FY 2022. The agency is requesting \$450,000, all from special revenue funds, for these projects.
8. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate also includes decreases for other miscellaneous items, including decreased estimates on travel and on computer services in the Workers Compensation program after migrating systems to the cloud in FY 2021. Additionally, the agency's revised estimate does not include unfunded, vacant positions that were included in the approved FTE number.

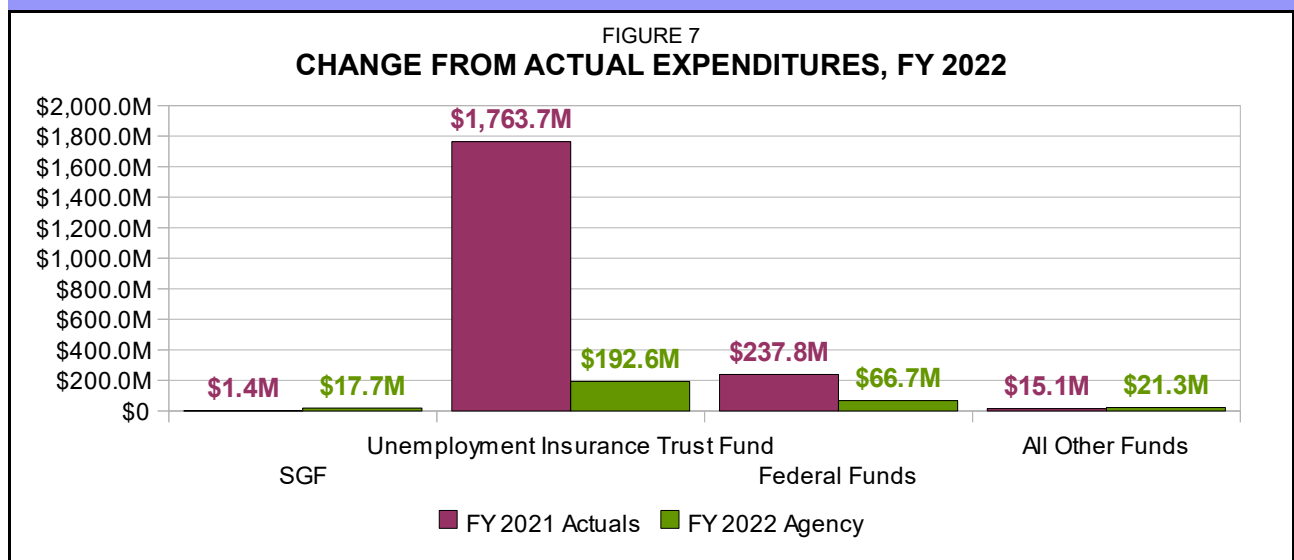
GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate.

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

9. **STAFFING SUPPLEMENTALS.** The Governor does not recommend the agency's supplemental request for \$6.8 million SGF and 110.0 FTE positions for additional staffing in the agency's Administration and Unemployment Insurance Services programs.
10. **SALARY ENHANCEMENTS.** The Governor recommends \$135,000 SGF to provide salary enhancements for customer service representatives and adjudicators in the Unemployment Insurance Services program.
11. **2021 SPECIAL SESSION HB 2001.** The Governor recommends \$100,000 SGF for costs to implement 2021 Special Session HB 2001, which requires the agency to investigate complaints filed under the provisions of the bill.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$1.7 billion, or 85.2 percent, and an SGF increase of \$16.3 million, or 1,129.9 percent, from the FY 2021 actual expenditures. The SGF increase is due to the agency's supplemental request for staffing as well as expenditures for the unemployment insurance benefit system modernization. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The decrease is also due to decreased federal funds to administer new federal benefits programs.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 17,738,541	\$ 281,977,289	\$ 298,412,371	595.9
Agency Request:				
1. Unemployment Insurance Benefits	\$ -	\$ (48,062,157)	\$ (48,062,157)	--
2. Federal COVID-19 Relief Funds	-	(10,999,998)	(10,999,998)	--
3. Federal UI Administration	-	(18,076,348)	(18,076,348)	--
4. State UI Administration	-	10,000,000	10,000,000	--
5. UI System Modernization	(9,600,000)	-	(9,600,000)	--
6. Staffing Enhancements	352,599	-	352,599	--
7. All Other Adjustments	(3,347)	(171,928)	(175,275)	--
<i>Subtotal—Agency Estimate</i>	<i>\$ 8,487,793</i>	<i>\$ 214,666,858</i>	<i>\$ 221,851,192</i>	<i>595.9</i>
Governor's Recommendation:				
8. Staffing Enhancements	\$ (4,983,367)	\$ -	\$ (4,983,367)	(84.0)
9. Salary Enhancements	408,138	-	408,138	--
TOTAL	\$ 3,912,564	\$ 214,666,858	\$ 217,275,963	511.9

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$225.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate.

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

- 1. UNEMPLOYMENT INSURANCE BENEFITS.** The agency estimates decreased expenditures for unemployment insurance benefits for FY 2023 as the number of claims begins to return to normal levels.
- 2. FEDERAL COVID-19 RELIEF FUNDS.** The agency received \$11.0 million, all from federal COVID-19 relief funds, in FY 2022 for surge staffing support. These funds are not available for FY 2023, resulting in a decrease.
- 3. FEDERAL UI ADMINISTRATION.** The agency anticipates decreased federal funds to administer the Unemployment Insurance Services program for FY 2023. In FY 2020, FY 2021, and FY 2022, the agency received additional contingency funds as workload increased in order to administer new federal benefit programs. These programs ended in FY 2022, resulting in a decrease in expenditures.
- 4. STATE UI ADMINISTRATION.** The Special Employment Security Fund receives revenue from penalties paid by employers who are untimely in paying their contribution tax. KSA 44-716a states that these funds must be expended on costs that cannot be covered by federal funds for the administration of the employment security law. This fund shall be used to cover administration costs in excess of what federal funds are able to cover. Expenditures for this fund are budgeted entirely under the Administration program. As additional federal funds for administration of the Unemployment Insurance Services program decrease compared to FY 2020 and FY 2021, these funds are budgeted to increase to cover program costs.

5. **UI SYSTEM MODERNIZATION.** The 2021 Legislature added \$9.6 million SGF to update the unemployment insurance benefits system, to be expended in FY 2022, resulting in a decrease for FY 2023.
6. **STAFFING ENHANCEMENTS.** The agency is requesting an additional \$352,599 SGF above the FY 2022 request for FY 2023 for additional staffing in the Administration and Unemployment Insurance Services programs.
7. **ALL OTHER ADJUSTMENTS.** The agency's request includes decreases for other miscellaneous expenditures including debt service, as bonds for the 401 SW Topeka Boulevard renovation are estimated to be paid off in FY 2022.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request.

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

8. **STAFFING ENHANCEMENTS.** The Governor partially recommends the agency's enhancement request for additional staffing in the Administration and Unemployment Insurance Services programs. The Governor recommends \$2.2 million SGF and 30.0 FTE positions for the additional staffing. These positions include positions in the fraud, appeals, information technology, and legal departments.
9. **SALARY ENHANCEMENTS.** The Governor recommends \$408,138 SGF to provide salary enhancements for customer service representatives and adjudicators in the Unemployment Insurance Services program.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1 CAPITAL IMPROVEMENTS

	FY 2022
Capital Improvements	\$ 450,000

The agency's revised estimate includes a supplemental request of \$450,000, all from special revenue funds, for revised capital improvement project expenditures. The agency notes that some FY 2021 projects were not completed and carried over to FY 2022. Additionally, estimates for some FY 2022 projects were higher than expected. This request includes funding for an intercom system at 1309 SW Topeka Boulevard and 2650 East Circle Drive South, installation of a water softener for the boiler system at 401 SW Topeka Boulevard, brick and mortar work, and increased estimates for basement renovations at 2650 East Circle Drive South.

The Governor concurs with this request.

REQUEST 2 STAFFING

	FY 2022	FY 2023	Total	FTE
Administration	\$ 2,974,425	\$ 3,097,103	\$ 6,071,528	35.0
Unemployment Insurance	3,856,343	4,086,264	7,942,607	75.0
TOTAL	\$ 6,830,768	\$ 7,183,367	\$ 14,014,135	110.0

The agency requests \$6.1 million SGF in FY 2022 and \$7.9 million SGF for FY 2023 and 110.0 FTE positions for additional staffing in the Administration and Unemployment Insurance Services programs. In FY 2021 and FY 2022, the agency received \$30.0 million and \$11.0 million respectively from COVID-19 federal relief funds for surge staffing in the call centers and in the information technology division. These individuals worked both on answering phone calls from benefit claimants and on maintaining and updating the benefit computer system.

The FY 2022 funds were approved by the State Finance Council in August 2021. At that time, the agency noted that the additional funds would fund the additional staffing through the end of fall 2021. These funds have been expended and are not available for the rest of FY 2022 or FY 2023.

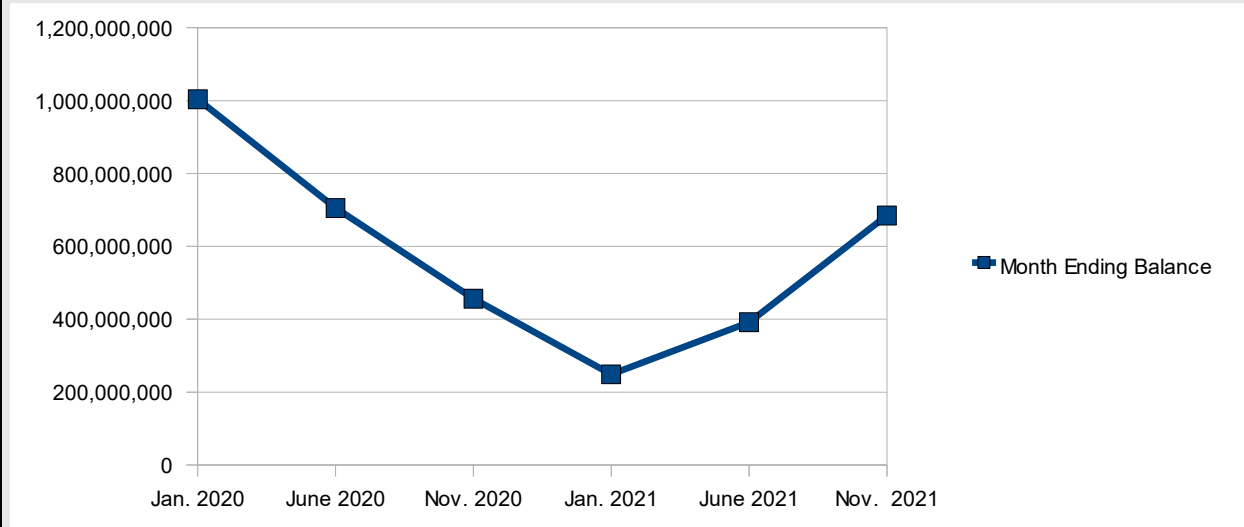
The Governor partially recommends adoption of this request.

The **Governor** recommends \$2.2 million SGF and 30.0 FTE positions for additional staffing in the Administration and Unemployment Insurance Services programs. These positions include positions in the fraud, appeals, information technology, and legal departments.

SPECIAL TOPICS

TOPIC 1 UNEMPLOYMENT INSURANCE TRUST FUND

UNEMPLOYMENT INSURANCE TRUST FUND ENDING BALANCES (DOLLARS)



CONTRIBUTION RATES

2020 Special Session HB 2016 limits the unemployment contribution rates for employers to the standard rate schedule and prohibits an additional solvency adjustment for calendar year 2021. Senate Sub. for Sub HB 2196 (2021) provided new tables for solvency and credit adjustments beginning in rate year 2022.

FEDERAL FUNDS TRANSFERS

Senate Sub. for Sub HB 2196 (2021) authorized \$250.0 million to be transferred to the Unemployment Insurance Trust Fund and \$250.0 million to the Legislature Employment Security Fund (LESF) of the Legislative Coordinating Council during FY 2021 and FY 2022. The transfers are to be made up of moneys identified by the Director of the Budget to be unencumbered COVID-19 relief funds that may be spent at the discretion of the State. The \$250.0 million transfer to the Unemployment Insurance Trust Fund occurred in July 2021.

The bill also authorizes the Unemployment Compensation Modernization and Improvement Council to conduct an audit of the unemployment insurance benefit system, examining the amounts and nature of fraudulent and improper payments made from March 15, 2020, through March 31, 2022. After the amount of fraudulent and improper payments has been determined by the audit, if that amount, plus the amount of any identified improper payments made between April 1, 2022, and December 31, 2022, exceeds the \$500.0 million transferred to the Unemployment Insurance Trust Fund and the LESF, the Director of the Budget is required to transfer an amount equal to that excess from unencumbered federal COVID-19 relief funds to the LESF. The Legislative Budget Committee will then make a recommendation to the Legislative Coordinating Council concerning the transfer of those funds from the LESF to the Unemployment Insurance Trust Fund. Upon receiving that recommendation, the Legislative Coordinating Council is authorized to transfer those funds to the Unemployment Insurance Trust Fund.

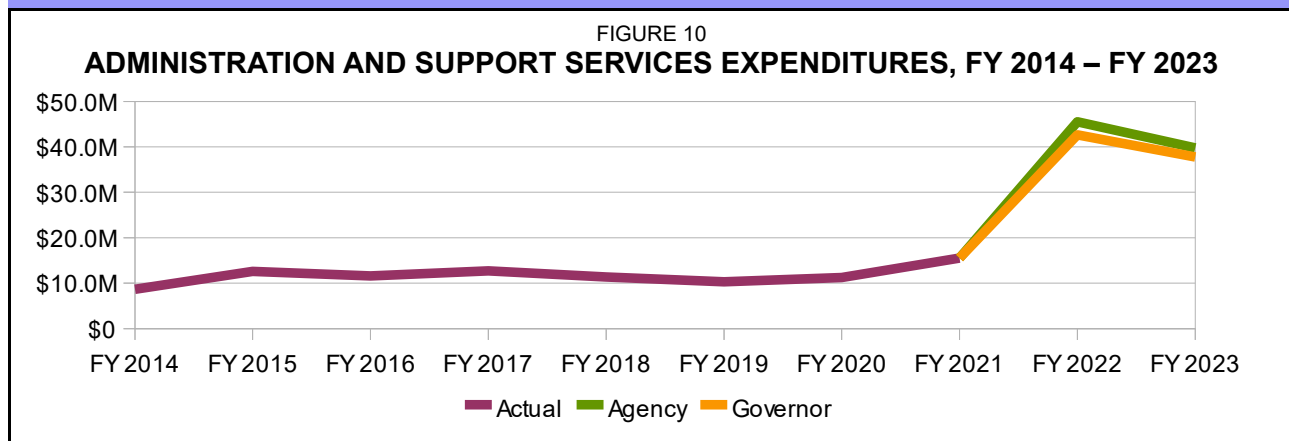
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 15,538,284	\$ 45,508,449	\$ 42,634,024	\$ 39,727,494	\$ 37,730,391
Industrial Safety and Health	1,663,195	1,793,459	1,793,459	1,804,705	1,804,705
Labor Market Information	1,009,383	1,176,852	1,176,852	1,182,205	1,182,205
Labor Relations	244,092	344,443	344,443	346,994	346,994
Unemployment Insurance	1,990,847,328	239,698,060	235,976,717	168,934,467	166,356,341
Workers Compensation	7,272,513	8,133,417	8,133,417	8,300,327	8,300,327
Capital Improvements	1,156,873	1,475,000	1,475,000	1,555,000	1,555,000
Debt Service	274,155	282,691	282,691	-	-
TOTAL	\$ 2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
FTE Positions:					
Administration	117.7	152.7	117.7	152.7	125.7
Industrial Safety and Health	18.3	18.3	18.3	18.3	18.3
Labor Market Information	16.5	16.5	16.5	16.5	16.5
Labor Relations	3.2	3.2	3.2	3.2	3.2
Unemployment Insurance	262.8	337.8	262.8	337.8	280.8
Workers Compensation	67.5	67.5	67.5	67.5	67.5
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
TOTAL	485.9	595.9	485.9	595.9	511.9

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION AND SUPPORT SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740

PROGRAM GOALS: • Provide support to program staff to ensure the agency fulfills its mission.

The Administration and Support Services program includes the central management and administrative support function of the Kansas Department of Labor. The program is composed

of six subprograms: General Administration, Legal, Fiscal, Human Resources, Communications, and Information Systems and Technology.

FIGURE 11
ADMINISTRATION AND SUPPORT SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average Number of Days to Process Vouchers for Payment	2	4	2.7	2	2
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 388,012	\$ 937,116		\$ 10,392,599	\$ 1,799,447
Federal Funds	5,163,938	9,027,490		21,701,219	15,373,503
All Other Funds	5,686,464	5,573,678		10,540,206	20,557,441
TOTAL	<u>\$ 11,238,414</u>	<u>\$ 15,538,284</u>		<u>\$ 42,634,024</u>	<u>\$ 37,730,391</u>
Percentage Change:					
SGF	129.0 %	141.5 %		1,009.0 %	(82.7) %
All Funds	9.2 %	38.3 %		174.4 %	(11.5) %
FTE Positions	93.9	117.7		117.7	125.7

BUDGET ANALYSIS

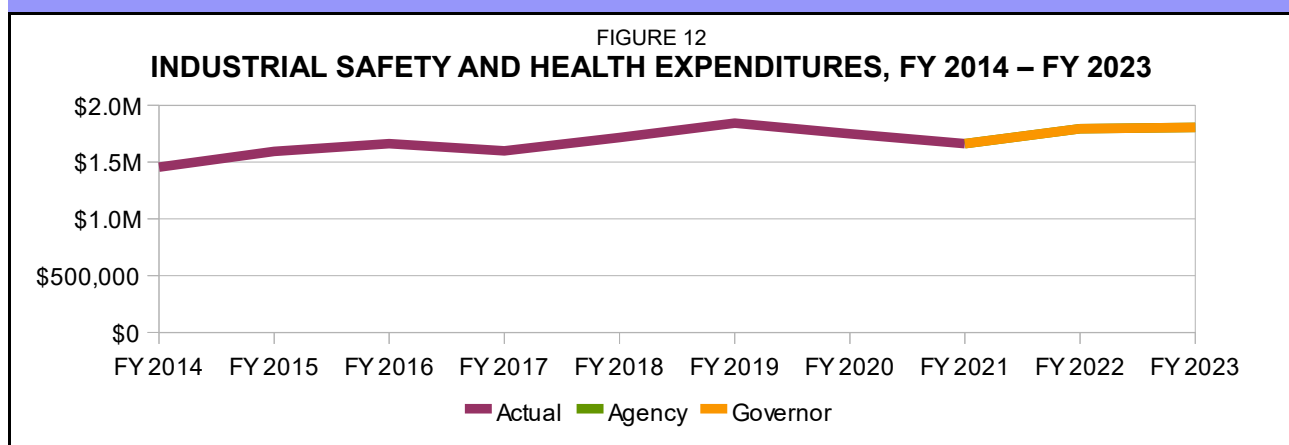
The **agency** requests FY 2023 Administration and Support Services expenditures of \$39.7 million, including \$3.8 million SGF. This is an all funds decrease of \$5.8 million, or 12.7 percent, and an SGF decrease of \$9.5 million, or 71.4 percent, below the program's FY 2022 revised estimate. Both decreases are caused by decreased expenditures for unemployment insurance benefit system modernization, which

occurred in FY 2022 and does not reoccur in FY 2023. This project is budgeted under the Administration program because all information technology employees are housed within the Administration program. The decrease is also due to decreased receipt of federal funds to administer the Unemployment Insurance Services program.

The **Governor** recommends FY 2023 Administration and Support Services expenditures of \$37.7 million, including \$1.8 million SGF. This is a decrease of \$2.0 million SGF, or 5.0 percent, below the agency's FY 2023 request. This decrease is due to the

Governor partially recommending the agency's enhancement request for additional staffing. The agency requested \$3.1 million SGF, and the Governor recommended \$1.1 million SGF.

INDUSTRIAL SAFETY AND HEALTH



STATUTORY BASIS: • KSA 44-1601, *et seq.*

PROGRAM GOALS:

- Assist and encourage employers in their efforts to assure safe and healthful workplaces in Kansas.
- Maintain the availability of on-site consultation services pursuant to federal contract.
- Encourage employers to develop, use, and maintain workplace safety and health plans related to the nature of the employment.
- Review maintenance, operations, and qualifications of inspections conducted by third parties in accordance with the Kansas Amusement Ride Act, KSA 44-1601, *et seq.*

The Industrial Safety and Health program coordinates six programs: Accident Prevention, OSHA 21(d) Consultation Program, Public Sector Compliance, Kansas Workplace Health and Safety, Annual Safety and Health Conference, and Amusement Ride Inspections. Additional information regarding the programs includes the following items:

Consultants from the Kansas Department of Labor work with employers to identify workplace hazards, provide advice on compliance with Occupational Safety and Health Act (OSHA) standards, and assist in establishing safety and health management systems.

- **WORKERS COMPENSATION ACCIDENT PREVENTION.** This program is responsible for reviewing the quantity and quality of safety and health services provided by insurance companies. The Workers Compensation Act required insurance carriers to provide these services for their clients. This program is administered by the Industrial Safety and Health program, but is funded through the Workmen's Compensation Fee Fund.
- **OSHA 21(D) CONSULTATION PROGRAM.** This program is partially funded by a federal grant and offers free and confidential advice to small- and medium-sized businesses with priority given to high-hazard work sites.
- **PUBLIC SECTOR COMPLIANCE.** This area covers state and local government workers who are excluded from federal coverage under OSHA.
- **KANSAS WORKPLACE HEALTH AND SAFETY.** This program is operated with the Kansas Department of Health and Environment and provides free safety and health consultations to state agencies.
- **ANNUAL SAFETY AND HEALTH CONFERENCE.** This program is fee funded and offers workplace health and safety education and training education for emergency personnel, employers, employees, and safety professionals

- **AMUSEMENT RIDE INSPECTIONS.**

This program ensures amusement ride owners and operators comply with the Kansas Amusement Ride Act.

FIGURE 13 INDUSTRIAL SAFETY AND HEALTH, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Consultation Requests that were Performed Under Federal Consultation Contract*	100 %	100 %	100 %	100 %	100 %
2. Percent of Serious Hazards Identified that have been Corrected*	100 %	100 %	100 %	100 %	100 %
3. Percent of Serious Hazards Abated*	90 %	100 %	97 %	100 %	100 %
Output Measure:					
4. Cost per Consultation Performed Under Federal Contract*	\$ 3,702.84	\$ 3,437.76	\$ 3,700.65	\$ 3,581.76	\$ 3,676.82
5. Number of Serious or Imminent Hazards Identified	560	657	618.7	600	600
6. Number of Educational Seminars, Program Assistance, and Presentations Performed*	36	28	36	30	30
7. Number of Project Permits Issued*	112	129	123	125	125
8. Number of Project Amusement Ride Audits Conducted*	76	87	77	80	80
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 235,656	\$ 260,289		\$ 270,731	\$ 257,985
Federal Funds	687,698	698,239		695,479	698,958
All Other Funds	825,246	704,667		827,249	847,762
TOTAL	\$ 1,748,600	\$ 1,663,195		\$ 1,793,459	\$ 1,804,705
Percentage Change:					
SGF	21.6 %	10.5 %		4.0 %	(4.7) %
All Funds	(5.1) %	(4.9) %		7.8 %	0.6 %
FTE Positions	19.7	18.3		18.3	18.3

*The Governor's Office does not utilize this measure for evaluation purposes.

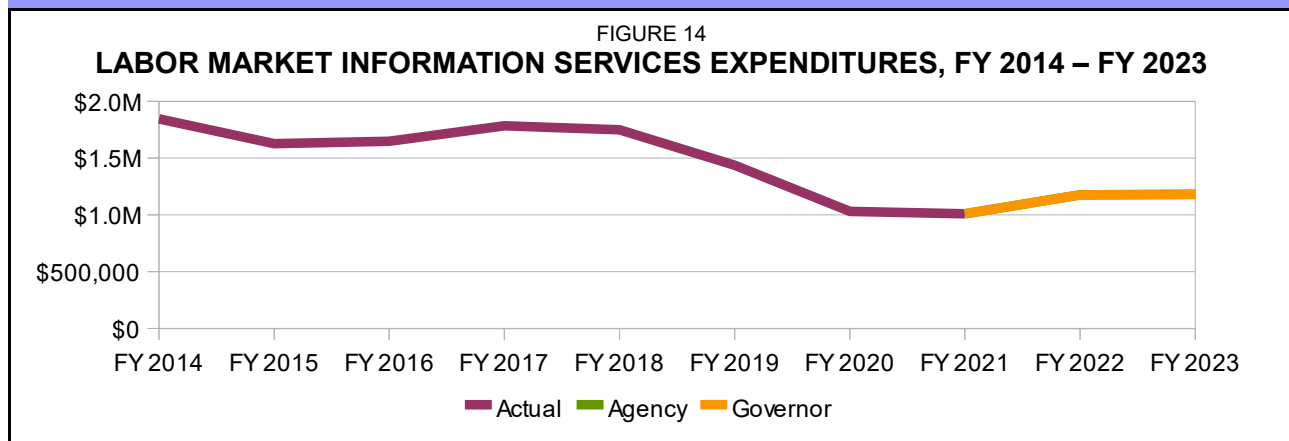
BUDGET ANALYSIS

The **agency** requests FY 2023 Industrial Safety and Health expenditures of \$1.8 million, including \$257,985 SGF. This is an all funds increase of \$11,246, or 0.6 percent, and an SGF decrease of \$12,746, or 4.7 percent, from the program's FY 2022 revised estimate. The SGF decrease is due to decreased expenditures on salaries and wages fringe

benefits. The all funds increase is due to increased expenditures on travel and software for the amusement ride program.

The **Governor** concurs with the agency's FY 2023 Industrial Safety and Health request.

LABOR MARKET INFORMATION SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740

PROGRAM GOALS: • Provide accurate and timely labor market information in response to user requests and disseminate data using appropriate media.

The Labor Market Information Services program is the major research and statistical arm of the agency. The program maintains the State's reporting requirements for the U.S. Department of Labor Bureau of Labor Statistics. The program is also responsible for the following items:

- Calculating and reporting the monthly and annual unemployment rates for the state, each county, and metropolitan statistical areas of the state;
- Calculating the number of people employed in each industrial sector;
- Preparing periodic reports and surveys concerning the labor market in Kansas; and
- Serving as the actuarial trustee for the Unemployment Insurance Trust Fund.

FIGURE 15
LABOR MARKET INFORMATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Requests Processed within 3 Days	95.3 %	86.9 %	92.1 %	95.0 %	95.0 %
2. Percent of Requests Processed in More than 3 Days*	4.7 %	13.1 %	7.9 %	5.0 %	5.0 %
3. Percent of Requests Submitted Timely*	100 %	100 %	100 %	100 %	100 %
Output Measure:					
4. Number of Requests Received	236	609	336.7	450	300
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 491	\$ -		\$ -	\$ -
Federal Funds	985,256	928,822		1,098,295	1,103,390
All Other Funds	44,632	80,561		78,557	78,815
TOTAL	\$ 1,030,379	\$ 1,009,383		\$ 1,176,852	\$ 1,182,205
Percentage Change:					
SGF	100.0 %	(100.0) %		-- %	-- %
All Funds	(28.3) %	(2.0) %		16.6 %	0.5 %
FTE Positions	16.0	16.5		16.5	16.5

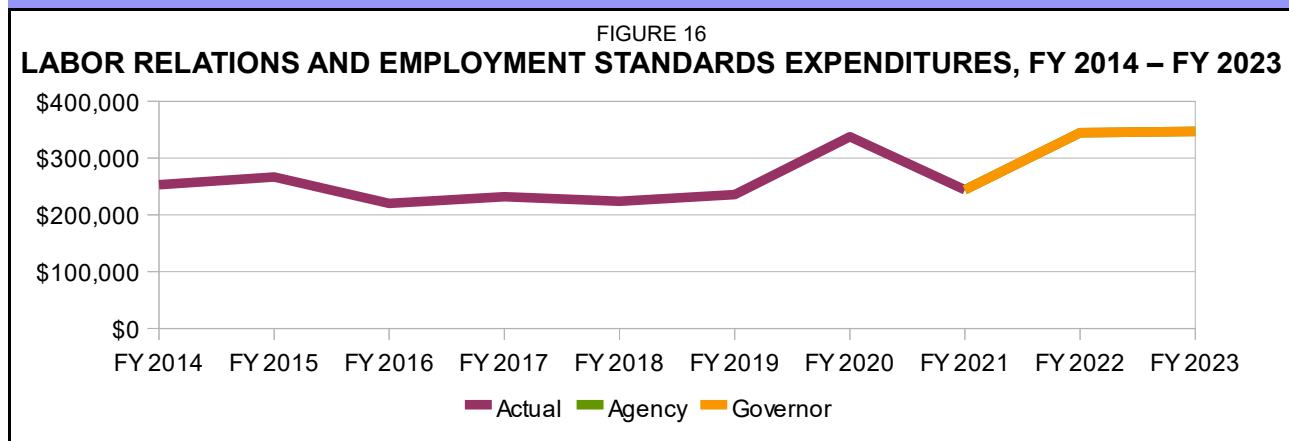
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests FY 2023 Labor Market Information Services expenditures of \$1.2 million, all from special revenue funds. This is an increase of \$5,353, or 0.5 percent, above the program's FY 2022 revised estimate. This increase is primarily caused by increased receipt of federal funds.

The **Governor** concurs with the agency's FY 2023 Labor Market Information Services request.

LABOR RELATIONS AND EMPLOYMENT STANDARDS



STATUTORY BASIS: • KSA 75-4321, *et seq.* , KSA 22-5413 *et seq.*

PROGRAM GOALS: • Continue to administer both the Kansas Professional Negotiations Act and the Kansas Public Employer-Employee Relations Act in a timely, effective, and unbiased manner consistent with legislative intent for enacting these laws.
• Promote harmonious and cooperative employer/employee relationships and enforce laws providing protection to the Kansas workforce through due process of administration proceedings.

The Labor Relations and Employment Standards program enforces laws relating to the following areas:

- **EMPLOYMENT STANDARDS.** This subprogram is primarily responsible for the enforcement of minimum wages, wage payment, and child labor laws and regulates private employment agencies.
- **LABOR RELATIONS.** This subprogram provides assistance in the organizational or collective bargaining process to employers and employees in the private sector who are exempt from federal laws, agricultural employers and

employees, and all public employers and employees of the State and its agencies, as well as other public employers who elect to be brought under the provisions of KSA 75-4321, *et seq.* Assistance provided by staff includes holding bargaining unit determination hearings, conducting elections, and holding hearings to resolve prohibited practice charges.

- **PUBLIC EMPLOYEE RELATIONS.** This subprogram administers the Public Employer-Employee Relation Act, which covers employees of the State and its agencies, cities, counties, fire districts, and some colleges.

FIGURE 17

LABOR RELATIONS AND EMPLOYMENT STANDARDS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Days After Service of Petition to Hold Mediation Conference in All Disputed Determination Cases*	45	45	45	45	45
2. Number of Months After the Date of the Service of Petition to Conduct Unit Determination Hearings*	3	3	3	3	3

FIGURE 17

LABOR RELATIONS AND EMPLOYMENT STANDARDS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3. Percent of Unit Certification and Representation Elections Held within 45 Days of the Verification of the Showing of Interest*	100.0%	100.0%	100.0%	100.0%	100.0%
Output Measure:					
4. Hourly Cost of Claims Served*	\$ 476.51	\$ 626.74	\$ 477.80	\$ 784.60	\$ 685.31
5. Number of Unit Determination, Certification, and Representation of Cases Processed*	3	11	6.3	12	12
6. Number of Unit Certification and Representation Elections Conducted*	3	2	3.3	4	5
7. Number of Impasse Cases Processed	17	8	12.0	10	15
8. Number of Prohibited Practice Cases Processed	15	11	11.0	12	12
9. Number of Wage Claims Filed	602	478	629.0	525	600
10. Amount of Wages Collected/Recovered	\$ 795,200	\$ 502,525	\$ 677,622.0	\$ 550,000	\$ 600,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 337,217	\$ 244,018		\$ 344,443	\$ 346,994
Federal Funds	-	-		-	-
All Other Funds	307	74		-	-
TOTAL	\$ 337,524	\$ 244,092		\$ 344,443	\$ 346,994
Percentage Change:					
SGF	69.8 %	(27.6) %		41.2 %	0.7 %
All Funds	43.0 %	(27.7) %		41.1 %	0.7 %
FTE Positions	3.1	3.2		3.2	3.2

*The Governor's Office does not utilize this measure for evaluation purposes.

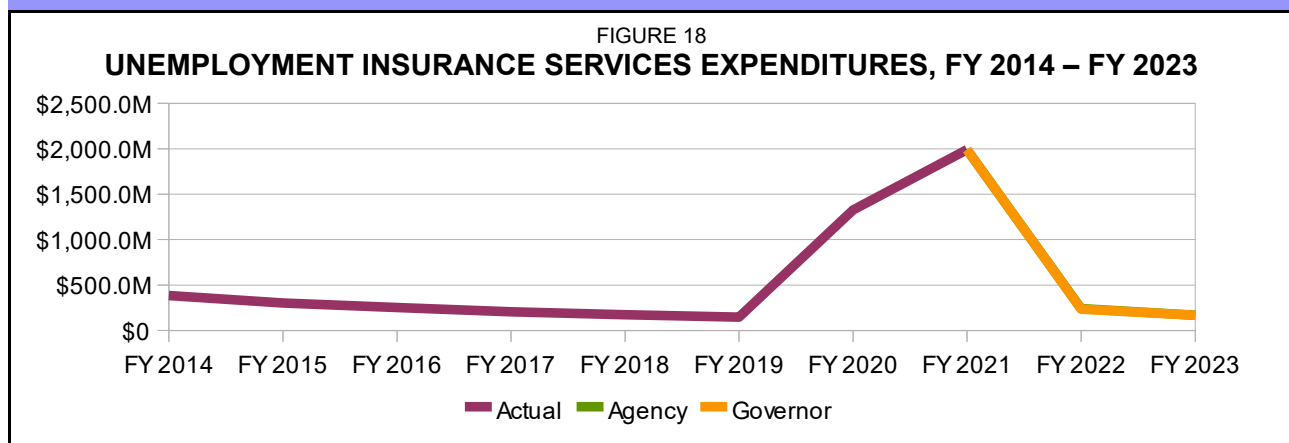
BUDGET ANALYSIS

The agency requests FY 2023 Labor Relations and Employment Standards expenditures of \$346,994 SGF. This is an increase of \$2,551, or 0.7 percent, above the program's FY 2022 revised estimate. This increase is primarily due to increased

expenditures for Office of Information Technology Services (OITS) work due to cloud migration.

The **Governor** concurs with the agency's FY 2023 Labor Relations request.

UNEMPLOYMENT INSURANCE SERVICES



STATUTORY BASIS: • KSA 44-701, *et seq.*

PROGRAM GOALS:

- Continue to improve and enhance the levels of customer service provided to Kansas employers and workers who interact with the agency.
- Continue to build upon recent successes in meeting and exceeding federally mandated program performance standards.
- Continue to work with the Office of Information Technology Services to make incremental improvements in existing technology platforms that support the unemployment system in Kansas.

The Unemployment Insurance Services program provides benefits to eligible applicants to replace part of wages lost from involuntary unemployment. The agency collects funds for benefits from employers and deposits the revenue in the Unemployment Trust Fund. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services

Administration expenditures. The federal Unemployment Tax Act allows the Internal Revenue Service to collect taxes from employers to administer the Unemployment Insurance program. Unemployment Insurance Services receives a base budget from the ESAF and can also receive contingency funds from ESAF in proportion to increases in workload.

FIGURE 19
UNEMPLOYMENT INSURANCE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Intrastate Claimants to be Issued First Payments within 14 Days	79.3 %	72.8 %	80.3 %	80.0 %	87.0 %
2. Percent of Intrastate Non-separation Non-monetary Determinations Issued within 21 Days from the Date that Benefit Eligibility Issues are First Detected*	61.7 %	68.0 %	72.0 %	75.0 %	80.0 %
3. Percent of All Employers Audited within the Year*	0.9 %	0.4 %	0.9 %	1.0 %	1.2 %
Output Measure:					
4. Hourly Cost per Initial Claim Filed for Benefits*	\$ 14.96	\$ 15.03	\$ 15.48	\$ 111.46	\$ 102.26
5. Number of Initial Claims Filed for Benefits	376,087	949,454	470,788	116,391	102,495
6. Number of Weekly Claims Filed Via Telephone Utilizing the Voice Response System and via the Internet*	1,653,678	2,271,793	1,463,753	724,013	564,025

FIGURE 19 UNEMPLOYMENT INSURANCE SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
7. Average Duration of Unemployment Benefits (In Weeks)	7.9	8.1	9.2	14.6	13.0
8. Number of Claimants Exhausting Unemployment Benefits	14,230	52,541	26,484	17,293	13,245
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,229	\$ 862		\$ 135,000	\$ 1,508,138
Federal Funds	15,010,999	227,163,666		43,214,983	20,283,626
All Other Funds	1,312,559,910	1,763,682,800		192,626,734	144,564,577
TOTAL	\$ 1,327,572,138	\$ 1,990,847,328		\$ 235,976,717	\$ 166,356,341
Percentage Change:					
SGF	(15.5) %	(29.9) %		15,561.3 %	1,017.1 %
All Funds	810.1 %	50.0 %		(88.1) %	(29.5) %
FTE Positions	182.8	262.8		262.8	280.8

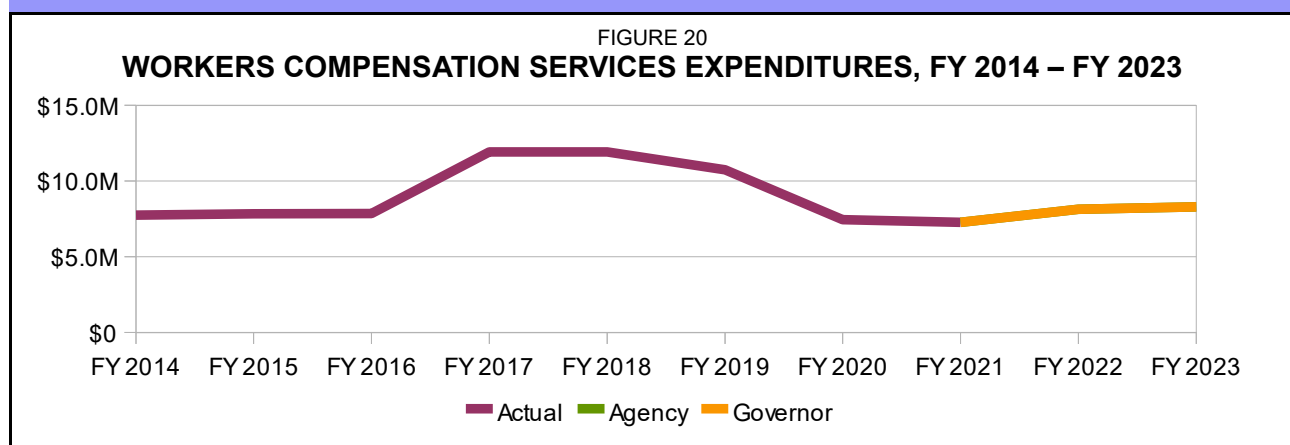
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2023 Unemployment Insurance Services expenditures of \$168.9 million, including \$4.1 million SGF. This is an all funds decrease of \$70.8 million, or 29.5 percent, and an SGF increase of \$229,921, or 6.0 percent, from the program's FY 2022 revised estimate. The SGF increase is due to the agency's enhancement request for additional staffing. The all funds decrease is due to estimated decreases in unemployment benefit expenditures as well as decreased federal funds for program administration and surge staffing.

The **Governor** recommends FY 2023 Unemployment Insurance Services expenditures of \$166.4 million, including \$1.5 million SGF. This is a decrease of \$2.6 million SGF, or 1.5 percent, below the agency's FY 2023 request. This decrease is due to the Governor partially recommending the agency's enhancement request for additional staffing. The agency requested \$4.1 million, and the Governor recommends \$1.1 million. This decrease is partially offset by the Governor's recommendation for salary enhancements for customer service representatives and adjudicators.

WORKERS COMPENSATION SERVICES



STATUTORY BASIS: • KSA 44-501, *et seq.*

PROGRAM GOALS: • Provide a statewide judicial system for workers compensation claims that operates in a fair and efficient manner.
• Establish and publish a medical fee schedule for care involving injured workers.
• Regulatory oversight, including employer compliance with mandatory workers compensation insurance coverage, self-insurance permitting, and insurer accident prevention programs.

The Workers Compensation Services program administers the Kansas Workers Compensation Act, pursuant to KSA 44-501, *et seq.* The program files and maintains required reports of industrial accidents and discretionary notices of employment of disabled workers; directs and audits physical and vocation rehabilitation for injured workers; provides the trial court, appellate review, and records repository for contested workers' compensation

claims; certifies qualified employers as self-insured; and, through its Claims Advisory Section, provides information and claims assistance to injured workers, insurance carriers, employers, and attorneys. Workers Compensation Services is fee funded by assessments from insurance carriers and self-insured employers. Assessments are based on paid claims during the most recent calendar year in relation to the approved budget.

FIGURE 21
WORKERS COMPENSATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Average Number of Days from Initial Report of Fraud or Abuse to Investigation Completion*	411	181	311.7	274	274
2.Hourly Cost per Case Investigated for Fraudulent or Abusive Acts that Closed within the Fiscal Year*	\$ 229.88	\$ 390.46	\$ 253.18	\$ 222.75	\$ 162.03
3.Number of Employers Contacted about Missing Workers Compensation Insurance Coverage during the Fiscal Year*	76	438	200	228	170
Output Measure:					
4.Average Number of Days Between the Time an Application for Benefits is Filed and the Time an	1,027	940	1,083	1,024	1,024

FIGURE 21 WORKERS COMPENSATION SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Award is Issued					
5.Number of Preliminary Hearings Held During the Fiscal Year*	973	1,113	1,049	1,003	977
6.Number of Accident Reports	43,463	42,221	43,868	43,813	43,813
7.Number of Fraud Abuse Cases Investigated	200	134	218	252	302
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	7,458,776	7,272,513		8,133,417	8,300,327
TOTAL	\$ 7,458,776	\$ 7,272,513		\$ 8,133,417	\$ 8,300,327
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(30.5) %	(2.5) %		11.8 %	2.1 %
FTE Positions	71.0	67.5		67.5	67.5

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests FY 2023 Workers Compensation Services expenditures of \$8.3 million, all from special revenue funds. This is an increase of \$166,910, or 2.1 percent, above the program's FY 2022 revised estimate. This

increase is due to increased expenditures on OITS services.

The **Governor** concurs with the agency's FY 2023 Workers Compensation Services request.

CAPITAL IMPROVEMENTS

FIGURE 22
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehabilitation and Repair	\$ 219,860	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
HVAC Vents	-	300,000	300,000	300,000	300,000
Basement Renovation	-	450,000	450,000	-	-
Third Floor Renovation	-	-	-	500,000	500,000
Intercom System	-	250,000	250,000	-	-
Brickwork Maintenance	-	250,000	250,000	-	-
Window Replacement	-	-	-	500,000	500,000
Parking Lot Maintenance	-	-	-	80,000	80,000
Boilers	-	50,000	50,000	-	-
Eastman First Floor Renovation	760,970	-	-	-	-
Roof Replacement	178,167	-	-	-	-
<i>Subtotal–Projects</i>	<i>\$ 1,158,997</i>	<i>\$ 1,475,000</i>	<i>\$ 1,475,000</i>	<i>\$ 1,555,000</i>	<i>\$ 1,555,000</i>
Debt Service Principal:					
401 Topeka Remodel	\$ 250,000	\$ 270,000	\$ 270,000	\$ -	\$ -
TOTAL	\$ 1,408,997	\$ 1,745,000	\$ 1,745,000	\$ 1,555,000	\$ 1,555,000
Financing:					
SGF	\$ 40	\$ -	\$ -	\$ -	\$ -
Federal Funds	83	-	-	-	-
All Other Funds	1,408,874	1,745,000	1,745,000	1,555,000	1,555,000
TOTAL	\$ 1,408,997	\$ 1,745,000	\$ 1,745,000	\$ 1,555,000	\$ 1,555,000

FY 2022 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvement expenditures of \$1.7 million, all from special revenue funds. This is an increase of \$450,000, or 34.7 percent, above the FY 2022 approved capital improvements amount. This increase is due to the agency's enhancement request for carried over and increased capital improvement projects. The agency notes that some FY 2021 projects were not completed and carried over to FY 2022. Additionally, estimates for some FY 2022 projects were higher than previously expected. This supplemental request includes funding for an intercom system at 2650 East Circle Drive South, installation of a water softener for the boiler system at 401 SW Topeka Boulevard, brick and mortar work, and increased estimates

for basement renovations at 2650 East Circle Drive South.

Other FY 2022 projects include:

REHABILITATION AND REPAIR. Rehabilitation and Repair projects include sidewalk maintenance, painting, carpeting, and caulking.

HVAC VENTS AT 2650 EAST CIRCLE DRIVE SOUTH. The agency states the HVAC system was not a part of the original renovations after the agency purchased the building over a decade ago.

INTERCOM SYSTEM AT 1309 SW TOPEKA. The agency's revised estimate includes funding to install intercom systems at 1309 SW Topeka Boulevard and 2650 East Circle Drive South.

2650 EAST CIRCLE DRIVE SOUTH BASEMENT RENOVATION. The agency notes that part of this renovation project is already complete.

FY 2022 expenditures will be for replacement of lighting, removing walls, and renovation of two bathrooms.

The agency estimates the installation of the intercom systems, brickwork maintenance, installation of the water softener, and the basement renovation at 2650 East Circle Drive South to be completed in FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests FY 2023 capital improvement expenditures of \$1.6 million, all from special revenue funds. This is a decrease of \$190,000, or 10.9 percent, below the agency's FY 2022 revised capital improvement expenditures. The decrease is due to decreased expenditures on debt service, as bonds for the remodel of 401 SW Topeka Boulevard will be paid off in FY 2022. This decrease is partially offset by increased expenditures on repavement of parking lots at 401 SW Topeka Boulevard and 1309 SW Topeka Boulevard .

New FY 2023 projects include:

THIRD FLOOR RENOVATION AT 2650 EAST CIRCLE DRIVE SOUTH. This phase of the building renovation includes total

reconfiguration of the office floor plan, ceiling and lighting replacement, and enlarging bathrooms to meet federal Americans with Disabilities Act standards.

WINDOW REPLACEMENT. The agency plans to replace windows at all three of the agency's buildings in Topeka to increase efficiency of the HVAC system and decrease utility costs.

REPAVING PARKING LOTS. The agency plans to repave the parking lot at 401 SW Topeka Boulevard and apply a seal coating to the parking lot at 1309 SW Topeka Boulevard.

The **Governor** concurs with the agency's FY 2023 capital improvements request.

KANSAS GUARDIANSHIP PROGRAM

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 1,314,717	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 1,314,717</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 1,314,717</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>	<u>\$ 1,375,959</u>
Percentage Change:					
State General Fund	(0.5) %	4.7 %	4.7 %	-- %	-- %
All Funds	(0.5) %	4.7 %	4.7 %	-- %	-- %
FTE Positions	10.0	10.0	10.0	10.0	10.0

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

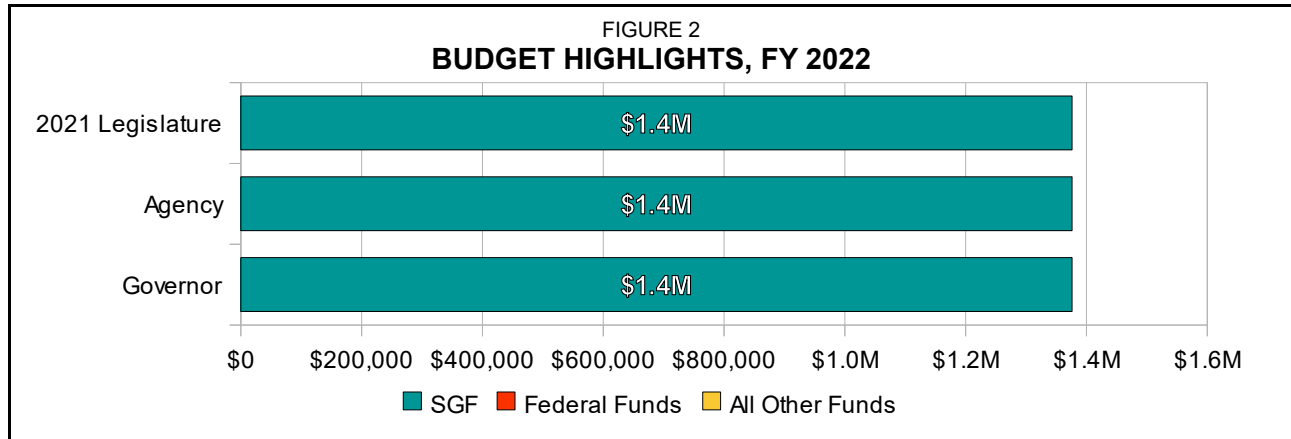
The Kansas Guardianship Program is a quasi-state agency that was established in 1995. Prior to that time, the program had been a part of Kansas Advocacy and Protective Services, Inc. (KAPS). A 1994 federal audit found a conflict of interest with KAPS administering the State's guardianship program. As a result, 1995 SB 342 established the Kansas Guardianship Program as a distinct legal entity whose employees are not considered to be state employees. The entire agency is financed through the State General Fund (SGF).

The Kansas Guardianship Program serves adults who are without family or financial resources and who, through either physical or mental impairment or disability, are identified by the Department for Children and Families or the Department for Aging and Disability Services as in need of a court-appointed guardian or conservator. The Kansas Guardianship Program recruits volunteers who become qualified and trained to serve in that capacity. The State serves as the surety on the bond for volunteer conservators serving in the Kansas Guardianship Program. Program volunteers receive a monthly stipend of \$40 to defray out-of-pocket expenses incurred while providing service to their wards or conservatees.

The program is governed by a seven-member board of directors, six of whom are appointed by the Governor and one by the Chief Justice of the Kansas Supreme Court.

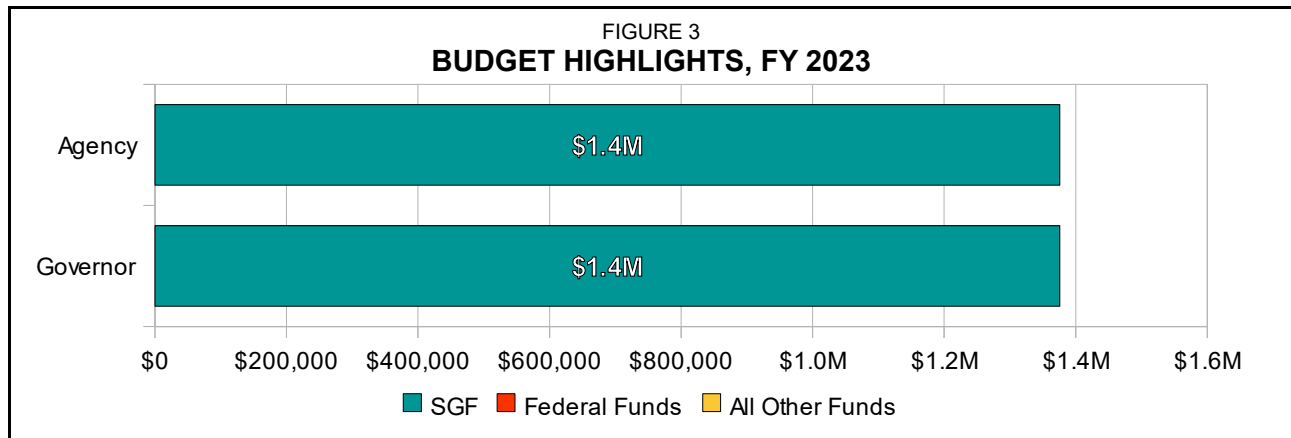
EXECUTIVE SUMMARY

The 2021 Legislature appropriated \$1.4 million, all from the State General Fund (SGF), to the Kansas Guardianship Program for FY 2022. No adjustments have been made to that amount.



The **agency** estimates revised expenditures of \$1.4 million, all SGF, in FY 2022. This is the same as the agency's FY 2022 approved amount. The agency requests 10.0 FTE positions, which is the same as the agency's FY 2022 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$1.4 million, all SGF, for FY 2023. This is the same as the agency's FY 2022 revised estimate. The agency requests 10.0 FTE positions, which is the same as the agency's FY 2022 revised estimate.

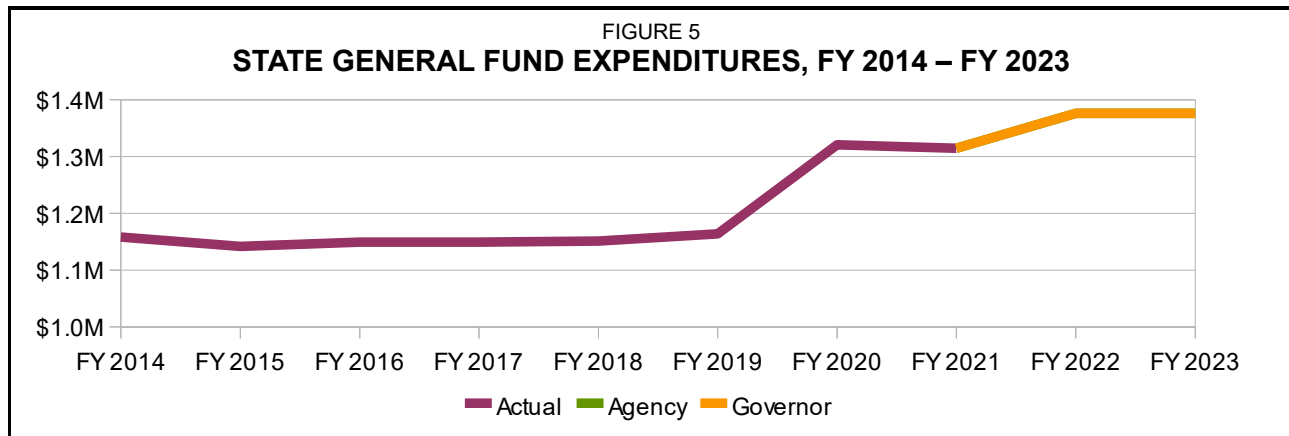
The **Governor** concurs with the agency's request for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 646,065	\$ 640,681	\$ 640,681	\$ 649,406	\$ 649,406
Contractual Services	651,539	722,460	722,460	713,700	713,700
Commodities	10,301	12,818	12,818	12,853	12,853
Capital Outlay	6,812	-	-	-	-
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,314,717</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 1,314,717</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>	<i>\$ 1,375,959</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 1,314,717	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959
Financing:					
State General Fund	\$ 1,314,717	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 1,314,717	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959
FTE Positions	10.0	10.0	10.0	10.0	10.0

STATE GENERAL FUND



The Kansas Guardianship Program is entirely funded through the State General Fund. In FY 2020, expenditures increased primarily due to the volunteer stipend being increased from \$30 to \$40 per month. In FY 2022, expenditures increased due to increased base salaries and wages for the agency's employees.

FY 2022 ANALYSIS

FIGURE 6 SUMMARY OF BUDGET REQUEST, FY 2022					
	SGF	Special Revenue Funds	All Funds	FTE	
Legislative Approved:					
Amount Approved by 2021 Legislature	\$ 1,375,959	\$ -	\$ 1,375,959	10.0	
1. No Changes	-	-	-	--	
Subtotal—Legislative Approved	\$ 1,375,959	\$ -	\$ 1,375,959	10.0	
Agency Revised Estimate:					
2. No Changes	\$ -	\$ -	\$ -	--	
Subtotal—Agency Revised Estimate	\$ 1,375,959	\$ -	\$ 1,375,959	10.0	
Governor's Recommendation:					
3. No Changes	\$ -	\$ -	\$ -	--	
TOTAL	\$ 1,375,959	\$ -	\$ 1,375,959	10.0	

LEGISLATIVE APPROVED

No adjustments were made subsequent to the 2021 Legislative Session to the \$1.4 million appropriated to the Kansas Guardianship Program for FY 2022.

1. **NO CHANGES.** No adjustments were made to the approved amount for FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised expenditures of \$1.4 million, all SGF, in FY 2022. This is the same as the agency's FY 2022 approved amount. The agency requests 10.0 FTE positions, which is the same as the agency's FY 2022 approved amount.

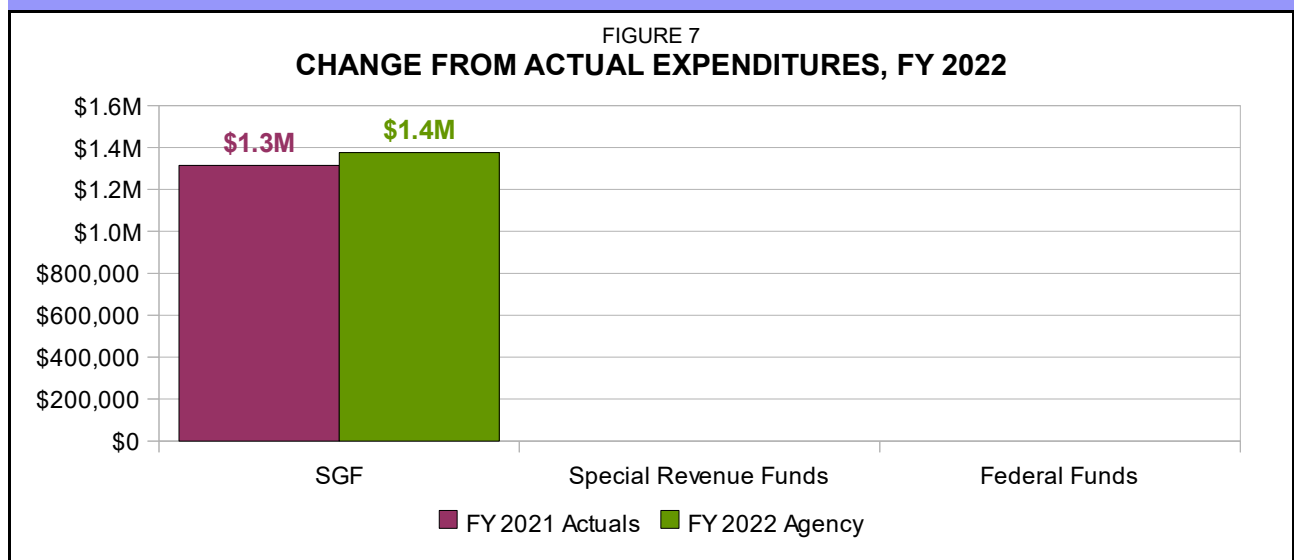
2. **NO CHANGES.** The agency's revised estimate is the same as its FY 2022 approved amount. The agency revised estimate includes decreased expenditures on salaries and benefits due to a long-term employee retiring and the new employee receiving a lower salary. However, the agency expects increased expenditures on travel following the COVID-19 pandemic, as well as an increase in the amount budgeted for the volunteer stipends.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

3. **NO CHANGES.** The Governor recommends no changes to the agency's revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised expenditures of \$1.4 million, all SGF, in FY 2022. This is an increase of \$61,242, or 4.7 percent, above FY 2021 actual expenditures. This overall increase is due to an increased amount budgeted for volunteer stipends, increased travel following the COVID-19 pandemic, and an increase in base salaries and wages. Note that the increase in base salaries and wages was an enhancement approved by the 2021 Legislature. The increase in base salaries and wages was partially offset by a long-term employee retiring in FY 2022 and the new employee receiving a lower salary.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 1,375,949	\$ -	\$ 1,375,949	10.0
Agency Request:				
1. No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Request</i>	\$ 1,375,949	\$ -	\$ 1,375,949	10.0
Governor's Recommendation:				
2. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 1,375,949	\$ -	\$ 1,375,949	10.0

AGENCY REQUEST

The **agency** requests \$1.4 million, all SGF, for FY 2023. This is the same as the FY 2022 revised estimate. The agency requests 10.0 FTE positions, which is the same as the FY 2022 revised estimate.

1. **NO CHANGES.** The agency estimates no changes to its FY 2023 approved amount. Significant items in the agency's request include salaries and benefits for the agency's 10.0 FTE positions, the \$40 per month stipend for volunteers, and building rental fees.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2023.

2. **NO CHANGES.** The Governor recommends no changes to the agency's request for FY 2023.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

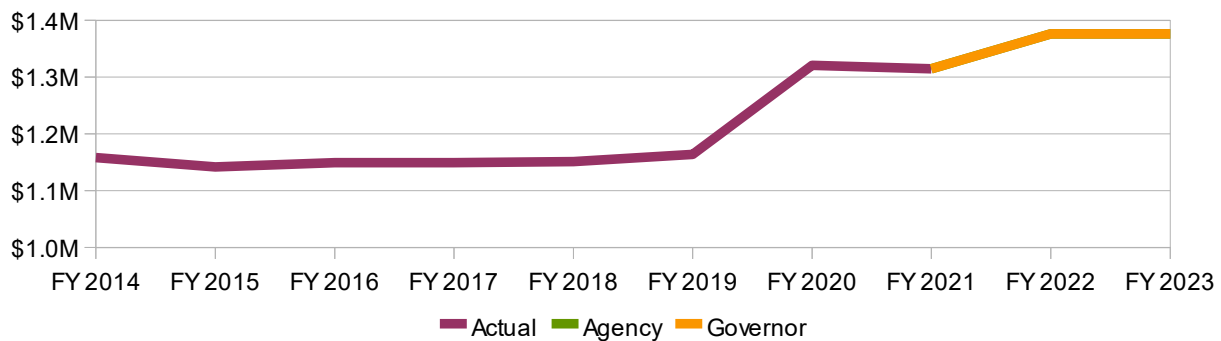
FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 1,314,717	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959	\$ 1,375,959
FTE Positions:					
Administration	10.0	10.0	10.0	10.0	10.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 10
ADMINISTRATION EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 74-9601, *et seq.*

PROGRAM GOALS: • Provide that qualified, caring, and trained persons are available throughout the state who will volunteer to serve in the capacity of court appointed guardians or conservators for those program-eligible persons in need of this level of protection and advocacy, and who do not have family members capable or willing to assume such responsibilities. All such persons are identified by the Department for Children and Families adult protective services or the Kansas Department for Aging and Disability Services state hospital social workers and referred to the agency after all other alternatives have been exhausted. Legal services are provided through the State to petition to the court for the trial to determine impairment. Individuals served may be considered adult wards of the State.

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Percentage of Adults Identified in Need*	91.0 %	91.0 %	91.0 %	91.0 %	91.0 %
2.Number of Volunteers Providing Guardianship or Conservatorship Services	775	772	771	775	775
3.Average Cost per Day per All Adults Served*	\$ 2.30	\$ 2.58	\$ 2.39	\$ 2.77	\$ 2.70
4.Number of Wards and Conservatees Served	1,387	1,394	--	1,357	1,395
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,320,953	\$ 1,314,717		\$ 1,375,959	\$ 1,375,959
Federal Funds	-	-		-	-
All Other Funds	-	-		-	-
TOTAL	\$ 1,320,953	\$ 1,314,717		\$ 1,375,959	\$ 1,375,959
Percentage Change:					
SGF	13.5 %	(0.5) %		4.7 %	-- %
All Funds	13.5 %	(0.5) %		4.7 %	-- %
FTE Positions	10.0	10.0		10.0	10.0
* Indicates performance measure not utilized by the Governor					

STATE INSTITUTIONS FOR INTELLECTUAL DISABILITIES

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 24,926,319	\$ 23,509,569	\$ 23,494,569	\$ 31,705,798	\$ 31,705,798
Federal Funds	1,469,665	397,572	397,572	395,680	395,680
All Other Funds	29,740,044	36,602,987	36,602,987	28,881,050	28,881,050
<i>Subtotal</i>	<i>\$ 56,136,028</i>	<i>\$ 60,510,128</i>	<i>\$ 60,495,128</i>	<i>\$ 60,982,528</i>	<i>\$ 60,982,528</i>
Capital Improvements:					
State General Fund	\$ 12,980	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 12,980</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 56,149,008	\$ 60,510,128	\$ 60,495,128	\$ 60,982,528	\$ 60,982,528
Percentage Change:					
State General Fund	(4.7) %	(5.7) %	(5.8) %	34.9 %	34.9 %
All Funds	2.4 %	7.8 %	7.7 %	0.8 %	0.8 %
FTE Positions	914.7	914.7	914.7	927.7	927.7

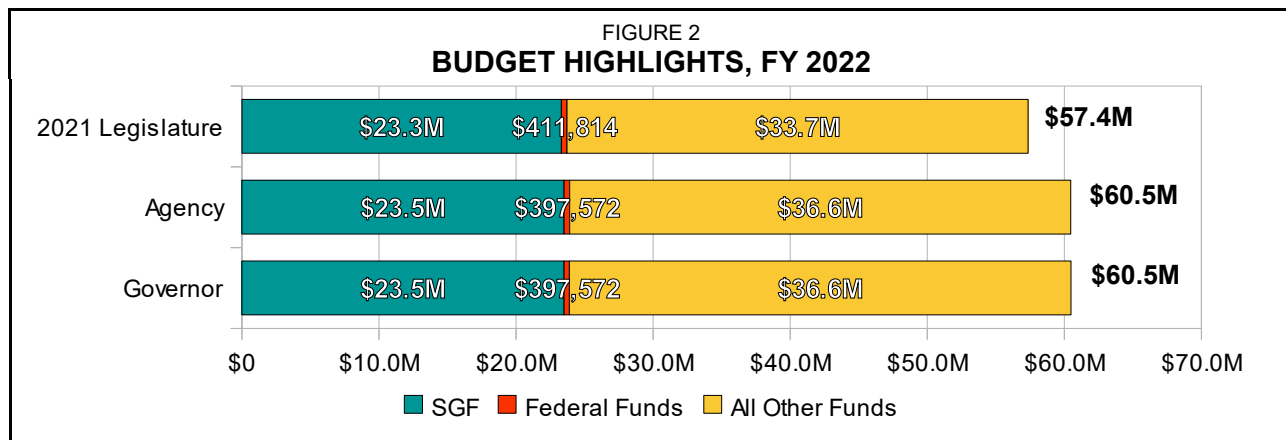
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The State Institutions for Intellectual Disabilities (I/D Institutions) serve individuals diagnosed with intellectual and developmental disabilities who require specialized residential service provisions. There are two residential treatment, training, and care facilities operated by the State of Kansas: Kansas Neurological Institute (KNI) and Parsons State Hospital and Training Center (Parsons). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The I/D Institutions' mission is to improve the lives of residents by connecting the individuals they serve to appropriate supports and services. The general philosophy of the I/D Institutions is to promote the autonomy of the residents it services through support and assistance to allow residents to make choices and achieve personal goals. Such individuals have conditions that originate early in life, most often before birth. Developmental disabilities often require some level of ongoing support throughout a lifetime. As a result, those living in state developmental disability hospitals tend to remain at the facility for much longer than patients at the state mental health hospitals. Therefore, the I/D Institutions are both treatment centers and homes for those individuals who are not served in the community.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$57.4 million, including \$23.3 million from the State General Fund (SGF), for the State Institutions for Intellectual Disabilities for FY 2022.



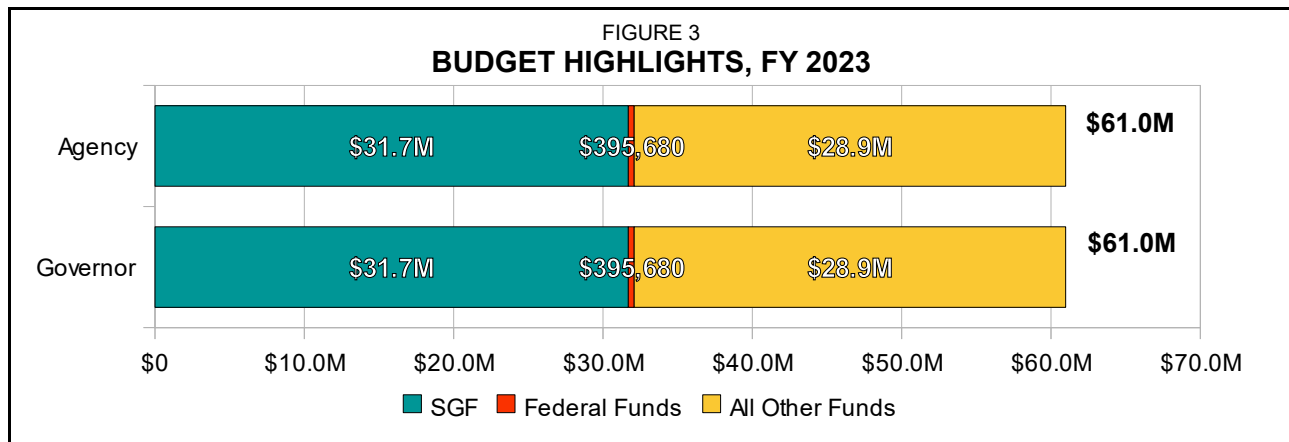
The **agencies** request a revised estimate of \$60.5 million, including \$23.5 million SGF. This is an increase of \$3.1 million above the amount approved by the 2021 Legislature. Significant items in the agencies' estimate include the following:

- SALARY INCREASES ASSOCIATED WITH EXECUTIVE DIRECTIVES.** Included in the agencies' revised estimate are increases associated with Executive Directive Nos. 21-537 and 21-538. Both hospitals have requested salary increases for its Mental Health/Developmental Disability Technician positions. In July and August 2021, the Governor issued two Executive Directives that effectively increased the starting salaries to approximately \$16.00 per hour. In FY 2022, the total cost for these salary increases is \$5.4 million, which the agencies were able to cover with excess federal funding and salary savings due to vacancy rates.
- CONTRACTUAL NURSING STAFF.** Included in KNI's budget is an increase in contractual nursing staff. KNI has historically reported issues with staff turnover, and therefore relies on contractual nursing staff to ensure adequate coverage for the hospital. Due to the ongoing COVID-19 pandemic, the hospital has continued to face staffing issues related to COVID-19 outbreaks, and as a result it continues to see an uptick in the use of contractual staffing services. The total increase for KNI associated with contractual nursing is \$1.1 million. However part of this contractual staffing is covered by federal funds, which allowed for a decrease in SGF expenditures of \$914,994 in FY 2022.
- GENERAL INCREASE IN SUPPLIES.** Included in Parsons' revised estimate are several general increases in utilities and other general supplies for hospital operations. According to the hospital, it saw a general increase in the cost of these supplies in its FY 2021 actuals, and therefore adjusted its budget request accordingly. The total increase was \$513,037 which was primarily covered by federal funds, which allowed for a decrease in SGF expenditures of \$282,726.

The revised estimate also includes 914.7 FTE positions in FY 2022, which is the same as the number approved by the 2021 Legislature.

The **Governor** recommends \$60.5 million, including \$23.5 million SGF, for expenditures in FY 2022. This is a decrease of \$15,000 SGF, or less than 0.1 percent, below the agencies' revised estimate. This decrease is due to the Governor not recommending Parsons' supplemental request for \$15,000 SGF to begin development of a Crisis Stabilization Unit.

The recommendation also includes 914.7 FTE positions in FY 2022, which is the same number as the agencies' revised estimate.



The **agencies** request \$61.0 million, including \$31.7 million SGF. This is an all funds increase of \$472,400, and an SGF increase of \$8.2 million, above the FY 2022 revised estimate. Significant items in the estimate include the following:

- **ENHANCEMENTS TO CONTINUE SALARY INCREASES.** Both hospitals submitted enhancement requests to continue the salary increases associated with Executive Directive Nos. 21-537 and 21-538. The agencies found means to cover these expenditures in FY 2022. KNI utilized increase federal funds the hospitals received due to COVID-19 pandemic relief funding, while Parsons utilized savings it realized due to an increased vacancy rate. Despite finding funds to cover these expenditures in FY 2022, the agencies anticipate requiring an SGF increase to their base budgets to continue these increases into the future. For FY 2023, the total cost for these salary increases is \$5.5 million SGF.
- **DECREASED TITLE XIX FUNDING.** The FY 2023 requests also includes decreased Title XIX funds for both agencies. Due to the COVID-19 pandemic, the Federal Medical Assistance Percentage (FMAP) rate was temporarily increased as a form of relief to allow for states to receive more federal funds for Medicaid expenditures. This increase will end at the end of the quarter when the federal COVID-19 public health emergency declaration expires. Currently, the declaration is set to expire in January 2022, which would continue the increased FMAP until March 2022. The total decrease is approximately \$7.7 million, which is offset with increases in SGF utilization for FY 2023.

The request also includes 927.7 FTE positions for FY 2023, which is an increase of 13.0 FTE positions above the FY 2022 revised estimate. This is due to Parsons' enhancement request for a behavioral health crisis unit at the hospital.

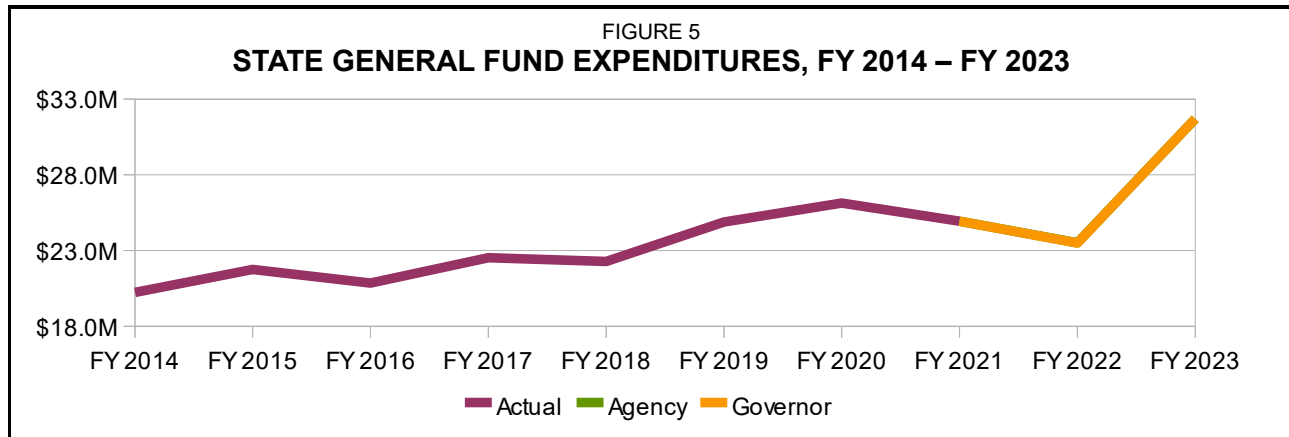
The **Governor** concurs with the agencies' request for FY 2023 expenditures.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 46,129,825	\$ 51,371,263	\$ 51,371,263	\$ 51,770,717	\$ 51,770,717
Contractual Services	5,463,889	5,528,036	5,518,036	5,529,008	5,529,008
Commodities	3,480,350	3,435,829	3,435,829	3,507,553	3,507,553
Capital Outlay	1,060,729	174,850	169,850	175,100	175,100
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 56,134,793	\$ 60,509,978	\$ 60,494,978	\$ 60,982,378	\$ 60,982,378
Aid to Local Units	-	-	-	-	-
Other Assistance	1,235	150	150	150	150
Subtotal—Operating	\$ 56,136,028	\$ 60,510,128	\$ 60,495,128	\$ 60,982,528	\$ 60,982,528
Capital Improvements	12,980	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 56,149,008	\$ 60,510,128	\$ 60,495,128	\$ 60,982,528	\$ 60,982,528
Financing:					
State General Fund	\$ 24,939,299	\$ 23,509,569	\$ 23,494,569	\$ 31,705,798	\$ 31,705,798
Special Revenue	29,704,063	36,568,232	36,568,232	28,846,403	28,846,403
Funds					
Federal Funds	1,469,665	397,572	397,572	395,680	395,680
All Other Funds	35,981	34,755	34,755	34,647	34,647
TOTAL	\$ 56,149,008	\$ 60,510,128	\$ 60,495,128	\$ 60,982,528	\$ 60,982,528
FTE Positions	914.7	914.7	914.7	927.7	927.7

STATE GENERAL FUND

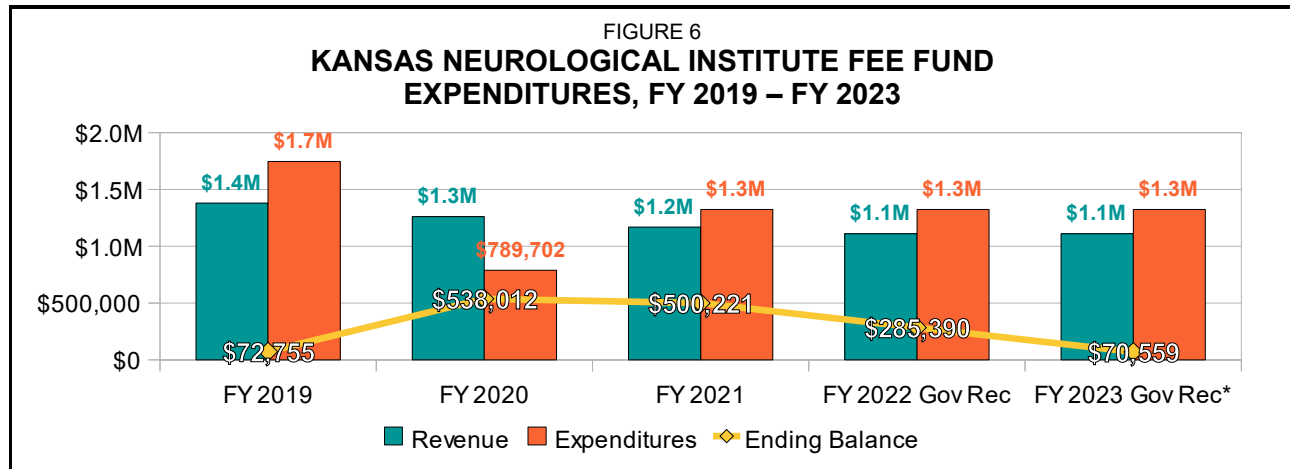


For the State Institutions for Intellectual Disabilities, SGF expenditures equal \$23.5 million in FY 2022 and \$31.7 million for FY 2023. This is an SGF increase of \$8.2 million, or 34.9 percent between the fiscal years. This increase is the combination of two major points:

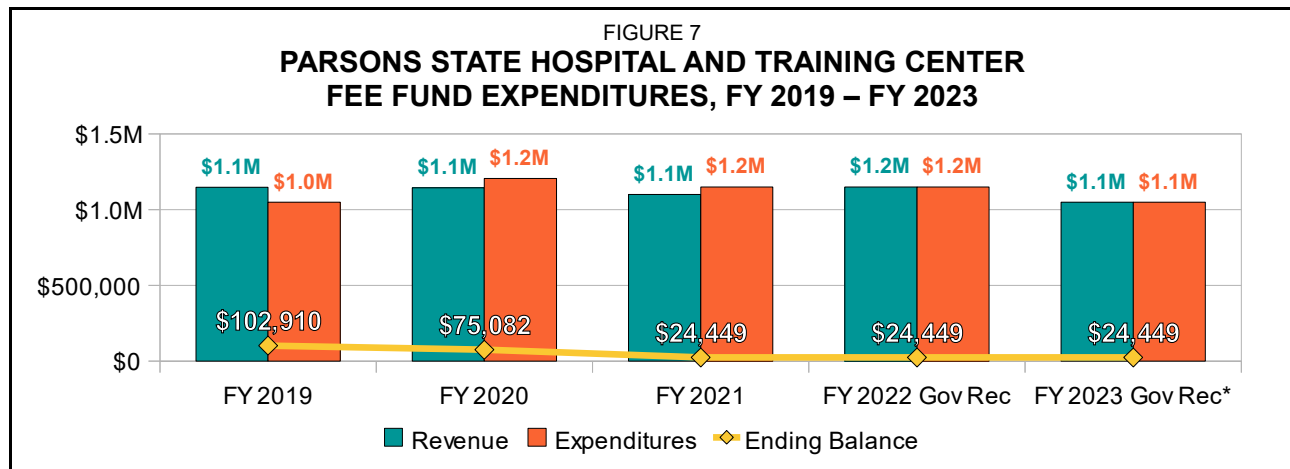
- EXECUTIVE DIRECTIVE INCREASES.** The first reason is due to the Governor's Executive Directive Nos. 21-537 and 21-538. Overall, this had a significant impact of increasing the hospitals' budgets by \$4.0 million. However, to cover the costs in FY 2022, KNI utilized additional federal funds it received through pandemic related relief, while Parsons anticipated using SGF savings resulting from its increased vacancy in FY 2022. While both hospitals found areas to cover the costs in FY 2022, the hospitals anticipate requiring additional SGF added to their base budgets going forward in order to maintain those increases. For FY 2023, the total cost for these salary increases is \$5.5 million SGF.

- SHIFTS IN FUNDING ASSOCIATED WITH PANDEMIC RELIEF.** As a result of the COVID-19 pandemic, the federal government provided for a temporary 6.2 percent increase to the FMAP with a corresponding decrease in state match. The temporary increase extends until the last day of the calendar quarter in which the federal COVID-19 related public health emergency is declared ended. Currently, this increase is anticipated to end in FY 2022. As a result, the agencies anticipate increased SGF expenditures to cover ongoing operating expenditures that had previously been paid using federal funds they received through this increase. The total decrease for FY 2023 is approximately \$7.7 million in federal funds received due to the increase FMAP rate. This decrease in federal funding is offset with increases in SGF utilization for FY 2023.

AGENCY FEE FUNDS



* For FY 2023, the lowest month ending balance for the Kansas Neurological Institute Fee Fund will occur in April, with a balance of \$20,523.



* For FY 2023, the lowest month ending balance for the Parsons State Hospital and Training Center Fee Fund will occur in July, with a balance of \$0.

Both agencies maintain fee fund accounts, however these are not traditional fee funds in which the agency collects various fees or licenses. The bulk of these fee funds are private insurance or Medicare recoupments the hospitals may receive in the course of its care for its residents. Both agencies have indicated that these funds are generally not stable sources of revenue, as they can not consistently anticipate when they will receive recoupments or exactly how much those recoupments might be.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 23,296,995	\$ 34,117,149	\$ 57,414,144	914.7
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 23,296,995</i>	<i>\$ 34,117,149</i>	<i>\$ 57,414,144</i>	<i>914.7</i>
Agency Revised Estimate:				
2. Supplemental - Parsons' Behavioral Crisis	\$ 15,000	\$ -	\$ 15,000	--
3. Executive Directive Salary Increases	2,299,170	41,237	2,340,407	--
4. Contractual Services Increases	(914,944)	2,019,651	1,104,707	--
5. All Other Adjustments	(1,186,652)	822,522	(364,130)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 23,509,569</i>	<i>\$ 37,000,559</i>	<i>\$ 60,510,128</i>	<i>914.7</i>
Governor's Recommendation:				
6. Supplemental - Parsons' Behavioral Crisis	\$ (15,000)	\$ -	\$ (15,000)	--
TOTAL	\$ 23,494,569	\$ 37,000,559	\$ 60,495,128	914.7

LEGISLATIVE APPROVED

There were no subsequent adjustments made to the the \$57.4 million appropriated to the State Institutions for Intellectual Disabilities for FY 2022:

1. **NO CHANGES MADE.** The I/D Institutions did not have any funds reappropriate from FY 2021. There were no other adjustments made.

AGENCY ESTIMATE

The **agencies** request a revised estimate totaling \$60.5 million, including \$23.5 million SGF, for expenditures in FY 2022. This is an all funds increase of \$3.1 million from the FY 2022 approved amount. The estimate includes the following adjustments:

2. **SUPPLEMENTAL—BEHAVIORAL CRISIS STABILIZATION UNIT.** Parsons requests \$15,000 SGF in FY 2022 to begin development of a behavioral crisis stabilization unit at the hospital. Parsons aims to create this unit to provide short-term placement and treatment for individuals with intellectual disabilities experiencing acute behavioral or psychiatric crises.
3. **SALARY INCREASES RELATED TO EXECUTIVE DIRECTIVES.** The Governor issued Executive Directive Nos. 21-537 and 21-538, in July 2021 and August 2021, which increased the starting salaries for the Mental Health and Developmental Disability Technician positions from \$12.35 an hour to approximately \$16.00 per hour. Both hospitals have indicated historical difficulty in retaining personnel in these positions. As an effort to address turnover in these positions, the agency seeks to increase the starting salaries for these positions.
 - o **Kansas Neurological Institute.** KNI seeks to cover the increased expenditures for these executive directives with additional federal funds the hospital anticipates it will receive due to the temporary increase in the Federal Medical Assistance

Percentage (FMAP) associated with the COVID-19 pandemic. *Staff Note:* For more information on the temporary FMAP increase, please see Request 2 below.

- **Parsons State Hospital and Training Center.** Parsons seeks to cover the costs associated with these directives through increasing its shrinkage rate. In FY 2021, the agency realized a higher than anticipated vacancy rate. The agency plans to utilize the funds it originally planned for these now vacant positions to increase the salary for its direct support positions.
4. **CONTRACTUAL SERVICES INCREASES.** While there were small shifts in all of the contractual services categories to reflect the agencies' actual expenditures in FY 2021, the most significant increase was in contractual staffing for KNI. As the agencies' goals are related to the care of its residents, the major expenditures for both hospitals are primarily related to staffing. Due to the ongoing COVID-19 pandemic, KNI anticipated an increased reliance on contractual nursing staff to maintain adequate coverage for the hospital.
5. **ALL OTHER ADJUSTMENTS.** The remainder of the increase reflects the agencies adjusting their budgets to closer reflect actual expenditures in FY 2021. There is a significant increase in the use of special revenue funds over SGF moneys, as the hospitals receive more Medicaid moneys due to the increased FMAP rate associated with the COVID-19 pandemic.

The agency estimate also includes 914.7 FTE positions, which is the same as the number approved by the 2021 Legislature.

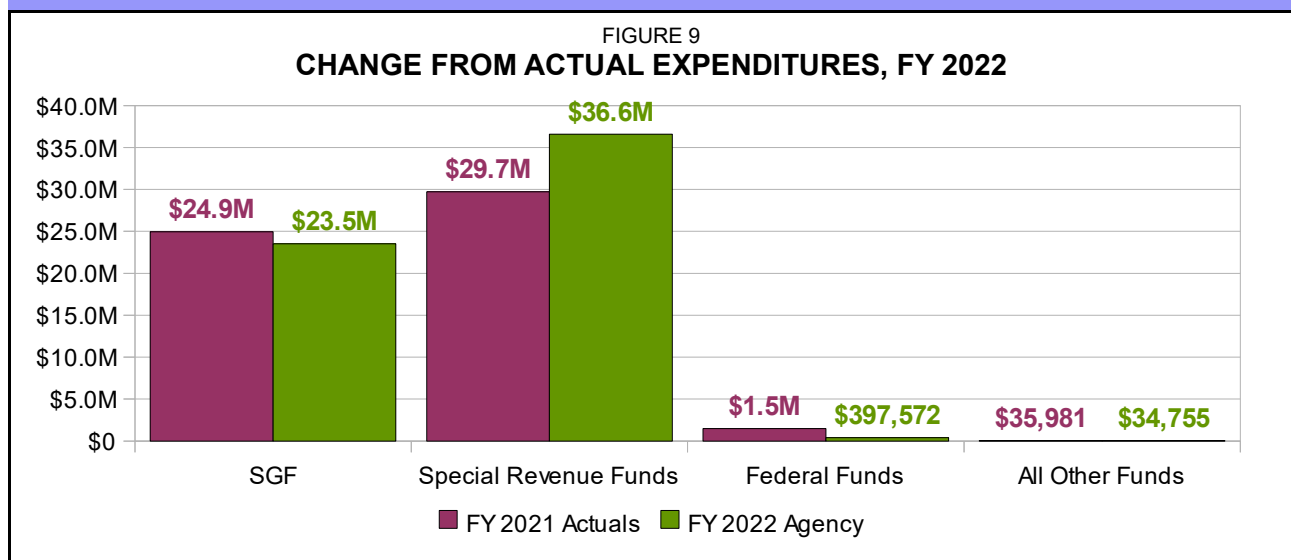
GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$60.5 million, including \$23.5 million SGF, for expenditures in FY 2022. This is a decrease of \$15,000 SGF, or less than 0.1 percent, below the agencies' revised estimate. The **Governor's** recommendation includes the following adjustments:

6. **SUPPLEMENTAL—BEHAVIORAL CRISIS STABILIZATION UNIT.** The Governor does not recommend Parsons' supplemental request for funding to begin development of its Behavioral Crisis Stabilization Unit in FY 2022.

The **Governor's** recommendation also includes 914.7 FTE positions, which is the same number as the agencies' revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agencies'** revised estimate increased by \$4.4 million, or 7.8 percent, above the FY 2021 actual expenditures. The increase is primarily related to the salary increases provided through Executive Directive Nos. 21-537 and 21-538. As detailed above, the agencies have previously requested salary increases for its Mental Health and Developmental Disability Technician positions in an attempt to address issues with direct support workforce shortages. While those requests were not approved, the Governor's Executive Directives effectively provided those increases. For KNI, that was an increase of \$2.7 million, and for Parsons that was an increase of \$2.8 million in FY 2022. Additionally, due to direct support staff turnover issues, the agencies experienced a higher vacancy rate than originally anticipated in FY 2021, which decreased the FY 2021 actual expenditures.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 23,509,569	\$ 37,000,559	\$ 60,510,128	914.7
Agency Request:				
1. Enhancement—Parsons Behavioral Health Unit	\$ 644,388	\$ -	\$ 644,388	13.0
2. Enhancement—Salary Increases Associated With Executive Directives	5,474,042	-	5,474,042	--
3. All Other Adjustments	2,077,799	(7,723,829)	(5,646,030)	--
<i>Subtotal—Agency Estimate</i>	<u>\$ 31,705,798</u>	<u>\$ 29,276,730</u>	<u>\$ 60,982,528</u>	<u>927.7</u>
Governor's Recommendation:				
4. No Changes	-	-	-	--
TOTAL	<u>\$ 31,705,798</u>	<u>\$ 29,276,730</u>	<u>\$ 60,982,528</u>	<u>927.7</u>

AGENCY REQUEST

The **agency** requests \$61.0 million, including \$31.7 million SGF, for expenditures for FY 2023. This is an all funds increase of \$472,400 from the FY 2022 revised estimate. The agencies' requests includes the following adjustments:

- 1. ENHANCEMENT—BEHAVIORAL HEALTH CRISIS UNIT AT PARSONS.** Parsons requests \$644,388 SGF and 13.0 FTE positions for staffing a new behavioral crisis stabilization unit at the hospital. In FY 2022, Parsons requested a supplemental to begin development of a short-term placement and treatment for individuals with intellectual disabilities experiencing acute behavioral or psychiatric crises. For FY 2023, the agency requests the funding and FTE positions to operate and staff that unit.
- 2. ENHANCEMENT—SALARY INCREASES ASSOICATED WITH EXECUTIVE DIRECTIVES.** As indicated above, the Governor issued Executive Directive Nos. 21-537 and 21-538, in July 2021 and August 2021, which increased the starting salaries for the Mental Health and Developmental Disability Technician positions. While the agencies plan to utilize federal funds or anticipated savings in FY 2022, they have requested an increase in their SGF appropriation to continue those increases for FY 2023. KNI requests \$2.7 million SGF, and Parsons requests \$2.8 million SGF, to continue these increases.
- 3. ALL OTHER ADJUSTMENTS.** Absent the enhancement requests for the behavioral crisis stabilization unit at Parsons and the salary increases, the agencies anticipate a similar level of spending as FY 2022, with a few adjustments in anticipated rising costs of supplies. While there is a slight increase in expenditures, the primary difference between the FY 2022 revised estimate and the FY 2023 request is a change in the source of funding, from federal funds to SGF moneys. As stated above, due to the COVID-19 pandemic, the agency anticipated receiving more federal funding in FY 2022 due to an increased FMAP. Currently, the increased FMAP is anticipated to end in March 2022. As a result, the agencies' request includes an increase in SGF utilization to cover the operating costs previously offset with federal funds.

The **agencies'** request also includes 927.7 FTE positions, which is an increase of 13.0 FTE positions above the FY 2022 revised estimates. This is due to Parsons' enhancement request for the staff for its planned behavioral crisis stabilization unit.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$61.0 million, including \$31.7 million SGF, for expenditures for FY 2023.

4. **NO CHANGES.** The Governor concurs with the agencies' revised estimate for FY 2023.

The **Governor's** recommendation also includes 927.7 FTE positions, which is the same number as the agencies' request for FY 2023.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1

PARSONS REQUEST FOR THE DEVELOPMENT OF A CRISIS STABILIZATION UNIT

Parsons requests funding to create a behavioral crisis stabilization unit at the state hospital. The goal of this unit would be to provide short-term placement and treatment for individuals with intellectual disabilities experiencing acute behavioral or psychiatric crises. The agency anticipates that the behavioral crisis stabilization team will provide services to the individual and determine when that individual no longer needs services. Parsons plans for that team to work with the individual's community provider to ensure a safe transition back to the home.

Crisis Stabilization Unit Request					
Item	FY 2022		FY 2023		
	Agency Request	Gov. Rec.	Agency Request	Gov. Rec.	
Development and Support of Behavioral Crisis Stabilization Unit	\$ 15,000	\$ -	\$ 644,388	\$ 644,388	

In FY 2022, Parsons requests \$15,000 SGF to begin the development of the unit. This includes contractual services for remodeling services to create the unit and beds, office supplies, and other equipment to properly equip the units.

The Governor does not recommend adoption of the FY 2022 supplemental request.

For FY 2023, Parsons requests \$644,388 SGF and 13.0 FTE positions for operating expenditures to begin providing care on the unit. This includes a minimal amount for food and supplies for the unit. However, the majority of the request is for the salary to staff the unit, which includes a program director and 12 direct support workers for the one-on-one care of the residents.

The Governor recommends adoption of the FY 2023 enhancement request.

REQUEST 2

SALARY INCREASES FOR DIRECT SUPPORT WORKFORCE

During the 2021 Session, the agency sought to increase the starting salaries of its Mental Health/Developmental Disability Technicians (MHDDT). At the time, the starting salary for MHDDTs was approximately \$12.35 an hour. While there were discussions during the session, those increases were not included in the FY 2022 budget. However, the Governor subsequently issued Executive Directive Nos. 21-537 and 21-538, which increased the starting salaries for these positions.

Executive Directive Salary Increases				
Item	FY 2022		FY 2023	
	Agency Request	Gov. Rec.	Agency Request	Gov. Rec.
KNI Salary Increases	\$ -	\$ -	\$ 2,700,659	\$ 2,700,659
Parsons Salary Increases	-	-	2,773,383	2,773,383
TOTAL	\$ -	\$ -	\$ 5,474,042	\$ 5,474,042

Both agencies indicate that they traditionally face competition with the private sector due to low salaries and the difficult realities of the job. The increase is targeted at MHDDTs, Activity Specialists, Client Training Supervisors/Training Program Managers, and Safety and Security Chief and Officers. Currently, the base salary for MHDDTs is \$12.35 per hour. The Executive Directives aim to increase the base salary to \$14.66 per hour, with comparable increases for the remaining position types.

For KNI, the request is for \$2.7 million SGF for FY 2023 and would affect approximately 343.0 FTE positions. In FY 2022, KNI anticipates using federal funds, which it has drawn down due to the continued increase in the Federal Medical Assistance Percentage (FMAP) as a result of the ongoing COVID-19 pandemic. Due to the COVID-19 pandemic, the President signed the Families First Coronavirus Response Act, which among other things, provided for a temporary 6.2 percent increase to the FMAP with a corresponding decrease in state match. The temporary increase extends until the last day of the calendar quarter in which the federal COVID-19 public health emergency is declared ended. However, as this public health emergency is currently scheduled to end in January 2022, the increase will likely end in March 2022. Therefore, to continue the salary increases for these positions, the agency will require additional SGF moneys for FY 2023.

For Parsons, the request is \$2.8 million SGF for FY 2023, and would affect approximately 345.0 FTE positions. In FY 2022, Parsons' revised estimate includes an increase in its shrinkage rate due to a higher than anticipated vacancy rate. However, in FY 2023 the agency requests an SGF increase to its base budget to continue the increase in the future. As the increase is designed to address retention problems, the agency indicates that it cannot rely on savings from the vacancy rate moving forward.

The Governor recommends adoption of this enhancement request.

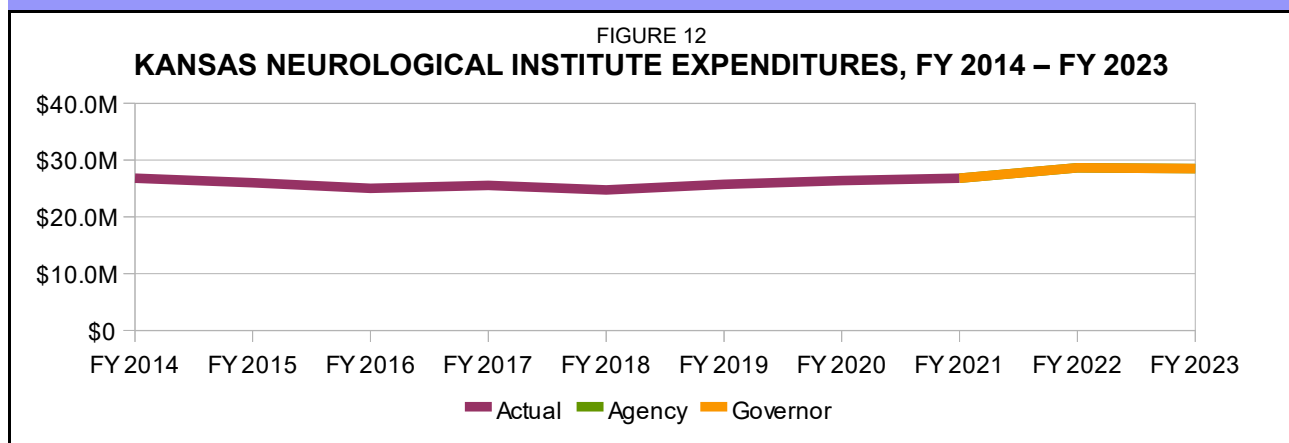
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Kansas Neurological Institute	\$ 26,787,646	\$ 28,631,214	\$ 28,631,214	\$ 28,508,681	\$ 28,508,681
Parsons State Hospital and Training Center	29,361,362	31,878,914	31,863,914	32,473,847	32,473,847
TOTAL	\$ 56,149,008	\$ 60,510,128	\$ 60,495,128	\$ 60,982,528	\$ 60,982,528
FTE Positions:					
Kansas Neurological Institute	437.5	437.5	437.5	437.5	437.5
Parsons State Hospital & Training Center	477.2	477.2	477.2	490.2	490.2
TOTAL	914.7	914.7	914.7	927.7	927.7

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

KANSAS NEUROLOGICAL INSTITUTE



STATUTORY BASIS: • KSA 76-17c01 to 76-17c08

PROGRAM GOALS:

- Provide quality supports for the people living at KNI in daily needs and decision-making.
- Provide support for residents in all aspects of finding, securing, and retaining individualized and meaningful employment.
- Engaging community people, to provide a high-quality volunteer experience that will enrich the lives of the volunteers and people with intellectual disabilities.
- Provide health care for people who live at KNI with various types of acute and chronic conditions and intermediate health care 24 hours a day, 7 days a week.

The Kansas Neurological Institute (KNI) was established in 1959 on 183 acres formerly occupied by the Winter Veterans Hospital. The resident population at KNI is growing older and facing increasingly complex medical, physical, and behavioral support challenges. Many KNI residents require intensive physical and medical supports. Patients at KNI live in 20 homes in 4 residential lodges.

KNI's mission is to support each individual who lives at KNI to have a meaningful life. The agency aims to accomplish this mission by ensuring the well-being of its residents; providing opportunities for personal choice; promoting personal relationships; encouraging participation in the community; and recognizing residents' individuality.

FIGURE 13
**KANSAS NEUROLOGICAL INSTITUTE
CENSUS STATISTICS**

	Actual FY 2019	Actual FY 2020	Actual FY 2021	Projected FY 2022	Projected FY 2023
Bed Capacity	145	141	135	132	132
Average Daily Census	138	132	126	128	128
Admissions	4	3	4	4	4
Separations	7	10	7	4	4

FIGURE 14
**KANSAS NEUROLOGICAL INSTITUTE
PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Vacancy Rate for Direct Care Staff*	10.4 %	24.1 %	14.6 %	10.0 %	10.0 %
2. Vacancy Rate for Non-Direct Care Staff*	10.0 %	8.7 %	9.2 %	6.0 %	6.0 %
3. Percent of people whose guardians agree KNI treats individuals with respect and dignity	94.0 %	99.0 %	97.0 %	100.0 %	100.0 %
4. Percent of people whose guardian agree KNI provides a comprehensive array of services that meet the needs of the individual living at KNI*	95.0 %	99.0 %	97.0 %	100.0 %	100.0 %
5. Number of volunteers serving at KNI*	177	6	126	200	200
Output Measure:					
6. Total number of residence participating in Supported Employment jobs*	87	77	87	90	90
7. Percent of residents in employment jobs*	65.0 %	60.0 %	66.0 %	71.0 %	71.0 %
8. Number of KNI work requests for assistive technology services*	1,396	1,268	1,505	1,350	1,350
Financing (In Thousands)					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 11,530	\$ 11,216		\$ 10,095	\$ 13,975
Federal Funds	514	892		398	396
All Other Funds	14,366	14,680		18,138	14,138
TOTAL	\$ 26,410	\$ 26,788		\$ 28,631	\$ 28,509
Percentage Change:					
SGF	5.6 %	(2.7) %		(10.0) %	38.4 %
All Funds	2.7 %	1.4 %		6.9 %	(0.4) %
FTE Positions	437.5	437.5		437.5	437.5
*The Governor's Office does not utilize this measure for evaluation purposes.					

PERFORMANCE AND BUDGET ANALYSIS

The primary focus of KNI is providing individual supports for people with intellectual and developmental disabilities. Therefore, KNI's priority is ensuring it has adequate coverage for the care of its residents.

In FY 2019, the vacancy rate for direct care support staff was 9.2 percent. In FY 2020, that rate increased to 10.4 percent, and to 24.6 percent in FY 2021. The increase in FY 2021 is partly related to the COVID-19 pandemic. The agency reports that it has historically faced difficulty retaining staff, which is largely

attributed to low salaries and difficult nature of the work.

PREVIOUS SALARY INCREASE REQUESTS

During the 2021 session, the agency sought to increase the starting salaries of its Mental Health/Developmental Disability Technicians (MHDDTs). At the time, the starting salary for MHDDTs is approximately \$12.35 an hour. While there was discussions during the session, those increases were not included in the FY 2022 budget. However, the Governor subsequently issued Executive Directive

Nos. 21-537 and 21-538, which increased the starting salaries for these positions.

PANDEMIC RELATED FMAP INCREASE

The federal medical assistance percentage (FMAP) indicates the amount of federal moneys received per state moneys utilized for Medicaid expenditures. Due to the COVID-19 pandemic, the President signed the Families First Coronavirus Response Act, which among other things, provided for a temporary 6.2 percent increase to the FMAP with a corresponding decrease in state match. This temporary increase extends until the last day of the calendar quarter in which the COVID-19 related public health emergency is declared ended.

The agency currently anticipates utilizing the increased funding it receives from this temporary FMAP increase to cover the salary increases provided by Executive Directive Nos. 21-537 and 21-538 in FY 2022. However, when the agency submitted its budget in September 2021, that temporary increase was anticipated to end January 2022. Therefore, the agency submitted an enhancement request for \$2.7 million SGF to cover the costs associated for

these increases for FY 2023. Subsequently, the temporary increase was extended and is now anticipated to end March 2022, which is not taken into consideration in the submitted budget. (*Staff note:* Please see Topic 1 above for more information on the MHDDT increase.)

SERVICES FOR RESIDENTS

FOSTER GRANDPARENT PROGRAM

As part of its active therapies program, KNI provides leisure activities and skill development through the Foster Grandparent Program, which is a federally funded program that assists in pairing residents with older volunteers. Through this program, residents receive an array of individualized social, leisure, and spiritual opportunities by participating in leisure and other activities with the volunteer grandparents.

SUPPORTED EMPLOYMENT SERVICES

KNI also provides various supported employment services through several entrepreneurial businesses operated at KNI, as well as employment opportunities at KNI itself or other locations in the Topeka community.

FIGURE 15
KANSAS NEUROLOGICAL INSTITUTE
SUMMARY OF EXPENDITURES FY 2021 – FY 2023

Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 21,259,150	\$ 23,871,684	\$ 23,871,684	\$ 23,691,420	\$ 23,691,420
Contractual Services	3,059,221	2,960,176	2,960,176	2,989,958	2,989,958
Commodities	1,880,563	1,799,354	1,799,354	1,827,303	1,827,303
Capital Outlay	574,633	-	-	-	-
Debt Service	-	-	-	-	-
<i>Subtotal - State Ops</i>	<i>\$ 26,773,567</i>	<i>\$ 28,631,214</i>	<i>\$ 28,631,214</i>	<i>\$ 28,508,681</i>	<i>\$ 28,508,681</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	1,099	-	-	-	-
<i>Subtotal - Operating</i>	<i>\$ 26,774,666</i>	<i>\$ 28,631,214</i>	<i>\$ 28,631,214</i>	<i>\$ 28,508,681</i>	<i>\$ 28,508,681</i>
Capital Improvements	12,980	-	-	-	-
Debt Service (Principal)	-	-	-	-	-
TOTAL	\$ 26,787,646	\$ 28,631,214	\$ 28,631,214	\$ 28,508,681	\$ 28,508,681
Financing:					
State General Fund	\$ 11,216,181	\$ 10,095,375	\$ 10,095,375	\$ 13,974,796	\$ 13,974,796
Federal Funds	891,588	397,572	397,572	395,680	395,680
All Other Funds	14,679,877	18,138,267	18,138,267	14,138,205	14,138,205
TOTAL	\$ 26,787,646	\$ 28,631,214	\$ 28,631,214	\$ 28,508,681	\$ 28,508,681
FTE Positions	437.5	437.5	437.5	437.5	437.5

FY 2022 REVISED ESTIMATE

The **agency's** revised estimate is \$28.6 million, including \$10.1 million SGF, for expenditures in FY 2022. This is an increase of \$2.0 million above the amount approved by the 2021 Legislature. These increases are largely due to the salary increases associated with the executive directives, as well as other costs to ensure staffing coverage for the hospital. The revised estimate includes 437.5 FTE positions, which is the same as the approved number.

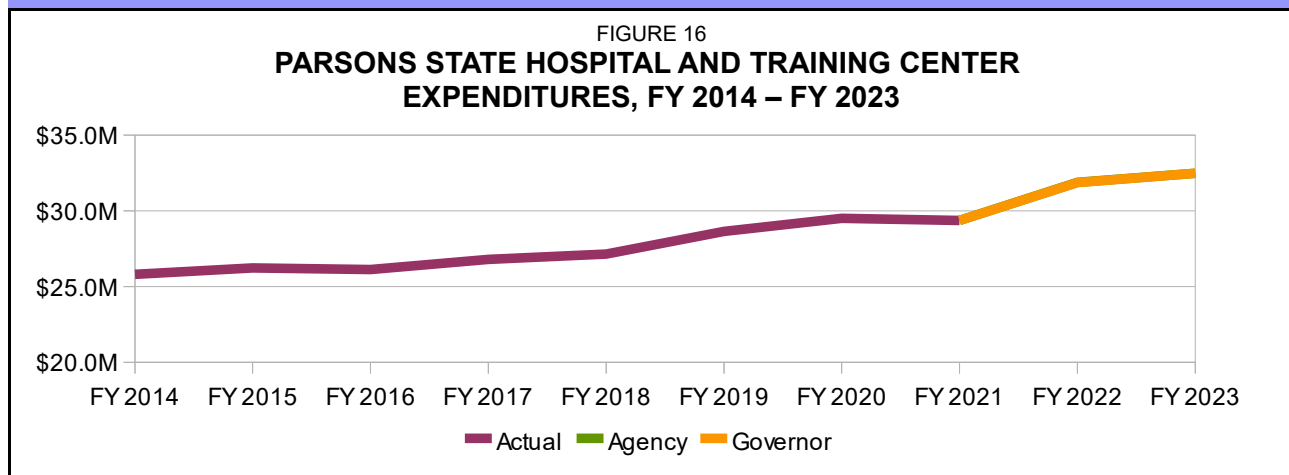
The **Governor** concurs with the agency's revised estimate for expenditures in FY 2022.

FY 2023 AGENCY REQUEST

The **agency's** request includes \$28.5 million, including \$14.0 million SGF, for expenditures in the program for FY 2023. This is a decrease of \$122,533 below the FY 2022 revised estimate. The request also replaces \$4.0 million from special revenue funds with SGF moneys. The request includes 437.5 FTE positions, which is the same as the revised estimate.

The **Governor** concurs with the agency's request for FY 2023 expenditures.

PARSONS STATE HOSPITAL AND TRAINING CENTER



STATUTORY BASIS: • KSA 76-1401 to KSA 76-1415

PROGRAM GOALS:

- Provide effective habilitation, rehabilitation, active treatment, and care to residents of the facility in a safe, healthy, and homelike living environment with consideration for the informed personal lifestyle choices of each resident.
- Supplement and extend development of community service provisions for developmentally disabled children and adults, especially through Outreach Services, a statewide program for persons with developmental disabilities and psychiatric impairments.
- Provide for the optimal mental and physical health of each resident with consideration for the informed personal lifestyle choices of each resident.

The Parsons State Hospital and Training Center (Parsons) was opened in 1903 as Parsons State Hospital to treat the epileptic. In 1953, the program was changed to provide residential services for children with intellectual disabilities, and the name was changed to the Parsons State Training School. Its name was changed a few years later to the Parsons State

Hospital and Training Center to more accurately describe the treatment programs.

The population at Parsons function within a profound to borderline range of intellectual abilities. Approximately 90.0 percent of the population are dually diagnosed with an accompanying psychiatric impairment.

FIGURE 17
**PARSONS STATE HOSPITAL AND TRAINING CENTER
CENSUS STATISTICS
(INTELLECTUAL/DEVELOPMENTAL DISABILITY ONLY)**

	Actual FY 2019	Actual FY 2020	Actual FY 2021	Projected FY 2022	Projected FY 2023
Bed Capacity	172	172	172	172	172
Average Daily Census	161	157	150	147	147
Admissions	9	7	6	9	9
Separations	10	13	14	10	10

FIGURE 18
**PARSONS STATE HOSPITAL AND TRAINING CENTER
PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent compliance to ICF/IID standards pertaining to Habilitation and Treatment Program.*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Average number of PSHTC residents that require increased supervision due to their self-injurious or aggressive behaviors.*	139	139	139	139	139
3. Average number of PSHTC residents that require their own bedroom due to their self-injurious or aggressive behaviors.*	94	83	92	83	83
4. Direct Support Staff annual turn-over rate.*	28.5 %	32.2 %	29.4 %	20.2 %	18.7 %
5. Total number of new Direct Support Staff hired in the FY.*	66	60	71	55	50
Output Measure:					
6. Number of ICF/IID residents served during the fiscal year.*	169	161	167	165	165
7. Number of SPTP residents served during the fiscal year.*	12	9	11	10	11
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 14,607	\$ 13,723		\$ 13,399	\$ 17,731
Federal Funds	106	578		-	-
All Other Funds	14,872	15,060		18,465	14,743
TOTAL	\$ 29,585	\$ 29,361		\$ 31,864	\$ 32,474
Percentage Change:					
SGF	4.6 %	(6.1) %		(2.4) %	32.3 %
All Funds	3.0 %	(0.8) %		8.5 %	1.9 %
FTE Positions	477.2	477.2		477.2	490.2
*The Governor's Office does not utilize this measure for evaluation purposes.					

PERFORMANCE AND BUDGET ANALYSIS

The mission of Parsons State Hospital and Training Center is to improve the lives of its residents by connecting people with supports and services. The agency's philosophy views services as existing to enhance the quality of life for individuals with developmental disabilities while supporting diversity and inclusion of individuals with intellectual and developmental disabilities. It views personal preferences of the individual in all aspects of life as the benchmark of all of its services.

As stated above, approximately 90.0 percent of the Parsons population are dually diagnosed with an accompanying psychiatric impairment. This results in a population which may be more prone to emotional outbursts and self-injurious/aggressive behaviors.

The agency indicates that in FY 2019 and FY 2020, Parsons saw a significant increase in the number of psychotropic medications prescribed prior to admission to the state hospital by an outside service provider. According to the

agency, these medications are generally used as a means to control aggressive behaviors in the community. The Parsons Medical Director and staff closely monitor all medications for each resident in an effort to reduce the number of psychotropic medications during a resident's stay at Parsons. The agency estimates that approximately 73.0 percent of people admitted to Parsons have had psychotropic medications reduced or eliminated since FY 2004.

EFFECT OF THE COVID-19 PANDEMIC

During FY 2020 and FY 2021, the COVID-19 pandemic affected the daily operations of the hospital. For most of FY 2020 and half of FY 2021, off-campus activities and family visitations were prohibited. Additionally, vendors and deliveries were subjected to strict measures to avoid the transmission of COVID-19. The hospital adapted its policies to promote better handwashing, surface disinfecting, and social distancing, and limited face-to-face interactions. During the second half of FY 2021, restrictions began to be lifted. With the prevalence of the delta variant, these procedures remained to some extent. As such, the hospital anticipates continued costs associated with personal protective equipment and disinfecting supplies throughout the remainder of FY 2022.

AGING POPULATION

Similar to KNI, the population of Parsons is beginning to age. Currently, the average length of stay for residents at Parsons is 19.3 years. Currently, 54.0 percent of the population is over the age of 50, including 21 residents who are over the age of 60. As these residents continue to age, Parsons anticipates seeing increased expenditures related to age-related health conditions, similar to expenditures at KNI to care for its aging population.

AGGRESSIVE AND SEXUAL BEHAVIOR

The agency reports that a majority of new admissions are individuals with serious aggressive and sexual acting-out behaviors. While the agency indicates that the overall population is aging, since FY 2019 its new admissions have been on average 17 years old. Additionally, a majority of new residents have had multiple police involvements, hospitalizations, or emergency room visits prior to being admitted to the hospital. The agency anticipates that if this trend continues, it will see an increase in aggressive and self-injurious behaviors, which it believes may create difficulty in placing individuals.

FIGURE 19
PARSONS STATE HOSPITAL AND TRAINING CENTER
SUMMARY OF EXPENDITURES FY 2021 – FY 2023

Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 24,870,675	\$ 27,499,579	\$ 27,499,579	\$ 28,079,297	\$ 28,079,297
Contractual Services	2,404,668	2,567,860	2,557,860	2,539,050	2,539,050
Commodities	1,599,787	1,636,475	1,636,475	1,680,250	1,680,250
Capital Outlay	486,096	174,850	169,850	175,100	175,100
Debt Service	-	-	-	-	-
<i>Subtotal - State Ops</i>	<u>\$ 29,361,226</u>	<u>\$ 31,878,764</u>	<u>\$ 31,863,764</u>	<u>\$ 32,473,697</u>	<u>\$ 32,473,697</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	136	150	150	150	150
<i>Subtotal - Operating</i>	<u>\$ 29,361,362</u>	<u>\$ 31,878,914</u>	<u>\$ 31,863,914</u>	<u>\$ 32,473,847</u>	<u>\$ 32,473,847</u>
Capital Improvements	-	-	-	-	-
Debt Service (Principal)	-	-	-	-	-
TOTAL	<u>\$ 29,361,362</u>	<u>\$ 31,878,914</u>	<u>\$ 31,863,914</u>	<u>\$ 32,473,847</u>	<u>\$ 32,473,847</u>
Financing:					
State General Fund	\$ 13,723,118	\$ 13,414,194	\$ 13,399,194	\$ 17,731,002	\$ 17,731,002
Federal Funds	578,077	-	-	-	-
All Other Funds	15,060,167	18,464,720	18,464,720	14,742,845	14,742,845
TOTAL	<u>\$ 29,361,362</u>	<u>\$ 31,878,914</u>	<u>\$ 31,863,914</u>	<u>\$ 32,473,847</u>	<u>\$ 32,473,847</u>
FTE Positions	477.2	477.2	477.2	490.2	490.2

FY 2022 REVISED ESTIMATE

The **agency's** revised estimate is \$31.9 million, including \$13.4 million SGF, for expenditures in FY 2022. This is an increase of \$528,037 above the amount approved by the 2021 Legislature. The increase is largely due to the increased costs for supplies and material associated with the economy. The revised estimate includes 477.2 FTE positions, which is the same as the approved number.

The **Governor** recommends \$31.9 million, including \$13.4 million SGF, for expenditures in FY 2022. This is a decrease of \$15,000 SGF, which is due to the Governor not recommending the agency's supplemental request to begin development of a behavioral crisis stabilization unit in FY 2022.

FY 2023 AGENCY REQUEST

The **agency's** request is \$32.5 million, including \$17.7 million SGF, for expenditures in the program for FY 2023. This is an increase of \$594,933 above the FY 2022 revised estimate. Similar to the FY 2022 revised estimate, the increase is related to the agency anticipating further increases in the costs of supplies and materials. The request also increases SGF expenditures by \$4.3 million while reducing special revenue fund expenditures. The request includes 490.2 FTE positions, which is an increase of 13.0 FTE positions above the FY 2022 number.

The **Governor** concurs with the agency's request for FY 2023 expenditures.

STATE INSTITUTIONS FOR MENTAL HEALTH

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 101,848,350	\$ 109,974,312	\$ 95,820,489	\$ 123,455,077	\$ 103,266,310
Federal Funds	4,877,047	1,791,136	1,791,136	-	-
All Other Funds	15,056,647	22,471,547	22,471,547	21,416,665	21,497,591
<i>Subtotal</i>	<i>\$ 121,782,044</i>	<i>\$ 134,236,995</i>	<i>\$ 120,083,172</i>	<i>\$ 144,871,742</i>	<i>\$ 124,763,901</i>
Capital Improvements:					
State General Fund	\$ 28,164	\$ -	\$ -	\$ 8,884	\$ 8,884
Federal Funds	-	-	-	-	-
All Other Funds	1,063,136	53,783	53,783	55,934	55,934
<i>Subtotal</i>	<i>\$ 1,091,300</i>	<i>\$ 53,783</i>	<i>\$ 53,783</i>	<i>\$ 64,818</i>	<i>\$ 64,818</i>
TOTAL	\$ 122,873,344	\$ 134,290,778	\$ 120,136,955	\$ 144,936,560	\$ 124,828,719
Percentage Change:					
State General Fund	(1.2) %	7.9 %	(5.9) %	12.3 %	7.8 %
All Funds	14.6 %	9.3 %	(2.2) %	7.9 %	3.9 %
FTE Positions	1,436.9	1,425.0	1,407.0	1,572.0	1,459.0

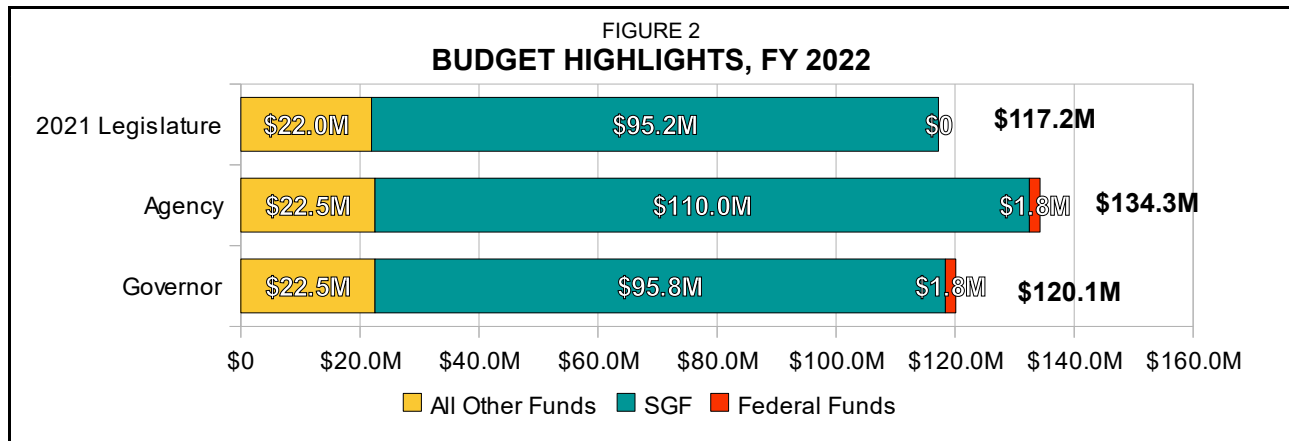
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The State Institutions for Mental Health (MH Institutions) serve individuals diagnosed with severe and persistent mental illnesses who require inpatient treatment. There are two mental health institutions operated by the State of Kansas: Osawatimie State Hospital (OSH) and Larned State Hospital (LSH). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$116.4 million, including \$94.4 million from the State General Fund (SGF), for the State Institutions for Mental Health for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required:

- **SGF REAPPROPRIATIONS.** The MH Institutions received \$810,916 SGF, which was not expended in FY 2021 and then reappropriated into FY 2022. LSH received approximately \$249,533 SGF, while OSH received \$561,383 in reappropriations in FY 2022.



The **agencies** request a revised estimate of \$134.3 million, including \$110.0 million SGF, for expenditures in FY 2022. For LSH, the revised estimate was \$86.6 million including, \$75.1 million SGF, while OSH's revised estimate was \$47.7 million, including \$34.8 million SGF.

Overall, the expenditures increased by \$17.1 million, or 14.6 percent, above the amount approved by the 2021 Legislature. Significant items in the agencies' revised estimate includes the following:

- FUNDING FOR OPERATIONS COST AT LSH.** LSH had several supplemental requests that pertained to additional costs associated with staffing coverage and food service at the hospital. As part of its revised estimate, LSH included a request for \$13.0 million SGF for anticipated contractual staffing expenditures to ensure adequate coverage at the hospital. As the agency has historically indicated, it continually relies on contractual staff and has found that the COVID-19 pandemic has created more of a need for these services. Additionally, the estimate included an increase associated for LSH's food service contract. The agency relies on a third-party to provide meals to its patients and received a revised estimate for the contract, which increased by 62.0 percent. This would result in a total increase of \$15.0 million SGF for operational costs at LSH in FY 2022.
- SHIFT IN CATEGORY OF EXPENDITURE FOR OSH STAFFING.** Overall, OSH's revised estimate does not increase significantly. However, there is a \$2.4 million swap between salaries and wages expenditures and contractual services. As with LSH, OSH relies on contractual nursing staff to provide direct support coverage for the hospital when there is a shortage in FTE positions. The agency revised its budget to include additional funding for contractual staff as it anticipates an increased vacancy rate in FY 2022. This does not result in an overall expenditure increase for OSH in FY 2022, but causes decreases in certain categories of expenditure.

The agency estimate also includes 1,425.0 FTE positions, which is a decrease of 4.0 FTE positions below the number approved by the 2021 Legislature.

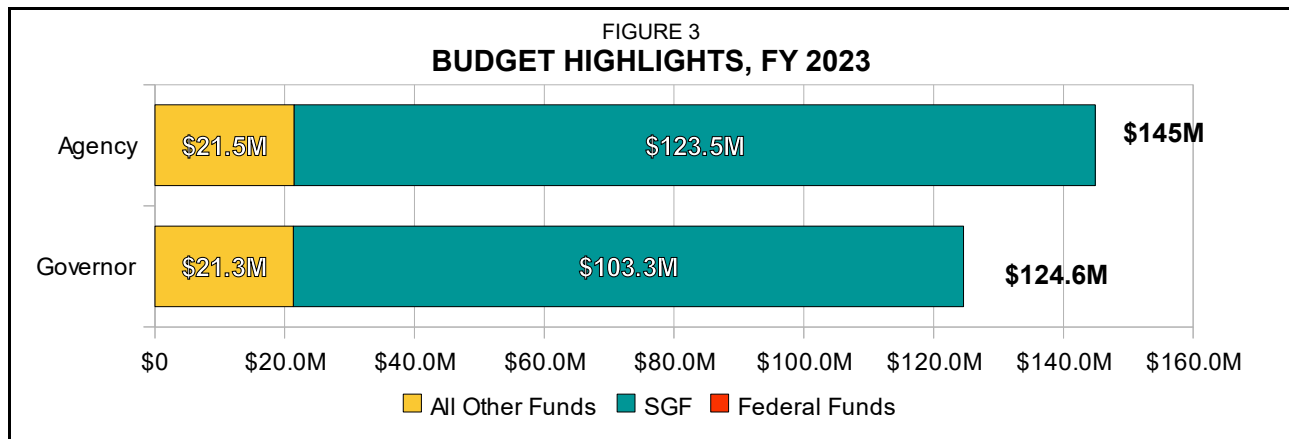
The **Governor** recommends \$120.1 million, including \$95.8 million SGF, for expenditures in FY 2022. This is a decrease of \$14.2 million SGF below the agencies' FY 2022 revised estimate. Decreases in the recommendation are primarily related to the Governor not including several of the agencies' supplemental requests, including the following:

- OPERATIONAL COSTS AT LSH.** The Governor's recommendation does not include the additional \$13.0 million SGF for LSH to fund additional contractual nursing staff. Additionally, subsequent to its budget submission, LSH revised its food contract estimate to

\$893,000 SGF. As such, the Governor's recommendation adopts this new estimate for LSH's anticipated increase for its food service contract. This would result in a total decrease of \$13.5 million SGF below LSH's revised estimate in FY 2022.

- **SPTP SAFETY AND SECURITY FTEs.** The Governor does not recommend LSH's request for \$552,271 for 18.0 Safety and Security FTE positions for the SPTP program. The request was originally to fund these positions for half of FY 2022 and into FY 2023. However, while the Governor's recommendation does not include funding for FY 2022, it does include partial funding for FY 2023. This would result in a total decrease of \$552,241 SGF, and 18.0 FTE positions, below LSH's revised estimate in FY 2022.
- **OSH MICO HOUSE REAPPROPRIATION.** The Governor's recommendation does not include an additional \$53,759 that was inadvertently lapsed from the appropriation for OSH's SPTP reintegration unit. This would result in a total decrease of \$53,759 SGF below OSH's revised estimate in FY 2022.

The recommendation also includes 1,407.0 FTE positions, which is a decrease of 18.0 FTE positions below the agencies' FY 2022 revised number. The decrease is due to the Governor not recommending LSH's supplemental request for additional safety and security positions in FY 2022.



The **agencies** requests \$144.9 million, including \$123.5 million SGF, for expenditures for FY 2023. For LSH, the revised estimate is \$93.2 million including, \$83.8 million SGF, while OSH's request is \$51.8 million, including \$39.7 million SGF. Overall, the expenditures increased by \$10.6 million, or 7.9 percent, above the FY 2022 revised estimate. Significant items in the agency request include the following:

- **ADDITIONAL SPTP FUNDING.** LSH's request includes several enhancement requests related to increased services through the Sexual Predator Treatment Program (SPTP). These requests include funding for an additional SPTP unit as well as funding for addition staff to assist in the growing population of the SPTP. The hospital has indicated that the SPTP population is continuing to grow, and that the new participants appear to be increasingly aggressive. As such, the agency would like to increase its SPTP staff and services to account for this increasing population. This would result in a total increase of \$6.3 million SGF for the SPTP program for FY 2023.
- **ADDITIONAL STAFF FOR PSP AT LSH.** The request that LSH submitted includes \$1.4 million and 17.0 FTE positions for FY 2023 to add additional staff to the Psychiatric Services Program (PSP). The hospital reports that it had a waitlist for 96 days during FY 2021. The agency indicates that these positions are necessary to appropriately assess,

treat and supervise, and discharge patients. The hospital's goal in increasing staff is to provide quicker services to individuals civilly committed, in an attempt to reduce the wait time for services at LSH. This would result in a total increase of \$1.4 million SGF for the PSP program for FY 2023.

- **MORATORIUM-RELATED INCREASES.** OSH's request includes two enhancement requests to assist in lifting the moratorium on voluntary admissions. The requests primarily relate to adding FTE positions and funding to staff the Biddle Building once the remodel has concluded and the addition of funding dedicated to a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$2.4 million SGF for moratorium-related expenditures for FY 2023.

The **agency** request also includes 1,572.0 FTE positions, which is an increase of 147.0 FTE positions above the FY 2022 revised estimate amount. This increase is due to the agencies' enhancement requests for additional staffing at the hospitals.

The **Governor** recommends \$124.8 million, including \$103.3 million SGF, for FY 2023 expenditures. This is a decrease of \$20.2 million SGF below the agencies' FY 2023 request. Decreases in the Governor's recommendation are primarily related to the Governor not including several of the agencies' enhancement requests including the following:

- **LSH ENHANCEMENT REQUESTS.** As with FY 2022, the Governor's recommendation does not include the addition of \$13.0 million SGF for LSH to fund additional contractual nursing staff, nor the agency's enhancement request for additional FTE positions for the Psychiatric Services Program. This results in a total decrease of \$15.0 million SGF, and 17.0 FTE positions, below LSH's request for FY 2023.
- **ADDITIONAL SPTP FUNDING.** The Governor's recommendation does not include additional funding to expand the SPTP program. LSH's request includes several enhancements to expand the SPTP program by adding an additional SPTP unit as well as adding additional FTE positions for the current units. This would result in a total decrease of \$6.3 million SGF, and 96.0 FTE positions, below LSH's request for FY 2023.

Significant items in the Governor's recommendation that partially offset the decreases discussed above include the following:

- **MORATORIUM-RELATED INCREASES.** The Governor's recommendation adopts OSH's two enhancement requests to assist in lifting the moratorium on voluntary admissions. These requests were to add FTE positions and funding to staff the Biddle Building and the addition of a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$3,018 SGF, due to a technical correction to OSH's request for FY 2023.
- **OPERATIONAL AND UPGRADE COSTS AT LSH.** The recommendation adopts several enhancements for operational costs and upgrades at the state hospital. This includes \$893,000 for anticipated increases to its food services contract. LSH's request was originally \$1.4 million, but subsequent to its budget submission, LSH revised its food contract estimate to \$893,000 SGF. The recommendation also includes LSH's requests to upgrade the phone systems at the hospital as well as upgrades and FTE positions for the State Security Program. This does not result in an increase in expenditures above LSH's request for FY 2023, but causes a shift in the source of funding.

- **SALARY INCREASES.** The recommendation also includes funding associated with the Governor's Executive Directives (EDs) Nos. 21-537 and 21-538 to increase salaries for direct care staff in order to assist in staff retention issues. The recommendation includes a total of \$1.5 million SGF. Originally, only LSH included an enhancement request to fund the increases. This would result in a total increase of \$1.2 million SGF above OSH's request for FY 2023.

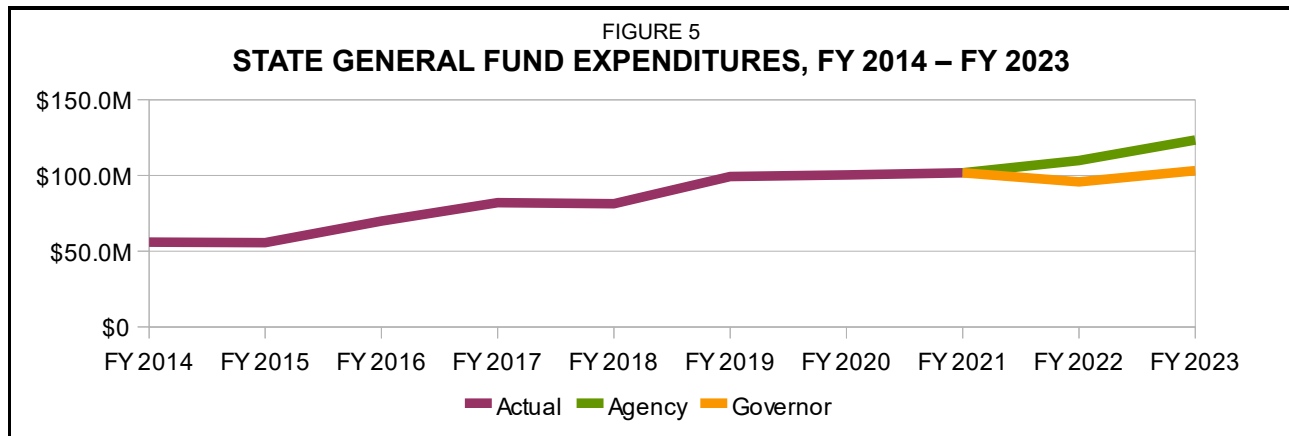
The recommendation also includes 1,459.0 FTE positions, which is a decrease of 113.0 FTE positions below the agencies' FY 2023 request. The decrease is due to the Governor not recommending a majority LSH's enhancement requests for additional positions for the SPTP and PSP Programs for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 81,321,663	\$ 78,982,384	\$ 78,376,354	\$ 90,352,568	\$ 83,998,440
Contractual Services	31,975,920	48,246,692	34,698,899	47,959,593	34,205,880
Commodities	6,133,292	5,822,259	5,822,259	5,393,885	5,393,885
Capital Outlay	2,117,850	1,171,250	1,171,250	1,148,515	1,148,515
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 121,548,725	\$ 134,222,585	\$ 120,068,762	\$ 144,854,561	\$ 124,746,720
Aid to Local Units	-	-	-	-	-
Other Assistance	233,319	14,410	14,410	17,181	17,181
Subtotal—Operating	\$ 121,782,044	\$ 134,236,995	\$ 120,083,172	\$ 144,871,742	\$ 124,763,901
Capital Improvements	1,091,300	53,783	53,783	64,818	64,818
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 122,873,344	\$ 134,290,778	\$ 120,136,955	\$ 144,936,560	\$ 124,828,719
Financing:					
State General Fund	\$ 101,876,514	\$ 109,974,312	\$ 95,820,489	\$ 123,463,961	\$ 103,275,194
Federal Funds	4,877,047	1,791,136	1,791,136	-	-
All Other Funds	16,119,783	22,525,330	22,525,330	21,472,599	21,553,525
TOTAL	\$ 122,873,344	\$ 134,290,778	\$ 120,136,955	\$ 144,936,560	\$ 124,828,719
FTE Positions	1,436.9	1,425.0	1,407.0	1,572.0	1,459.0

STATE GENERAL FUND

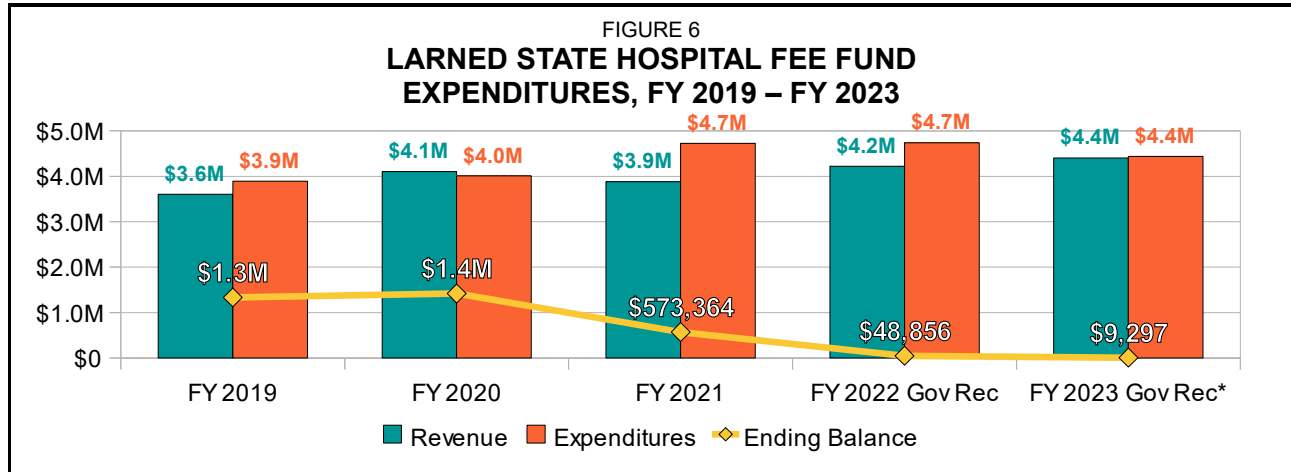


For the State Institutions for Mental Health, SGF expenditures comprise a majority of the institutions' budget. The MH Institutions are considered by the federal Centers for Medicare and Medicaid Services (CMS) to be institutions for mental disease. Under Medicaid statutes, institutions for mental disease are hospitals, nursing facilities, or other institutions with more than 16 beds that are primarily engaged in providing care of individuals with mental illness. Historically, these types of institutions are not eligible to receive Medicaid reimbursements for services provided to individuals ages 21 to 64.

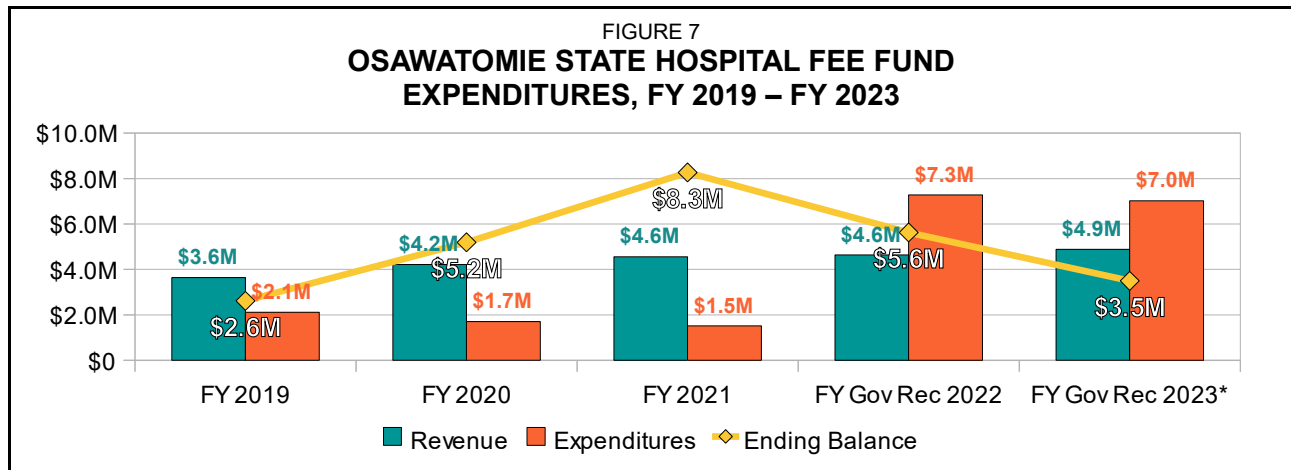
Therefore, unlike the State Institutions for Intellectual/Developmental Disabilities, the MH Institutions are not eligible for Medicaid reimbursements, which results in SGF moneys being the major funding source for these institutions. The institutions do receive a small amount of Medicaid funding from the Medicaid Disproportionate Share Hospital payments the State receives. These are payments made to hospitals who serve a large number of Medicaid or uninsured

individuals. The State receives these funds and then distributes them to qualifying hospitals. As such, the MH Institutions receive a small portion of these payments.

AGENCY FEE FUNDS



* For FY 2023, the lowest month ending balance for the Larned State Hospital Fee Fund will occur in June, with a balance of \$0.



* For FY 2023, the lowest month ending balance for the Osawatomie State Hospital Fee Fund will occur in July, with a balance of \$3.1 million.

Both hospitals maintain fee fund accounts, however these are not traditional fee funds where the agencies collect various fees or licenses. The bulk of these fee funds are private insurance or Medicare recoupments the hospitals may receive in the course of its care of residents. Both agencies have indicated that these funds are generally not stable sources of revenue as they can not consistently anticipate when the hospital may receive recoupments or exactly how much those recoupments might be. During the 2021 Session, the Governor's Budget Recommendation recommended that the agencies utilize their fee funds for several operations related expenditures. At the time, both agencies expressed concern over whether those expenditures could be funded with fee funds as apposed to an SGF appropriation.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 94,427,054	\$ 21,959,661	\$ 116,386,715	1,429.0
1. SGF Reappropriation	810,916	-	810,916	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 95,237,970</i>	<i>\$ 21,959,661</i>	<i>\$ 117,197,631</i>	<i>1,429.0</i>
Agency Revised Estimate:				
2. OSH Supplemental - MiCo Reappropriation Restoration	\$ 53,759	\$ -	\$ 53,759	--
3. LSH Supplemental - Additional Funding for Contract Nursing Staff	13,000,000	-	13,000,000	--
4. LSH Supplemental - Increased Food Services Contract	1,440,793	-	1,440,793	--
5. LSH Supplemental - Security Upgrades	552,271	-	552,271	18.0
6. Additional COVID-19 Funding	-	1,791,136	1,791,136	--
7. All Other Adjustments	(310,481)	565,669	255,188	(22.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 109,974,312</i>	<i>\$ 24,316,466</i>	<i>\$ 134,290,778</i>	<i>1,425.0</i>
Governor's Recommendation:				
8. OSH Supplemental - MiCo Reappropriation Restoration	\$ (53,759)	\$ -	\$ (53,759)	--
9. LSH Supplemental - Additional Funding for Contract Nursing Staff	(13,000,000)	-	(13,000,000)	--
10. LSH Supplemental - Increased Food Services Contract	(547,793)	-	(547,793)	--
11. LSH Supplemental - Security Upgrades	(552,271)	-	(552,271)	(18.0)
TOTAL	\$ 95,820,489	\$ 24,316,466	\$ 120,136,955	1,407.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$116.4 million appropriated to the State Institutions for Mental Health for FY 2022. This adjustment changes the current year approved amount without any legislative action required:

1. **SGF REAPPROPRIATIONS.** The MH Institutions received \$810,916 SGF in funds that were not expended in FY 2021 and then reappropriated into FY 2022. LSH received approximately \$249,533 SGF, while OSH received \$561,383 in reappropriations in FY 2022.

AGENCY ESTIMATE

The **agencies** request a revised estimate of \$134.3 million, including \$110.0 million SGF, in FY 2022. For LSH, the revised estimate was \$86.6 million, including \$75.1 million SGF, while OSH's revised estimate was \$47.7 million, including \$34.8 million SGF. Overall, the expenditures increased by \$17.1 million, or 14.6 percent, above the amount approved by the 2021 Legislature. The **agency** estimate includes the following adjustments:

2. **MICO HOUSE REAPPROPRIATION.** OSH's revised estimate includes \$53,759 SGF in FY 2022 to restore funding that was unspent in FY 2021 and that the agency anticipated would reappropriate into FY 2022. These funds were inadvertently lapsed. Restoration

of the funding would bring the SGF appropriation for the MiCo House in line with the appropriations for LSH and Parsons State Hospital and Training Center.

3. **LSH SUPPLEMENTAL—ADDITIONAL FUNDING FOR CONTRACT NURSING STAFF.** Included in LSH's revised estimate is \$13.0 million SGF to fund additional contract nursing staff. LSH has historically faced staffing shortages, and as a result have had to utilize contractual nursing staff to provide coverage for the hospital. As the direct care workforce is currently facing a shortage, the agency reports that it has noticed an increase in the rates it pays for contracts.
4. **LSH SUPPLEMENTAL—INCREASED FOOD SERVICES CONTRACT.** Also included in LSH's revised estimate is an increase of \$1.4 million SGF to provide food for residents. The hospital received a revised estimate for the food contract, which increased by approximately 62.0 percent in FY 2022.
5. **LSH SUPPLEMENTAL—SECURITY UPGRADES.** LSH's revised estimate also includes \$552,271 SGF and 2.0 FTE positions for upgrades related to security measures at the hospital. This request includes two upgrades. One for ligature-resistant furniture, which the agency has requested in previous years, and 2.0 FTE security officer positions to assist in protecting staff and residents.
6. **ADDITIONAL COVID-19 FUNDING.** The revised estimate for LSH also includes additional funding from COVID-19 relief funding that the agency anticipates to spend on COVID-19-related expenditures. These expenditures would include costs to provide nursing coverage for the hospital when there are pandemic-related shortages as well as sanitation supplies and personal protective equipment.
7. **ALL OTHER ADJUSTMENTS.** The revised estimates for the MH institutions also include slight increases related to the increasing cost of supplies due to the supply chain issues caused by the COVID-19 pandemic.

The **agency** estimate also includes 1,425.0 FTE positions, which is a decrease of 4.0 FTE positions below the number approved by the 2021 Legislature.

GOVERNOR'S RECOMMENDATION

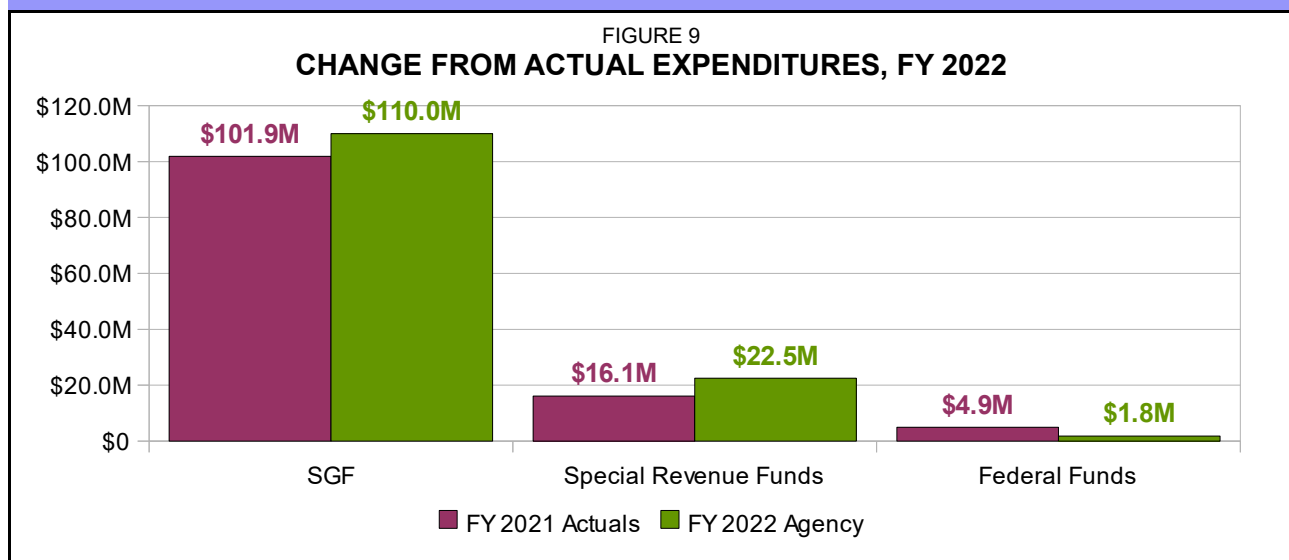
The **Governor** recommends \$120.1 million, including \$95.8 million SGF, for FY 2023 expenditures. This is a decrease of \$14.2 million SGF below the agencies' FY 2023 request. Decreases in the recommendation are primarily related to the Governor not including several of the agencies' supplemental requests, including the following:

8. **MICO HOUSE REAPPROPRIATION.** The Governor does not recommend OSH's supplemental request for \$53,759 SGF to restore funding that was unspent in FY 2021.
9. **LSH SUPPLEMENTAL—ADDITIONAL FUNDING FOR CONTRACT NURSING STAFF.** The Governor does not recommend LSH's supplemental request for \$13.0 million SGF to fund additional contract nursing staff.
10. **LSH SUPPLEMENTAL—INCREASED FOOD SERVICES CONTRACT.** The Governor's recommendation adopts a revised estimate for LSH's supplemental request of \$893,000 SGF to provide food for residents. This is a decrease of \$547,793 SGF below LSH's request. This decrease is due to a revised estimate for the food contract, which the hospital provided subsequent to its budget submission.

11. **LSH SUPPLEMENTAL—SECURITY UPGRADES.** The Governor does not recommend LSH's request of \$552,271 SGF and 18.0 FTE positions for Safety and Security Officers for the SPTP program in FY 2022.

The **Governor's** recommendation also includes 1,407.0 FTE positions, which is a decrease of 18.0 FTE positions below the agencies' FY 2022 revised number. The decrease is due to the Governor not recommending LSH's supplemental request for additional safety and security positions in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agencies'** revised estimate is \$134.3 million, including \$110.0 million SGF, for expenditures in FY 2022. This is an all funds increase of \$11.4 million, or 9.3 percent, and an SGF increase of \$8.1 million, or 7.9 percent, above the FY 2021 actual expenditures. The increase is primarily due to the costs associated with contractual staffing needs. As indicated above, both hospitals utilize contract nursing and other direct support staff to provide adequate coverage when there are high staff vacancies.

As a majority of each agency budget is SGF funded, any increase primarily affects SGF appropriations. While there is an increase in special revenue fund utilization, those increase are associated with the Governor's recommendation from the 2021 Session to replace SGF expenditures with special revenue funds. As both agencies receive limited Title XIX funding, these special revenue funds are primarily agency fee funds. As described above, the agencies have expressed some reservations over utilizing their fee funds for ongoing operating expenditures, indicating that their fee funds will eventually not be able maintain an ongoing level of spending, given the source of those funds are not consistent from year to year. Additionally, the federal funds decrease is related to the anticipated end of COVID-19 pandemic relief funding.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 109,974,312	\$ 24,316,466	\$ 134,290,778	1,425.0
Agency Request:				
1. OSH Enhancements - Moratorium Related Requests	\$ 2,399,000	\$ -	\$ 2,399,000	41.0
2. LSH Enhancements - SPTP Related Requests	6,268,485	-	6,268,485	87.0
3. LSH Enhancements - Continuation of FY 2022 Supplementals	-	-	-	--
4. LSH Enhancements - PSP Staffing	1,439,484	-	1,439,484	17.0
5. LSH Enhancements - Additional Operating Related Requests	1,142,876	-	1,142,876	2.0
6. Decreased COVID-19 Relief Funds	-	(1,791,136)	(1,791,136)	--
7. All Other Adjustments	2,239,804	(1,052,731)	1,187,073	--
Subtotal—Agency Estimate	\$ 123,463,961	\$ 21,472,599	\$ 144,936,560	1,572.0
Governor's Recommendation:				
8. LSH Enhancements - SPTP Related Requests	(6,270,756)	-	(6,270,756)	(96.0)
9. LSH Supplemental - Additional Funding for Contract Nursing Staff	(13,000,000)	-	(13,000,000)	--
10. LSH Supplemental - Increased Food Services Contract	(547,793)	-	(547,793)	--
11. LSH Enhancements - PSP Staffing	(1,439,484)	-	(1,439,484)	(17.0)
12. SSP Security Enhancement Funding Shift	(80,926)	80,926	-	--
13. OSH Enhancements - Moratorium Related Requests	3,018	-	3,018	--
14. ED 21-537 & ED 21-538 Salary Increases	\$ 1,147,174	\$ -	\$ 1,147,174	--
TOTAL	\$ 103,275,194	\$ 21,553,525	\$ 124,828,719	1,459.0

AGENCY REQUEST

The **agencies** request \$144.9 million, including \$123.5 million SGF, for expenditures for FY 2023. For LSH, the revised estimate is \$93.2 million including, \$83.8 million SGF, while OSH's request is \$51.8 million, including \$39.7 million SGF. Overall, the expenditures increased by \$10.6 million, or 7.9 percent, above the FY 2022 revised estimate. The **agency** request includes the following adjustments:

- 1. OSH ENHANCEMENTS—MORATORIUM RELATED REQUESTS.** OSH's request includes two enhancement requests to assist in lifting the moratorium on voluntary admissions. The requests primarily relates to adding FTE positions and funding to staff the Biddle building once the remodel has concluded, and the addition of funding dedicated to a social detox program to assist individuals with substance use disorders who are admitted to the hospital.
- 2. LSH ENHANCEMENTS—SPTP-RELATED REQUESTS.** LSH's request includes several enhancement requests related to increased services through the Sexual Predator Treatment Program (SPTP). These requests include funding for an additional SPTP unit as well as funding for addition staff to assist in the growing population of the SPTP.

3. **LSH ENHANCEMENTS TO CONTINUE FY 2022 SUPPLEMENTALS.** The request for LSH also includes additional funding to continue the supplemental for contractual nursing staff to ensure adequate nursing coverage of the hospital and for additional security personal.
4. **LSH ENHANCEMENTS—PSP STAFFING.** LSH requests \$1.4 million and 17.0 FTE positions for FY 2023 to add additional staff to the Psychiatric Services Program (PSP). The hospital reports that it had a waitlist for 96 days during FY 2021. The agency indicates that these positions are necessary to appropriately assess, treat and supervise, and discharge patients. The agency anticipates that the increased staff would assist the agency in treating patients quickly so that hospital beds are not utilized any longer than necessary.
5. **LSH ENHANCEMENTS—ADDITIONAL OPERATING RELATED REQUESTS.** LSH requests several additional enhancements related to fund the Governor's Executive Directives to increase the salaries for direct support positions and funding to replace the agency's phone system.
6. **DECREASED COVID-19 FUNDING.** The request for LSH decreases by \$1.8 million to account for the federal COVID-19 relief funding ending in FY 2022. Currently, the agency anticipates the COVID-19 relief funding will end in FY 2022, however the agency anticipates a continued need for COVID-19-related expenditures despite the ending of federal relief funding.
7. **ALL OTHER ADJUSTMENTS.** The MH Institutions requests also include additional adjustments to account for increased costs for supplies at the hospitals. There is a slight shift in funding sources in FY 2023 to reflect the agencies resuming the use of SGF moneys for certain expenditures that utilized fee funds in FY 2022 due to the reduced resources budget.

The **agency** request also includes 1,572.0 FTE positions, which is an increase of 147.0 FTE positions above the FY 2022 revised estimate number. This increase is due to the agencies' enhancement requests for additional staffing at the hospitals.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$124.8 million, including \$103.3 million SGF, for FY 2023 expenditures. This is a decrease of \$20.2 million SGF below the agencies' FY 2023 request. Decreases in the recommendation are primarily related to the Governor not including several of the agencies' enhancement requests, including the following:

8. **LSH ENHANCEMENTS—SPTP-RELATED REQUESTS.** The Governor's recommendation does not includes several of LSH's enhancement requests related to increased services through the Sexual Predator Treatment Program (SPTP). This represents a decrease of 87.0 FTE positions associated with LSH's enhancements for a new SPTP unit and SPTP staff. Additionally, the Governor partially recommends the agency's enhancement request for safety and security positions, which is an additional decrease of 9.0 FTE positions. This results in a total decrease of 96.0 FTE positions below the agency's request for FY 2023. *Staff Note:* Please see Request 1 for more information on the SPTP-related requests.

9. **LSH ENHANCEMENT—ADDITIONAL FUNDING FOR CONTRACT NURSING STAFF.** The Governor does not recommend LSH's enhancement request for \$13.0 million SGF to fund additional contract nursing staff.
10. **LSH ENHANCEMENT—INCREASED FOOD SERVICES CONTRACT.** The Governor's recommendation adopts a revised estimate for LSH's enhancement request of \$893,000 SGF to provide food for residents. This is a decrease of \$547,793 SGF below LSH's request. This decrease is due to a revised estimate for the food contract, which the hospital provided subsequent to its budget submission.
11. **LSH ENHANCEMENTS—PSP STAFFING.** The Governor's recommendation does not include LSH's enhancement request for \$1.4 million and 17.0 FTE positions for FY 2023 to add additional staff to the Psychiatric Services Program (PSP).
12. **LIGATURE-RESISTANT FURNITURE FUNDING SHIFT.** The Governor's recommendation adopts LSH's request for funding to purchase ligature resistant furniture for the security hospital, however the recommendation shifts the source of the funding from SGF to the State Institutions Building Fund.

Partially offsetting the decreases in the **Governor's** recommendation are the following adjustments:

13. **OSH ENHANCEMENTS—MORATORIUM RELATED REQUESTS.** The Governor's recommendation adopts OSH's requests for staffing and a social detox unit related to lifting the moratorium on voluntary admissions to the hospitals. The Governor's recommendation includes an increase of \$3,018 SGF above the agency's request, which represents a technical correction to the agency's enhancement.
14. **ED NOS. 21-537 and 21-538 SALARY INCREASES.** The recommendation also includes funding associated with the Governor's Executive Directives (EDs) Nos. 21-537 and 21-538 to increase salaries for direct care staff in order to assist in staff retention issues. Originally, only LSH included an enhancement request to fund the increases, however the \$1.1 million for OSH was inadvertently left out. The recommendation includes a total of \$1.5 million SGF for both LSH and OSH for FY 2023.

The **Governor's** recommendation also includes 1,459.0 FTE positions, which is a decrease of 113.0 FTE positions below the agencies' FY 2023 request. The decrease is due to the Governor not recommending the majority of LSH's enhancement requests for additional positions for the SPTP and PSP for FY 2023.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1

LARNED STATE HOSPITAL REQUEST—SPTP-RELATED REQUESTS

The Sexual Predator Treatment Program (SPTP) provides treatment to individuals deemed by the court to be sexually violent predators. The SPTP is designed to be a progressive improvement program, in which participants receive treatment as they work towards less restrictive supervision. In June 2021, the hospital had a resident escape from custody. While the individual was eventually retrieved, he was at large for approximately two months.

SPTP-Related Requests				
Item	FY 2022		FY 2023	
	Agency	Gov. Rec.	Agency	Gov. Rec.
Additional Funding for SPTP Safety and Security FTEs	\$ 552,271	\$ -	\$ 1,104,545	\$ 550,000
Additional Funding and FTEs for SPTP	-	-	3,119,319	-
Funding for an Additional Secure SPTP Unit	-	-	2,596,892	-
TOTAL	\$ 552,271	\$ -	\$ 6,820,756	\$ 550,000

ADDITIONAL FUNDING FOR SPTP SAFETY AND SECURITY FTEs. Larned State Hospital requests \$552,271 SGF in FY 2022 and \$1.1 million SGF for FY 2023 for an additional 18.0 FTE positions for 18 Safety and Security Officers for the SPTP program. The request for additional officers would assist in maintaining safety and security for all of its residents, particularly those transported outside of secure buildings. The request is the result of security practices following the escape of a resident in June 2021.

The Governor partially recommends this request.

ADDITIONAL FUNDING AND FTEs FOR SPTP. The hospital requests \$3.1 million SGF and 47.0 FTE positions for increased staff for the SPTP. Currently, there are approximately 287 residents in the SPTP. The agency has indicated that the SPTP is expanding and indicates this expansion has experienced limited resources while the SPTP population has reportedly become more aggressive, resistive, and older. As indicated by the agency, this expanding population has created issues in the program's ability to respond to inadequate staffing and insecure housing.

The Governor does not recommend this request.

FUNDING FOR AN ADDITIONAL SECURE SPTP UNIT. The hospital requests \$2.6 million SGF and 40.0 FTE positions to open an additional unit for the SPTP in its secure building. The secure building can house additional residents who display incidents of aggression and posing risks to other and of escape.

The Governor does not recommend this request.

REQUEST 2

LARNED STATE HOSPITAL REQUEST—OPERATIONS RELATED REQUESTS

LSH has approximately six requests that are related to general operations of the state hospital. The requests are largely related to staffing, however there are several related to supplies and upgrades at the hospital.

Larned State Hospital Request—Operations Related Requests				
Item	FY 2022		FY 2023	
	Agency	Gov. Rec.	Agency	Gov. Rec.
ED Nos. 21-537 and 21-538 Salary Increases	\$ -	\$ -	\$ 349,922	\$ 349,922
Funding for Agency Nursing Staff	13,000,000	-	13,000,000	-
Additional Food Services Increases	1,440,793	893,000	1,440,793	893,000
Campus Phone System Upgrade	-	-	600,000	600,000
PSP Clinical and Support Staffing	-	-	1,439,484	-
SSP Security Upgrades	-	-	192,954	112,028
TOTAL	\$ 14,440,793	\$ 893,000	\$ 17,023,153	\$ 1,954,950

ED NOS. 21-537 & 21-538 SALARY INCREASES. The agency requests \$349,922 SGF for FY 2023 for funding associated with the Governor's Executive Directives (EDs) Nos. 21-537 and 21-538. LSH has historically faced issues with staffing at the hospital. The agency has reported that the starting salaries of its positions are a contributing factor to the staffing issues. The Governor issued executive directives aimed at increasing these starting salaries with the goal of improving the hospital's retention rate.

The Governor recommends adoption of this request.

FUNDING FOR AGENCY NURSING STAFF. The agency requests \$13.0 million SGF in FY 2022 and for FY 2023 for the cost of agency nursing staff to provide nursing coverage for the hospital. The agency reports that its nursing department experiences high vacancy rates for direct care positions, and due to these vacancy rates, the agency utilizes agency nursing staff to perform critical duties such as passing medications, supervising activities of daily living, supervising patients in crisis, as well as taking vital signs.

The Governor does not recommend this request.

INCREASED FOOD SERVICES CONTRACT. The agency requests \$1.4 million SGF in FY 2022 and for FY 2023 for increased costs associated with its food services contract. The hospital received an increased contract amendment for its food services contract. The request is to cover the increased contract costs.

The Governor recommends partial adoption of this request.

**LARNED STATE HOSPITAL REQUEST—OPERATIONS RELATED REQUESTS
(CONTINUED)**

CAMPUS PHONE SYSTEM UPGRADE. The agency requests \$600,000 SGF for FY 2023 to upgrade the LSH phone system. The agency reports that the current system is over 20 years old, and is no longer supported by any vendor or manufacturer. The proposed replacement would include contractual support with a vendor and would include new and warrantied components.

The Governor recommends adoption of this request.

FUNDING AND FTE POSITIONS FOR CLINICAL AND SUPPORT STAFF FOR THE PSYCHIATRIC SERVICES PROGRAM (PSP). The agency requests \$1.4 million SGF and 17.0 FTE positions for FY 2023 to add additional staff to the PSP. During the COVID-19 pandemic, the hospital temporarily reduced its bed capacity to allow for COVID-19 mitigation measures. As such, the hospital had a waitlist for 96 days during FY 2021. The agency indicates that these positions are necessary to appropriately assess, treat and supervise, and discharge patients. The agency anticipates that the increased staff would assist the agency in treating patients quickly so that hospital beds are not utilized any longer than necessary.

The Governor does not recommend this request.

STATE SECURITY PROGRAM (SSP) UPGRADES. The agency requests \$192,954 SGF for FY 2023 to provide funding for security upgrades and staff. The request includes \$80,926 SGF for ligature-resistant furniture, specifically beds and shelving units for rooms designed for patients who are identified as at higher risk for suicide. The request also includes \$112,028 SGF and 2.0 FTE positions for additional safety and security officers, which the agency anticipates will assist in keeping staff and patients safe from aggressive patients.

The Governor recommends partial adoption of this request.

REQUEST 4

OSAWATOMIE STATE HOSPITAL REQUESTS

OSH has three supplemental and enhancement requests. The majority of the requests are related to staffing at the state hospital, both in general and as it relates to the plan to lift the moratorium on admissions.

Osawatomie State hospital Requests				
Item	FY 2022		FY 2023	
	Agency	Gov. Rec.	Agency	Gov. Rec.
MiCo House	\$ 53,759	\$ -	\$ -	\$ -
Reappropriation				
Social Detox Program	-	-	990,000	993,018
Biddle Staffing Increase	-	-	1,409,000	1,409,000
TOTAL	\$ 53,759	\$ -	\$ 2,399,000	\$ 2,402,018

OSH requests \$53,759 SGF in FY 2022, and \$2.4 million SGF for FY 2023, for supplemental and enhancement requests. The enhancement requests include 2.0 FTE positions for FY 2022 and 41.0 FTE positions for FY 2023. These increases are described in more detail below:

MICO HOUSE REAPPROPRIATION. The agency requests \$53,759 SGF in FY 2022 to restore funding that was unspent in FY 2021 and that the agency anticipated would reappropriate into FY 2022. MiCo House is the SPTP reintegration unit that is housed on the OSH campus. The reintegration unit was originally part of the LSH budget unit FY 2020, when it was shifted to the OSH budget. Now that the unit is included in the OSH budget, the agency required a new fund associated with the unit. As this fund was relatively new, reappropriation language was inadvertently left out of the bill. When this unit was budgeted out of the LSH budget, the fund associated with its operation included reappropriation language. Parsons State Hospital and Training Center also has a reintegration unit, and the fund associated with its operation also includes reappropriation language.

The Governor does not recommend this request.

SOCIAL DETOX PROGRAM. OSH requests \$990,000 SGF for FY 2023 to create a social detox program. The program is designed to allow patients with substance abuse needs to be observed during their detox period upon admission to the hospital. Currently, the agency reports that it utilizes nurses and doctors at the hospital to meet this need. However, the agency indicates that when other staff is utilized to assist during this detox period, it decreases the staff available for other patients' care. The agency seeks to create this program with the funding and additional FTE positions to have dedicated staff to observe patients during detox.

The Governor recommends adoption of this request.

BIDDLE STAFFING INCREASE. The hospital requests \$1.4 million SGF and 36.0 FTE positions for staffing needed at the Biddle building. During the 2021 Session, OSH included approximately \$3.0 million in its base budget for salaries and wages expenditures for staffing needs at the Biddle building once renovations are complete. At the time, the agency did not include the FTE positions in its budget. As the agency moves closer to the lifting the moratorium on voluntary admissions, it revised the estimate for staffing to reflect the cost it currently pays for contractual staffing. The agency anticipates utilizing FTE positions and recognizes that it will likely need to utilize contract staffing in come capacity until those FTE positions have been hired.

The Governor recommends adoption of this request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

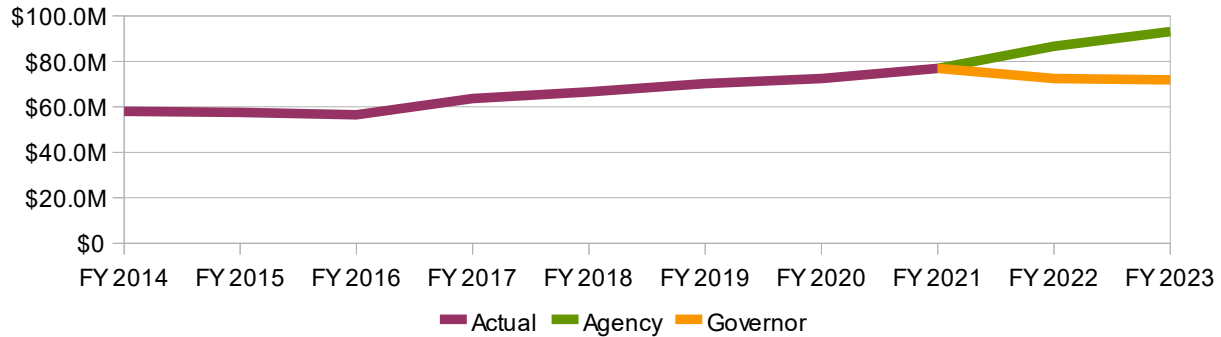
FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Larned State Hospital	\$ 76,913,053	\$ 86,615,556	\$ 72,515,492	\$ 93,171,040	\$ 71,913,007
Osawatomie State Hospital	45,960,291	47,675,222	47,621,463	51,765,520	52,915,712
TOTAL	\$ 122,873,344	\$ 134,290,778	\$ 120,136,955	\$ 144,936,560	\$ 124,828,719
FTE Positions:					
Larned State Hospital	936.5	927.5	909.5	1,033.5	920.5
Osawatomie State Hospital	500.4	497.5	497.5	538.5	538.5
TOTAL	1,436.9	1,425.0	1,407.0	1,572.0	1,459.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

LARNED STATE HOSPITAL

FIGURE 12
LARNED STATE HOSPITAL
EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 46-1303; KSA 46-1305; KSA 46-1306; and KSA 59-29a07

PROGRAM GOALS:

- Effectively assess reports of suspected reportable incidents to ensure proper Standard of Care is met for patients and residents.
- Identify and pursue opportunities for quality improvement across the services provided to patients and residents at LSH.
- Prepare PSP patients for community reintegration and manage their mental illness in a less restrictive community-based setting.
- Provide active treatment to patients ordered to the SSP.
- Provide a safe and secure environment for the treatment of sexually violent predators committed by the courts to the SPTP.

Larned State Hospital (LSH) provides psychiatric treatment and limited detox facilities to adults from the 61 western counties of the state through collaborative efforts with consumers, community-based mental health providers, the judicial system, and the Kansas Department of Corrections. LSH was established in 1911. The State Security Program (SSP), which opened in 1937, serves the entire state as a secure setting for criminal forensic patients during evaluation and treatment and non-forensic patients with severe behavioral problems who may be transferred from other hospitals. Since 1994, the Sexual

Predator Treatment Program (SPTP) has provided treatment for convicted sex offenders who have completed their prison sentences and have been civilly committed under the Kansas Sexual Predator Law because of their ongoing danger to the community. Used in the last phase of treatment, the SPTP Reintegration units are located at LSH, Osawatomie State Hospital, and Parsons State Hospital and Training Center. These units are used to treat patients who have been deemed ready for transition and reintegration from the treatment program.

FIGURE 13
LARNED STATE HOSPITAL,
PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Offer a minimum of 4 hours of active treatment per week to all patients.*	90.0 %	89.0 %	83.0 %	90.0 %	90.0 %

FIGURE 13
**LARNED STATE HOSPITAL,
PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
2. Provide a minimum of 2 active treatment hours per week for individuals ordered to SSP on treatment statutes.*	52.0 %	90.0 %	70.0 %	90.0 %	90.0 %
3. Percent of time that Activity Therapy is offered 5 hours per week for SPTP residents.*	90.0 %	100.0 %	84.0 %	90.0 %	90.0 %
Financing (In Thousands)	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 64,195	\$ 64,428		\$ 61,024	\$ 62,415
Federal Funds	285	3,843		1,791	-
All Other Funds	7,980	8,642		9,700	9,498
TOTAL	\$ 72,460	\$ 76,913		\$ 72,515	\$ 71,913
Percentage Change:					
SGF	2.4 %	0.4 %		(5.3) %	2.3 %
All Funds	3.1 %	6.1 %		(5.7) %	(0.8) %
FTE Positions	936.5	936.5		909.5	920.5

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

Larned State Hospital (LSH) is the state mental health institution serving the western half of the state. It is comprised of three main divisions:

- **The Psychiatric Services Program (PSP)**, which provides mental health services to civilly committed individuals;
- **The State Security Program (SSP)**, which provide mental health services to individual referred to the hospital by the District Courts; and
- **The Sexual Predator Treatment Program (SPTP)**, which provides services to individuals determined by a Court to be Sexually Violent Predators.

The hospital is located in Larned, Kansas, in close proximity to Larned Correctional Mental Health Facility. Due to this proximity, both facilities have historically maintained a close relationship.

HISTORICAL STAFFING ISSUES.

Similar to the other state hospital, LSH has historically faced issues maintaining direct

support positions. These issues are partially related to the tension between low starting salaries and the high demands of these positions. However, unlike the other hospitals, LSH faces unique issues due to its proximity to the Larned Correctional Mental Health Facility. As such, the two facilities have frequently reported that they face competition with each other for similar positions, with a small workforce to hire from. As such, when there have been salary increases at the correctional facilities, the hospital has experienced a loss of staff.

ATTEMPTS TO RESOLVE STAFFING ISSUES

During the 2021 Session, the House Committee on Appropriations recommended a proviso that the Legislature add funding to bring salaries at the hospital to the same level as similar positions at the correctional facility. The Governor vetoed this proviso, due to the fact that funding was not provided to increase salaries.

However, the Governor subsequently issued Executive Directive Nos. 21-537 and 21-538, which increased the starting salaries for Mental Health/Developmental Disability Technicians (MHDDT) positions. At the time, the

starting salary for MHDDTs across all hospitals was approximately \$12.35 an hour. These directives increased the starting salaries to approximately \$16.00 an hour.

FIGURE 14 LARNED STATE HOSPITAL CENSUS STATISTICS					
	Actual FY 2019	Actual FY 2020	Actual FY 2021	Projected FY 2022	Projected FY 2023
PSYCHIATRIC SERVICES PROGRAM					
Bed Capacity	90	90	90	90	90
Average Daily Census	67	72	71	65	65
Admissions	1108	984	856	N/A	N/A
Average Length of Stay	22	50	19	30	30
STATE SECURITY PROGRAM					
Bed Capacity	220	140	140	140	140
Average Daily Census	119	96	86	154	154
Admissions	304	247	210	N/A	N/A
Average Length of Stay	116	103	129	140	140
SEXUAL PREDATOR TREATMENT PROGRAM					
Bed Capacity	270	274	274	274	274
Average Daily Census	244	242	245	253	253
Admissions	8	8	7	N/A	N/A

As indicated above, LSH is divided into three distinct programs: the Psychiatric Services Program (PSP), the State Security Program (SSP), and the Sexual Predator Treatment Program (SPTP). The patients who are part of the PSP are civilly committed and generally have a shorter length of stay as they are admitted to the hospital, receive services, and are discharged. In comparison, individuals treated through the SSP have had some interaction with the court system or are aggressive/violent.

As such, individuals served through SSP have a longer stay due to circumstances surrounding their admission to the hospital.

Similar to the SSP, individuals who are treated through the SPTP are committed due to a court determining that the individual is a sexually violent predator. These individuals are required to progress through the program, which gradually decreases levels of supervision. Due to the structure of the program, the length of stay for SPTP participants is longer than those in the PSP receiving traditional mental health services.

FIGURE 15
LARNED STATE HOSPITAL
SUMMARY OF EXPENDITURES FY 2021 – FY 2023

Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 50,014,368	\$ 46,893,737	\$ 46,341,466	\$ 54,365,604	\$ 46,861,284
Contractual Services	22,000,238	35,370,518	21,822,725	35,148,838	21,395,125
Commodities	3,763,219	3,347,663	3,347,663	2,817,655	2,817,655
Capital Outlay	882,788	1,001,152	1,001,152	836,407	836,407
Debt Service	-	-	-	-	-
<i>Subtotal - State Ops</i>	<u>\$ 76,660,613</u>	<u>\$ 86,613,070</u>	<u>\$ 72,513,006</u>	<u>\$ 93,168,504</u>	<u>\$ 71,910,471</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	2,440	2,486	2,486	2,536	2,536
<i>Subtotal - Operating</i>	<u>\$ 76,663,053</u>	<u>\$ 86,615,556</u>	<u>\$ 72,515,492</u>	<u>\$ 93,171,040</u>	<u>\$ 71,913,007</u>
Capital Improvements	250,000	-	-	-	-
Debt Service (Principal)	-	-	-	-	-
TOTAL	<u>\$ 76,913,053</u>	<u>\$ 86,615,556</u>	<u>\$ 72,515,492</u>	<u>\$ 93,171,040</u>	<u>\$ 71,913,007</u>
Financing:					
State General Fund	\$ 64,428,443	\$ 75,124,431	\$ 61,024,367	\$ 83,753,944	\$ 62,414,985
Federal Funds	3,842,950	1,791,136	1,791,136	-	-
All Other Funds	8,641,660	9,699,989	9,699,989	9,417,096	9,498,022
TOTAL	<u>\$ 76,913,053</u>	<u>\$ 86,615,556</u>	<u>\$ 72,515,492</u>	<u>\$ 93,171,040</u>	<u>\$ 71,913,007</u>
FTE Positions	936.5	927.5	909.5	1,033.5	920.5

FY 2022 REVISED ESTIMATE

Larned State Hospital requests a revised estimate of \$86.6 million, including \$75.1 million SGF, in FY 2022. This is an increase of \$16.6 million, or 23.7 percent, above the amount approved by the 2021 Legislature. The increase can primarily be attributed to the agency's supplemental request for additional funding for contractual nursing staff to provide coverage for the hospital, as well as the funding increase related to the LSH food services contract. The increase also includes approximately \$1.8 million for COVID-19-related transactions, which are primarily related to funding for staff coverage related to quarantines as well as cleaning supplies and personal protective equipment.

The **Governor** recommends \$72.5 million, including \$61.0 million SGF, for expenditures at LSH in FY 2022. This is a decrease of \$14.1 million SGF below the agency's request. This is due to the Governor not recommending LSH's supplemental requests.

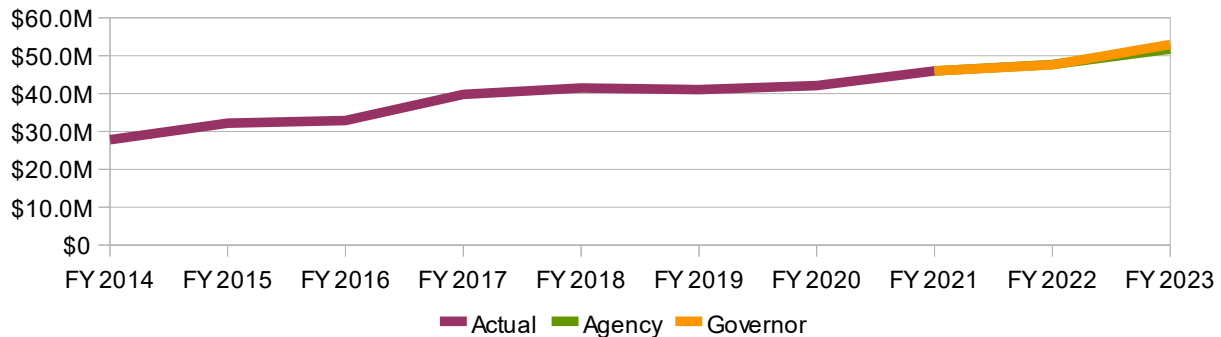
FY 2023 AGENCY REQUEST

Larned State Hospital requests a revised estimate of \$93.2 million, including \$83.8 million SGF, in FY 2022. This is an increase of \$6.6 million, or 7.6 percent, above the FY 2022 revised request. The increase is primarily related the agency's enhancement requests for additional staffing for the SPTP as well as an additional SPTP unit. The request also includes funding for additional staffing for the PSP, with the goal of providing care quickly while maintaining the hospital's standard of care. Additionally, the request continues the agency's supplemental requests for increased funding for contractual nursing services and increased food services costs.

The **Governor** recommends \$71.9 million, including \$62.4 million SGF, for expenditures at LSH in FY 2023. This is a decrease of \$21.3 million, including \$21.3 million SGF, below the agency's request. This is due to the Governor not recommending LSH's enhancement requests for additional SPTP expansion and additional funding for the PSP .

OSAWATOMIE STATE HOSPITAL

FIGURE 16
OSAWATOMIE STATE HOSPITAL
EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 76-1201 *et seq.*; KSA 59-2901 through 59-2941; and KSA 59-2968

PROGRAM GOALS:

- At Least 95 percent of patients discharged will have a Discharge Summary Completed within 30 days of discharge.
- A comprehensive discharge plan will be developed and implemented and 95 percent of patients will have discharge criteria that is realistic, attainable, and individualized to their treatment on their Master Treatment Plan with a Psychosocial Assessment being completed within 72 hours of admission.
- Track and trend percentage of discharged patient readmitted within 30 days.

Osawatomie State Hospital (OSH) was founded in 1866, originally called the “Kansas Insane Asylum.” The name was changed to OSH in 1901. OSH is an acute mental health care bed facility that serves people 18 years of age and older from 46 eastern and central Kansas counties who require inpatient psychiatric treatment or non-medical detoxification for substance abuse. It is operated and managed by the Kansas Department for Aging and Disability Services (KDADS) and is licensed by the Kansas Department of Health and Environment. In 2014, operations at Rainbow Mental Health Facility, in Kansas City, Kansas, were merged with OSH. The hospital is licensed for 206 patient beds, but currently operates at 166 beds due to a self-imposed moratorium on admissions above 166 since April 2015.

In December 2015, OSH was decertified by the federal Centers for Medicare and Medicaid Services (CMS). Beginning in January 2016, the hospital was unable to obtain federal

revenue through Medicare and Medicaid reimbursements and federal Disproportionate Share Hospital (DSH) payments. OSH responded by making structural changes to improve patient safety, increasing staffing levels, and instituting new operating practices. In August 2016, two living units were functionally separated from OSH to form Adair Acute Care (AAC). AAC is considered a functionally free-standing unit, though it is included in the overall total of licensed OSH beds. AAC passed its initial CMS certification survey in August 2017 and a second survey in November 2017. In December 2017, OSH was informed by CMS that the 60 beds of AAC were recertified for federal reimbursements and the hospital would begin to receive partial DSH payments.

A Sexual Predator Treatment Program (SPTP) reintegration unit is located on the grounds of OSH; however, this program is administered and funded by Larned State Hospital.

FIGURE 17
**OSAWATOMIE STATE HOSPITAL,
PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of employees that turnover recorded every month and then a yearly average is obtained.*	28.0 %	29.0 %	23.9 %	25.0 %	20.0 %
2.Percentage of AAC patients readmitted within 30 days of discharge.*	20.2 %	8.0 %	12.1 %	8.0 %	7.0 %
3.Percentage of Non-AAC patients readmitted within 30 days reported monthly then averaged for yearly outcomes.*	2.6 %	1.0 %	3.2 %	1.0 %	1.0 %
Financing (In Thousands)					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 36,161	\$ 37,448		\$ 34,796	\$ 40,860
Federal Funds	309	1,034		-	-
All Other Funds	5,670	7,478		12,825	12,056
TOTAL	\$ 42,140	\$ 45,960		\$ 47,621	\$ 52,916
Percentage Change:					
SGF	(1.4) %	3.6 %		(7.1) %	17.4 %
All Funds	2.6 %	9.1 %		3.6 %	11.1 %
FTE Positions	486.5	500.4		497.5	538.5

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

The campus at Osawatomie State Hospital is comprised of two separate units: Osawatomie State Hospital (OSH) and Adair Acute Care (AAC). The patients at OSH typically have a longer stay at the hospital, while patients at AAC are typically short term (up to 14 days). The distinction between the two is largely necessitated by the fact that AAC is eligible to receive Medicaid funding for the care of its' patients through the Medicaid Disproportionate Share Hospital payments passed through KDADS. However, for the purposes of this analysis, the expenditures for both OSH and AAC are combined and considered as one entity.

CMS DECERTIFICATION OF OSH

During FY 2015, the hospital underwent several surveys by CMS. Several concerns of overcrowding and patient safety were raised during these surveys, which led to CMS terminating the federal certification of the hospital. Due to this decertification, the hospital lost its ability to receive federal funds for its operation. As a result, the hospital began

utilizing more SGF moneys starting FY 2017 to staff the hospital and correct some of the concerns brought up during the CMS surveys.

Part of this increase was due to the establishment of AAC to provide several units to be subsequently recertified by CMS. Therefore, as it stands today the hospital is divided between the OSH main campus and AAC, and only the beds in AAC are eligible for federal funds.

MORATORIUM ON ADMISSIONS

In June 2015, prior to the decertification by CMS, a moratorium on voluntary admissions was imposed by KDADS. This moratorium was in response to the concerns of whether the hospital had sufficient space to treat both involuntary and voluntary admissions. In January 2020, KDADS presented a plan to the House Committee on Social Services Budget to lift the moratorium on voluntary admissions. This plan included funding and development of the State Institutional Alternative program at KDADS, to provide more opportunities for

individuals to be treated in the community. The plan additionally proposed additional funding to remodel the Biddle Building at OSH in accordance with CMS guidelines, which would allow for more beds to be certified for federal funding. *Staff note:* Funding for the State Institutional Alternative program and the Biddle Building remodel are included in the KDADS budget.

STAFFING CHALLENGES AT THE HOSPITAL

As with the other state hospitals, long-term care settings, and community services

providers, staffing is continually reported as a major issue at OSH. Similar to those related fields, the staffing issues are generally described as being caused by a tension between the stressful nature of the jobs and what are generally considered to be low salaries. Similar to the other state hospitals, when OSH determines that it doesn't have adequate FTE positions to provide coverage for the hospital, it utilizes contractual staffing measures, which the agency indicates are generally more costly.

FIGURE 18
**OSAWATOMIE STATE HOSPITAL
CENSUS STATISTICS**

	Actual FY 2019	Actual FY 2020	Actual FY 2021	Projected FY 2022	Projected FY 2023
Osawatomie State Hospital					
Bed Capacity	106	106	106	106	106
Average Daily Census	100	106	97	106	106
Admissions	250	165	181	206	228
Average Length of Stay	140	237	237	N/A	N/A
Adair Acute Care					
Bed Capacity	52	60	60	60	60
Average Daily Census	43	38	37	38	38
Admissions	1,107	965	907	1,000	1,000
Average Length of Stay	14	14	15	N/A	N/A

As indicated above, OSH is divided into two campuses: OSH and AAC. The patients who are housed at OSH may traditionally have more intensive needs with a longer length of stay. However, the patients treated in AAC are

generally individuals who can be treated quickly. As such, the patients' length of stay at AAC is traditionally less than 14 days. Therefore, AAC, by design, serves more individuals throughout the year.

FIGURE 19
OSAWATOMIE STATE HOSPITAL
SUMMARY OF EXPENDITURES FY 2021 – FY 2023

Item	Actual FY 2021	Agency Est. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Expenditures:					
Salaries and Wages	\$ 31,307,295	\$ 32,088,647	\$ 32,034,888	\$ 35,986,964	\$ 37,137,156
Contractual Services	9,975,682	12,876,174	12,876,174	12,810,755	12,810,755
Commodities	2,370,073	2,474,596	2,474,596	2,576,230	2,576,230
Capital Outlay	1,235,062	170,098	170,098	312,108	312,108
Debt Service	-	-	-	-	-
<i>Subtotal - Operations</i>	<i>\$ 44,888,112</i>	<i>\$ 47,609,515</i>	<i>\$ 47,555,756</i>	<i>\$ 51,686,057</i>	<i>\$ 52,836,249</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	230,879	11,924	11,924	14,645	14,645
<i>Subtotal - Operating</i>	<i>\$ 45,118,991</i>	<i>\$ 47,621,439</i>	<i>\$ 47,567,680</i>	<i>\$ 51,700,702</i>	<i>\$ 52,850,894</i>
Capital Improvements	841,300	53,783	53,783	64,818	64,818
Debt Service (Principal)	-	-	-	-	-
TOTAL	<u>\$ 45,960,291</u>	<u>\$ 47,675,222</u>	<u>\$ 47,621,463</u>	<u>\$ 51,765,520</u>	<u>\$ 52,915,712</u>
Financing:					
State General Fund	\$ 37,448,071	\$ 34,849,881	\$ 34,796,122	\$ 39,710,017	\$ 40,860,209
Federal Funds	1,034,097	-	-	-	-
All Other Funds	7,478,123	12,825,341	12,825,341	12,055,503	12,055,503
TOTAL	<u>\$ 45,960,291</u>	<u>\$ 47,675,222</u>	<u>\$ 47,621,463</u>	<u>\$ 51,765,520</u>	<u>\$ 52,915,712</u>
FTE Positions	500.4	497.5	497.5	538.5	538.5

FY 2022 REVISED ESTIMATE

Osawatomi State Hospital requests a revised estimate of \$47.7 million, including \$34.8 SGF, in FY 2022. This is an increase of \$488,463, or 1.0 percent, above the amount approved by the 2021 Legislature. The increase can primarily be attributed to the agency adjusting its budget to reflect increases in expenditures for its food contract and other supplies for the hospital. As the COVID-19 pandemic continues, the hospital has seen a general increase in the costs associated with supplying the hospital.

STAFFING CATEGORY SWAP

The agency's revised request includes a swap of approximately \$2.4 million in expenditures between salaries and wages and contractual services expenditures. As detailed above, the agency has historically faced challenges with maintaining coverage for the hospital. When the agency does not have the filled FTE positions to maintain coverage for the hospital, it turns to staffing agencies to provide nursing and other direct support workers.

The **Governor** recommends \$47.7 million, including \$34.8 million SGF, for expenditures in

FY 2022. This is a decrease of \$53,759 SGF, which is due to the Governor not recommending the agency's request for funding associated with the SPTP reintegration unit that lapsed.

FY 2023 AGENCY REQUEST

Osawatomi State Hospital requests a revised estimate of \$51.8 million, including \$39.7 SGF, in FY 2022. This is an increase of \$4.1 million, or 8.6 percent, above the FY 2022 revised request. The increase is primarily related the agency's enhancement requests for staff at the Biddle Building and for its proposed social detox program. The increase also includes an adjustment in the agency's shrinkage rate to reflect the agency planning to fill currently vacant positions.

The **Governor** recommends \$52.9 million, including \$40.9 million SGF, for FY 2023 expenditures. This is an increase of \$1.2 million SGF above the agency's request. The increase provides funding for several of the Governor's Executive Directives designed to assist with staff retention.

CAPITAL IMPROVEMENTS

The State Institutions for Mental Health (MH Institutions) are state-owned buildings and require ongoing rehabilitation and repair projects. For the MH Institutions, these are relatively small projects. Small projects include patchwork repair as well as installation of

equipment like security cameras or secured doors. Traditionally, all capital improvement projects are included in the budget for the Kansas Department for Aging and Disability Services (KDADS).

FIGURE 20
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Security Cameras at LSH	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Biddle Remodel for Certified Beds	500,000	-	-	-	-
Additional Small Projects	341,300	53,783	53,783	64,818	64,818
<i>Subtotal–Projects</i>	<i>\$ 1,091,300</i>	<i>\$ 53,783</i>	<i>\$ 53,783</i>	<i>\$ 64,818</i>	<i>\$ 64,818</i>
Financing:					
SGF	\$ 28,164	\$ -	\$ -	\$ 8,884	\$ 8,884
Federal Funds	-	-	-	-	-
All Other Funds	1,063,136	53,783	53,783	55,934	55,934
TOTAL	\$ 1,091,300	\$ 53,783	\$ 53,783	\$ 64,818	\$ 64,818

FY 2022 CAPITAL IMPROVEMENTS

The **agencies** request a revised estimate of \$53,783, all from special revenue funds, for capital improvement expenditures in FY 2022. As indicated above, these are for relatively small projects at the hospitals, as the majority of the hospitals' capital improvement

expenditures are included in the budget for KDADS.

The **Governor** concurs with the agencies' revised capital improvement estimate in FY 2022

FY 2023 CAPITAL IMPROVEMENTS

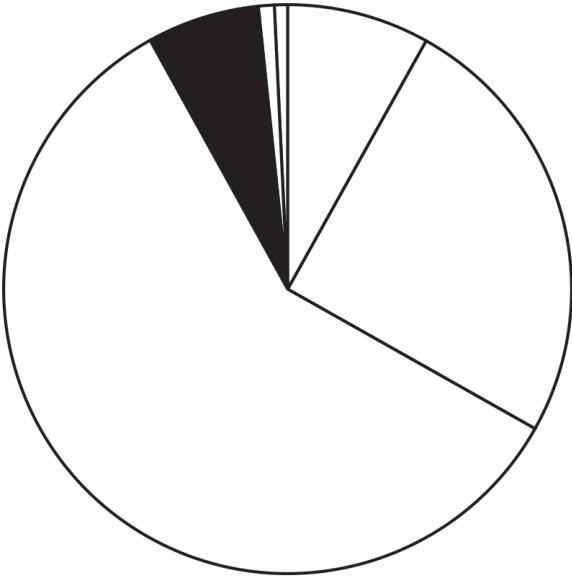
The **agencies** requests \$64,818, including \$8,884 SGF, for capital improvement expenditures for FY 2023. As indicated above, these are for relatively small projects at the hospitals, as the majority of the hospitals'

capital improvement expenditures are included in the budget for KDADS.

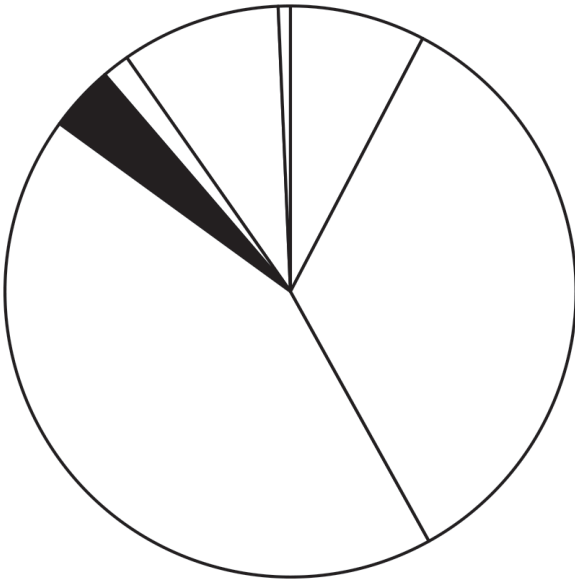
The **Governor** concurs with the agencies' capital improvement request for FY 2023.

PUBLIC SAFETY

State General Fund



All Funds



The Public Safety function of government provides safety and security to Kansas citizens. This function includes law enforcement agencies, emergency response entities, and correctional facilities. Agencies include the Adjutant General's Department, Kansas Bureau of Investigation, Kansas Commission on Peace Officers' Standards and Training, Emergency Medical Services Board, State Fire Marshal, Kansas Highway Patrol, Sentencing Commission, and the Kansas Department of Corrections and its eight adult facilities and one juvenile facility.

The Governor's FY 2023 recommendation for the Public Safety function totals \$843.5 million from all funding sources, including \$569.5 million from the State General Fund (SGF).

Agencies in this Function:	
<i>Kansas Department of Corrections</i>	<i>1248</i>
<i>Adjutant General's Department.....</i>	<i>1321</i>
<i>Kansas Bureau of Investigation.....</i>	<i>1357</i>
<i>Kansas Commission on Peace Officers' Standards</i>	
<i>and Training.....</i>	<i>1391</i>
<i>Emergency Medical Services Board.....</i>	<i>1401</i>
<i>State Fire Marshal.....</i>	<i>1412</i>
<i>Kansas Highway Patrol.....</i>	<i>1423</i>
<i>Kansas Sentencing Commission.....</i>	<i>1456</i>

The FY 2023 recommendation represents an SGF increase of 8.5 percent, or \$44.4 million, above the FY 2022 amount. Expenditures from all funds decrease by 4.6 percent, or \$40.9 million, below the FY 2022 amount.

A total of 5,051.9 FTE positions are recommended by the Governor for the Public Safety function for FY 2023, which is an increase of 103.1 FTE positions above the FY 2022 number. Of all state FTE positions, 12.1 percent are in this function.

Agencies in this function comprise 6.4 percent of the total SGF budget in FY 2023, which is an increase of 0.8 percent above the FY 2022 amount. The agencies comprise 3.7 percent of expenditures from all funding sources for FY 2023, which is a decrease of 0.1 percent below the FY 2022 amount.

KANSAS DEPARTMENT OF CORRECTIONS

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 383,585,339	\$ 419,364,350	\$ 449,030,775	\$ 480,429,621	\$ 478,575,969
Federal Funds	35,325,591	3,250,685	21,555,715	3,815,373	3,815,373
All Other Funds	27,597,386	39,869,080	40,130,656	20,870,195	28,182,226
<i>Subtotal</i>	<u>\$ 446,508,316</u>	<u>\$ 462,484,115</u>	<u>\$ 510,717,146</u>	<u>\$ 505,115,189</u>	<u>\$ 510,573,568</u>
Capital Improvements:					
State General Fund	\$ 1,103,191	\$ 6,614,588	\$ 6,614,588	\$ -	\$ -
Federal Funds	218,649	-	-	-	-
All Other Funds	6,694,837	17,569,264	17,569,264	12,231,519	8,296,199
<i>Subtotal</i>	<u>\$ 8,016,677</u>	<u>\$ 24,183,852</u>	<u>\$ 24,183,852</u>	<u>\$ 12,231,519</u>	<u>\$ 8,296,199</u>
TOTAL	<u>\$ 454,524,993</u>	<u>\$ 486,667,967</u>	<u>\$ 534,900,998</u>	<u>\$ 517,346,708</u>	<u>\$ 518,869,767</u>
Percentage Change:					
State General Fund	(4.2) %	10.7 %	18.4 %	12.8 %	5.0 %
All Funds	1.5 %	7.1 %	17.7 %	6.3 %	(3.0) %
FTE Positions	3,322.0	3,321.0	3,321.0	3,405.0	3,420.1

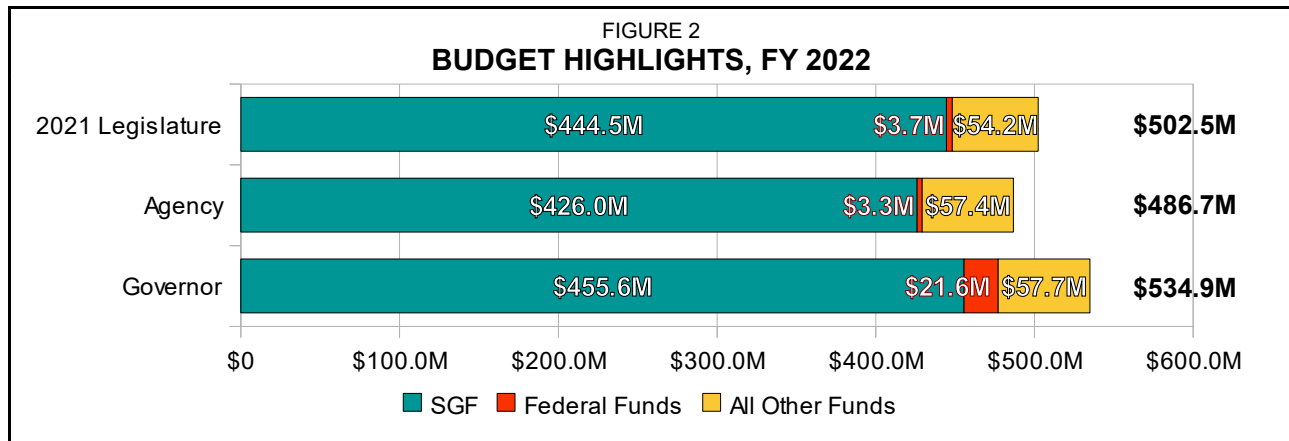
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Kansas Department of Corrections (KDOC) System is composed of the KDOC Central Office, eight adult correctional facilities, one juvenile correctional facility, and a network of parole offices and local community corrections entities. The System provides containment of the highest risk offenders and community supervision of those serving probation and parole. In fiscal year (FY) 2014, the functions of the former Juvenile Justice Authority and juvenile correctional facilities were merged with the system. While components of the KDOC System are independent agencies, the structure allows for some commonly utilized items to be budgeted in a central location (e.g., the inmate health care contract). The annual appropriations bill grants the Secretary of Corrections the authority to transfer State General Fund (SGF) dollars between the facilities and the Central Office.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$466.5 million, including \$408.6 million SGF, for the KDOC System for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action. Adjustments for this agency include the following:

- **SGF REAPPROPRIATION.** The agencies received an increase of \$35.9 million SGF that was not spent in FY 2021 and has shifted to FY 2022.



The **agencies** request a revised estimate of \$486.7 million, including \$426.0 million SGF, for the entire KDOC System in FY 2022. This is an all funds decrease of \$15.8 million, or 3.1 percent, including an SGF decrease of \$18.6 million, or 4.2 percent, below the FY 2022 approved amount. The revised estimate includes 3,321.0 FTE positions for the KDOC System, which is a decrease of 12.5 FTE positions below the FY 2022 approved number. The position decrease is mainly at the Norton Correctional Facility.

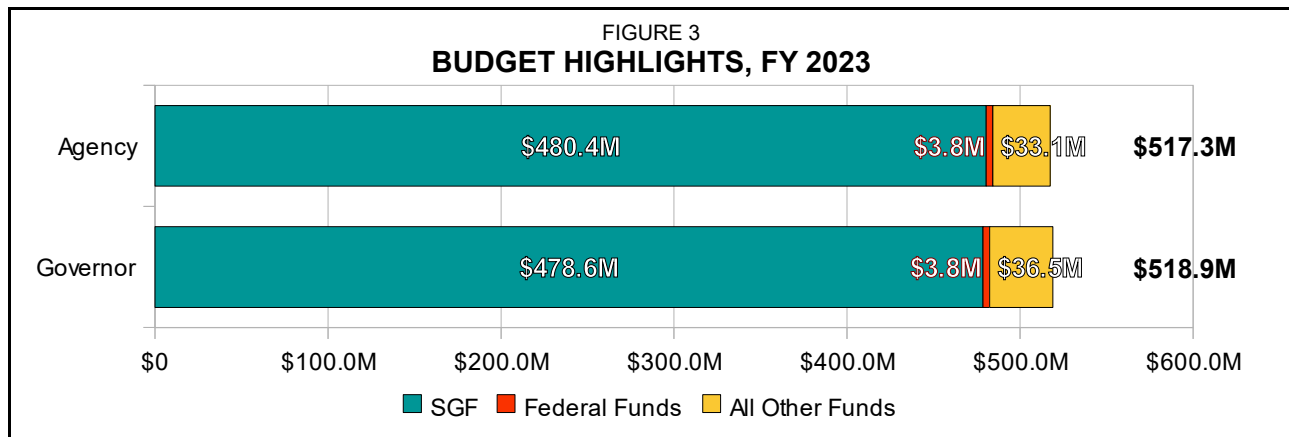
The agencies request revised operating budgets totaling \$462.5 million, including \$419.4 million SGF, in FY 2022. This is an all funds decrease of \$18.1 million, and an SGF decrease of \$16.6 million, below the FY 2022 approved amount. The decrease is primarily attributed to decreased expenditures from the Evidence-Based Juvenile Programs account (\$18.6 million) and for contracted inmate beds (\$1.3 million). The decrease is partially offset by the agencies' supplemental requests totaling \$2.8 million for: the replacement of revenue lost from reduced inmate phone charges, expansion of a post-release housing program, and information technology outreach staff. The supplemental requests also include overtime expenditures and a shrinkage reduction among the correctional facilities.

The FY 2022 revised estimate includes capital improvement expenditures for the KDOC System totaling \$24.2 million, including \$6.8 million SGF. This is an all fund increase of \$2.4 million, including an SGF increase of \$2.3 million, above the FY 2022 approved amount. The increase is primarily attributed to increased expenditures, all from special revenue funds, for routine repair and rehabilitation projects at correctional facilities (\$5.4 million). The agency budgeted \$12.7 million for expansion projects at Lansing and Winfield correctional facilities involving substance abuse treatment centers and an assisted living facility.

The **Governor** recommends \$534.9 million, including \$455.6 million SGF, for the entire KDOC System in FY 2022. This is an all funds increase \$48.2 million, including an SGF increase of \$29.7 million, above the agencies' FY 2022 revised estimate. The recommendation includes 3,321.0 FTE positions, which is unchanged from the agencies' FY 2022 revised estimate.

The Governor recommends operating budgets totaling \$510.7 million, including \$449.0 million SGF, in FY 2022. This is an all funds increase of \$30.1 million, including an SGF increase of \$13.1 million, above the agency's FY 2022 revised estimate. The increase is attributed to the addition of \$21.1 million SGF to the Evidence Based Juvenile Programs account to restore funding lapsed in the previous budget cycle, \$18.6 million from the federal American Rescue Plan Act Fund for implementation of the 24/7 pay initiative, \$2.6 million SGF for salary increases among community corrections agencies, and \$6.7 million for the Pathway for Success technical education initiative. The increase is partially offset by decreased expenditures due to the Governor not recommending two of the agencies' supplemental requests.

The Governor recommends \$24.2 million, including \$6.6 million SGF, for capital improvements, which is unchanged from the agencies' FY 2022 revised estimate.



The **agencies** request \$517.3 million, including \$480.4 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$30.7 million, or 6.3 percent, and an SGF increase of \$54.5 million, or 12.8 percent, above the FY 2023 revised estimate. The request also includes 3,405.0 FTE positions for the KDOC System, which is an increase of 84.0 FTE positions above the FY 2022 revised number. The position increase is primarily at the Lansing and Winfield correctional facilities to support operation of a new substance abuse treatment centers and an assisted living unit.

The agencies request operating budgets totaling \$505.1 million, including \$480.4 million SGF, for FY 2023. This is an all funds increase of \$42.6 million, including an SGF increase of \$61.1 million, above the FY 2022 revised estimate. The increase is attributed to the agency's 20 enhancement requests, which total \$54.2 million SGF. The enhancements primarily include: operating expenditures for a new substance abuse treatment centers and an assisted living unit at Lansing and Winfield correctional facilities; and reentry programs, replacement of revenue lost as result of decreased inmate phone charges, and increased staff for community corrections and parole services. The enhancement requests also include shrinkage reductions at five correctional facilities. The increase is partially offset by decreased expenditures from the Evidence-Based Juvenile Programs account and for the Athena 2 data system.

The FY 2022 request includes capital improvement expenditures for the KDOC System totaling \$12.2 million, all from special revenue funds. This is a decrease of \$12.0 million, including \$6.6 million SGF, below the FY 2022 revised amount. The decrease is primarily attributed to completion of expansion projects in FY 2022.

The **Governor** recommends \$518.9 million, including \$478.6 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$1.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The recommendation includes 3,420.1 FTE positions, which is an increase of 15.1 FTE positions above the agencies' FY 2023 request. The increase is due the addition of positions at the Lansing and Winfield correctional facilities.

The Governor recommends operating budgets of \$510.6 million, including \$478.6 million SGF, for FY 2023. This is an all funds increase of \$5.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The decrease is attributed to the Governor not recommending several enhancement requests.

The recommendation includes \$33.9 million SGF to continue the 24/7 pay initiative, \$9.6 million in operating expenditures for a newly established substance abuse treatment centers and an assisted living unit at the Lansing and Winfield correctional facilities, and \$2.6 million for replacement of vehicles and safety and security equipment utilized by correctional staff.

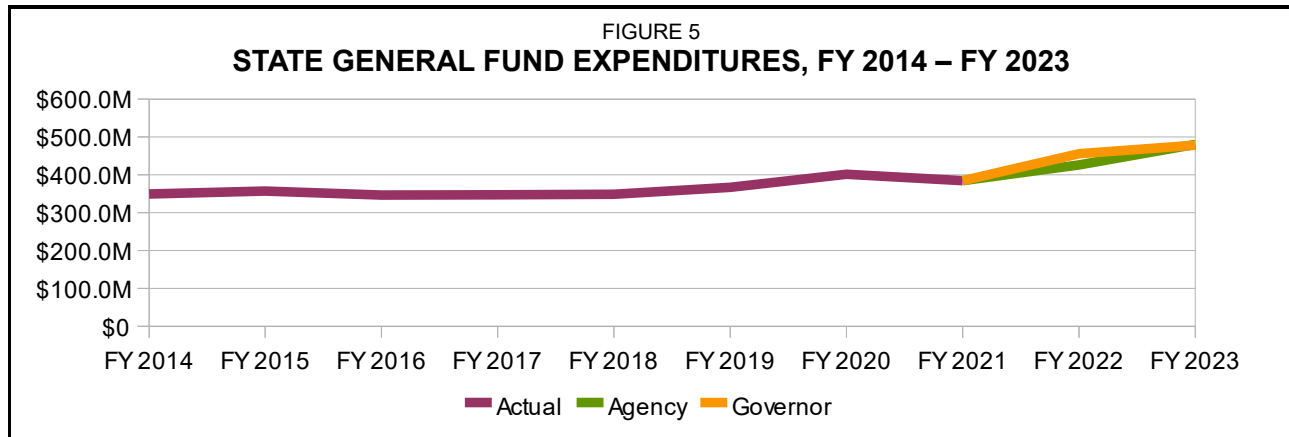
The Governor recommends \$8.3 million for capital improvements expenditures throughout the KDOC System for FY 2023. This is a decrease of \$3.9 million below the agencies' FY 2023 request. The decrease is due to the Governor not recommending the agency's enhancement request to increase expenditures from the Correctional Institutions Building Fund.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 218,189,681	\$ 213,870,092	\$ 230,683,501	\$ 226,373,842	\$ 243,554,379
Contractual Services	158,929,181	171,025,104	170,725,464	194,561,212	177,864,334
Commodities	15,448,372	14,220,078	14,220,078	15,326,410	14,558,697
Capital Outlay	5,602,145	5,247,249	13,312,641	7,972,305	8,119,370
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 398,169,379	\$ 404,362,523	\$ 428,941,684	\$ 444,233,769	\$ 444,096,780
Aid to Local Units	45,175,481	55,493,397	79,147,267	58,253,325	63,848,693
Other Assistance	3,163,456	2,628,195	2,628,195	2,628,095	2,628,095
Subtotal—Operating	\$ 446,508,316	\$ 462,484,115	\$ 510,717,146	\$ 505,115,189	\$ 510,573,568
Capital Improvements	8,016,677	24,183,852	24,183,852	12,231,519	8,296,199
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 454,524,993	\$ 486,667,967	\$ 534,900,998	\$ 517,346,708	\$ 518,869,767
Financing:					
State General Fund	\$ 384,688,530	\$ 425,978,938	\$ 455,645,363	\$ 480,429,621	\$ 478,575,969
COVID-19 Federal Relief Funds	30,831,967	76	18,305,106	-	-
Other Federal Funds	4,712,273	3,250,609	3,250,609	3,815,373	3,815,373
All Other Funds	34,292,223	57,438,344	57,699,920	33,101,714	36,478,425
TOTAL	\$ 454,524,993	\$ 486,667,967	\$ 534,900,998	\$ 517,346,708	\$ 518,869,767
FTE Positions	3,322.0	3,321.0	3,321.0	3,405.0	3,420.1

STATE GENERAL FUND



For the KDOC System, SGF expenditures are primarily for operational purposes, such as salaries and wages and utilities at correctional facilities and systemwide contracts for inmate health care and food service. Other significant SGF expenditures include aid to local units of governments for community-based supervision of adult and juvenile offenders.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 408,626,270	\$ 57,919,669	\$ 466,545,939	3,333.5
1. SGF Reappropriation	35,906,383	-	35,906,383	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 444,532,653</i>	<i>\$ 57,919,669</i>	<i>\$ 502,452,322</i>	<i>3,333.5</i>
Agency Revised Estimate:				
CENTRAL OFFICE				
2. Supplemental— Replace Revenue from Inmate Phone Charges	\$ 747,651	\$ (747,651)	\$ -	--
3. Supplemental— Housing Program	75,000	-	75,000	--
4. Supplemental— IT Outreach Staff	224,640	-	224,640	--
5. General Fee Fund	-	1,559,071	1,559,071	--
6. Evidence Based Juvenile Programs	(18,565,100)	-	(18,565,100)	--
7. Outsourcing Adult Offenders	(1,324,000)	-	(1,324,000)	--
8. KCI Fund	-	(777,409)	(777,409)	--
9. Capital Improvements	(1,942,503)	(1,141,519)	(3,084,022)	--
FACILITIES				
10. Supplemental—Overtime Expenditures	\$ 1,431,120	-	\$ 1,431,120	--
11. Supplemental—Shrinkage Reduction	322,077	-	322,077	--
12. Capital Improvements	-	5,434,525	5,434,525	--
13. All Other Adjustments	477,400	(1,557,657)	(1,080,257)	(12.5)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 425,978,938</i>	<i>\$ 60,689,029</i>	<i>\$ 486,667,967</i>	<i>3,321.0</i>
Governor's Recommendation:				
CENTRAL OFFICE				
14. Supplemental—Housing Program	\$ (75,000)	\$ -	\$ (75,000)	--
15. Supplemental—IT Outreach Staff	(224,640)	-	(224,640)	--
16. Evidence-Based Juvenile Programs	21,095,320	-	21,095,320	--
17. 24/7 Pay Initiative	-	18,566,606	18,566,606	--
18. Community Corrections	2,558,550	-	2,558,550	--
19. Equipment	1,400,000	-	1,400,000	--
20. Pathways for Success	6,665,392	-	6,665,392	--
FACILITIES				
21. Supplemental—Overtime Expenditures	(1,431,120)	-	(1,431,120)	--
22. Supplemental—Shrinkage Reduction	(322,077)	-	(322,077)	--
TOTAL	\$ 455,645,363	\$ 79,255,635	\$ 534,900,998	3,321.0

LEGISLATIVE APPROVED

The 2021 Legislature approved a budget of \$466.5 million, including \$408.6 million SGF, for the Kansas Department of Corrections (KDOC) System for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action. Adjustments for this agency include the following:

1. **SGF REAPPROPRIATION.** The agencies received an increase of \$35.9 million SGF that was not spent in FY 2021 and has shifted to FY 2022.

AGENCY ESTIMATE

The **agencies** request a revised estimate of \$486.7 million, including \$426.0 million SGF, for the entire KDOC System in FY 2022. This is an all funds decrease of \$15.8 million, or 3.1 percent, and an SGF decrease of \$18.6 million, or 4.2 percent, below the FY 2022 approved amount.

The **agencies'** estimate includes the following adjustments:

2. **CENTRAL OFFICE SUPPLEMENTAL—REPLACE REVENUE FROM INMATE PHONE CHANGES.** The agency requests \$747,651 SGF to offset revenue lost due of an Federal Communications Commission (FCC) order limiting the charge for inmate phone calls to \$0.14 per minute, which is \$0.04 below the agency's current rate.
3. **CENTRAL OFFICE SUPPLEMENTAL—HOUSING PROGRAM.** The agency requests \$75,000 SGF to expand community-based housing for offenders with special needs upon reentry into society. The request includes a coordinator and temporary leased housing to provide stability for chronically homeless offenders and offenders with severe mental health needs.
4. **CENTRAL OFFICE SUPPLEMENTAL—IT OUTREACH STAFF.** The agency requests \$224,640 SGF for contracted information technology staff to provide outreach to community corrections agencies regarding Athena 1, a recently-implemented case management data system for offenders on parole and serving probation.
5. **CENTRAL OFFICE GENERAL FEE FUND.** The revised estimate includes increased expenditures of \$1.6 million from the General Fees Fund, primarily for information technology services. These expenditures support the initial phase of multi-year financing plan for development of Athena 2, a data system for management adults and juveniles at correctional facilities.
6. **EVIDENCE-BASED JUVENILE PROGRAMS.** The revised estimate includes expenditures totaling \$19.5 million from the Evidence-Based Juvenile Programs account of the SGF, which is a decrease of \$18.6 million below the FY 2022 approved amount. Expenditure are primarily for aid to local governments and statewide contracts supporting evidence-based community programs for juvenile offenders to decrease reliance on incarceration. The revised estimate includes planned reappropriation of \$21.3 million from FY 2022 into FY 2023, which the agency indicates is needed to sustain programs in future years.
7. **OUTSOURCING ADULT OFFENDERS.** The revised estimate includes no expenditures for the contracted beds to house adult offenders, which is a decrease of \$1.3 million below the FY 2022 approved amount. The decrease is primarily attributed to a general decline in the prison population.
8. **KANSAS CORRECTIONAL INDUSTRIES (KCI) FUND.** The revised estimate includes a decrease of \$777,409 from the KCI Fund. The fund draws revenue from the sale of inmate-produced goods and services. The decrease is primarily due to the closure of the Furniture Division.
9. **CENTRAL OFFICE CAPITAL IMPROVEMENTS.** The revised estimate includes capital improvements expenditures totaling \$18.7 million, including \$6.6 million SGF, for the KDOC Central Office in FY 2022. This is a decrease of \$3.1 million below the FY 2022 approved amount. The decrease is primarily attributed to the transfer of \$3.1 million from special revenue funds to the correctional facilities for routine repair and rehabilitation. The revised estimate includes \$12.7 million for expansion projects at the Lansing and Winfield correctional facilities, which were delayed in FY 2021.
10. **FACILITIES SUPPLEMENTAL—OVERTIME EXPENDITURES.** The agencies request a total of \$1.4 million SGF for additional overtime expenditures at El Dorado and

Lansing, the largest facilities, due to implementation of 12-hour shifts in response to low staffing levels.

11. **FACILITIES SUPPLEMENTAL—SHRINKAGE REDUCTION.** The agencies request \$322,077 SGF for a shrinkage reduction at Larned, which would allow for vacant positions to be filled. The agency notes that at current funding levels, 11 correctional officer positions would remain vacant.
12. **FACILITIES CAPITAL IMPROVEMENTS.** The revised estimate includes increased capital improvement expenditures of \$5.4 million, all from special revenue funds, for correctional facilities in FY 2022. This includes \$5.1 million for adult facilities and \$1.0 million for juvenile facilities.
13. **ALL OTHER ADJUSTMENTS.** Other adjustments include increased expenditures for technology services, which are offset by decreased employer contributions for the Kansas Public Employees Retirement System (KPERs). The revised estimate includes a decrease of \$1.0 million from the Inmate Benefit Fund primarily due to revenue lost as result of limiting inmate phone charges.

The revised estimate also includes 3,321.0 FTE positions for the KDOC System, which is a decrease of 12.5 FTE positions below the FY 2022 approved number. The position decrease is mainly at the Norton Correctional Facility.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$534.9 million, including \$455.6 million SGF, for the entire KDOC System in FY 2022. This is an all funds increase \$48.2 million, including an SGF increase of \$29.7 million, above the agency's FY 2022 revised estimate.

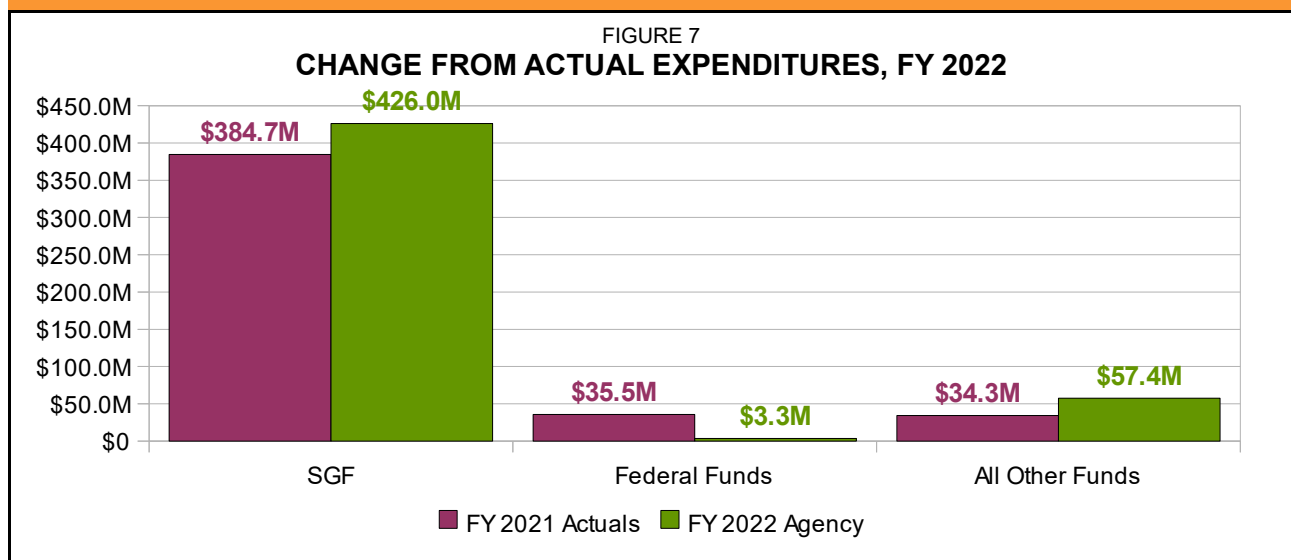
The **Governor's** recommendation includes the following adjustments:

14. **CENTRAL OFFICE SUPPLEMENTAL—HOUSING PROGRAM.** The Governor does not recommend this request.
15. **CENTRAL OFFICE SUPPLEMENTAL—IT OUTREACH STAFF.** The Governor does not recommend this request.
16. **EVIDENCE-BASED JUVENILE PROGRAMS ACCOUNT.** The Governor recommends adding \$21.1 million SGF to the Evidence Based Juvenile Programs account to restore funding lapsed in the previous budget cycle. This would result in expenditures from the account totaling \$40.6 million in FY 2022. The Governor also recommends that up to \$3.6 million from this fund be made available to the Jobs for America's Graduates-Kansas program (JAG-K).
17. **24/7 PAY INITIATIVE.** The Governor recommends adding \$18.6 million, all from the federal American Rescue Plan Act Fund, in FY 2020 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and on-time premium pay allocations up to \$3,500 for salaried staff.

18. **COMMUNITY CORRECTIONS.** The Governor recommends the addition of \$2.6 million SGF for increased aid to local community corrections agencies for the purpose of salary increases.
19. **EQUIPMENT.** The Governor recommends the addition of \$1.4 million SGF for the purchase of safety and security equipment.
20. **PATHWAYS FOR SUCCESS.** The Governor recommends the addition of \$6.7 million SGF for the Pathways for Success initiative, which provides equipment and materials for education programs at the correctional facilities facilitated by community colleges and universities. Equipment includes virtual welders, commercial driver's license simulators, and mobile devices.
21. **FACILITIES SUPPLEMENTAL—OVERTIME.** The Governor does not recommend the supplement for overtime expenditures at El Dorado and Lansing, which deletes \$1.4 million, all SGF, from the FY 2022 agency request.
22. **FACILITIES SUPPLEMENTAL—SHRINKAGE.** The Governor does not recommend the supplemental to reduce facility shrinkage at Larned, which deletes \$322,077, all SGF, from the FY 2022 agency request.

The **Governor's** recommendation also includes 3,321.0 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agencies request a revised estimate of \$486.7 million, including \$426.0 million SGF, for the entire KDOC System in FY 2022. This is an all funds increase of \$32.1 million, including \$41.3 million SGF, above the FY 2021 actual amount. The increase is primarily attributed to increased salaries and wages expenditures of \$24.7 million SGF for salaries and wages of correctional officers at the facilities to offset expenditures from the federal Coronavirus Relief Fund moneys appropriated for this purpose in FY 2021 that are no longer available in FY 2022. The increase is also attributed to increased expenditures from the Evidence-Based Juvenile Programs account totaling \$11.6 million, mainly for aid to local units of governments and statewide contracts for juvenile programs. Other increases include expansion projects at the Lansing and Winfield correctional facilities that were delayed in FY 2021 (\$6.0 million), increased treatment of inmates infected with hepatitis C (\$2.3 million), inmate health care (\$1.3 million), and food service (\$1.2 million). The increase is partially offset by decreased expenditures for contracted beds for adult offenders (\$1.5 million).

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 425,978,938	\$ 60,689,029	\$ 486,667,967	3,321.0
Agency Request:				
1. Enhancement–LCF and WCF Expansion Project Operational Expenditures	\$ 20,167,333	\$ -	\$ 20,167,333	89.0
CENTRAL OFFICE				
2. Enhancement–Restore Central Office Staffing	\$ 450,776	-	\$ 450,776	--
3. Enhancement–Vehicles and Equipment	817,682	-	817,682	--
4. Enhancement–Staff Development Specialists	1,134,000	-	1,134,000	--
5. Enhancement–Reentry Programs	11,445,000	-	11,445,000	--
6. Enhancement–Parole Support	547,200	-	547,200	--
7. Enhancement–Replace Revenue from Inmate Phone Charges	747,651	(747,651)	-	--
8. Enhancement–Eliminate ICS Commission	3,736,927	(3,736,927)	-	--
9. Enhancement–Eliminate KCI Transfer	3,149,952	(3,149,952)	-	--
10. Enhancement–IT Outreach Staff	224,640	-	224,640	--
11. Enhancement–Housing Program	840,000	-	840,000	--
12. Enhancement–Community Corrections and Parole Staffing	3,105,000	-	3,105,000	--
13. Enhancement–CIBF Adjustment	-	3,935,320	3,935,320	--
14. Enhancement–Actionable Intel Unit	159,120	-	159,120	--
15. Enhancement–Prisoner Review Board	243,024	-	243,024	--
16. Enhancement–BIP Services	705,570	-	705,570	--
17. Enhancement–Assessment Quality Assurance	1,600,000	-	1,600,000	--
18. Enhancement–Restorative Justice	157,013	-	157,013	--
19. Enhancement–GPS Monitoring	250,000	-	250,000	--
20. Restore SGF for Graduated Sanction Grants	10,000,000	(10,000,000)	-	--
21. General Fee Fund	-	(3,000,000)	(3,000,000)	--
22. Evidence Based Juvenile Programs	(3,005,176)	-	(3,005,176)	--
23. Capital Improvements	(6,614,588)	(3,838,540)	(10,453,128)	--
FACILITIES				
24. Shrinkage Reduction	\$ 4,708,949	-	\$ 4,708,949	--
25. Capital Improvements	-	(5,434,525)	(5,434,525)	--
26. All Other Adjustments	(119,390)	2,200,333	2,080,943	(5.0)
Subtotal–Agency Request	\$ 480,429,621	\$ 36,917,087	\$ 517,346,708	3,405.0
Governor’s Recommendation:				
27. Enhancement–LCF and WCF Expansion Project Operational Expenditures	\$ (10,549,345)	\$ -	\$ (10,549,345)	15.1
CENTRAL OFFICE				
28. Enhancement–Vehicles and Equipment	\$ 3,055,257	-	\$ 3,055,257	--
29. Enhancement–Community Corrections and Parole Staffing	5,250,296	-	5,250,296	--

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
30. Non-recommended Enhancements	(24,192,446)	2,951,559	(21,240,887)	--
31. 24/7 Pay Initiative	33,909,523	425,152	34,334,675	--
32. Reallocation	(2,391,725)	-	(2,391,725)	--
FACILITIES				
33. Shrinkage Reduction	(4,708,949)	-	(4,708,949)	--
34. Reallocation	(2,226,263)	-	(2,226,263)	--
TOTAL	\$ 478,575,969	\$ 36,917,087	\$ 518,869,767	3,420.1

AGENCY REQUEST

The **agencies** request \$517.3 million, including \$480.4 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$30.7 million, or 6.3 percent, including an SGF increase of \$54.5 million, or 12.8 percent, above the FY 2022 revised estimate.

The **agencies** request includes the following adjustments:

- 1. ENHANCEMENT—LCF AND WCF EXPANSION PROJECTS OPERATIONAL EXPENDITURES.** The agency requests a total of \$20.2 million SGF to operate a recently renovated 200-bed substance abuse treatment center at Lansing Correctional Facility (LCF) and 241-bed assisted living unit and substance abuse treatment center at the Winfield Correctional Facility (WCF). These expenditures included contracted medical staff and program staff managed through the Central Office. Expenditures also support the addition of 89.0 FTE positions at Lansing and Winfield correctional facilities, which include correctional officers, counselors, and maintenance staff, as well as costs for utilities and office equipment.
- 2. CENTRAL OFFICE ENHANCEMENT—RESTORE CENTRAL OFFICE STAFFING.** The agency requests \$450,776 SGF to restore salaries and wages expenditures at the Central Office that were decreased by the 2022 Legislature as part of a reduced resources item. This adjustment would sustain 6.0 FTE positions in areas such as fiscal management, human resources, and legal counsel
- 3. CENTRAL OFFICE ENHANCEMENT—VEHICLES AND EQUIPMENT.** The agency requests \$817,682 SGF to partially support the scheduled replacement of 48 vehicles and safety and security equipment utilized by staff.
- 4. CENTRAL OFFICE ENHANCEMENT—STAFF DEVELOPMENT SPECIALISTS.** The agency request \$1.1 million SGF to fund 12.0 FTE Staff Development Specialist positions and purchase equipment to enable training in areas such case management for unit team counselors, parole officers, and community corrections staff, as well as information technology.
- 5. CENTRAL OFFICE ENHANCEMENT—REENTRY PROGRAMS.** The agency requests \$11.4 million SGF for a forensic nursing facility and job specialist positions to support offenders during reentry to society. The contracted forensic nursing facility would provide care, including mental health beds, for offenders who are oftentimes not accepted at standard nursing homes. The Job Specialist positions would work with workforce centers and employers to place offenders departing correctional facilities.

6. **CENTRAL OFFICE ENHANCEMENT—PAROLE SUPPORT.** The agency requests \$547,200 SGF to fund 3.0 vacant FTE positions and purchase six additional vehicles for parole offices. Positions include a safety officer and two program providers.
7. **CENTRAL OFFICE ENHANCEMENT—REPLACE REVENUE FROM INMATE PHONE CHARGES.** The agency requests \$747,651 SGF to offset revenue lost due of a Federal Communications Commission order limiting the charge for inmate phone calls to \$0.14 per minute, which is \$0.04 below the agency's current rate.
8. **CENTRAL OFFICE ENHANCEMENT—ELIMINATE ICS COMMISSIONS.** The agency requests \$3.7 million to offset revenue lost from further reducing the charge for inmate phone calls to \$0.7 per minute. Inmate communication services (ICS) are administered by a contracted services provider, which pays a commission utilized for inmate programs. The commission, which is estimated at \$3.7 million for FY 2023, would be eliminated if the further rate reductions were implemented.
9. **CENTRAL OFFICE ENHANCEMENT—ELIMINATE KCI FUND TRANSFER.** The agency requests \$3.1 million SGF to offset the elimination of a transfer from the Kansas Correctional Industries (KCI) Fund for operational expenditures. The fund draws revenue from the sale of inmate-produced goods and was intended to support the education program. The agency notes, however, that moneys from this fund have been utilized for increased food service and medical expenditures in lieu of SGF moneys in recent years.
10. **CENTRAL OFFICE ENHANCEMENT—IT OUTREACH STAFF.** The agency requests \$224,640 SGF for contracted information technology staff to provide outreach to community corrections agencies regarding Athena 1, a recently implemented case management data system for offenders on parole and serving probation.
11. **CENTRAL OFFICE ENHANCEMENT—HOUSING PROGRAM.** The agency requests \$840,000 SGF to continue expansion of community-based housing for offenders with special needs upon reentry into society.
12. **CENTRAL OFFICE ENHANCEMENT—COMMUNITY CORRECTIONS AND PAROLE STAFFING.** The agency requests \$3.1 million SGF for increased grant funding to local community corrections agencies and to fund 5.0 FTE positions in Parole Services, which would reduce caseloads for community-based supervision of offenders. The request includes \$2.8 million for community corrections agencies, which is equivalent to 40.0 FTE positions.
13. **CENTRAL OFFICE ENHANCEMENT—CIBF ADJUSTMENT.** The agency requests \$3.9 million from the Correctional Institutions Building Fund (CIBF) to adjust the annual appropriation for the repair and rehabilitation of correctional facilities to a level that would account for 2.5 percent inflation. The agency notes that the current appropriation of approximately \$5.0 million has been fixed since 1997, while the cost of services and material has increased.
14. **CENTRAL OFFICE ENHANCEMENT—ACTIONABLE INTEL UNIT.** The agency requests \$159,120 SGF to fund 1.0 FTE position and purchase equipment for implementation of an Actionable Intelligence Unit (AIU) to coordinate the compilation of data regarding emerging threats and criminal behavior within the correctional system.
15. **CENTRAL OFFICE ENHANCEMENT—PRISONER REVIEW BOARD.** The agency requests \$243,024 SGF to fund 3.0 FTE Hearing Officer positions and 1.0 Administrative Support position in the Prisoner Review Board program. These positions would administer

preliminary parole revocation hearings across the state, assist with youthful offender hearings, and address open records requests.

16. **CENTRAL OFFICE ENHANCEMENT—BIP SERVICES.** The agency requests \$705,570 SGF for Batterers Intervention Program (BIP) services in the Victim Services program. The request includes BIP services for paroled offenders and offenders in correctional facilities, and providing notification to victims.
17. **CENTRAL OFFICE ENHANCEMENT—ASSESSMENT QUALITY ASSURANCE.** The agency requests \$1.6 million SGF to contract with a consultant to conduct quality assurance evaluations of risk assessments conducted by staff with offenders under community supervision.
18. **CENTRAL OFFICE ENHANCEMENT—RESTORATIVE JUSTICE.** The agency requests \$157,013 SGF to fund 1.5 FTE Restorative Justice Specialist positions to provide victim impact classes among inmates.
19. **CENTRAL OFFICE ENHANCEMENT—GPS MONITORING.** The agency requests \$250,000 SGF to increase the use of GPS monitoring of offenders under community supervision.
20. **RESTORE SGF FOR GRADUATED SANCTIONS GRANTS.** The request includes an increase of \$10.0 million SGF, offset by a decrease of the same amount from special revenue funds, for Graduated Sanctions grants provided to local community corrections agencies for the supervision of juvenile offenders. This adjustment would restore SGF moneys decreased by the 2021 Legislature as part of a reduced resources item.
21. **CENTRAL OFFICE GENERAL FEE FUND.** The request includes decreased expenditures of \$3.4 million from the General Fees Fund primarily for technology services associated with the Athena 2 data system that occur in FY 2022 but do not reoccur for FY 2023.
22. **EVIDENCE-BASED JUVENILE PROGRAMS.** The request includes expenditures totaling \$16.5 million from the Evidence-Based Juvenile Programs account of the SGF, which is a decrease of \$3.0 million below the FY 2022 revised estimate. Expenditures support evidence-based community programs for juvenile offenders to decrease reliance on incarceration.
23. **CENTRAL OFFICE CAPITAL IMPROVEMENTS.** The request includes capital improvements expenditures of \$12.2 million, all from special revenue funds. This is a decrease of \$10.5 million, including \$6.6 million SGF. The decrease is primarily due to completion of expansion projects at Lansing and Winfield in FY 2022. The decrease is partially offset by the agency's enhancement request for \$3.9 million from special revenue funds for capital improvements.
24. **FACILITIES ENHANCEMENT—SHRINKAGE REDUCTION.** The agencies request a total of \$4.7 million for shrinkage reductions at Ellsworth (\$111,104), El Dorado (\$2.2 million), the Kansas Juvenile Correctional Complex (\$1.2 million), Lansing (\$385,077), and Norton (\$762,177). A shrinkage reduction would allow agencies to fill vacant positions.
25. **FACILITES CAPITAL IMPROVEMENTS.** The request includes no capital improvements expenditures for correctional facilities for FY 2023, which is a decrease of \$5.4 million below the FY 2022 revised estimate. Funds for capital improvement projects are appropriated to the KDOC Central Office in the budget year for planning purposes and transferred to facilities as needs are identified.

26. **ALL OTHER ADJUSTMENTS.** Other adjustments primarily include increased expenditures from special revenue funds for medical services.

The request also includes 3,405.0 FTE positions for the KDOC System, which is an increase of 84.0 FTE positions above the FY 2022 revised number. The position increase is primarily at the Lansing and Winfield correctional facilities to support operation of a recently renovated assisted living unit and two substance abuse treatment centers.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$518.9 million, including \$478.6 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$1.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request.

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

27. **ENHANCEMENT—LCF AND WCF EXPANSION PROJECTS OPERATIONAL EXPENDITURES.** The Governor recommends a total of \$9.6 million SGF for operating expenditures for newly established substance abuse treatment centers and an assisted living unit at Lansing and Winfield correctional facilities. This is a decrease of \$10.5 million below the agencies' request. The expenditure is financed with \$5.0 million in new SGF moneys and \$4.6 million SGF reallocated from the KDOC Central Office (\$2.4 millions) and the facilities (\$2.2 million). The recommendation includes 104.1 FTE positions, which is an increase of 15.1 FTE positions above the agency's request.
28. **CENTRAL OFFICE ENHANCEMENT—EQUIPMENT AND VEHICLES.** The Governor recommends \$3.8 million for replacement of vehicles and security and safety equipment, which is an increase of \$3.1 million above the agency's request.
29. **CENTRAL OFFICE ENHANCEMENT—COMMUNITY CORRECTIONS AND PAROLE STAFF.** The Governor recommends \$8.4 million exclusively for increased grant funding to local community corrections agencies for the purpose of increasing salaries. This is an increase of \$5.3 million above the agency's request.
30. **CENTRAL OFFICE—NON-RECOMMENDED ENHANCEMENTS.** The Governor does not recommend enhancements for: Staff Development Specialists, Reentry Programs, Parole Support, IT Outreach Staff, Elimination of ICS Commissions, CIBF Adjustments, Actionable Intel Unit, BIP Services, Assessment Quality Assurance, Restorative Justice, nor GPS Monitoring.
31. **24/7 PAY INITIATIVE.** The Governor recommends adding \$34.3 million, including \$33.9 million SGF, for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as the temporary pay differentials for hourly personnel.
32. **CENTRAL OFFICE REALLOCATION.** The Governor recommends reallocating a total of \$2.4 million SGF from the Central Office to partially support operating expenditures at the Lansing and Winfield expansion projects.
33. **FACILITIES ENHANCEMENT—SHRINKAGE REDUCTION.** The Governor does not recommend this request.

34. **FACILITIES REALLOCATION.** The Governor recommends reallocating a total of \$2.2 million SGF from the multiple adult correctional facilities to partially support operating expenditures at the Lansing and Winfield expansion projects. This reallocation is due to unit drawdowns resulting from lower prison population projects.

The **Governor's** recommendation also includes 3,420.1 FTE positions, which is an increase of 15.1 FTE positions above the agencies' FY 2023 request. The increase is due to the addition of positions at Lansing and Winfield correctional facilities.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FY 2022 SUPPLEMENTALS						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
CENTRAL OFFICE						
Replace Revenue from Inmate Phone Charges	\$ 747,651	\$ -	--	\$ 747,651	\$ 747,651	--
Housing Program	75,000	75,000	--	-	-	--
IT Outreach Staff	224,640	224,640	--	-	-	--
FACILITIES						
Overtime	1,431,120	1,431,120	--	-	-	--
Shrinkage Reduction	322,077	322,077	--	-	-	--
TOTAL	\$ 2,800,488	\$ 2,052,837	--	\$ 747,651	\$ 747,651	--

REQUEST 1

REPLACE REVENUE FROM INMATE PHONE CHARGES

The agency requests \$747,651 SGF to offset revenue lost due to an FCC order limiting the charge for inmate phone calls to \$0.14 per minute. The agency previously maintained a rate of \$0.17 per minute for debit and \$0.18 per minute for prepaid collect calls. The FCC, which regulates interstate communications, issued the order to be effective October 26, 2021. The revenue loss is estimated at \$747,651 annually.

The Governor recommends adoption of this request.

REQUEST 2

HOUSING PROGRAM

The agency requests \$75,000 SGF to expand community-based housing for offenders with special needs upon reentry into society. The request includes initial funding for 6 additional coordinator positions and 25 leased housing units. The agency indicates it has experienced success in working with severely mentally ill and chronically homeless offenders through specialized staff providing wraparound services and utilizing leased housing units to provide stability for a period of 90 days.

The Governor does not recommend adoption of this request.

REQUEST 3

IT OUTREACH STAFF

The agency requests \$224,640 SGF for contracted information technology staff to provide outreach to community corrections agencies regarding Athena 1, which is a recently implemented case management data system. The agency indicates outreach is needed as modifications of the system are incorporated resulting from legislative changes, and to allow interoperability with other data systems. The agency notes that the addition of these two contract positions would allow agency IT staff to focus on development of Athena 2, which provides case management of incarcerated offenders.

The Governor does not recommend adoption of this request.

REQUEST 4

OVERTIME EXPENDITURES

The correctional facilities request of total of \$1.4 million SGF for additional overtime expenditures at the 2 largest facilities due to temporarily transitioning from 8-hour to 12-hour shifts in response to low staffing levels. The request includes the following:

- \$811,635 to the El Dorado Correctional Facility; and
- \$619,485 to the Lansing Correctional Facility.

The Governor does not recommend adoption of this request.

REQUEST 5

SHRINKAGE REDUCTION

The Larned Correctional Mental Health Facility requests \$322,077 SGF for a shrinkage reduction, which would allow the agency to fill vacant positions. The agency states that due to the increased costs of goods and services, approximately 11 positions must be held vacant to stay within budget.

The Governor does not recommend adoption of this request.

FY 2023 ENHANCEMENTS						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
LCF & WCF Expansion Projects Operational Expenditures	\$ 20,167,333	\$ 20,167,333	--	\$ 9,617,988	\$ 9,618,988	89.0
CENTRAL OFFICE						
Restore Central Office Staffing	450,776	450,776	--	450,776	450,776	--
Vehicles and Equipment	817,682	817,682	--	3,872,929	3,872,929	--
Staff Development Specialists	1,134,000	1,134,000	--	-	-	--
Reentry Programs	11,445,000	11,445,000	--	-	-	--
Parole Support	547,200	547,200	--	-	-	--
Replace Revenue from Inmate Phone Charges	747,651	-	--	747,651	-	--
Eliminate ICS Commissions	3,736,927	-	--	-	-	--
Eliminate KCI Fund Transfer	3,149,952	-	--	-	-	--
IT Outreach Staff	224,640	224,640	--	-	-	--
Housing Program	840,000	840,000	--	-	-	--
Community Corrections and Parole Staffing	3,105,000	3,105,000	--	8,355,296	8,355,296	--
CIBF Indexing	-	3,935,320	--	-	-	--
Actionable Intel Unit	159,120	159,120	--	-	-	--
Prisoner Review Board Support	243,024	243,024	--	-	-	--
BIP Services	705,570	705,570	--	-	-	--
Assessment Quality Assurance	1,600,000	1,600,000	--	-	-	--
Restorative Justice	157,013	157,013	--	-	-	--
GPS Monitoring	250,000	250,000	--	-	-	--
FACILITIES						
Shrinkage Reduction	4,708,949	4,708,949	--	-	-	--
TOTAL	\$ 54,189,837	\$ 50,490,627	--	\$ 23,044,640	\$ 22,297,989	89.0

REQUEST 6

LCF AND WCF EXPANSION PROJECT – MEDICAL AND PROGRAM STAFF

The agency requests a total of \$20.2 million SGF to operate a recently renovated 200-bed substance abuse treatment center at Lansing Correctional Facility and a 241-bed assisted living and substance abuse treatment center at the Winfield Correctional Facility. The agency states that as the prison population continues to age, the need for specialized housing is critical. Further, the need for substance abuse treatment has exceeded the agency's current capacity, with only 48.0 percent of the inmates identified as in need receiving such treatment. To meet this need, the 2020 Legislature appropriated funds to renovate these facilities, which will be operational by FY 2023. The request includes:

- \$11.5 million to the Central Office for contracted staff and other operating expenses at substance abuse treatment centers at Lansing and Winfield. Expenditures include those for specialized staff, operating expenses, and expansion of existing contracts with substance abuse treatment providers. The agency estimates that the number of inmates receiving treatment would increase from 922 to 1,170.
- \$1.4 million to the Central Office to add 18.6 FTE medical positions to the agency's existing health care contract with Centurion to operate an assisted living unit at Winfield. The positions include physicians, psychiatrists, nurses, behavioral health professionals, and support staff. The unit would receive inmates in need of care from across the correctional system.
- \$4.7 million to the Winfield Correctional Facility to add 55.0 FTE positions and for other operating expenditures to support a nursing care and substance abuse treatment center. Positions include primarily correctional officers, but also unit counselors, and maintenance staff. Other expenditures include those for utilities, clothing, and office equipment.
- \$2.6 million to the Lansing Correctional Facility to add 34.0 FTE positions and for other operating expenditures to support a substance abuse treatment center at the East Unit. Positions include unit team counselors, correctional officers, activities specialists, administrative support, and maintenance staff. Other expenditures include utilities, clothing, and office equipment.

The Governor recommends adoption of this request, with modifications.

The recommendation includes a total of \$9.6 million SGF and 104.0 FTE positions for operations of the Lansing and Winfield expansion projects. Of this, \$4.6 million is derived from reallocations among the KDOC Central Office and adult facilities.

REQUEST 7

RESTORE CENTRAL OFFICE STAFFING

The agency requests \$450,776 SGF to restore salaries and wages expenditures at the KDOC Central Office for FY 2023 that were decreased by the 2022 Legislature as part of a reduced resources item. The agency absorbed this reduction in FY 2022 utilizing reappropriated funds, but notes continuance of this reduction in FY 2023 would result in the elimination of funding for 6.0 FTE positions in fiscal management, human resources, and legal council, which would adversely impact the agency's oversight function.

The Governor recommends adoption of this request.

REQUEST 8

VEHICLES AND EQUIPMENT

The agency requests \$817,682 SGF to partially support the scheduled replacement of 48 vehicles and safety and security equipment utilized by staff. The request includes:

- \$263,900 to supplement a total expenditure of \$1.3 million for the purchase of 48 vehicles utilized for inmate transport, offsite work crews, parole staff, and maintenance. Vehicles types include buses, vans, pickup trucks, and sedans that have reached the end of their service life. The agency maintains a fleet of over 500 vehicles utilized at 9 correctional facilities, parole offices, and the KDOC Central Office, with a plan to replace 10.0 percent annually.
- \$553,782 to supplement a total expenditure of \$1.1 million to replace worn equipment and acquire new items utilized by staff to maintain safe operations at correctional facilities. The request is for 1,800 items, which include stab vests, portable radios, firearms, restraints, and riot helmets. The agency notes that while progress has been made in addressing the deficiencies over the last two years, annual funding is needed for regular replacement.

The Governor does recommends adoption of this request, with modification.

The recommendation includes a total of \$1.4 million for the purchase of vehicles and equipment.

REQUEST 9

STAFF DEVELOPMENT SPECIALISTS

The agency request \$1.1 million SGF to fund 12.0 FTE Staff Development Specialist positions and purchase equipment to enable training in areas such a information technology and case management for unit team counselors, parole officers, and community corrections staff. The request is derived from a statewide survey involving correctional staff indicating that training in areas beyond security are a significant need.

The Governor does not recommend adoption of this request.

REQUEST 10

REENTRY PROGRAMS

The agency requests \$11.4 million SGF for a forensic nursing facility and job specialist positions to support offenders during reentry to society. This request includes:

- \$10.5 million for a forensic nursing facility, with mental health beds, for offenders with acute needs. Between 15 and 20 offenders per year require nursing care upon release. The agency reports that oftentimes, no nursing home beds are available, or no facility will receive this population. The agency would partner with the Kansas Department for Aging and Disability Services to issue a request for proposal (RFP) for a forensic nursing facility.
- \$945,000 to fund 10.0 FTE Job Specialist positions to liaison with workforce centers and employers to facilitate employment of offenders upon reentry to society. These positions would be assigned to the El Dorado, Lansing, and Winfield correctional facilities, as well as parole offices and workforce centers.

The Governor does not recommend adoption of this request.

REQUEST 11

PAROLE SUPPORT

The agency requests \$547,200 SGF to fund additional staff and vehicles among parole offices. The request includes:

- \$432,000 for 3.0 FTE positions, which include a Public Service Executive and two Program Providers. The Public Services Executive would ensure safety training for parole officers and assess equipment and building safety needs. The agency's agreement with the parole officer's union requires compliance with certain safety protocols. Further, the addition of two Program Providers would increase the number of paroled offenders receiving programs.
- \$115,200 for the purchase of six vehicles to be used by parole staff at offices in Kansas City, Olathe, and Wichita.

The Governor does not recommend adoption of this request.

REQUEST 12

REPLACE REVENUE FROM INMATE PHONE CHARGES

The agency requests \$747,651 SGF to offset revenue lost due to an FCC order limiting the charge for inmate phone calls to \$0.14 per minute. The agency previously maintained a rate of \$0.17 per minute for debit and \$0.18 per minute for prepaid collect calls. The FCC, which regulates interstate communications, issued the order to be effective October 26, 2021. The revenue loss is estimated at \$747,651 annually.

The Governor does not recommend adoption of this request.

REQUEST 13

ELIMINATE ICS COMMISSIONS

The agency requests \$3.7 million to offset revenue lost from further reducing the rate of charges per minute for inmate phone calls from \$0.17 per minute to \$0.7 per minute. Inmate communication services (ICS) are administered through a centralized contracted service provider, which pays a commission to the Inmate Benefits Fund estimated at \$3.7 million for FY 2023. Expenditures from this fund support inmate programs, including communications equipment such as tablets, phones, and video conferencing. This rate reduction would result in elimination of all commissions. The agency notes that without SGF money to offset the lost revenue, inmate programs and communications would be adversely affected.

The Governor does not recommend adoption of this request.

REQUEST 14

ELIMINATE KCI FUND TRANSFER

The agency requests \$3.1 million SGF to offset the elimination of a transfer from the Kansas Correctional Industries (KCI) Fund for expenditures associated with food services, medical services, and sex offender treatment programs. The fund draws revenue from the sale of inmate-produced goods at KCI and was intended to support the education program. However, the agency notes that in recent years, money from the fund have been utilized for increased food service and medical expenditures in lieu of SGF moneys. The agency states that utilization of SGF moneys for these purposes would allow KCI to reinvest funds in private industry opportunities allowing more inmates to gain job skills.

The Governor does not recommend adoption of this request.

REQUEST 15

IT OUTREACH STAFF

The agency requests \$224,640 SGF for contracted information technology staff to provide outreach to community corrections agencies regarding Athena 1, which is a recently implemented case management data system. The agency indicates outreach is needed as modifications of the system are incorporated resulting from legislative changes, and to allow interoperability with other data systems. The agency notes that the addition of these two contract positions would allow agency IT staff to focus on development of Athena 2, which provides case management for incarcerated offenders.

The Governor does not recommend adoption of this request.

REQUEST 16

HOUSING PROGRAM

The agency requests \$840,00 SGF to continue expanding community-based housing for offenders with special needs upon reentry into society. The request includes funding for 6 additional coordinator positions and 25 leased housing units. The agency has experienced success in working with severely mentally ill and chronically homeless offenders through specialized staff providing wraparound services and utilizing leased housing units to provide stability for a period of 90 days.

The Governor does not recommend adoption of this request.

REQUEST 17

COMMUNITY CORRECTIONS AND PAROLE STAFFING

The agency requests \$3.1 million SGF for increase grant funding to local community corrections agencies and to fund 5.0 FTE positions in Parole Services, which would reduce caseloads for community-based supervision of offenders. The request includes:

- \$2.8 million to increase grant funding to community corrections agencies equivalent to 40.0 FTE positions. The agency provides grant funding to 31 community corrections agencies operated by county governments for the community-based supervision of offenders on probation. The agency budgeted a total expenditure of \$23.0 million SGF for this purpose for FY 2023.
- \$345,072 for 5.0 parole officer positions supervising offenders on parole upon release from a correctional facilities.

The Governor recommends adoption of this request, with modifications.

The Governor recommends \$8.4 million exclusively for increased grant funding to community corrections agencies for the purpose of increasing salaries.

REQUEST 18

CORRECTIONAL INSTITUTIONS BUILDING FUND (CIBF) ADJUSTMENT

The agency requests \$3.9 million from the Correctional Institutions Building Fund (CIBF) to adjust the annual appropriation for the repair and rehabilitation of correctional facilities to a level that would account for inflation. The CIBF was established in 1976 for the upkeep of adult correctional facilities. Since 1997, the fund has been financed from a 10.0 percent annual transfer from the first \$50.0 million credited to the State Gaming Revenue Fund pursuant to KSA 79-4801 and 79-4803. The agency indicates this has effectively fixed the appropriation for repair and rehabilitation of correctional facilities at \$5.0 million annually since 1997. The agency requests a total appropriation of \$8.5 million from the CIBF for FY 2023, which would account for a 2.5 percent inflation rate since 1997.

The Governor does not recommend adoption of this request.

REQUEST 19

ACTIONABLE INTEL UNIT

The agency requests \$159,120 SGF to fund 1.0 FTE Corrections Manager position and to purchase equipment for implementation of an Actionable Intelligence Unit (AIU) within the correctional system. The AIU would coordinate the efforts of existing field investigators at facilities, and contracted intelligence analysts monitoring phone and message traffic, to compile data regarding emerging threats to staff and inmates or suspected criminal behavior. AIU efforts would be supplemented with ion detection equipment to identify trace amounts of illicit substances.

The Governor does not recommend adoption of this request.

REQUEST 20

PRISONER REVIEW BOARD

The agency requests \$243,024 SGF to fund 3.0 FTE Hearing Officer positions and 1.0 Administrative Support positions in the Prisoner Review Board program. The request includes:

- \$198,096 for 3.0 FTE hearing officer positions to hold preliminary hearings across the state regarding revocation of parole sentencing. The agency indicates the board averages up to 100 hearings per month, and these positions would provide relief to parole officers currently performing this function as an additional duty.
- \$44,928 for 1.0 FTE Administrative Support position to monitor the youthful offender hearing process and the clemency process, and to address hearing notifications and open records request.

The Governor does not recommend adoption of this request.

REQUEST 21

BIP SERVICES

The agency requests \$705,570 SGF for Batterers Intervention Programs (BIP) services in the Victim Services program. The objectives of the BIP is to educate batterers in learning skills for nonviolence and promote safety for victims. The request includes:

- \$346,022 to fund 10.0 FTE positions providing parole-based BIP group services in Olathe, Kansas City, Lawrence, Lansing, Hutchinson, and Wichita, which would address a current waitlist. The agency notes that 81.0 percent of those offenders who completed BIP in 2016 and 2017 have not been charged with new domestic violence offenses.
- \$251,222 to fund 6.0 FTE positions to support BIP services for offenders at correctional facilities to enable healthy behaviors upon release. Group services would be provided at facilities in Lansing, El Dorado, Wichita, Winfield, and Hutchinson, and address a current waitlist.
- \$108,326 to fund 2.0 FTE positions providing contract liaison with victims to meet the notification requirements of the agency's BIP certification through the Office of Attorney General. These positions would track offenders, run background checks, and request police reports and protection order information, to compile criminal histories for parole staff.

The Governor does not recommend adoption of this request.

REQUEST 22

ASSESSMENT QUALITY ASSURANCE

The agency requests \$1.6 million SGF to contract with a consultant to conduct quality assurance evaluations of risk assessments conducted by staff with offenders under community supervision. Risk assessments are conducted with offenders to determine the level of supervision and types of programs needed. This consultant would ensure consistency and provide guidance to staff supervising adults offenders and juveniles.

The Governor does not recommend adoption of this request.

REQUEST 23

RESTORATIVE JUSTICE

The agency requests \$157,013 SGF to fund 1.5 FTE Restorative Justice Specialist positions to provide victim impact classes among inmates. Prior to the COVID-19 pandemic, these classes were provided at the Lansing, Topeka, and El Dorado correctional facilities. This funding would increase the number of facilities served through this program.

The Governor does not recommend adoption of this request.

REQUEST 24

GPS MONITORING

The agency requests \$250,000 SGF to increase the use of GPS monitoring of paroled offenders. The agency indicates mandatory lifetime GPS monitoring of sex offenders has monopolized the existing monitoring resources. These additional funds would enable increased monitoring of the highest risk offenders and provide alternative monitoring for aging and medically impaired offenders who cannot have ankle bracelets.

The Governor does not recommend adoption of this request.

REQUEST 25

FACILITIES SHRINKAGE

The correctional facilities request of total of \$4.7 million SGF for shrinkage reductions, which would allow agencies to fill vacant positions. The agencies state that due to the increased costs of goods and services, approximately 153 positions must be held vacant to stay within budget. The request includes:

- \$111,104 to the Ellsworth Correctional Facility;
- \$2.2 million to the El Dorado Correctional Facility;
- \$1.2 million to the Kansas Juvenile Correctional Complex;
- \$385,077 to the Lansing Correctional Facility; and
- \$762,177 to the Norton Correctional Facility.

The Governor does not recommend adoption of this request.

SPECIAL TOPICS

TOPIC 1

EVIDENCE-BASED JUVENILE PROGRAM ACCOUNT

The Evidence-Based Juvenile Program (EBJP) account of the SGF is administered by the KDOC Central Office and is intended to support evidence-based community programs for juvenile offenders to decrease reliance on incarceration. The Juvenile Justice Oversight Committee (JJOC), an appointed committee, makes recommendations to the Secretary of Corrections regarding expenditures from the account.

EVIDENCE-BASED JUVENILE PROGRAMS ACCOUNT			
Expenditure:	Actual FY 2021	Agency FY 2022	Agency FY 2023
Crossover Youth Practice Model (CYPM) Coordinator	\$ 76,472	\$ 77,043	\$ 77,045
Crime and Justice Institution Technical Assistance	54,503	372,957	372,955
Moral Reconciliation Therapy	-	42,000	42,000
Aggression Replacement Training	-	50,000	50,000
Mental Health Training Curriculum	-	44,000	44,000
Parent Project	33,900	50,000	50,000
CYPM Licensing	102,951	246,000	246,000
CYPM Staff for DCF, OJA, and KDOC	116,855	173,000	173,000
Massachusetts Youth Screening Instrument (MAYSI)	20,400	12,000	12,000
Youth Level of Service Screener	-	12,000	12,000
Family Engagement and Family Guide	-	500,000	500,000
Mental Health Services	-	750,000	750,000
Substance Abuse Counseling for Families	-	750,000	750,000
Functional Family Therapy	744,184	1,387,000	1,387,000
Youth Advocate Program	665,524	665,524	665,524
Community-Based Sex Offender Treatment	325,000	325,000	325,000
OJA Data Collection and Training	-	244,800	244,800
Culturally Responsive Services	-	60,000	60,000
Juvenile Defense Improvements	-	500,000	500,000
Encumbrances	19,348	-	-
Athena 2 Data System	-	3,646,966	641,788
Reinvestment County Grants	2,174,719	4,000,000	4,000,000
Collaboration Grants	285,044	605,748	605,748
JCAB Request	3,303,551	5,000,000	5,000,000
TOTAL	\$ 7,922,451	\$ 19,514,038	\$ 16,508,860
Financing:			
Appropriation	14,321,500	12,521,500	12,521,500
Reappropriation	42,136,132	27,494,369	21,284,844
Transfers In	54,509	783,013	-
Lapses	(21,095,320)	-	-
Expenditures	(7,922,452)	(19,514,038)	(16,508,862)
BALANCE	\$ 27,494,369	\$ 21,284,844	\$ 17,297,482

The fund draws revenue primarily from SGF appropriations, but also from transfers within the correctional system. These transfers are derived from end-of-year unspent funds at the Kansas Juvenile Correctional Complex and contracted Youth Residential Center. This transfer represents savings realized from a decrease in the incarcerated juvenile population.

In previous years, actual expenditures from the EBJP account were less than budgeted, which resulted in the reappropriation of SGF moneys and growth in the balance of the account. During the 2021 Legislative Session, the Governor recommended lapsing \$42.2 million in unspent funds that were to reappropriate from FY 2020 into FY 2021. However, the Legislature approved a lapse of just \$21.1 million for FY 2021.

TOPIC 2

HEPATITIS C TREATMENT

Inmate populations are prone to hepatitis C, a bloodborne virus that can lead to liver damage, cancer, or death. The presence of hepatitis C is attributed to high-risk behaviors, such as injection drug use prior to incarceration. New drugs emerged in 2017 with a cure rate of 90.0 percent, but treatment was costly at \$94,500 per patient. The agency notes that correctional systems are constitutionally required to provide adequate health care for treatable diseases, which proves challenging as new admissions arrive carrying the virus.

The 2019 Legislature appropriated an additional \$4.5 million to address a backlog of inmates requiring hepatitis C treatment. The agency states it was able to eliminate this backlog of 713 patients in FY 2019. However, new admissions continue to require treatment. The agency reports that 444 new admissions were treated by the end of FY 2020 despite complications associated with the COVID-19 pandemic. In FY 2021, after reestablishing the treatment program following pandemic-related delays and a transition to a new health care provider, the agency was able to treat 136 patents, and the agency anticipates treating 301 patients in both FY 2022 and FY 2023. For this, the agency requests \$6.0 million in both FY 2022 and FY 2023.

TOPIC 3

KP&F RETIREMENT SYSTEM

The Governor recommends allowing adult and juvenile correctional officers to transition to the Kansas Police and Firemen's (KP&F) retirement system, which is administered by KPERS, in FY 2023. To facilitate the additional employer retirement contributions necessary for this transition, the Governor recommends appropriating \$10.0 million to the State Finance Council for distribution to affected agencies after a revised fiscal effect can be determined by KPERS. The Governor will propose the necessary bill to accomplish the conversion of these public safety officers.

TOPIC 4
24/7 PAY INITIATIVE

On October 26, 2021, the Secretary of Corrections (Secretary) reported to the Joint Committee on Corrections and Juvenile Justice Oversight regarding critical staff shortages throughout the KDOC System. The shortage includes 405 vacancies among correctional officers at adult facilities, a vacancy rate of 23.0 percent at the juvenile facility, and increased overtime of 66.0 percent above FY 2021. The Secretary indicated that common strategies to address staff shortages are to increase overtime, implement 12-hour shifts, reduce inmate programs, and improve compensation with increased hourly wages and bonuses.

In response, the Joint Committee recommended the Secretary immediately request COVID-19 federal relief funds from the SPARK Taskforce for new-hire referral and retention bonuses. Further, the Committee recommended the agency submit a plan to the 2022 Legislature to address wages, nightly differentials, and premium pay.

The SPARK Taskforce recommended a total expenditure of \$30.3 million from the federal American Rescue Plan Act Fund to support a 24/7 pay initiative, which was subsequently approved by the State Finance Council. The initiative, which primarily supports correctional facilities, state hospitals, and veterans' homes, provides temporary base pay increases for hourly and salaried staff, pay differentials for hourly personnel, and on-time premium pay allocations up to \$3,500 for salaried staff.

For the KDOC System, the initiative provides all current correctional officers with more than three months of experience pay increases ranging from 2.5 to 11.0 percent. New correctional officers will start at the current rate of \$18.26 per hour and receive 2.5 percent increase at 3 months and 9 months, and another 5.0 increase at 12 months after hire for a total increase of 10.0 percent within one year. The initiative also provides all current unit team counselors and parole officers with pay increases ranging from 6.0 to 22.0 percent. New counselors and parole officers will receive a starting pay increase that would raise their rate from \$18.26 to \$22.16 per hour.

The initiative provides the following differentials, which aggregate per eligible positions:

- Differential 1: \$1.50 per hour for all employees assigned to a correctional facilities ;
- Differential 2: \$2.00 per hour for all KDOC uniformed security staff, counselors, and unit team staff at all correctional facilities;
- Differential 3: \$4.50 per hour for medical providers. This differential would apply to one KDOC employee, as the majority of medical provider positions in KDOC are contracted; and
- Differential 4: \$2.50 for employees assigned to facilities with a 25.0 percent vacancy rate.

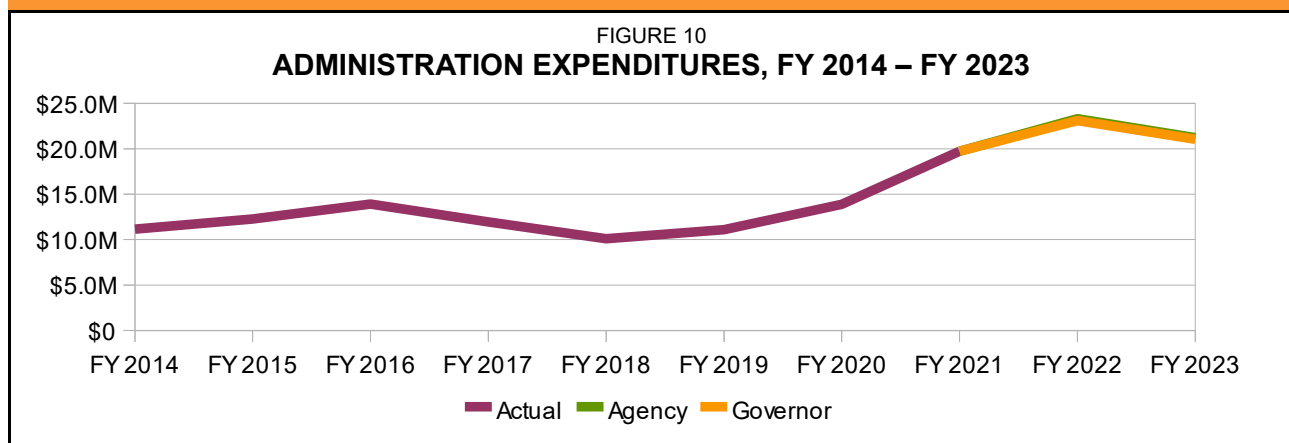
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Central Office	\$ 230,506,775	\$ 269,412,605	\$ 319,398,833	\$ 294,757,180	\$ 310,462,714
El Dorado CF	37,248,348	35,718,368	34,906,733	36,485,043	33,841,697
Ellsworth CF	17,085,748	17,843,406	17,843,406	17,619,673	17,305,479
Hutchinson CF	43,211,440	39,250,519	39,250,519	38,314,666	37,849,767
Kansas Juvenile CC	21,580,508	22,586,471	22,586,471	22,897,346	21,662,119
Lansing CF	34,001,948	34,637,661	34,018,176	36,433,656	33,079,096
Larned CMHF	15,492,843	14,374,624	14,052,547	13,644,155	13,479,391
Norton CF	19,219,440	18,757,074	18,757,074	19,133,203	18,192,842
Topeka CF	20,136,941	18,773,567	18,773,567	18,310,993	18,124,626
Winfield CF	16,041,002	15,313,672	15,313,672	19,750,793	14,872,036
TOTAL	\$ 454,524,993	\$ 486,667,967	\$ 534,900,998	\$ 517,346,708	\$ 518,869,767
FTE Positions:					
Central Office	518.0	517.0	517.0	513.0	513.0
El Dorado CF	486.0	486.0	486.0	486.0	486.0
Ellsworth CF	234.0	234.0	234.0	234.0	234.0
Hutchinson CF	510.0	510.0	509.0	509.0	509.0
Kansas Juvenile CC	264.5	264.5	264.5	264.5	264.5
Lansing CF	410.0	410.0	410.0	444.0	451.6
Larned CMHF	189.0	189.0	189.0	189.0	189.0
Norton CF	248.0	248.0	248.0	248.0	248.0
Topeka CF	261.5	261.5	261.5	261.5	261.5
Winfield CF	201.0	201.0	201.0	256.0	263.5
TOTAL	3,322.0	3,321.0	3,320.0	3,405.0	3,420.1

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 75-5201, 755204, 75-5205, 75-5251, 75-5257

PROGRAM GOALS: • Provide the administrative and staff services required for operation of the KDOC Central Office.
• Provide the leadership, support, and oversight necessary for the correctional system to meet its objectives.

The Administration program includes the activities of the Secretary of Corrections and other administrative and support personnel responsible for the management and oversight of correctional facilities and provision of services to inmates, parolees, and other offenders. The Administration Program is composed of the following subprograms:

ADMINISTRATION

This subprogram provides agency administrative functions, such as legal services, fiscal management, contract oversight, human resources, public information, policy development, and centralized inmate banking.

INFORMATION SERVICES

This subprogram is responsible for the planning, operation, and support of all information technology functions and telecommunications.

ENFORCEMENTS, APPREHENSIONS, AND INVESTIGATIONS

Enforcements, Apprehensions, and Investigations (EAI) is a specialized unit responsible for investigating incidents involving inmates, staff, or individuals on the premises of correctional facilities. Further, EAI is involved with the apprehension of escapees and parole absconders, and is the agency's primary intelligence gathering and analysis entity.

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Community Corrections Programs Requiring Technical Assistance and Oversight.	31	31	31	31	31
2.Number of Internal Management Policies and Procedures Revised*	11	16	14	89	114

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3. Number of Hours Required to Restore IT Services After Failure	12	12	12	8	6
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 10,334,242	\$ 14,471,560		\$ 19,529,124	\$ 20,473,651
Federal Funds	1,018,333	1,132,346		129,114	129,003
All Other Funds	2,533,141	4,129,804		3,433,500	433,500
TOTAL	\$ 13,885,716	\$ 19,733,710		\$ 23,091,738	\$ 21,036,154
Percentage Change:					
SGF	(2.5) %	40.0 %		34.9 %	4.8 %
All Funds	25.1 %	42.1 %		17.0 %	(8.9) %
FTE Positions	103.6	103.6		106.6	106.6
*Performance measure not evaluated by the Office of Governor.					

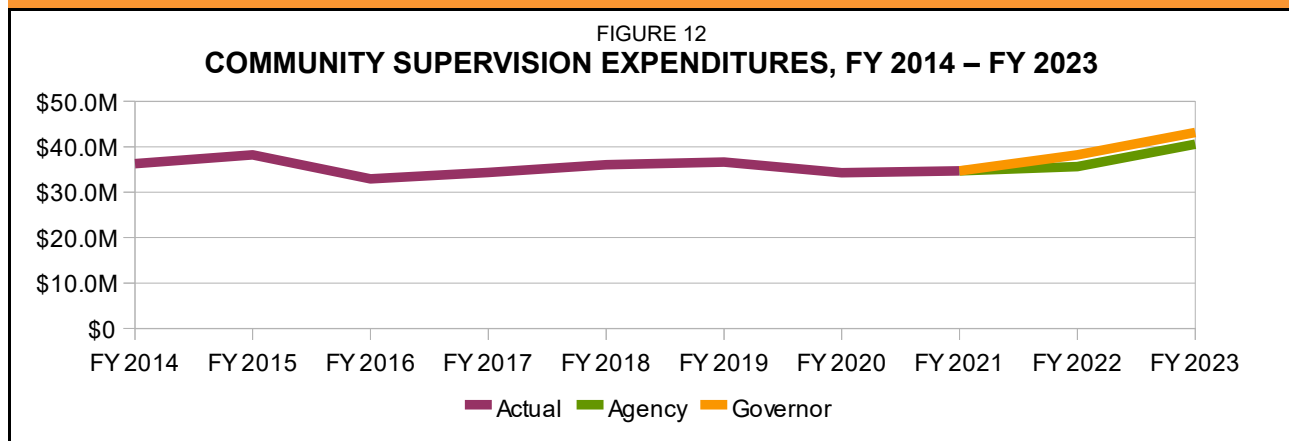
BUDGET ANALYSIS

The **agency** requests \$21.2 million, including \$21.1 million SGF, for the Administration program for FY 2023. This is an all funds decrease of \$2.1 million, and an SGF decrease of \$1.3 million, below the FY 2022 revised estimate. The decrease is primarily attributable to information technology services expenditures for development of Athena 2 that occur in FY 2022 but do not reoccur for FY 2023 (\$3.4 million). Athena 2 is a data system for managing adult and juvenile offenders in correctional facilities. The decrease is partially offset by the agency's enhancements requests totaling \$2.4 million SGF, which include: restoration of central office staffing reductions, agency fleet vehicle replacement, staff

development positions, IT outreach staff, and increased SGF moneys to offset reduction in inmate phone charges.

The **Governor** recommends \$21.0 million, including \$20.5 million SGF, for the Administration program for FY 2023. This is an all funds decrease of \$182,088, and an SGF decrease of \$587,088, below the FY 2022 revised estimate. The recommendation does not fund all enhancement request, but it does include \$450,776 SGF to restore central office staff, \$747,651 SGF to offset revenue lost from decreased inmate phone charges, and \$2.5 million for vehicle replacement.

COMMUNITY SUPERVISION



STATUTORY BASIS: • KSA 75-5290 through 75-52,113

PROGRAM GOALS: • Promote probationer accountability and responsibility to the community and to their victims.
• Provide offender supervision commensurate with the assessed risk level.

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. In addition to supervision and assessment of probationers and parolees, the program also administers payments to residential facilities in Johnson and Sedgwick counties for adult felony probationers that are designed to increase accountability by helping offenders find employment and develop good work habits. The Community Supervision program is composed of the following subprograms:

COMMUNITY CORRECTIONS

This subprogram provides operating grants to community corrections agencies administered by county governments for the supervision adult

felony probationers, pursuant to KSA 75-5291. This supervision includes assessment, individualized case plans, rehabilitation programs, behavioral health services, and GPS monitoring. There are currently 31 community corrections agencies receiving grants. Some agencies serve a single county, while others are multi-county agencies.

PAROLE SUPERVISION

This subprogram is responsible for the community-based supervision of offenders who are released from correctional facilities on parole, postrelease supervision, or conditional release, but who have not been discharged from his or her sentence.

INTERSTATE COMPACT UNIT

This unit is responsible for regulating the transfer and movement between states of adult parole and probation offenders under community supervision.

FIGURE 13
COMMUNITY SUPERVISION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Average Adult Felony Intensive Supervision Population	8,227	7,508	7,868	8,531	8,573
2.Number of Adult Felony Residential Centers	240	151	214	257	250

FIGURE 13
COMMUNITY SUPERVISION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3.Total Amount of Restitution Paid	\$ 506,584	\$ 665,593	\$ 586,089	\$ 672,248	\$ 678,970
4.Number of Offenders Under Parole Supervision	131	134	149	140	145
Output Measure:					
5.Number of Offenders Under Parole Supervision Returned to Prison with New Sentences for Felony Offenses	131	134	149	140	145
6.Number of Offenders Under Parole Supervision Returned to Prison for Condition Violations	784	792	888	810	798
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 31,933,901	\$ 32,237,332		\$ 35,394,636	\$ 40,660,309
Federal Funds	-	229		-	-
All Other Funds	2,360,702	2,442,422		2,825,623	2,470,000
TOTAL	<u>\$ 34,294,603</u>	<u>\$ 34,679,983</u>		<u>\$ 38,220,259</u>	<u>\$ 43,130,309</u>
Percentage Change:					
SGF	(1.2) %	1.0 %		9.8 %	14.9 %
All Funds	(6.4) %	1.1 %		10.2 %	12.8 %
FTE Positions	162.0	162.0		162.0	162.0

BUDGET ANALYSIS

The **agency** requests \$40.5 million, including \$38.1 million SGF, for the Community Supervision program for FY 2023. This is an all funds increase of \$4.8 million, and an SGF increase of \$5.2 million, above the FY 2022 approved amount. The increase is attributed to the agency's four enhancement requests totaling \$5.5 million.

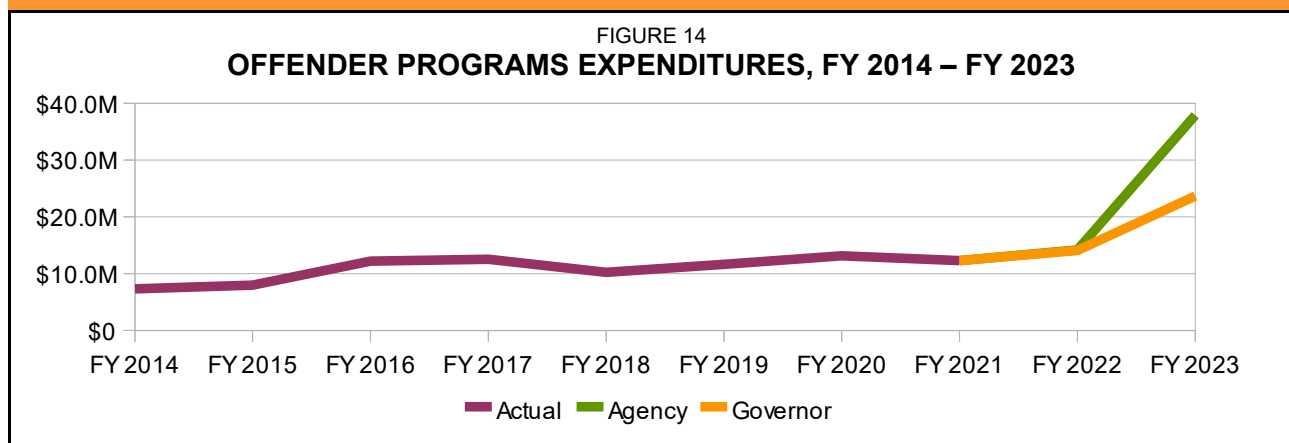
The requests include: increased parole officer staffing and grants to community corrections, offender risk assessment quality assurance consulting, the addition of parole officer safety staff and purchase of three vehicles, and increased GPS monitoring of offenders on parole and serving probation. The increase is

partially offset by decreased expenditures from special revenue funds for intensive supervision of offenders on probation.

The **Governor** recommends \$43.1 million, including \$40.7 million SGF, for the Community Supervision program for FY 2023. This is an SGF increase of \$2.5 million above the FY 2022 request.

The recommendation includes a total of \$8.5 million for increased grants to community corrections agencies for the purpose of salary increases. The Governor did not recommend any other enhancements.

OFFENDER PROGRAMS



STATUTORY BASIS: • KSA 75-5201, 75 5210, 75-5210a, 75-2511, 8-1567

PROGRAM GOALS:

- Increase successful program completions through readiness, responsivity motivation, and providing programs in a dose that fits the risk levels.
- Provide quality release planning services that address housing and connections to treatment and are volunteer led.
- Increase enjoyability and employment opportunities for residents.

Offender Programs provide direct rehabilitative programs and reentry services to inmates and parolees. Offenders are assessed, and a case management plan is developed using evidence-based principles to reduce their risk of returning to the correctional system after release. The services and programs include:

- Special, career technical, and academic education;
- Substance abuse treatment;
- Community-based resources to assist offenders when they transition back into the community
- Sex offender treatment services; and
- Other programs.

Offender Programs is composed of the following subprograms.

TRANSITIONAL HOUSING

This subprogram coordinates temporary housing for recently released offenders. Housing specialists in Kansas City, Olathe, Topeka, and Wichita work with landlords, property managers, public housing authorities,

parole officers, and unit team counselors to ensure that offenders have safe and affordable housing opportunities.

MENTORING

This subprogram provides volunteer mentors to work with offenders pre- and post-release to address needs—such as employment, housing, and family issues—and provide positive social influencing and modeling.

MENTAL HEALTH

The Mental Health subprogram works with offenders with mental illness to provide discharge planning services at all facilities to ensure a continuum of care.

PROGRAM PROVIDERS

The Program Providers subprogram contains expenditures for various contracts that provide programming services to offenders during reintegration into the community.

REENTRY

This subprogram manages teams that work with offenders 18 months prior to release for high-risk/high-need offenders and several months pre-release in all cases. These teams prepare the offender and community for the offender's return.

FIGURE 15
OFFENDER PROGRAMS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Sex Offender Program Completions	87	147	159	153	153
2. Substance Abuse Program Completion	721	360	596	428	523
Output Measure:					
3. GED Completion	302	275	313	360	396
4. College Courses Completed*	59	118	85	309	371
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 5,995,650	\$ 6,109,152		\$ 7,156,485	\$ 16,674,473
Federal Funds	225,910	380,000		309,585	396,013
All Other Funds	6,937,335	5,844,036		6,623,670	6,624,818
TOTAL	\$ 13,158,895	\$ 12,333,188		\$ 14,089,740	\$ 23,695,304
Percentage Change:					
SGF	24.0 %	1.9 %		17.1 %	133.0 %
All Funds	13.0 %	(6.3) %		14.2 %	68.2 %
FTE Positions	105.0	109.0		108.0	108.0
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

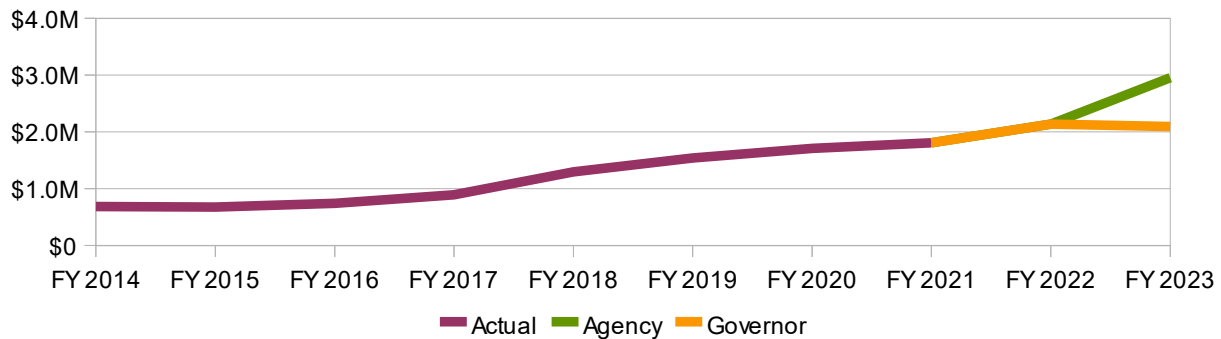
The **agency** requests \$37.9 million, including \$35.8 million SGF, for Offender Programs for FY 2023. This is an all funds increase of \$23.7 million, and an SGF increase of \$28.5 million, above the FY 2022 revised estimate. The increase is attributable to the agency's six enhancement requests totaling \$29.4 million. These requests include: program staff and operating expenditures for expansion projects at the Lansing and Winfield correctional facilities, a forensic nursing facility for offenders with special needs upon release, and housing and an employment facilitator for offenders upon release. The requests also include additional SGF expenditure to offset revenue lost from the elimination of inmate phone

charges and transfers from the KCI fund. The KCI transfers primarily support substance abuse treatment.

The **Governor** recommends \$23.7 million, including \$16.7 million SGF, for Offender Programs for FY 2023. This is an all funds decrease of \$14.2 million, and an SGF decrease of \$19.1 million, below the FY 2023 request. The recommendation includes \$5.0 million SGF for operating expenditures of substance abuse treatment centers at Lansing and Winfield. The Governor does not recommend any other enhancements.

VICTIM SERVICES

FIGURE 16
VICTIM SERVICES EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 22-3727, 75-5207

PROGRAM GOALS: • Serve as a liaison and service provider to crime victims.
• Provide quality, victim-centered batterer intervention program (BIP) services.

The Victim Services program provides services to victims of crimes and offending inmates in the correctional facilities. These services include notification of changes in offender status, apology repository, public comment session advocacy, tours, victim/offender dialogue, visitation screenings, cease correspondence orders, safety planning/family reintegration, parole violation hearings, and victim impact classes. The Victims Services program is composed of the following subprograms

VICTIM NOTIFICATION

Pursuant to KSA 22-3727, this office provides written notification of changes to an offender's status regarding release date, death, early discharge, and other listed changes.

VICTIM SERVICES LIAISON

This subprogram allows victims to coordinate with local law enforcement to develop a safety plan in response to an offenders pending release.

RESTORATIVE JUSTICE

This subprogram provides the opportunity for survivors of severe violence to dialogue with an offender under the guidance of trained professionals.

BATTERER INTERVENTION PROGRAMMING

Batterer Intervention Programming (BIP) is certified by the Kansas Office of the Attorney General to provide services to offenders in prison and on parole. BIP services are intended to hold persons convicted of domestic violence offenses accountable, create nonviolent behavior, and promote safety for victims.

FIGURE 17
VICTIM SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Victims Who Registered for Services	40,125	40,978	39,723	32,500	32,500
2.Number of Domestic Violence Victims Served	306	322	502	350	375

FIGURE 17
VICTIM SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
3. Number of Victims Who Received Services	11,335	10,242	10,801	10,500	11,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 878,188	\$ 850,501		\$ 1,092,948	\$ 1,117,332
Federal Funds	735,801	956,115		1,042,882	976,403
All Other Funds	98,190	-		-	-
TOTAL	\$ 1,712,179	\$ 1,806,616		\$ 2,135,830	\$ 2,093,735
Percentage Change:					
SGF	(2.4) %	(3.2) %		28.5 %	2.2 %
All Funds	11.3 %	5.5 %		18.2 %	(2.0) %
FTE Positions	24.0	29.0		29.0	29.0

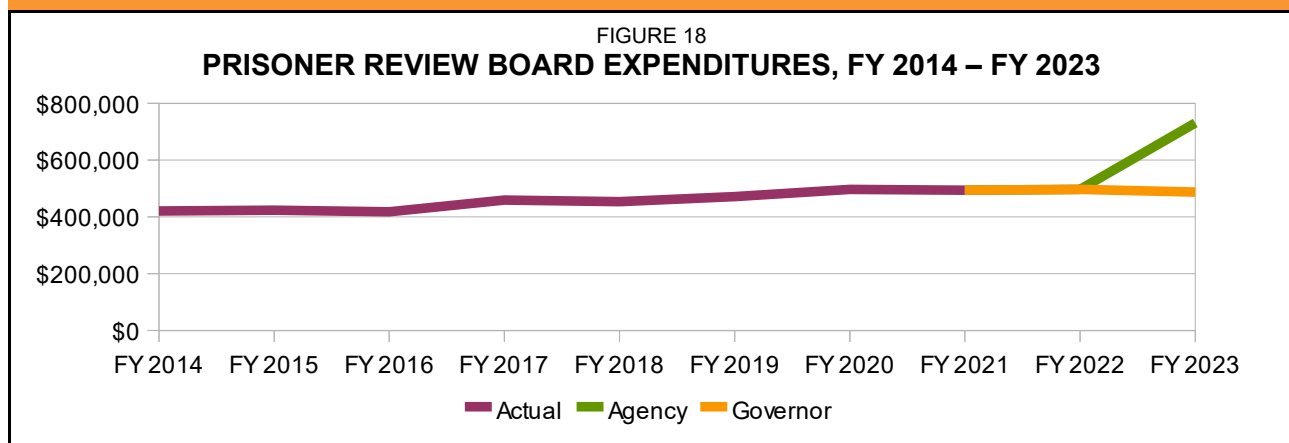
BUDGET ANALYSIS

The **agency** requests \$3.0 million, including \$2.0 million SGF, for the Victim Services program for FY 2023. This is an all funds increase of \$820,488, and an SGF increase of \$886,967, above the FY 2022 revised estimate. The increase is attributable to the agency's two enhancement requests totaling \$862,583 SGF. These enhancements include Batterer Intervention Program (BIP) services for paroled offenders and offenders in correctional facilities, and restorative justice classes among

correctional facilities. The increase is partially offset by decreased expenditures from federal grant fund for salaries and wages expenditures.

The **Governor** recommends \$2.1 million, including \$1.1 million SGF, for the Victim Services program for FY 2023. This is a decrease of \$862,583 SGF below the FY 2023 request. The recommendation does not include the agency's enhancement request for BIP Services.

PRISONER REVIEW BOARD



STATUTORY BASIS: • KSA 22-3701, 22-3706, 22-3709

PROGRAM GOALS: • Issue parole suitability decisions that promote the development of offenders and reduce the risk of offenders committing additional crimes.

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

hearings and revocation consideration, and public comment sessions. The Chairperson and two other board members are full-time employees, and the program also has administrative and clerical staff. The Board reviews approximately 7,000 cases annually.

FIGURE 19
PRISONER REVIEW BOARD, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Meetings Attended by the Board	250	275	248	275	275
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 497,334	\$ 494,068		\$ 497,106	\$ 487,602
Federal Funds	-	-		-	-
All Other Funds	-	-		-	-
TOTAL	\$ 497,334	\$ 494,068		\$ 497,106	\$ 487,602
Percentage Change:					
SGF	5.4 %	(0.7) %		0.6 %	(1.9) %
All Funds	5.4 %	(0.7) %		0.6 %	(1.9) %
FTE Positions	6.0	6.0		6.0	6.0

BUDGET ANALYSIS

The **agency** request \$730,626, all SGF, for the Prisoner Review Board program for FY 2023. This is an increase of \$233,520 above the FY 2022 revised estimate. The increase is primarily attributable to the agency's

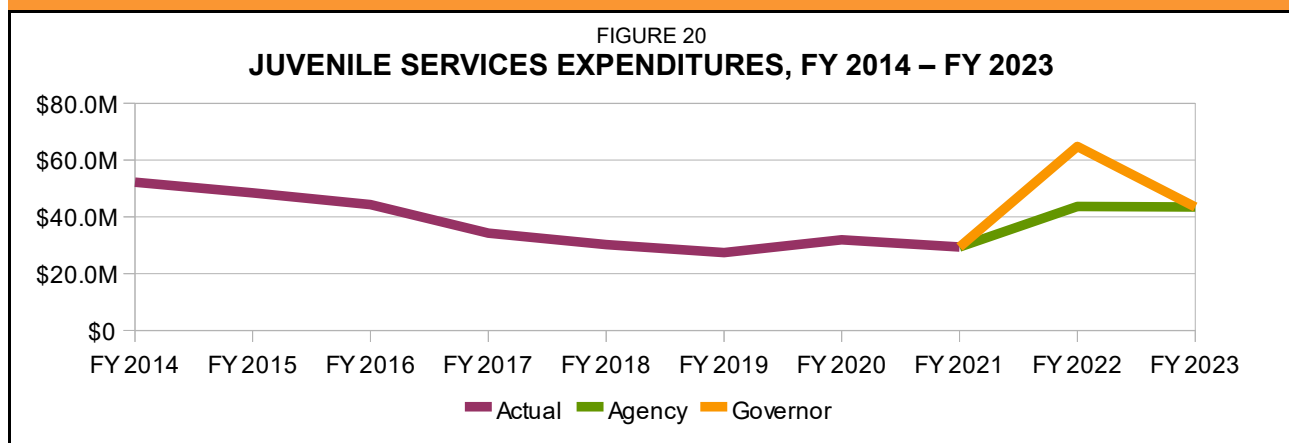
enhancement request totaling \$243,024. This request includes funding for hearing officer and administrative support positions that would administer preliminary parole revocation hearings across the state, assist with youthful

offender hearings, and address open records requests.

The **Governor** recommends \$487,602 SGF for the Prisoner Review Board program for FY

2023. This is a decrease of \$243,024 below the FY 2023 request. The recommendation does not include the agency's enhancement request to fund additional positions.

JUVENILE SERVICES



STATUTORY BASIS: • KSA 75-7001 through 7071, 38-1604

PROGRAM GOALS: • Reduce juvenile crime by offering community-based prevention and intervention programs.
• Provide oversight and maintain accountability of community case management intensive supervision, intake and assessment, intervention, and prevention programs.

The Juvenile Services program was established within KDOC following a merger of the former Juvenile Justice Authority in FY 2014. The program is responsible for administering state and federal funds and coordinating with other agencies to provide a continuum of juvenile justice services statewide. Services are delivered through grants to local boards of county commissioners for the operation of community-based juvenile justice programs, contracts for community placements, and the Kansas Juvenile Correctional Complex. The Kansas Juvenile Correctional Complex submits a separate agency budget.

SB 367 (2016) reformed the juvenile justice system in Kansas and increased investments in evidence-based programs and practices by reinvesting funds derived from a decreased reliance on the incarceration of juveniles.

The Juvenile Services program includes the following subprograms.

TECHNICAL ASSISTANCE AND OVERSIGHT

This subprogram provides support, consultation, oversight, data analysis, and resources to local stakeholders for the operation of various juvenile justice services across Kansas. These services include evidence-based programming, Prevention and Graduated Sanctions Block grants, and Juvenile Alternatives to Detention Grants, which support juvenile intake and assessment services, intensive supervision, and community placements.

KANSAS ADVISORY GROUP

The Kansas Advisory Group is responsible for determining, advocating for, and promoting the best interests of juveniles in the state, pursuant to KSA 75-7007. The KAG reviews juvenile justice policy and ensures compliance with the federal Juvenile Justice and Delinquency Prevention Act of 1974.

FIGURE 21
JUVENILE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1. Number of Residential Provider Site Visits Conducted	0	4	3	5	5

FIGURE 21
JUVENILE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
2. Number of New Staff Training in Correctional Supervision	22	23	51	40	40
3. Number of Assessments on Juvenile Offenders	11,757	9,484	9,717	9,950	9,730
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 29,821,854	\$ 27,199,801		\$ 50,452,301	\$ 39,356,983
Federal Funds	767,707	1,003,751		463,839	463,939
All Other Funds	1,397,926	1,154,579		13,892,175	3,692,175
TOTAL	\$ 31,987,487	\$ 29,358,131		\$ 64,808,315	\$ 43,513,097
Percentage Change:					
SGF	23.2 %	(8.8) %		85.5 %	(22.0) %
All Funds	16.5 %	(8.2) %		120.8 %	(32.9) %
FTE Positions	22.4	24.5		24.5	24.5

BUDGET ANALYSIS

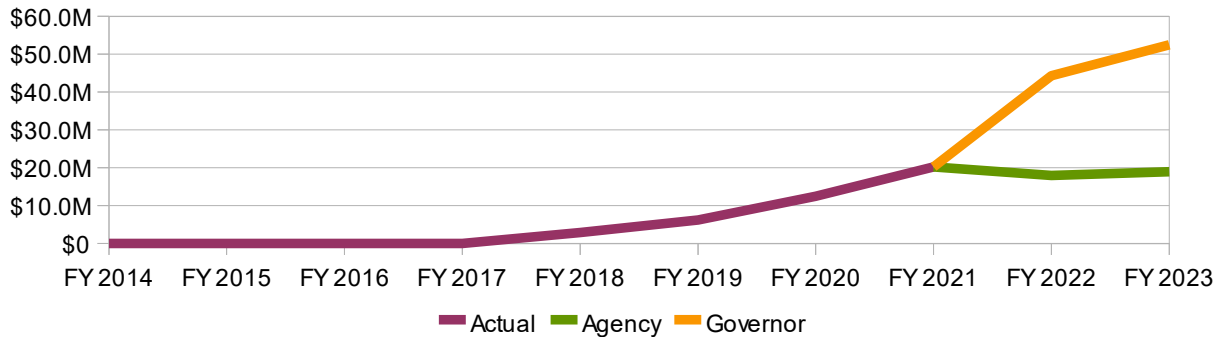
The **agency** requests \$43.5 million, including \$39.4 million SGF, for the Juvenile Services program for FY 2023. This is an all funds decrease of \$199,898, and an SGF increase of \$10.0 million, from the FY 2022 revised estimate. The SGF increase is attributed to an increase of \$10.0 million SGF for Graduated Sanctions grants provided to local community corrections agencies for the supervision of juvenile offenders. This increase is offset by a

decrease in expenditures of the same amount from special revenue funds. This adjustment would restore SGF moneys decreased by the 2021 Legislature as part of a reduced resources item.

The **Governor** concurs with the agency's request for the Juvenile Services program for FY 2023.

FACILITIES MANAGEMENT

FIGURE 22
FACILITIES MANAGEMENT EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 75-5201 *et seq*

PROGRAM GOALS: • Provide the leadership, support, and oversight necessary for safe operation of the correctional facilities.

The Facilities Management program manages the operations of all correctional facilities. This centralized management ensures uniformity and consistency among facilities. Functions of the program include:

- Infrastructure and capital improvements planning;
- Administration of security classification systems;
- Computation of inmate sentences;
- Conducting security and safety inspections;
- Oversight of volunteer and religious services;
- Processing inmate grievances; and
- Management of contracted beds.

FIGURE 23
FACILITIES MANAGEMENT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of Security Audits Conducted	9	9	9	9	9
2.Number of Fire/Safety Inspections Conducted	7	15	10	15	15
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 10,738,871	\$ 18,277,410		\$ 25,989,656	\$ 52,443,819
Federal Funds	51,557	20,581		18,346,106	41,076
All Other Funds	1,659,840	1,945,472		5,760	5,760
TOTAL	\$ 12,450,268	\$ 20,243,463		\$ 44,341,522	\$ 52,490,655
Percentage Change:					
SGF	135.4 %	70.2 %		42.2 %	101.8 %
All Funds	99.7 %	62.6 %		119.0 %	18.4 %
FTE Positions	20.0	21.0		18.0	18.0

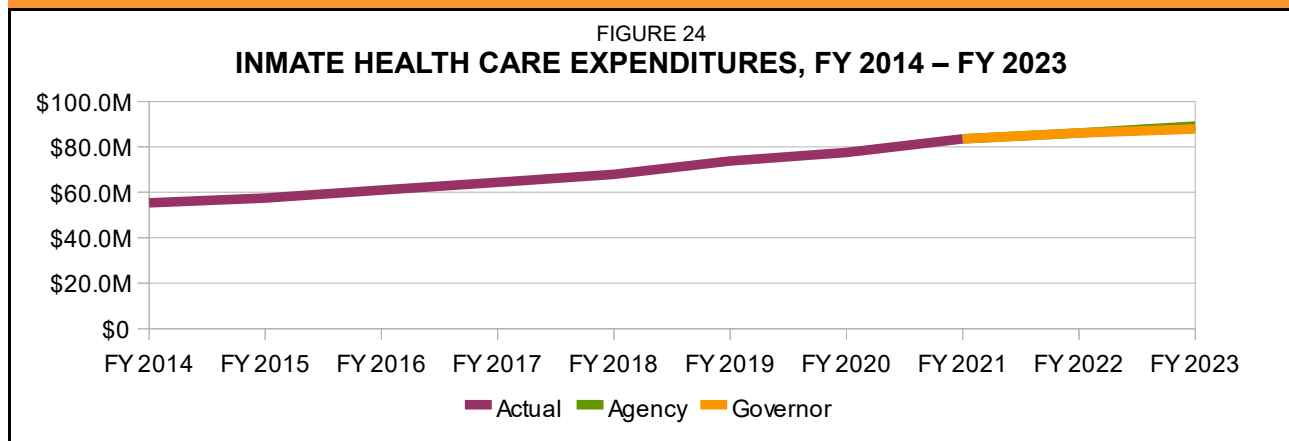
BUDGET ANALYSIS

The **agency** requests \$19.0 million, including \$18.9 million SGF, for the Facilities Management program for FY 2023. This is an SGF increase of \$1.0 million above the FY 2022 revised estimate. The increase is primarily attributable to the agency's two enhancement requests totaling \$712,902. These requests include the purchase of safety and security equipment utilized by correctional officers and operational expenditures to establish an Actionable Intelligence Unit to identify emerging threats in the correctional system. The increase is also attributable to an annual lease payment for the Lansing Correctional Facility totaling \$15.7 million, which is an increase of \$324,202 above the FY 2022 payment due to an escalator fee of 1.9 percent. The 20-year lease

purchase totals \$362.2 million, which is anticipated to be paid off in FY 2040.

The **Governor** recommends \$52.5 million, including \$52.4 million SGF, for the Facilities Management program for FY 2023. This is an SGF increase of \$33.5 million above the agency's FY 2023 request. The recommendation includes \$33.4 million to continue the 24/7 pay initiative. These funds are provided to the Facilities Management program for distribution throughout the correctional system. The recommendation also includes a total of \$1.4 million SGF for the purchase of safety and security equipment.

INMATE HEALTH CARE



STATUTORY BASIS: • KSA 75-5210, KSA 75-5240

PROGRAM GOALS:

- Provide for the delivery of appropriate medical care services in accordance with accreditation requirements of the National Commission on Correctional Health Care (NCCHC), the American Correctional Association (ACA), and within the clinical guidelines of the American Academy of Family Physicians (AAFP) and Medicaid.
- Provide for the delivery of appropriate mental health services in compliance with ACA and within guidelines established by the Behavioral Sciences Regulatory Board.

The Inmate Health Care program is provided for by an all-inclusive contract with Centurion of Kansas, LLC. The contract covers medical, dental, and mental health services for all adult inmates and juveniles offenders. KDOC entered into a contract with Centurion on July 1, 2020. The contract allows for a two-year term with two additional two-year renewal options, which if exercised would extend the contract to June 2026. Included in the Inmate Health Care program are expenditures for Medicaid services, hepatitis C treatment, and COVID-19 medical response.

The program includes an agreement with the University of Kansas Medical Center to provide

clinical oversight and monitoring of the contracted health care provider.

The Inmate Health Care program is composed of the following subprograms.

ADULT HEALTH CARE SERVICES

This subprogram provides health care services for adult inmates and includes Medicaid inpatient hospitalization costs for inmates who are under 18, over 65, pregnant, or disabled.

JUVENILE HEALTH CARE SERVICES

This subprogram provides health care to youth housed at the Kansas Juvenile Correctional Complex.

FIGURE 25
INMATE HEALTH CARE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Inmates Treated for Hepatitis C	467	137	238	301	301
2.Number of Suicides	4	2	3	1	1

	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
Financing					
SGF	\$ 75,963,644	\$ 81,841,684		\$ 85,466,587	\$ 85,466,587
Federal Funds	673,634	1,649,724		657,220	1,201,722
All Other Funds	883,156	-		-	1,129,652
TOTAL	\$ 77,520,434	\$ 83,491,408		\$ 86,123,807	\$ 87,797,961
Percentage Change:					
SGF	5.0 %	7.7 %		4.4 %	-- %
All Funds	5.1 %	7.7 %		3.2 %	1.9 %
FTE Positions	4.0	2.0		2.0	2.0

BUDGET ANALYSIS

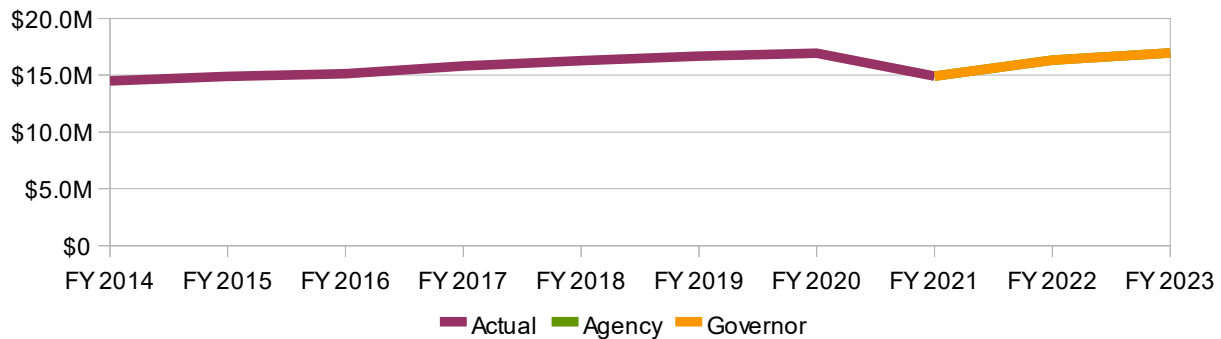
The **agency** requests \$89.2 million, including \$86.8 million SGF, for the Inmate Health Care program for FY 2023. This is an all funds increase of \$3.1 million, and an SGF increase of \$1.4 million. The increase is primarily attributed to the agency's enhancement request of \$1.4 million for additional contracted medical staff to support an assisted living unit at the renovated East Unit at the Lansing Correctional Facility. The increase is also due to additional expenditures from special revenue funds to support growth in the existing systemwide medical services contract resulting from a 2.6

percent annual escalator fee. The contract is estimated at \$87.8 million for FY 2023.

The **Governor** recommends \$87.8 million, including \$85.5 million SGF, for the Inmate Health Care program for FY 2023. This is a decrease of \$1.4 million SGF below the FY 2023 request. The recommendation does not include \$1.4 million for the agency's enhancement request for additional medical staff at the assisted living unit at the Lansing Correctional Facility.

FOOD SERVICE

FIGURE 26
FOOD SERVICE EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 75-5201

PROGRAM GOALS: • Provide appetizing meals to the inmate population that meet nutritional and daily caloric intake requirements as well as special diets necessary to meet individual medical and religious needs.

The Food Service program includes expenditures for the provision of food services at adult correctional facilities. KDOC entered into a contract with Aramark Correctional Services, Inc., in July 1997. Aramark is responsible for all labor, food, supplies, and other materials required for the delivery of food services at all adult correctional facilities. The current contract with Aramark was amended in

FY 2022, which resulted in extension of the contract through FY 2032. The Kansas Juvenile Correctional Complex entered into a separate food service contract with Aramark in 2019 to accommodate the dietary needs of a juvenile population. Funding for this separate contract is noted in the Kansas Juvenile Justice Complex budget request. The contract is calculated based on average daily population (ADP).

FIGURE 27
FOOD SERVICE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Food Service Grievances Filed*	78	62	55	55	55
Output Measure:					
2.Number of Meals Served to Offenders (Millions)	10.1	9.8	10	10	10
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 15,103,689	\$ 14,570,134		\$ 15,376,246	\$ 15,376,246
Federal Funds	764,216	-		-	-
All Other Funds	1,061,274	354,970		943,578	1,593,502
TOTAL	\$ 16,929,179	\$ 14,925,104		\$ 16,319,824	\$ 16,969,748
Percentage Change:					
SGF	(9.4) %	(3.5) %		5.5 %	-- %
All Funds	1.6 %	(11.8) %		9.3 %	4.0 %
FTE Positions	--	--		--	--
*Performance measure not evaluated by the Office of Governor.					

FY 2023 FOOD SERVICE CONTRACT - AGENCY ESTIMATE				
Facilities	9,101 ADP x 3 x 365 =	9,965,595 meals x \$1.668/meal	\$	16,619,623
Monitor Meals		36,500 meals x 1.25/meal		45,625
Equipment Maintenance and Replacement Fund				300,000
<i>Subtotal - Aramark</i>			\$	16,965,248
Dietician Services				4,500
TOTAL			\$	16,969,748

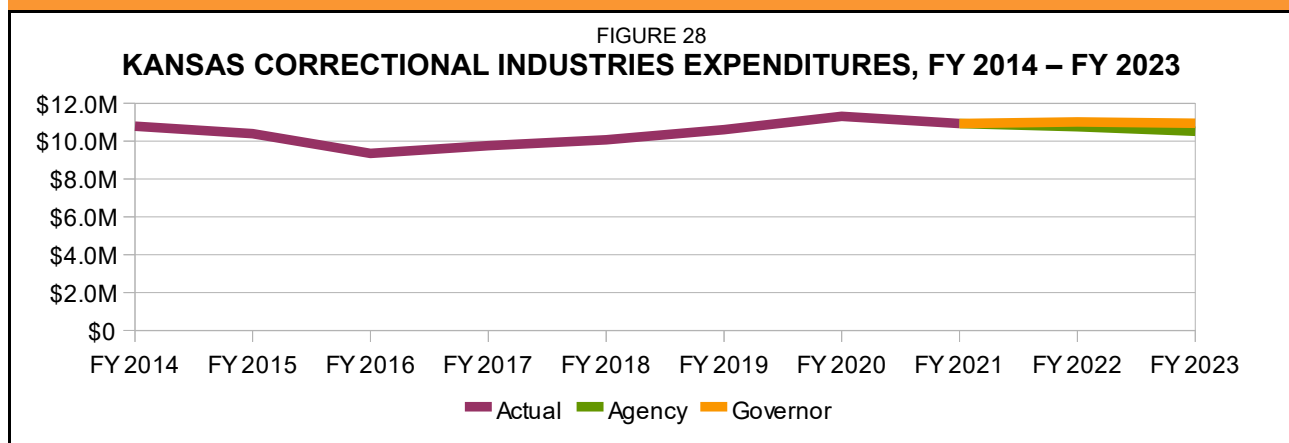
BUDGET ANALYSIS

The **agency** requests \$17.0 million SGF for the Food Service program for FY 2023. This is an increase of \$649,924 above the FY 2022 revised estimate. The increase is primarily attributable to the agency's enhancement request of \$1.6 million SGF to eliminate a transfer of the same amount from the KCI fund, which partially supports the systemwide food service contract. The KCI fund draws revenue from the sale of inmate-produced goods and was intended to support education programs. However, the agency notes that moneys from

the fund have been utilized for increasing food service expenditures in lieu of SGF moneys in recent years.

The **Governor** recommends \$17.0 million, including \$15.4 million SGF, for the Food Service program for FY 2023. The recommendation does not include the agency's enhancement request to offset a transfer from the KCI Fund with SGF moneys for the provision of food service.

KANSAS CORRECTIONAL INDUSTRIES



STATUTORY BASIS: • KSA 75-5273 through 75-5282

PROGRAM GOALS: • Provide inmates with training and work experience in the production of high-quality goods and services, while maintaining a financially sound condition.

The Kansas Correctional Industries (KCI) manufactures a variety of products at correctional facilities using inmate labor. These products are sold to government units or not-for-profit organizations. KCI provides work activities for 12.0 percent of the total inmate population. Approximately 90.0 percent of sales are to other state agencies, with the balance divided among other eligible organizations, state residents, and employees. Pursuant to KSA 75-5268, a portion of inmate earnings from private industry jobs may be collected by the agency to offset room and board costs. KCI is composed of the following subprograms.

ADMINISTRATION

This subprogram is responsible for the management and oversight of inmates, facilities, and product distribution of the goods made by KCI.

OTHER SUBPROGRAMS

KCI is composed of numerous divisions, including, but not limited to, service for private industries, metal products, signs and graphics, dental products, the farm division, textiles, canteen, sales and marketing, and warehouses.

FIGURE 29
KANSAS CORRECTIONAL INDUSTRIES, PERFORMANCE MEASURES

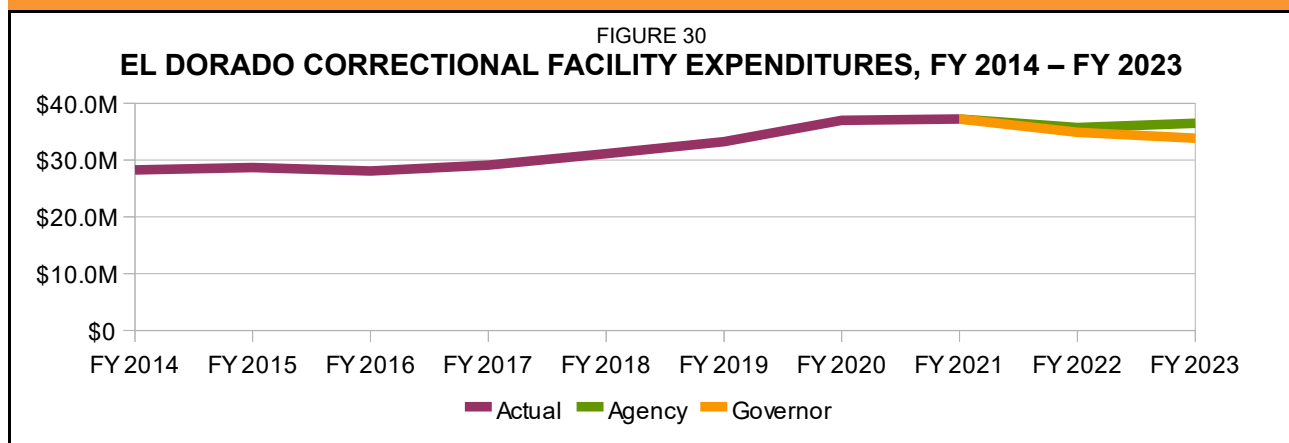
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
There are no performance measures submitted for this program.					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	7,173	-		-	-
All Other Funds	11,299,389	10,928,853		11,021,365	10,951,950
TOTAL	\$ 11,306,562	\$ 10,928,853		\$ 11,021,365	\$ 10,951,950
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	6.6 %	(3.3) %		0.8 %	(0.6) %
FTE Positions	60.0	61.0		61.0	57.0

BUDGET ANALYSIS

The **agency** requests \$10.5 million, all from special revenue funds, for the Kansas Correctional Industries program for FY 2023. This is an increase of \$373,164 above the FY 2022 revised estimate. The increase is primarily due to increased expenditures on manufacturing equipment (\$345,737).

The **Governor** recommends \$11.0 million, all from special revenue funds, for the Kansas Correctional Industries program for FY 2023. This is an increase of \$425,152 above the FY 2022 agency request. The recommendation includes an increase of \$424,152, all from special revenue funds, to continue the the 24/7 pay initiative.

EL DORADO CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The 1989 Legislature authorized construction of the El Dorado Correctional Facility (EDCF) at a cost of \$58.0 million as a result of a class action lawsuit challenging prison conditions in Kansas. Initially built with a capacity of 640 beds, a dormitory was added in 1995 and two additional cell houses were added in 2001. The total operating capacity of EDCF in FY 2022 is 1,832.

EDCF houses special management and maximum, medium, and minimum custody inmates in seven cell houses. Two cell houses are designated as Restrictive Housing units for inmates that cannot be maintained in the general population at any other correctional

facility. Once cell house is designated as the Mental Health unit and three cells houses are designated for the general population. The final cell house serves has the infirmary.

EDCF also operates the Reception and Diagnostic Unit (RDU), the State's central intake point for all male offenders committed to the custody of the Secretary of Corrections. Inmates are processed, evaluated, classified, and designated to be delivered to one of the State's correctional facilities. The evaluation provides psychological, social, academic, vocational, and substance abuse assessments for each inmates. When necessary, a more detailed psychiatric evaluation is performed.

FIGURE 31 EL DORADO CORRECTIONAL FACILITY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	39.9 %	34.0 %	33.4 %	34.0 %	34.0 %
2. Staff Turnover Rate- Non Uniformed*	15.8 %	18.9 %	17.1 %	18.9 %	18.9 %
Output Measure:					
3. Average Daily Population*	1,927	1,650	1,861	1,732	1,761
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 36,718,710	\$ 27,582,865		\$ 34,146,860	\$ 33,831,697
Federal Funds	101,168	8,869,983		-	-
All Other Funds	195,122	795,500		759,873	10,000
TOTAL	\$ 37,015,000	\$ 37,248,348		\$ 34,906,733	\$ 33,841,697
Percentage Change:					
SGF	11.8 %	(24.9) %		23.8 %	(0.9) %
All Funds	11.3 %	0.6 %		(6.3) %	(3.1) %
FTE Positions	486.0	486.0		486.0	486.0
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

The **El Dorado Correctional Facility** requests a revised estimate of \$35.0 million, including \$35.0 million SGF, in FY 2022. This is an all funds increase of \$804,025, including an SGF increase of \$54,152, above the FY 2022 approved amount.

The SGF increase is primarily attributed to the agency's enhancement request of \$811,635 for overtime pay. Due to staff shortages, the agency shifted from 8-hour shifts to 12-hour shifts for 10 pay periods. The increase is partially offset by decreased expenditures for utilities, such as water and electricity, and the repair of equipment.

The agency's revised estimate includes capital improvement expenditures totaling \$675,269, all from special revenue funds, in FY 2022. Major projects include the purchase of razorwire, camera system upgrades, and replacement of an emergency generator.

The **Governor** recommends expenditures of \$34.9 million, including \$34.1 million SGF, for the El Dorado Correctional Facility in FY 2022. This is an SGF decrease of \$811,635 below the agency's revised estimate. The

recommendation does not include the agency's enhancement request for overtime pay.

The **El Dorado Correctional Facility** requests \$36.5 million, including \$36.5 million SGF, for FY 2023. This is an all funds increase of \$766,675, including an SGF increase of \$1.5 million, above the FY 2022 revised estimate.

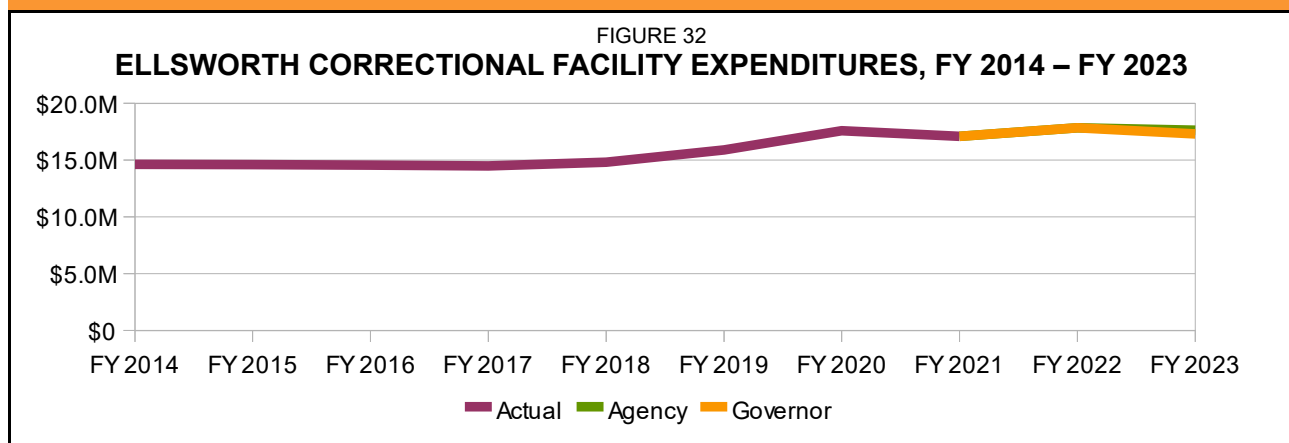
The SGF increase is primarily attributable to the agency's enhancement request of \$2.2 million for a shrinkage reduction, which would allow vacant positions to be filled. The increase is partially offset by decreased salaries and wages expenditures for overtime pay and employer contributions for fringe benefits, as well as expenditures for officer uniforms.

The agency's request includes a decrease of \$675,269, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$33.9 million, including \$33.8 million SGF, for the El Dorado Correctional Facility for FY 2023. This is an SGF decrease of \$2.6 million below the agency's FY 2023 request. The

recommendation does not include the agency's enhancement request for a shrinkage reduction. Further, the recommendation decreases expenditures by an additional \$427,982 due to unit drawdowns resulting from a lower prison population projection.

ELLSWORTH CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5253, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

Planning for the Ellsworth Correctional Facility (ECF) began in 1986 in response to the need for additional bed space due to a rapidly increasing inmate population. The first inmate was received in August 1988. Expansion projects were completed in 1995, which brought the total construction cost to \$19.7 million.

In July 2012, KDOC purchased the nearby former Saint Francis Boy's Home, which now serves as ECF's East Unit and provides 95 minimum-security beds.

The total operating capacity of ECF in FY 2022 is 899, which includes maximum-, medium-, and minimum-security level inmates.

FIGURE 33
ELLSWORTH CORRECTIONAL FACILITY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	25.5 %	31.1 %	26.9 %	25.0 %	25.0 %
2. Staff Turnover Rate- Non-Uniformed*	17.8 %	11.0 %	15.0 %	7.0 %	7.0 %
Output Measure:					
3. Average Daily Population*	901	825	880	897	909
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 17,064,288	\$ 13,052,802		\$ 17,448,176	\$ 17,611,173
Federal Funds	181,853	3,648,611		-	-
All Other Funds	334,641	384,335		395,230	8,500
TOTAL	\$ 17,580,782	\$ 17,085,748		\$ 17,843,406	\$ 17,619,673
Percentage Change:					
SGF	10.1 %	(23.5) %		33.7 %	0.9 %
All Funds	10.5 %	(2.8) %		4.4 %	(1.3) %
FTE Positions	234.0	234.0		234.0	234.0

*Performance measure not evaluated by the Office of Governor.

BUDGET ANALYSIS

The **Ellsworth Correctional Facility** requests a revised estimate of \$17.8 million, including \$17.4 million SGF, in FY 2022. This is an all funds increase of \$482,915, and an SGF increase of \$165,858, above the FY 2022 approved amount. The SGF increase is primarily attributable to increased salaries and wages expenditures for overtime, which is partially offset by decreased employer contributions to KPERS.

The agency's revised estimate includes capital improvement expenditures totaling \$379,377, all from special revenue funds, in FY 2022. Major projects include the replacement of boiler units, repair of a fire suppression sprinkler system, and security camera system upgrades.

The **Governor** concurs with the agency's revised estimate in FY 2022.

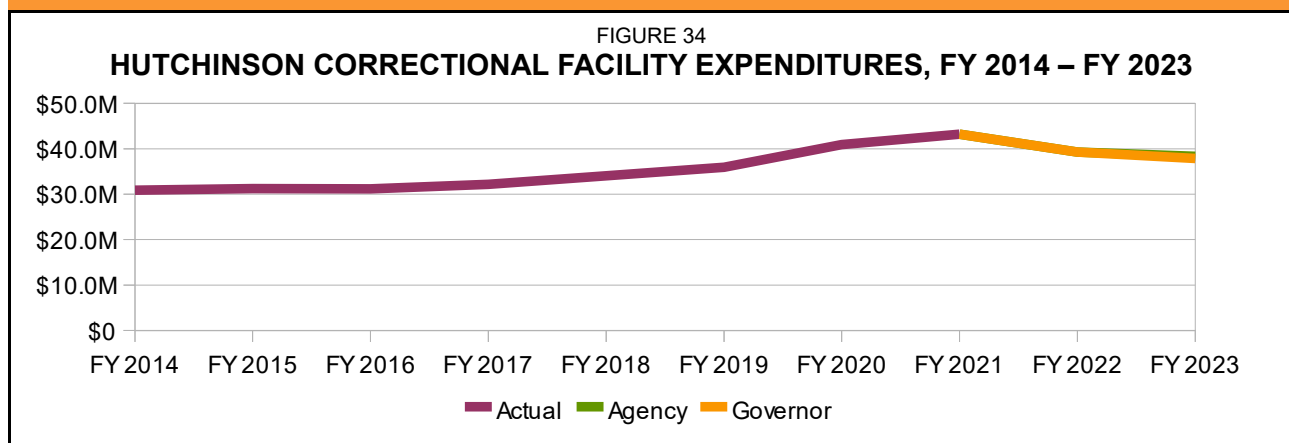
The **Ellsworth Correctional Facility** requests \$17.6 million, including \$17.6 million SGF, for FY 2023. This is an all funds decrease of \$223,733, and an SGF increase of \$162,977, from the FY 2022 revised estimate. The SGF increase is attributable to increased salaries

and wages expenditures, which primarily include the agency's enhancement request of \$111,104 for shrinkage reduction, which would allow additional vacant positions to be filled. Other increases include expenditures for employer contributions to group health insurance. The increase is partially offset by decreased contributions for unemployment insurance and KPERS.

The agency's request includes a decrease of \$379,377, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$17.3 million, including \$17.3 million SGF, for the Ellsworth Correctional Facility for FY 2023. This is an SGF decrease of \$314,194 below the agency's FY 2023 request. The recommendation does not include the agency's enhancement request for a shrinkage reduction. Further, the recommendation decreases expenditures by an additional \$203,090 due to unit drawdowns resulting from a lower prison population projection.

HUTCHINSON CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Hutchinson Correctional Facility (HCF) dates back to 1885, when the Kansas Legislature appropriated \$1.0 million for the Kansas State Industrial Reformatory. The facility's first cell house was completed in 1898 and contained 200 single-occupancy cells, each 40 square feet in size.

Currently, HCF is multi-unit correctional facility housing male inmates at the minimum-, medium-, and maximum-security levels. The Central Unit houses maximum- and medium-custody inmates in the traditional walled and secure prison environment. The East Unit is a

medium-custody, fenced-in facility with several treatment programs, including the Industrial program, which provides a number of inmate jobs. The South Unit is a minimum-security facility providing community service to the City of Hutchinson and other eligible organizations. The purpose of the Work Release Unit, which opened in 1972 and is now contained in the South Unit, is to place inmates in a community job to facilitate their transitions from HCF to society.

The total operating capacity of Hutchinson in FY 2022 is 1,788 beds.

FIGURE 35 HUTCHINSON CORRECTIONAL FACILITY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	23.5 %	28.7 %	25.1 %	25.0 %	25.0 %
2. Staff Turnover Rate- Non Uniformed*	13.1 %	13.1 %	12.9 %	10.0 %	10.0 %
Output Measure:					
3. Average Daily Population*	1,662	1,759	1,765	1,944	1,944
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 39,360,110	\$ 41,698,709		\$ 38,030,090	\$ 37,688,373
Federal Funds	66,464	599,768		-	-
All Other Funds	1,461,446	912,963		1,220,429	161,394
TOTAL	\$ 40,888,020	\$ 43,211,440		\$ 39,250,519	\$ 37,849,767
Percentage Change:					
SGF	13.0 %	5.9 %		(8.8) %	(0.9) %
All Funds	13.9 %	5.7 %		(9.2) %	(3.6) %
FTE Positions	508.0	510.0		510.0	509.0
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

The **Hutchinson Correctional Facility** requests a revised estimate of \$39.3 million, including \$38.0 million SGF, in FY 2022. This is an all funds increase of \$1.5 million, including an SGF increase of \$412,431, above the FY 2022 approved amount. The SGF increase is attributable to increased expenditures for utilities, including natural gas, water and electricity, and building repair services. The increase is partially offset by decreased expenditures for overtime pay and holiday pay.

The agency's revised estimate includes capital improvement expenditures totaling \$1.1 million, all from special revenue funds, in FY 2022. Major projects include roofing of the East Unit, installation of a medical clinic stairway, and replacement of exit doors at cell houses.

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

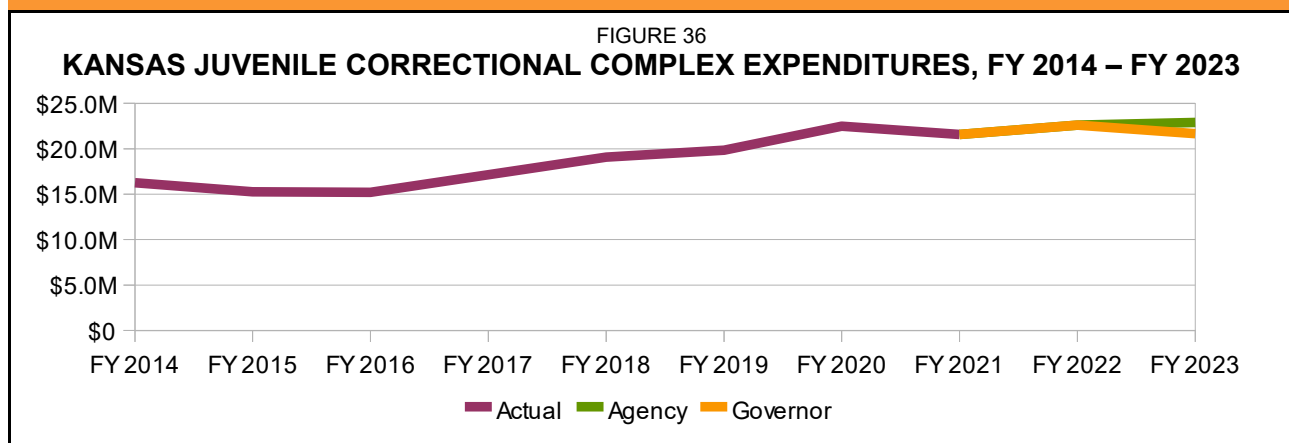
The **Hutchinson Correctional Facility** requests \$38.3 million, including \$38.2 million SGF, for FY 2023. This is an all funds decrease

of \$935,853, and an SGF increase of \$123,182, from the FY 2022 revised estimate. The SGF increase is primarily attributed to an increase in employer contributions to group health insurance and overtime pay. The increase is partially offset by decreased contributions for workers' compensation and KPERs.

The agency's request includes a decrease of \$1.1 million, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$37.8 million, including \$37.7 million SGF, for the Hutchinson Correctional Facility for FY 2023. This is an SGF decrease of \$464,899 below the agency's FY 2023 request. The recommendation includes a decrease in expenditures of \$464,899 due to unit drawdowns resulting from a lower prison population projection.

KANSAS JUVENILE CORRECTIONAL COMPLEX



STATUTORY BASIS: • KSA 75-7024, KSA 76-2101

PROGRAM GOALS: • Maintain a high standard of professionalism in the provision of juvenile correctional services and programs so as to ensure a controlled, healthy, safe, and secure environment for the rehabilitation of offenders.
• Provide youth with the life and competency skills to function in society.

The state's first institution for juvenile rehabilitation was established in Topeka. In 1879, the Legislature provided for the selection of a site for a "state reform school," under the control of State Charitable Institutions. Subsequent name changes in 1901 and 1974 occurred, and the facility became known as the "Youth Center at Topeka" until the Juvenile Justice Authority assumed responsibility for operations in July 1997. Construction of the current Kansas Juvenile Correctional Complex (KJCC) on the site was completed in 2005. Vacated structures of the former facility remain on site.

Executive Reorganization Order No. 42, which became effective July 1, 2013, abolished the Juvenile Justice Authority and moved oversight of the facility to KDOC. In 2017, Larned Juvenile Correctional Facility closed, and all committed juvenile offenders in Kansas were moved to the KJCC.

The KJCC is the only juvenile correctional facility in Kansas and provides beds for the following individuals:

- Adjudicated juveniles committed as juvenile offenders;
- Extended jurisdiction juveniles;
- Youth committed to the Secretary of Corrections; and
- Juvenile felons between the ages of 10 and 23.

The KJCC facility is composed of five areas: the diagnostic/classification area, secure housing for male residents, secure housing for female residents, central programs areas, and administrative/support areas. All facility components are located within a secure perimeter fence, with the exception of administration and some general service areas. The facility is projected to operate 150 beds in FY 2022 and 160 beds in FY 2023.

FIGURE 37 KANSAS JUVENILE CORRECTIONAL COMPLEX, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Staff Turnover- Uniformed*	36.5 %	41.6 %	62.6 %	20.0 %	20.0 %
2.Staff Turnover- Non-Uniformed*	17.0 %	22.3 %	17.5 %	5.0 %	5.0 %
Output Measure:					
3.Average Daily Population*	162	135	154	140	140
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 20,539,308	\$ 20,649,896		\$ 21,042,345	\$ 21,154,592
Federal Funds	565,021	746,867		499,252	499,252
All Other Funds	1,376,352	183,745		1,044,874	8,275
TOTAL	\$ 22,480,681	\$ 21,580,508		\$ 22,586,471	\$ 21,662,119
Percentage Change:					
SGF	8.9 %	0.5 %		1.9 %	0.5 %
All Funds	13.4 %	(4.0) %		4.7 %	(4.1) %
FTE Positions	264.5	264.5		264.5	264.5
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

The **Kansas Juvenile Correctional Complex** requests a revised estimate of \$22.6 million, including \$21.0 million SGF, in FY 2022. This is an all funds increase of \$1.0 million and an SGF decrease of \$407,499, from the FY 2022 approved amount. The SGF decrease is attributable to decreased employer contributions to group health insurance and decreased expenditures for the food service contract. The decrease is partially offset by increased expenditures for overtime pay.

The agency's revised estimate includes capital improvement expenditures totaling \$1.0 million, all from special revenue funds, in FY 2022. Major projects include replacement of two HVAC chillers, replacement of an emergency campus generator, and parking lot resealing.

The **Governor** concurs with the agency's revised estimate in FY 2022.

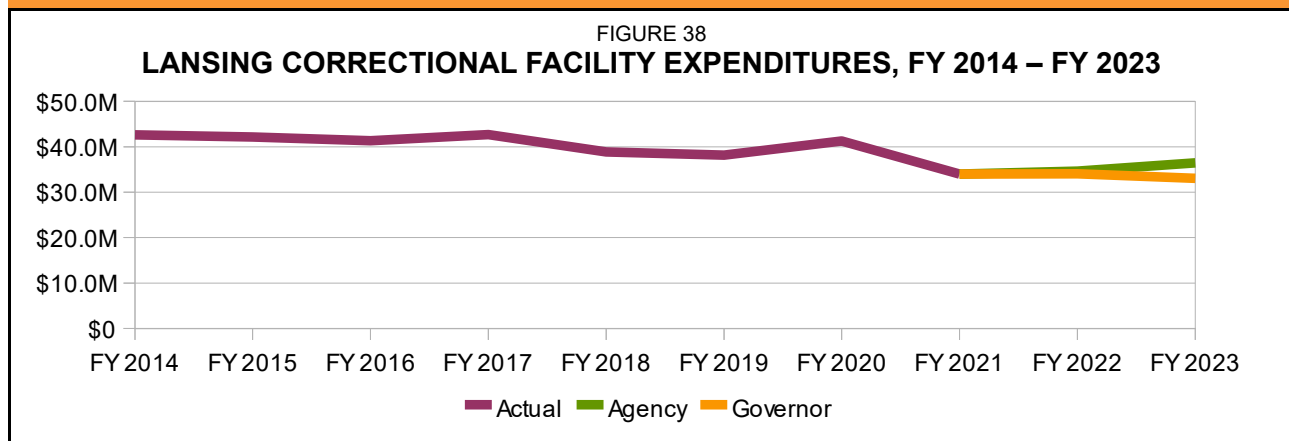
The **Kansas Juvenile Correctional Complex** requests \$22.9 million, including

\$22.4 million SGF, for FY 2023. This is an all funds increase of \$310,875, and an SGF increase of \$1.3 million, above the FY 2022 revised estimate. The SGF increase is attributable to the agency enhancement request of \$1.2 million for a shrinkage reduction, which would allow vacant positions to be filled.

The agency's request includes a decrease of \$1.0 million, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$21.2 million, including \$21.2 million SGF, for the Kansas Juvenile Correctional Complex for FY 2023. This is an SGF decrease of \$1.2 million below the agency's FY 2023 request. The recommendation does not include the agency's enhancement request for a shrinkage reduction.

LANSING CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Lansing Correctional Facility (Lansing), authorized by the *Kansas Constitution* in 1859 as the Kansas State Penitentiary, is the state's largest facility for the incarceration and rehabilitation of male offenders at the minimum-, medium-, and maximum-custody levels. In 1990, the name of the facility was changed to Lansing Correctional Facility.

The 2017 Legislature authorized construction of new units at Lansing. Subsequently, the State Finance Council approved plans for a 20-year lease-purchase agreement totaling \$362.2 million for construction of a 1,920-bed medium/maximum security unit and a 512-bed minimum security unit. Construction was completed in FY 2020 and the transition of inmates to these new units was accelerated in response to the COVID-19 pandemic, as the

new units offered more individualized cells, modern air circulating systems, and more adequate medical facilities. Vacated structures from the old facility remain on site.

Lansing also houses on its grounds the headquarters of Kansas Correctional Industries, as well as many of the Kansas Correctional Industries manufacturing shops.

The 2020 Legislature appropriated funds to the KDOC Central Office for renovation of the former X-Unit building at Lansing into a 200-bed substance abuse treatment center. However, the project was delayed primarily due to the COVID-19 pandemic.

The total operating capacity of Lansing in FY 2022 is 2,432 beds.

FIGURE 39 LANSING CORRECTIONAL FACILITY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	22.9	27.1	23.9	33.3	24.7
2. Staff Turnover Rate- Non-Uniformed*	27.8	25.8	25.6	24.7	19.4
Output Measure:					
3. Average Daily Population*	1,762	1,762	1,816	2,142	2,142
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 38,978,570	\$ 23,390,896		\$ 33,176,563	\$ 32,854,096
Federal Funds	1,002,834	9,844,364		-	-
All Other Funds	1,263,014	766,688		841,613	225,000
TOTAL	\$ 41,244,418	\$ 34,001,948		\$ 34,018,176	\$ 33,079,096
Percentage Change:					
SGF	3.8 %	(40.0) %		41.8 %	(1.0) %
All Funds	8.1 %	(17.6) %		0.0 %	(2.8) %
FTE Positions	525.5	410.0		410.0	451.6
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

The **Lansing Correctional Facility** requests a revised estimate of \$34.6 million, including \$33.8 million SGF, in FY 2022. This is an all funds increase of \$1.3 million, and an SGF increase of \$745,255, above the FY 2022 approved amount. This SGF increase is attributable to increased salaries and wages expenditures primarily due to the agency's supplemental request of \$619,485 for overtime pay. Due to security staff shortages, the agency shifted from 8-hour shifts to 12-hour shifts, which resulted in 48-hour work weeks for 11 pay periods. The increase is partially offset by decreased salaries and wages expenditures for regular pay and employer contributions for group health insurance.

The agency's revised estimate includes capital improvement expenditures totaling \$591,613, all from special revenue funds, in FY 2022. Major projects include the upgrades to HVAC systems in various buildings, replacement of locks in offices, and replacement of a waterline.

The **Governor** recommends expenditures of \$34.0 million, including \$33.2 million SGF, for the Lansing Correctional Facility in FY 2022. This is an SGF decrease of \$619,485 below the agency's FY 2022 revised estimate. The

recommendation does not include the agency's enhancement request for overtime pay.

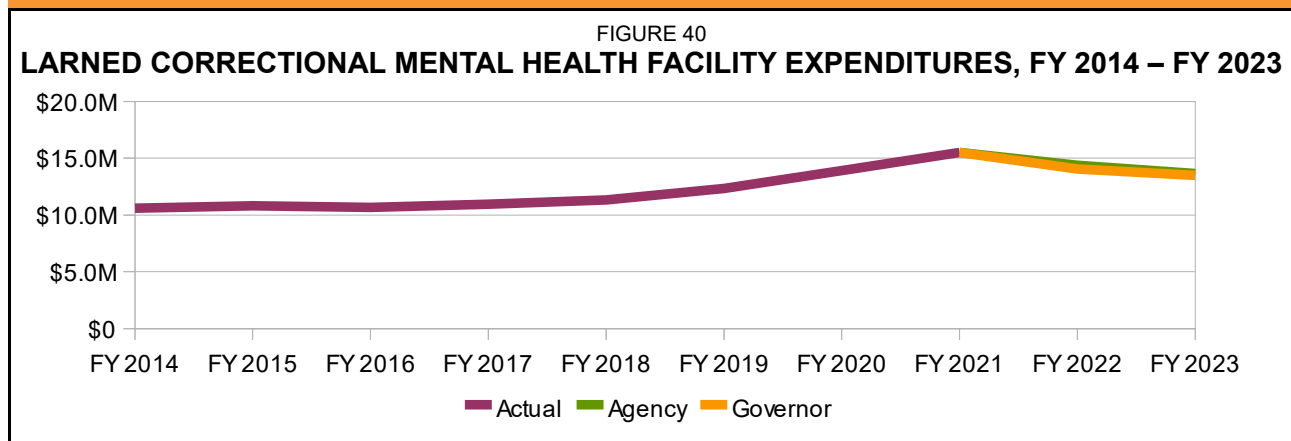
The **Lansing Correctional Facility** requests \$36.4 million, including \$36.2 million SGF, for FY 2023. This is an all funds increase of \$1.8 million, and an SGF increase of \$2.4 million, above the FY 2022 revised estimate. The increase is attributable to the agency's two enhancement requests totaling \$3.0 million SGF. The first enhancement request is \$2.6 million for operating expenditures for the newly established substance abuse treatment center in the renovated East Unit. This request includes the addition of 34.0 FTE positions, which includes correctional officers, unit team counselors, and administrative staff, and other operating expenditures. The second enhancement request is for \$385,077 for a shrinkage reduction, which allows vacant positions to be filled. The increase is partially offset by decreased employer contributions for unemployment insurance and KPERs.

The agency's request includes a decrease of \$591,613, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$32.9 million, including \$32.8 million SGF, for the Lansing Correctional Facility for FY 2023. This is an SGF decrease of \$3.4 million below the agency's FY 2023 request. The Governor recommends the agency's enhancement request, with modifications. The recommendation adds 41.6 FTE positions to the Lansing Correctional Facility, which is 7.6

FTE positions above the agency's request, and adds a total of \$9.6 million to the KDOC Central Office rather than the facility to be distributed for this purpose. Further, the recommendation decreases expenditures by an additional \$401,957 due to unit drawdowns resulting from a lower prison population projection.

LARNED CORRECTIONAL MENTAL HEALTH FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Larned Correctional Mental Health Facility (LCMHF) was constructed in 1989 to bring the State into compliance with a U.S. District Court order that mandated meeting the long-term needs of mentally ill inmates. Currently, LCMHF is a 614-bed facility, with the Central Unit housing medium-security male offenders and the South Unit housing minimum-security offenders. Inmates assigned to the South Unit provide work details to support the facility and the nearby Larned State Hospital, and work private industry jobs in the community.

In recent years, all mental health treatment capabilities were moved to the El Dorado Correctional Facility; however, the Larned Correctional Mental Health Facility remains the statutory institutional name.

In FY 2021, the facility managed the temporary activation of the nearby former Larned Juvenile Correctional Facility as a COVID-19 intake isolation unit for adult male offenders.

The 2021 Legislature approved a measure to shift expenditures from the Larned State Hospital to KDOC for the provision of food service at LCMHF. This measure eliminated a long-standing agreement among the agencies by which the state hospital provided food preparation for LCMHF in exchange for inmate labor. Food service for the correctional facility is now provided on site as part of the KDOC systemwide food services contract with Aramark.

FIGURE 41					
LARNED CORRECTIONAL MENTAL HEALTH FACILITY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	24.2 %	31.8 %	26.3 %	18.0 %	18.0 %
2. Staff Turnover Rate- Non-Uniformed*	10.5 %	17.5 %	12.4 %	12.7 %	10.9 %
Output Measure:					
3. Average Daily Population*	595	609	594	575	593
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 13,698,979	\$ 10,315,782		\$ 13,599,226	\$ 13,479,391
Federal Funds	108,670	4,639,463		-	-
All Other Funds	85,527	537,598		453,321	-
TOTAL	\$ 13,893,176	\$ 15,492,843		\$ 14,052,547	\$ 13,479,391
Percentage Change:					
SGF	14.8 %	(24.7) %		31.8 %	(0.9) %
All Funds	12.7 %	11.5 %		(9.3) %	(4.1) %
FTE Positions	189.0	189.0		189.0	189.0
*Performance measure not evaluated by the Office of Governor.					

BUDGET ANALYSIS

The **Larned Correctional Mental Health Facility** requests a revised estimate of \$14.4 million, including \$13.9 million SGF, in FY 2022. This is an all funds increase of \$892,680, and an SGF increase of \$439,359, above the FY 2022 revised estimate. The SGF increase is attributable to the agency's supplemental request of \$322,077 for a shrinkage reduction, which allows vacant positions to be filled. Other increases include expenditures for overtime pay.

The agency's revised estimate includes capital improvement expenditures totaling \$453,251, all from special revenue funds, in FY 2022. Major projects include security camera system upgrades, improvements to the former Larned Juvenile Correctional Facility, and general renovations.

The **Governor** recommends expenditures of \$14.1 million, including \$13.6 million SGF, for the Larned Correctional Mental Health Facility in FY 2022. This is an SGF decrease of \$322,077 below the agency's FY 2022 revised estimate. The recommendation does not

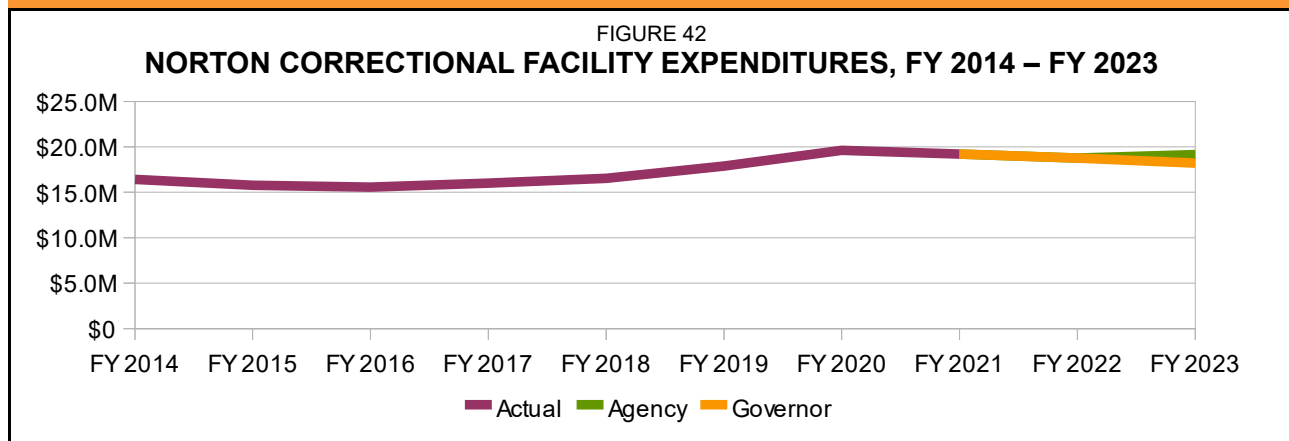
include the agency's supplemental request for a shrinkage reduction.

The **Larned Correctional Mental Health Facility** requests \$13.6 million, all SGF, for FY 2023. This is an all funds decrease of \$730,369 and an SGF decrease of \$277,148, below the FY 2022 revised estimate. The SGF decrease is attributable to decreased salaries and wages expenditures for fringe benefits.

The agency's request includes a decrease of \$453,251, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$13.5 million for the Larned Correctional Mental Health Facility for FY 2023. This is an SGF decrease of \$164,764 below the agency's FY 2023 request. The recommendation decreases expenditures by \$164,764 due to unit drawdowns resulting from a lower prison population projection.

NORTON CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Norton Correctional Facility (NCF) opened in 1987. NCF houses male offenders in the converted former Norton State Hospital and at a smaller satellite facility in Stockton that was converted from a farm implement dealership building. NCF currently houses medium- and

minimum-security inmates, with a total operating capacity of 977 beds.

Kansas Correctional Industries (KCI) has partnered with four private industry employers in the region, where a total of 43 NCF offenders are employed.

FIGURE 43
NORTON CORRECTIONAL FACILITY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Staff Turnover Rate- Uniformed*	26.0 %	22.4 %	22.1 %	23.0 %	23.0 %
2. Staff Turnover Rate- Non-Uniformed*	7.4 %	15.1 %	12.4 %	13.0 %	13.0 %
Output Measure:					
3. Average Daily Population*	965	821	920	853	853
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 19,179,676	\$ 18,474,691		\$ 18,132,791	\$ 18,002,787
Federal Funds	24,851	-		-	-
All Other Funds	404,503	744,749		624,283	190,055
TOTAL	\$ 19,609,030	\$ 19,219,440		\$ 18,757,074	\$ 18,192,842
Percentage Change:					
SGF	11.6 %	(3.7) %		(1.9) %	(0.7) %
All Funds	9.6 %	(2.0) %		(2.4) %	(3.0) %
FTE Positions	264.0	248.0		248.0	246.0

*Performance measure not evaluated by the Office of Governor.

BUDGET ANALYSIS

The **Norton Correctional Facility** requests a \$18.1 million SGF, in FY 2022. This is an all revised estimate of \$18.8 million, including funds decrease of \$419,971, and an SGF

decrease of \$854,199, below the FY 2022 approved amount. The SGF decrease is attributable to decreased salaries and wages expenditures due primarily to the decrease of 16.0 FTE positions. The decrease is partially offset by increased expenditures for building and equipment repair services.

The agency's revised estimate includes capital improvement expenditures totaling \$435,967, all from special revenue funds, in FY 2022. Major projects include lagoon expansion, replacement of HVAC systems, and installation of a water softener system.

The **Governor** concurs with the agency's revised estimate in FY 2022.

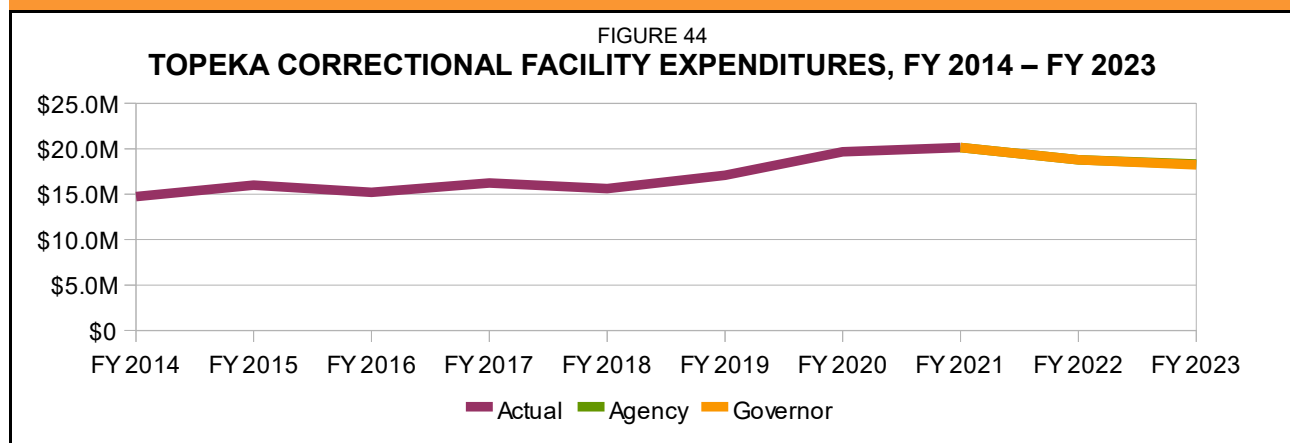
The **Norton Correctional Facility** requests \$19.1 million, including \$18.9 million SGF, in FY 2023. This is an all funds increase of \$376,129 and an SGF increase of \$810,257, above the the FY 2022 revised estimate. The SGF increase is attributed to the agency's enhancement request for a shrinkage reduction

of \$762,177, which allows vacant positions to be filled. The increase is partially offset by decreased employer contributions for fringe benefits, such as KPERS and unemployment insurance.

The agency's request includes a decrease of \$435,967, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$18.2 million, including \$18.0 million SGF, for the Norton Correctional Facility for FY 2023. This is an SGF decrease of \$940,361 below the agency's FY 2023 request. The recommendation does not include the agency's enhancement request for a shrinkage reduction. Further, the recommendation decreases expenditures by an additional \$178,184 due to unit drawdowns resulting from from a lower prison population projection.

TOPEKA CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Topeka Correctional Facility (TCF) is the state's sole female correctional facility. TCF dates back to 1961, when the former Topeka Technical College was converted into the State Reception and Diagnostic Center (SRDC) with the primary function of evaluating male and female offenders sentenced to the Kansas State Penitentiary in Lansing and the Kansas State Industrial Reformatory in Hutchinson.

Until March 2001, the Reception and Diagnostic Unit (RDU), also located on the grounds, served as the state's central intake point for all male offenders committed to the custody of the Secretary of Corrections. The 1999 Legislature appropriated funds and

bonding authority of \$16.0 million for the construction of two housing units and the transfer of RDU functions for male offenders to the El Dorado Correctional Facility. This relocation resulted in the TCF offender population being all female.

TCF is currently composed of two housing compounds. The A-G Compound, formerly the Topeka Technical College, consists of six minimum/medium-security dormitories. The I-J Compound is a medium/maximum-security compound located on the grounds of what was previously the SRDC. The total operating capacity of TCF in FY 2022 is 932 beds.

FIGURE 45
TOPEKA CORRECTIONAL FACILITY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Turnover Rate- Uniformed*	20.0 %	26.6 %	25.0 %	25.2 %	22.6 %
2. Turnover Rate- Non-Uniformed*	12.0 %	32.5 %	20.0 %	31.7 %	23.1 %
Output Measure:					
3. Average Daily Population*	887	750	852	741	742
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 19,131,687	\$ 19,264,250		\$ 17,900,929	\$ 17,767,757
Federal Funds	388,574	224,963		107,717	107,965
All Other Funds	156,659	647,728		764,921	248,904
TOTAL	\$ 19,676,920	\$ 20,136,941		\$ 18,773,567	\$ 18,124,626
Percentage Change:					
SGF	15.5 %	0.7 %		(7.1) %	(0.7) %
All Funds	15.3 %	2.3 %		(6.8) %	(3.5) %
FTE Positions	260.0	261.5		261.5	261.5

*Performance measure not evaluated by the Office of Governor.

BUDGET ANALYSIS

The **Topeka Correctional Facility** requests a revised estimate of \$18.8 million, including \$17.9 million SGF, in FY 2022. This is an all funds increase of \$297,662, and an SGF decrease of \$223,213, from the FY 2022 approved amount. The SGF decrease is attributable to increased shrinkage, which results in additional positions held vacant. Other decreases include expenditures for group health insurance.

The agency's revised estimate includes capital improvement expenditures totaling \$516,180, all from special revenue funds, in FY 2022. Major projects include security camera system upgrades and replacement of a mechanical unit in the dining hall.

The **Governor** concurs with the agency revised estimate in FY 2022.

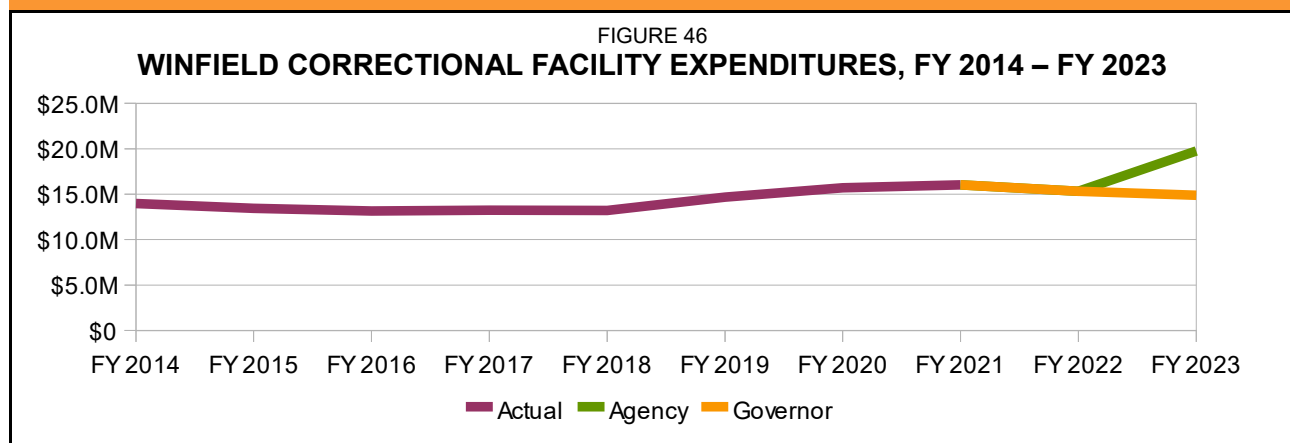
The **Topeka Correctional Facility** requests \$18.3 million, including \$18.0 million SGF, for

FY 2023. This is an all funds decrease of \$462,574, and an SGF increase of \$53,195, from the FY 2022 revised estimate. The SGF increase is attributable to a shrinkage reduction, which allows vacant positions to be filled. Other increases include employer contributions for group health insurance.

The agency's request includes a decrease of \$516,180, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$18.1 million, including \$17.8 million SGF, for the Topeka Correctional Facility for FY 2023. This is an SGF decrease of \$186,367 below the agency's FY 2023 request. The recommendation decreases expenditures by \$186,367 due to unit drawdowns resulting from a lower prison population projection.

WINFIELD CORRECTIONAL FACILITY



STATUTORY BASIS: • KSA 75-5201, 75-5202, 75-5206, 75-5246, 75-5252, 75-5256, 75-52,122

PROGRAM GOALS: • Provide for the secure and humane confinement of offenders and for public safety.

The Winfield Correctional Facility (WCF), established in 1984, is a minimum-security facility for male offenders. During the 1995 Session, funds were appropriated to renovate two buildings formerly used by the Winfield State Hospital. In September 1996, management of the Wichita Work Release Facility and its budget were shifted from the KDOC Central Office to the WCF office. The work release facility's 254-bed capacity increased the total capacity for the combined operations to 886 beds.

WCF maintains an interagency relationship with the nearby Kansas Veterans' Home (KVH), which became operational in 2000. WCF provides grounds maintenance and security services, and funds utility expenses for KVH.

The 2020 Legislature appropriated funds to the KDOC Central Office for renovation of two vacated buildings at KVH into a 241-bed cognitive care and substance abuse treatment facility for inmates. However, the project was delayed primarily due to the COVID-19 pandemic.

FIGURE 47
WINFIELD CORRECTIONAL FACILITY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Turnover Rate- Uniformed*	10.8 %	17.0 %	16.5 %	16.8 %	16.8 %
2. Turnover Rate- Non-Uniformed*	12.9 %	8.5 %	12.9 %	12.5 %	12.5 %
Output Measure:					
3. Average Daily Population*	577	577	646	755	772
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 15,200,388	\$ 13,575,836		\$ 14,598,706	\$ 14,443,295
Federal Funds	246,547	1,773,354		-	-
All Other Funds	248,094	691,812		714,966	428,740
TOTAL	\$ 15,695,029	\$ 16,041,002		\$ 15,313,672	\$ 14,872,035
Percentage Change:					
SGF	7.7 %	(10.7) %		7.5 %	(1.1) %
All Funds	7.0 %	2.2 %		(4.5) %	(2.9) %
FTE Positions	201.0	201.0		201.0	263.5

*Performance measure is not evaluated by the Office of Governor.

PERFORMANCE AND BUDGET ANALYSIS

The **Winfield Correctional Facility** requests a revised estimate of \$15.3 million, including \$14.6 million SGF, in FY 2022. This is an all funds decrease of \$253,676, and an SGF decrease of \$498,600, below the FY 2022 approved amount. The SGF decrease is primarily attributable the temporary closure of operations at the Wichita Work Release Facility for a period of eight months.

The agency's revised estimate includes capital improvement expenditures totaling \$287,515, all from special revenue funds, in FY 2022. Major projects include replacement of boiler units, replacement of hydronic piping, and utility tunnel upgrades.

The **Governor** concurs with the agency revised estimate in FY 2022.

The **Winfield Correctional Facility** requests \$19.8 million, including \$19.3 million SGF, for FY 2023. This is an all funds increase of \$4.4 million, and an SGF increase of \$4.7 million, above the FY 2022 revised estimate. The SGF increase is attributable to the agency's enhancement request of \$4.7 million SGF for operating expenditures at a newly established assisted living unit and substance abuse treatment center for inmates in renovated

buildings at the adjacent Kansas Veterans' Home. The request includes the addition of 55.0 FTE positions, such as correctional officers, unit team counselors, and administrative staff, as well as other expenditures.

The agency's request includes a decrease of \$287,515, all from special revenue funds, for capital improvements for FY 2023. Such expenditures are retained at the KDOC Central Office in the budget year for planning purposes.

The **Governor** recommends expenditures of \$14.9 million, including \$14.4 million SGF, for the Winfield Correctional Facility for FY 2023. This is an SGF decrease of \$4.9 million below the agency's FY 2023 request. The Governor recommends the agency's enhancement request, with modifications. The recommendation adds 62.5 FTE positions to the Winfield Correctional Facility, which is 7.5 FTE positions above the agency's request, and adds a total of \$9.6 million to the KDOC Central Office rather than the facility to be distributed for this purpose. Further, the recommendation decreases expenditures by an additional \$199,020 due to unit drawdowns resulting from a lower prison population projection.

CAPITAL IMPROVEMENTS

The Kansas Department of Corrections is responsible for the upkeep of 8 adult correctional facilities, a juvenile facility, and other sites across the state. In addition to the State General Fund, three special revenue funds are utilized:

- The Correctional Institutions Build Fund (CIBF) is dedicated to the upkeep of adult correctional facilities. The fund is financed from a 10.0 percent annual transfer from the first \$50.0 million credited to the State Gaming Revenue Fund.
- The State Institutions Building Fund (SIBF) is financed from a one-half mill tax levy on real property. Funds may be used for juvenile correctional facilities.
- The Correctional Industries Fund derives revenue from the Kansas Correctional Industries (KCI) program, which includes the sale of inmate-manufactured products. Most of the revenue is intended for program needs; however, funds may also be expended for capital improvements of KCI facilities.

FIGURE 48
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
KDOC Central Office:					
Rehabilitation and Repair	\$ 158,781	\$ 2,865,413	\$ 2,865,413	\$ 9,191,584	\$ 5,256,264
Lansing and Winfield Expansion Projects	577,256	12,703,806	12,703,806	-	-
Kansas Correctional Industries	1,776,214	3,180,108	3,180,108	3,039,935	3,039,935
<i>Subtotal–Central Office</i>	<u>\$ 2,512,251</u>	<u>\$ 18,749,327</u>	<u>\$ 18,749,327</u>	<u>\$ 12,231,519</u>	<u>\$ 8,296,199</u>
Facilities R&R:					
El Dorado CF	\$ 778,540	\$ 675,269	\$ 675,269	\$ -	\$ -
Ellsworth CF	265,962	379,377	379,377	-	-
Hutchinson CF	832,557	1,058,754	1,058,754	-	-
Kansas Juvenile CC	593,999	1,036,599	1,036,599	-	-
Lansing CF	585,565	591,613	591,613	-	-
Larned CMHF	539,312	453,251	453,251	-	-
Norton CF	554,076	435,967	435,967	-	-
Topeka CF	488,534	516,180	516,180	-	-
Winfield CF	865,881	287,515	287,515	-	-
<i>Subtotal–Facilities</i>	<u>\$ 5,504,426</u>	<u>\$ 5,434,525</u>	<u>\$ 5,434,525</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 8,016,677</u>	<u>\$ 24,183,852</u>	<u>\$ 24,183,852</u>	<u>\$ 12,231,519</u>	<u>\$ 8,296,199</u>
Financing:					
SGF	\$ 1,103,191	\$ 6,614,588	\$ 6,614,588	\$ -	\$ -
COVID-19 Federal Relief Funds	218,649	-	-	-	-
CIBF	4,734,878	6,843,502	6,843,502	8,527,320	4,592,000
SIBF	183,745	7,545,654	7,545,654	664,264	664,264
Correctional Industries	1,776,214	3,180,108	3,180,108	3,039,935	3,039,935
TOTAL	<u>\$ 8,016,677</u>	<u>\$ 24,183,852</u>	<u>\$ 24,183,852</u>	<u>\$ 12,231,519</u>	<u>\$ 8,296,199</u>

FY 2022 CAPITAL IMPROVEMENTS

The **agencies** request a revised estimate of \$24.2 million, including \$6.6 million SGF, for capital improvement expenditures throughout the KDOC System in FY 2022. This is an all funds increase of \$2.4 million, and an SGF decrease of \$1.9 million, from the FY 2022 approved amount.

KDOC CENTRAL OFFICE

The agency requests a revised estimate of \$18.7 million, including \$6.6 million SGF, for capital improvements expenditures in the KDOC Central Office in FY 2022.

This is an all funds decrease of \$3.1 million and an SGF decrease of \$1.9 million. The decrease is primarily due to the transfers totaling \$3.1 million CIBF and SIBF to correctional facilities for routine repair and rehabilitation.

The agency budgeted a total of \$12.7 million for expansion projects at the Lansing and Winfield correctional facilities. The Lansing project will renovate the former East Unit into a 200-bed substance abuse treatment center. The Winfield project will renovate two buildings at the adjacent Kansas Veterans' Home into a 241-bed assisted living unit and substance abuse treatment center. Total financing for the project includes \$6.1 million SIBF and \$6.6 million SGF, which reappropriated from FY 2021 due to a delay in construction.

Additionally, the agency is conducting a study of potentially repurposing KJCC and establishing three smaller regional juvenile facilities pursuant to provisions of 2021 SB 159.

CORRECTIONAL FACILITIES

The agencies request a revised estimate totaling \$5.4 million, including \$5.1 million CIBF and \$1.0 million SIBF, for capital improvements among the nine correctional facilities. Funds for capital improvements are typically appropriated to the KDOC Central Office in the budget year, then transferred to facilities in the current year based on need.

Therefore, all revised estimate expenditures are new. Major expenditures include:

- **EL DORADO CORRECTIONAL FACILITY.** The agency requests \$675,269 CIBF for capital improvements expenditures. Major projects include the purchase of razorwire (\$472,600), camera system upgrades (\$75,697), and replacement of an emergency generator (\$45,040).
- **ELLSWORTH CORRECTIONAL FACILITY.** The agency requests \$379,377 CIBF for capital improvement expenditures. Major projects include the replacement of boiler units (\$126,078), repair of a fire suppression sprinkler system (\$90,600), and security camera system upgrades (75,194).
- **HUTCHINSON CORRECTIONAL FACILITY.** The agency requests \$1.1 million CIBF for capital improvement expenditures. Major projects include reroofing of the East Unit (\$405,000), installation of a medical clinic stairway (\$170,664), and replacement of exit doors at cell houses (\$139,700).
- **KANSAS JUVENILE CORRECTIONAL COMPLEX.** The agency requests \$1.0 million SIBF for capital improvement expenditures. Major projects include replacement of two HVAC chillers (\$533,900), replacement of an emergency campus generator (\$345,320), and parking lot resealing (\$150,000).
- **LANSING CORRECTIONAL FACILITY.** The agency requests \$591,613 CIBF for capital improvement expenditures. Major projects include the upgrades to HVAC systems in various buildings (\$319,205), replacement of locks in offices (\$97,300), and replacement of a waterline (\$52,000).
- **LARNED CORRECTIONAL MENTAL HEALTH FACILITY.** The agency requests \$453,251 CIBF for capital improvement expenditures. Major projects include security camera system upgrades (\$395,372) and improvements

to the former Larned Juvenile Correctional Facility (\$28,549).

- **NORTON CORRECTIONAL FACILITY.** The agency requests \$435,967 CIBF for capital improvement expenditures. Major projects include lagoon expansion (\$126,597), replacement of HVAC systems (\$90,200), and installation of a water softener system (\$76,500).
- **TOPEKA CORRECTIONAL FACILITY.** The agency requests \$516,180 CIBF for capital improvement expenditures. Major projects include security camera

system upgrades (\$457,965) and replacement of a mechanical unit in the dining hall (\$19,150).

- **WINFIELD CORRECTIONAL FACILITY.** The agency requests \$287,515 CIBF for capital improvement expenditures. Major projects include replacement of boiler units (\$282,490) and replacement of hydronic piping (\$2,943).

The **Governor** concurs with the agency's revised estimate for FY 2023.

FY 2023 CAPITAL IMPROVEMENTS

The **agencies** request \$12.2 million, all from special revenue funds, for capital improvement expenditures throughout the KDOC System for FY 2023. This is a decrease of \$12.0 million below the FY 2022 revised estimate. The decrease is primarily attributed to the completion of expansion projects at the Lansing and Winfield correctional facilities in FY 2022. The decrease partially is offset by the agency's enhancement request of \$3.9 million CIBF to

adjust the annual appropriation from the fund to a level that would account for inflation. Moneys from the CIBF are utilized for repair and rehabilitation of correctional facilities. The agency notes that the current annual appropriation of approximately \$5.0 million has been statutorily fixed since 1997; however, the cost of materials and services have grown. The agency requests a total appropriation of \$8.5 million CIBF for FY 2023, which would reflect a 2.5 percent inflation rate since 1997.

The **Governor** recommends \$8.3 million, all from special revenue funds, for capital improvements expenditures for FY 2023. This is a decrease of \$3.9 million below the agencies' FY 2023 request. The decrease is due to the Governor not recommending the agency's

enhancement request to increase expenditures from the Correctional Institutions Building Fund to account for inflation.

ADJUTANT GENERAL'S DEPARTMENT

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 5,874,457	\$ 12,611,746	\$ 12,611,746	\$ 10,140,964	\$ 9,714,192
Federal Funds	130,215,606	145,496,475	146,021,475	94,434,735	94,434,735
All Other Funds	1,495,854	769,262	1,294,262	769,432	646,951
<i>Subtotal</i>	<i>\$ 137,585,917</i>	<i>\$ 158,877,483</i>	<i>\$ 159,927,483</i>	<i>\$ 105,345,131</i>	<i>\$ 104,795,878</i>
Capital Improvements:					
State General Fund	\$ 1,881,294	\$ 906,546	\$ 906,546	\$ 84,380,417	\$ 42,580,417
Federal Funds	9,993,961	7,402,813	7,402,813	10,000,000	10,000,000
All Other Funds	88	-	-	-	-
<i>Subtotal</i>	<i>\$ 11,875,343</i>	<i>\$ 8,309,359</i>	<i>\$ 8,309,359</i>	<i>\$ 94,380,417</i>	<i>\$ 52,580,417</i>
TOTAL	\$ 149,461,260	\$ 167,186,842	\$ 168,236,842	\$ 199,725,548	\$ 157,376,295
Percentage Change:					
State General Fund	(42.5) %	74.3 %	74.3 %	599.2 %	286.8 %
All Funds	8.9 %	11.9 %	12.6 %	19.5 %	(6.5) %
FTE Positions	289.0	289.0	289.0	299.5	294.0

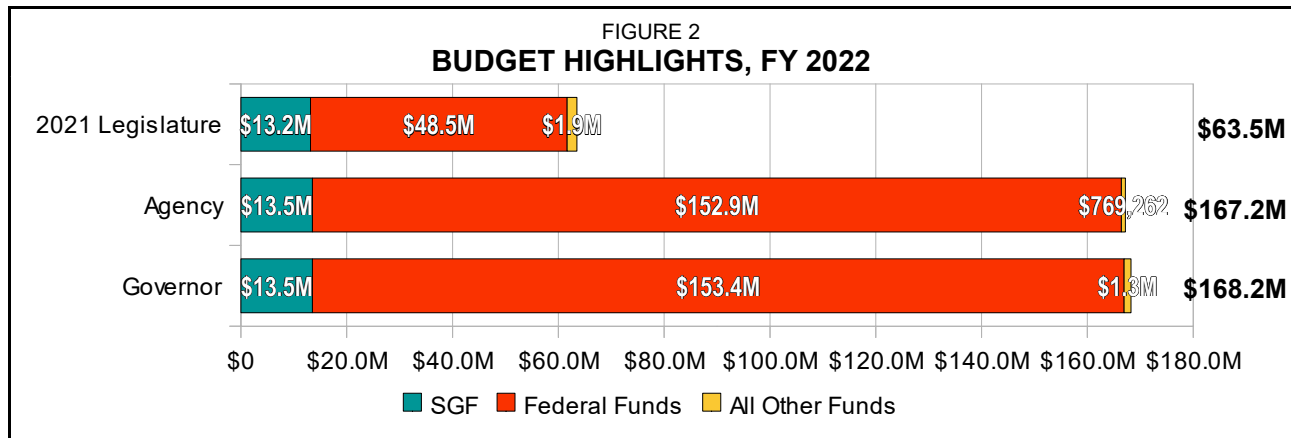
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Adjutant General's Department provides for the organization and readiness training of the Kansas Air and Army National Guard, implementation of statewide Emergency Management programs, and Homeland Security for Kansas. The Adjutant General is the Governor's appointed Military Chief of Staff, commanding the National Guard, and also serves as Director of Kansas Emergency Management and Director of Kansas Homeland Security. The Kansas National Guard has approximately 7,000 members across the state working in full-time civilian jobs and performing federal military duty during scheduled training weekends and summer camp sessions. The agency assists Kansans during events such as winter storms, floods, tornadoes, wildfires, electrical power failures, hazardous material incidents, droughts, dam failures, radiological incidents, urban fires, earthquakes, or any other disaster or civil disturbance, including terrorism.

EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$60.0 million, including \$9.6 million from the State General Fund (SGF), appropriated to the Adjutant General's Department for FY 2022. This adjustment changes the current year approved amount without any legislative action required.

- **SGF REAPPROPRIATIONS.** The agency received an increase of \$3.6 million SGF based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.

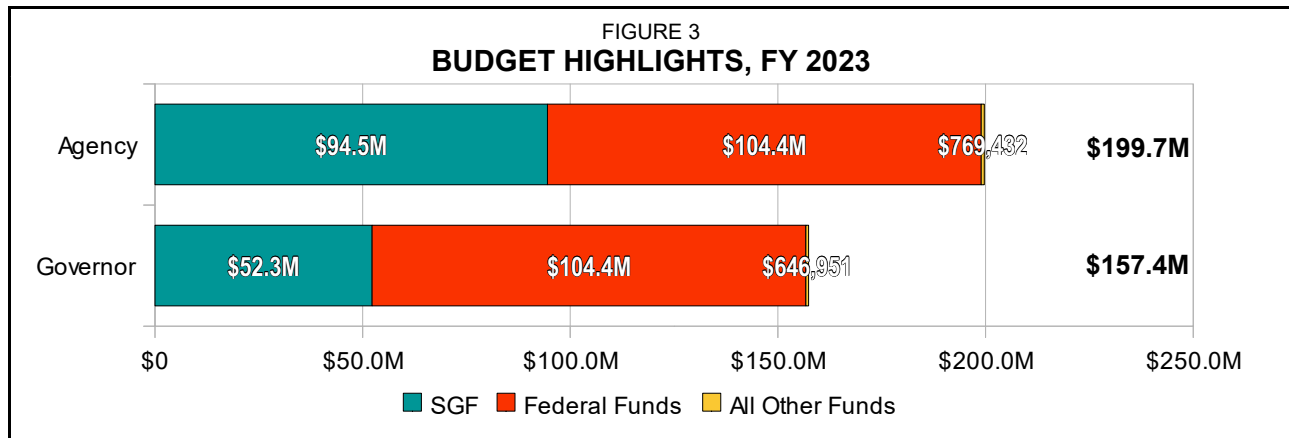


The **agency** requests a revised estimate of \$167.2 million, including \$13.5 million SGF, in FY 2022. This is an all funds increase of \$103.7 million, and an SGF increase of \$358,247, above the FY 2022 approved amount. The all funds increase is primarily attributable to receipt of federal funds (\$72.8 million) for expenditures associated with the COVID-19 pandemic and other federally declared disasters. The agency's revised estimate includes three supplemental requests totaling \$22.8 million, including \$2.4 million SGF, for deferred maintenance and routine rehabilitation and repair of National Guard facilities (\$805,626), and increased state disaster payments (\$22.0 million).

The **agency's** revised estimate also includes 289.0 FTE positions, which is an increase of 1.0 FTE position above the FY 2022 approved amount. This increase is due to the addition of a Media Projection Technician position in the Administration program.

The **Governor** recommends expenditures totaling \$168.2 million, including \$13.5 million SGF, in FY 2022. This is an increase of \$1.1 million, all from special revenue funds, above the agency's FY 2022 revised estimate. The Governor recommends an increase of \$1.1 million, all from special revenue funds, for Kansas Department of Emergency Management (KDEM) to update recovery plans with lessons learned from the COVID-19 pandemic. These expenditures include \$525,000 from the State Emergency Fund to provide state match for \$525,000 from a federal Emergency Management Performance Grant. The recommendation includes transferring the unspent balance of the State Emergency Fund (\$8.6 million) back to the SGF. These funds were initially SGF moneys approved by the State Finance Council for expenditures in response to the COVID-19 pandemic; however, federal relief funds became available for this purpose.

The Governor's recommendation also includes 289.0 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.



The **agency** requests \$199.7 million, including \$94.5 million SGF, for FY 2023. This is an all funds increase of \$32.5 million, and an SGF increase of \$81.0 million, above the FY 2022 revised estimate. The increase is attributable to the agency's 11 enhancement requests totaling \$108.1 million, including \$86.8 million SGF. These enhancements primarily include: deferred maintenance and routine rehabilitation and repair of National Guard facilities (\$41.8 million), remodel of the State Defense Building (\$21.0 million), state disaster payments (\$20.2 million), a new armory in Hays (\$18.1 million), and the addition of 10.5 FTE positions (\$812,596) at the KDEM and the Kansas Intelligence Fusion Center(KIFC). The increase is partially offset by decreased expenditures from federal funds for expenditures associated with the COVID-19 pandemic and other federally declared disasters (\$71.7 million).

The **agency** request also includes 299.5 FTE positions, which is an increase of 10.5 FTE positions above the FY 2022 revised estimate number. The increase is due the agency's enhancement request to add 8.5 FTE positions to KDEM and 2.0 FTE positions to KIFC.

The **Governor** recommends expenditures totaling \$157.4 million, including \$52.3 million SGF, for FY 2023. This is an all funds decrease of \$42.3 million, and an SGF decrease of \$42.2 million, below the agency's FY 2023 request. The Governor recommends enhancements for the State Defense Building remodel, a new armory in Hays, state disaster payments, and increased rehabilitation and repair of armories. However, the recommendation includes only partial funding for deferred maintenance and additional FTE positions at KDEM and KIFC.

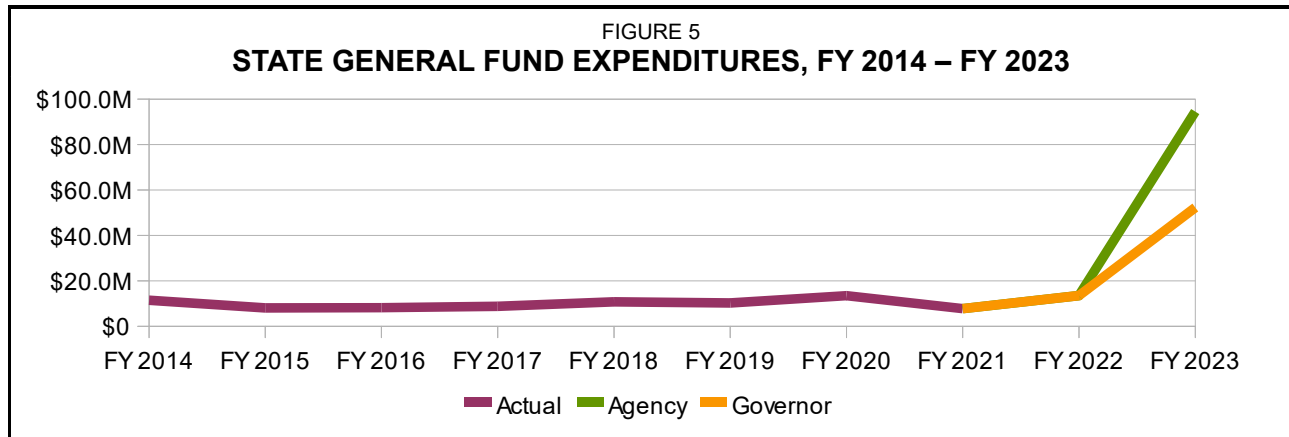
The **Governor's** recommendation also includes 294.0 FTE positions, which is a decrease of 5.5 FTE positions below that agency FY 2023 request. The decrease is due to the Governor not recommending 4.5 FTE positions for KDEM and 1.0 position for KIFC, which was part of the agency's enhancement request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 22,106,043	\$ 19,296,007	\$ 19,296,007	\$ 20,092,624	\$ 19,680,871
Contractual Services	55,082,864	61,472,460	62,522,460	25,562,954	25,425,454
Commodities	21,402,822	7,670,588	7,670,588	3,152,189	3,152,189
Capital Outlay	9,806,931	4,003,668	4,003,668	4,011,068	4,011,068
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 108,398,660	\$ 92,442,723	\$ 93,492,723	\$ 52,818,835	\$ 52,269,582
Aid to Local Units	24,162,955	66,424,879	66,424,879	52,516,415	52,516,415
Other Assistance	5,024,302	9,881	9,881	9,881	9,881
Subtotal—Operating	\$ 137,585,917	\$ 158,877,483	\$ 159,927,483	\$ 105,345,131	\$ 104,795,878
Capital Improvements	11,875,343	8,309,359	8,309,359	94,380,417	52,580,417
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 149,461,260	\$ 167,186,842	\$ 168,236,842	\$ 199,725,548	\$ 157,376,295
Financing:					
State General Fund	\$ 7,755,751	\$ 13,518,292	\$ 13,518,292	\$ 94,521,381	\$ 52,294,609
COVID-19 Federal Relief Funds	79,975,822	64,737,219	55,262,219	26,286,183	17,126,013
Other Federal Funds	60,233,745	88,162,069	98,162,069	78,148,552	87,308,722
All Other Funds	1,495,942	769,262	1,294,262	769,432	646,951
TOTAL	\$ 149,461,260	\$ 167,186,842	\$ 168,236,842	\$ 199,725,548	\$ 157,376,295
FTE Positions	289.0	289.0	289.0	299.5	294.0

STATE GENERAL FUND



For the Adjutant General's Department, SGF expenditures have traditionally been used primarily as state match for federally declared disaster relief payments and operations at National Guard facilities. In FY 2022, the agency requests a revised estimate that includes \$13.6 million SGF. This is an increase of \$358,247 above the FY 2022 approved amount. The increase is primarily attributed to increased expenditures for state disaster relief payments, which is partially offset by decreased expenditures for salaries and wages. For FY 2023, the agency's request includes \$94.5 million SGF. This is an increase of \$81.0 million above the FY 2022 revised estimate. The increase is primarily attributable to expenditures for capital improvement enhancement requests totaling \$83.9 million SGF, a portion of which the agency suggests may be suitable for replacement with discretionary funds from the federal American Rescue Plan Act.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 9,603,430	\$ 50,351,752	\$ 59,955,182	288.0
1. SGF Reappropriations	3,556,617	-	3,556,617	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 13,160,047</i>	<i>\$ 50,351,752</i>	<i>\$ 63,511,799</i>	<i>288.0</i>
Agency Revised Estimate:				
2. Supplemental—Deferred Maintenance	\$ 319,480	\$ 319,480	\$ 638,960	--
3. Supplemental—Rehab and Repair	83,333	83,333	166,666	--
4. Supplemental—State Disaster Payments	2,000,000	20,000,000	22,000,000	--
5. COVID-19 Federal Relief	-	49,182,621	49,182,621	1.0
6. Other Disaster Payments	-	23,575,178	23,575,178	--
7. Federal National Guard Military Operations Fund	-	10,155,550	10,155,550	--
8. COVID-19 State Response Funds	(1,767,947)	-	(1,767,947)	--
9. All Other Adjustments	(276,621)	636	(275,985)	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 13,518,292</i>	<i>\$ 153,668,550</i>	<i>\$ 167,186,842</i>	<i>289.0</i>
Governor's Recommendation:				
10. Federal EMPG Supplemental Projects	\$ -	\$ 1,050,000	\$ 1,050,000	--
TOTAL	\$ 13,518,292	\$ 154,718,550	\$ 168,236,842	289.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$60.0 million, including \$9.6 million SGF, appropriated to the Adjutant General's Department for FY 2022. This adjustment changes the current year approved amount without any legislative action required.

1. **SGF REAPPROPRIATIONS.** The agency received an increase of \$3.6 million SGF based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$167.2 million, including \$13.5 million SGF, in FY 2022. This is an all funds increase of \$103.7 million, and an SGF increase of \$358,247, above the FY 2022 approved amount.

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

2. **SUPPLEMENTAL—DEFERRED MAINTENANCE.** The agency requests \$638,960, including \$319,480 SGF, to begin renovation and modernization of the 38 armories and other National Guard facilities in FY 2022. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent match.
3. **SUPPLEMENTAL—REHABILITATION AND REPAIR.** The agency requests \$166,666, including \$83,333 SGF, for additional routine rehabilitation and repair among the 38 armories and other National Guard facilities in FY 2022. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent match.

4. **SUPPLEMENTAL—STATE DISASTER PAYMENTS.** The agency requests \$22.0 million, including \$2.0 million SGF, to reimburse eligible expenses of state, local, and nonprofit organizations for federally declared disasters. The agency notes that payments for federally declared disasters require a 25.0 percent match. An increase of \$2.0 million SGF would leverage an additional \$20.0 million in payments for flooding in FY 2019 and for expenditures related to the COVID-19 pandemic.
5. **COVID-19 FEDERAL RELIEF.** The agency's revised estimate includes an increase of \$49.2 million from COVID-19 federal relief funds provided pursuant to the federal CARES Act, and subsequent federal legislation, in FY 2022. The increases includes:
 - \$46.1 million from COVID-19 Public Assistance Grant funds provided by the Federal Emergency Management Agency (FEMA). Expenditures support operation of the State Emergency Operations Center, additional public affairs personnel, the purchase of personal protective equipment, contracts for congregate housing, and aid to local governments. Moneys from the federal Coronavirus Relief Fund (CRF) may be used to meet the FEMA state match requirement for this fund;
 - \$1.7 million from the Coronavirus Relief Fund, awarded by the SPARK Task Force, to partially meet FEMA state match requirements; and
 - \$1.3 million from an Emergency Management Performance Supplemental Grant fund provided by FEMA to support pandemic recovery planning. Expenditures primarily include contractual services and aid to local government.
6. **ALL OTHER DISASTER RELIEF PAYMENTS.** The agency's revised estimate includes an increase of \$23.6 million, from federal other Public Assistance and Hazard Mitigation Grant funds, to reimburse eligible expenses of state, local, and nonprofit entities for federally declared disasters primarily for flooding in CY 2019 and winter storms in CY 2017.
7. **FEDERAL NATIONAL GUARD MILITARY OPERATIONS FUND.** The agency's revised estimate includes an increase of \$10.2 million, all from the federal National Guard Military Operations Fund, in FY 2022. This increase primarily supports expenditures for operations of National Guard facilities, environmental and physical security compliance, and capital improvements.
8. **COVID-19 STATE RESPONSE FUNDS.** The agency's revised estimate includes a decrease of \$1.8 million SGF initially provided to KDEM for COVID-19 response. The decrease is due to the use of federal relief funds to offset SGF moneys allocated for this purpose.
9. **ALL OTHER ADJUSTMENTS.** Other adjustments include a decrease of \$268,755 SGF for debt service on army improvement bonds, due to the final payment occurring in FY 2021.

The **agency's** revised estimate also includes 289.0 FTE positions, which is an increase of 1.0 FTE position above the FY 2022 approved amount. This increase is due to the addition of a Media Production Technician position in the Administration program.

GOVERNOR'S RECOMMENDATION

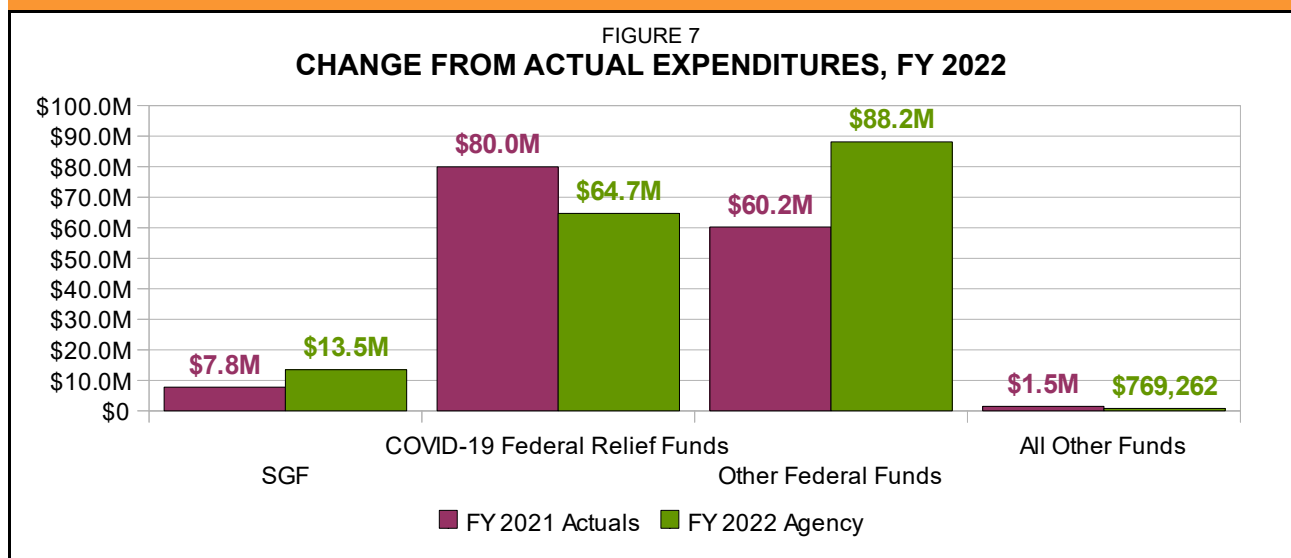
The **Governor** recommends expenditures totaling \$168.2 million, including \$13.5 million SGF, in FY 2022. This is an increase of \$1.1 million, all from special revenue funds, above the agency's FY 2022 revised estimate.

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

10. **FEDERAL EMPG SUPPLEMENTAL PROJECTS.** The Governor recommends an increase of \$1.1 million, all from special revenue funds, for the Kansas Division of Emergency Management (KDEM) to update recovery plans with lessons learned from the COVID-19 pandemic. This expenditure includes \$525,000 from the State Emergency Fund to provide state match for \$525,000 from a federal Emergency Management Performance Grant (EMPG). The recommendation includes transferring the unspent balance of the State Emergency Fund (\$8.6 million) back to the SGF. These funds were initially SGF moneys approved by the State Finance Council for expenditures in response to the COVID-19 pandemic; however, federal relief funds became available for this purpose.

The **Governor's** recommendation also includes 289.0 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency** requests a revised estimate of \$167.2 million, including \$13.5 million SGF, in FY 2022. This is an all funds increase of \$17.7 million, and an SGF increase of \$5.8 million, above the FY 2021 actual amount. The all funds increase is attributable to an increase in state disaster relief payments for federally declared disasters (\$26.3 million) and operating expenditures at National Guard facilities (\$2.9 million). The SGF increase is primarily attributable to design costs for the remodel of the State Defense Building (\$1.6 million) and expenditures at the State Emergency Operations Center (SEOC) in response to the COVID-19 pandemic (\$1.6 million). This increase is partially offset by a decrease in expenditures from COVID-19 federal relief funds (\$15.2 million)

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 13,518,292	\$ 153,668,550	\$ 167,186,842	289.0
Agency Request:				
1. Enhancement—Deferred Maintenance	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000	--
2. Enhancement—Rehabilitation and Repair	500,000	500,000	1,000,000	--
3. Enhancement—State Disaster Payments	1,832,034	18,320,340	20,152,374	--
4. Enhancement—KDEM Positions	610,910	-	610,910	8.5
5. Enhancement—KIFC Positions	201,686	-	201,686	2.0
6. Enhancement—SDB Remodel	20,951,443	-	20,951,443	--
7. Enhancement—Super System Licensing Fee	125,000	-	125,000	--
8. Enhancement—New Hays Armory - ARPA	18,135,000	-	18,135,000	--
9. Enhancement—Deferred Maintenance - ARPA	35,800,000	-	35,800,000	--
10. Enhancement—Warehouse - ARPA	6,000,000	-	6,000,000	--
11. Enhancement—KansasTAG.gov Rebuild	137,000	-	137,000	--
12. COVID-19 Federal Relief Funds	-	(47,611,206)	(47,611,206)	--
13. Other State Disaster Payments	(3,722,768)	(20,338,070)	(24,060,838)	--
14. SDB Design	(1,600,000)	-	(1,600,000)	--
15. Army Guard Facilities Operations	-	(1,432,359)	(1,432,359)	--
16. All Other Adjustments	(467,216)	(403,088)	(870,304)	--
Subtotal—Agency Request	\$ 94,521,381	\$ 105,204,167	\$ 199,725,548	299.5
Governor's Recommendation:				
17. Enhancement—KDEM Positions	\$ (310,910)	\$ -	\$ (310,910)	(4.5)
18. Enhancement—KIFC Positions	(100,843)	-	(100,843)	(1.0)
19. Enhancement—Super System Licensing Fee	(125,000)	-	(125,000)	--
20. Enhancement—Deferred Maintenance - ARPA	(35,800,000)	-	(35,800,000)	--
21. Enhancement—Warehouse - ARPA	(6,000,000)	-	(6,000,000)	--
22. Enhancement—KansasTAG.gov Rebuild	(12,500)	-	(12,500)	--
23. Office of Emergency Communications	122,481	(122,481)	-	--
TOTAL	\$ 52,294,609	\$ 105,081,686	\$ 157,376,295	294.0

AGENCY REQUEST

The **agency** requests \$199.7 million, including \$94.5 million SGF, for FY 2023. This is an all funds increase of \$32.5 million, and an SGF increase of \$81.0 million, above the FY 2022 approved amount.

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

1. **ENHANCEMENT—DEFERRED MAINTENANCE.** The agency requests \$5.0 million, including \$2.5 million SGF, to continue renovation and modernization of the 38 armories and other National Guard facilities for FY 2023. The agency notes the cooperative

agreement with the federal National Guard Bureau generally provides a 50.0 percent match.

2. **ENHANCEMENT—REHABILITATION AND REPAIR.** The agency requests \$1.0 million, including \$500,000 SGF, for additional routine rehabilitation and repair among the 38 armories and other National Guard facilities for FY 2023. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent match.
3. **ENHANCEMENT—STATE DISASTER PAYMENTS.** The agency requests \$20.2 million, including \$1.8 million SGF, to reimburse eligible expenses of state, local, and nonprofit organizations for federally declared disasters. The agency notes that payments for federally declared disasters require of 25.0 percent match. An increase of \$1.8 million SGF would leverage an additional \$18.3 million in federal payments for flooding that occurred in FY 2019 and for expenditures related to the COVID-19 pandemic response.
4. **ENHANCEMENT—KDEM POSITIONS.** The agency requests \$610,910, all SGF, for the addition of 8.5 FTE positions in the Kansas Division of Emergency Management (KDEM) at the State Defense Building in Topeka for FY 2023. In addition to their primary roles, these positions would augment the State Emergency Operations Center (SEOC) during periods of activation. The request includes: Recovery Specialist (1.0 FTE), Planner (1.0 FTE), Geospatial Information Systems Specialists (2.0 FTE), Warehouse Staff (1.5 FTE), Curriculum Specialists (2.0 FTE), and Incident Support Program Coordinator (1.0 FTE).
5. **ENHANCEMENT—KIFC POSITIONS.** The agency requests \$201,686, all SGF, for 2.0 FTE analyst positions in the Kansas Intelligence Fusion Center (KIFC) for FY 2023. These positions would provide analysis of existing and emerging biological threats to the state's key agricultural infrastructure, which the agency deems significant as the National Bio and Agro-Defense Facility in Manhattan becomes operational.
6. **ENHANCEMENT—SDB REMODEL.** The agency requests \$21.0 million, all SGF, for the complete remodeling of the current State Defense Building (SDB) and the State Emergency Operations Center.
7. **ENHANCEMENT—SUPER SYSTEM LICENSING FEE.** The agency requests \$125,000, all SGF, for licensing fees associated the Super System, an online application that supports the development and maintenance of emergency plans among regional, state, and local entities of government in Kansas.
8. **ENHANCEMENT—NEW HAYS ARMORY – ARPA.** The agency requests \$18.1 million, all SGF, to establish a new National Guard armory in Hays. This estimate includes the purchase of a 15-acre site (\$2.1 million), yet to be determined, and the construction of a 49,792-square foot National Guard Readiness Center (\$16.0 million). The agency suggests discretionary funds provided through the federal American Rescue Plan Act (ARPA) may be suitable to be used instead of SGF moneys for this purpose.
9. **ENHANCEMENT—DEFERRED MAINTENANCE – ARPA.** The agency request \$35.8 million, all SGF, to address deferred maintenance among all remaining National Guard facilities. The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.

10. **ENHANCEMENT—WAREHOUSE – ARPA.** The agency requests \$6.0 million, all SGF, for the purchase of a warehouse at Forbes Field in Topeka to enable the storage and statewide distribution of personal protective equipment (PPE) and other emergency supplies for FY 2023. The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.
11. **ENHANCEMENT—KANSASTAG.GOV REDESIGN.** The agency requests \$137,000, all SGF, for a redesign of KansasTAG.gov, the agency's website. The agency's current websites were developed over 15 years ago with programming that presents security vulnerabilities and is now obsolete.
12. **COVID-19 FEDERAL RELIEF FUNDS.** The agency request includes a decrease of \$47.6 million from COVID-19 federal relief funds for FY 2023. These decreases are primarily attributable to expenditures in support of the SEOC, purchase of PPE, and congregate housing contracting that occurred in FY 2022, but are not anticipated to reoccur for FY 2023. These decreases include:
 - \$44.6 million from COVID-19 Public Assistance Grant funds provided by FEMA;
 - \$1.7 million from the Coronavirus Relief Fund, which was awarded by the SPARK Task Force; and
 - \$1.3 million from the Emergency Management Performance Grant Fund, which was provided by FEMA.
13. **OTHER STATE DISASTER PAYMENTS.** The agency's request includes a decrease of \$24.1 million, including \$3.7 million SGF, due an anticipated decrease in reimbursements of state, local, and nonprofit entities for previous federally declared disasters, such as flooding that occurred in FY 2017. The reduction in disaster payments is partially offset by the enhancement request for payments of more recent disasters described above.
14. **SDB DESIGN.** The agency's request includes a decrease of \$1.6 million SGF for design expenditures related to the proposed State Defense Building (SDB) remodel. These design expenditures occurred in FY 2022, but will not reoccur for FY 2023.
15. **ARMY GUARD FACILITES OPERATIONS.** The agency's request includes a decrease of \$1.4 million, all from special revenue funds, for operational expenditures related at Army Guard facilities that occurred in FY 2022, but will not reoccur for FY 2023.
16. **ALL OTHER ADJUSTMENTS.** The agency's request includes an all funds decrease of \$870,304 and an SGF decrease of \$467,216 for other adjustments in FY 2023. These adjustments include decreased expenditures for military activations, force protections measures, and decommissioning of nuclear monitoring and calibrating devices.

The **agency** request also includes 299.5 FTE positions, which is an increase of 10.5 FTE positions above the FY 2022 revised estimate. The increase is due to the agency's enhancement request to add 8.5 FTE positions to KDEM and 2.0 FTE positions to KIFC.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$157.4 million, including \$52.3 million SGF, for FY 2023. This is an all funds decrease of \$42.3 million, and an SGF decrease of \$42.2 million, below the agency's FY 2023 request.

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

17. **ENHANCEMENT—KDEM POSITIONS.** The Governor recommends \$300,000 SGF for 4.0 FTE positions at KDEM, which is a decrease of \$310,910 and 4.5 FTE positions below the agency's request.
18. **ENHANCEMENT—KIFC POSITIONS.** The Governor recommends \$100,843 SGF for 1.0 FTE position at KIFC, which is a decrease of \$100,843 and 1.0 FTE position below the agency's request.
19. **ENHANCEMENT—SUPER SYSTEM LICENSING FEE.** The Governor does not recommend the agency's enhancement request of \$125,000 SGF for the Super System Licensing Fee.
20. **ENHANCEMENT—DEFERRED MAINTENANCE – ARPA.** The Governor does not recommend the agency's enhancement request of \$35.8 million SGF for deferred maintenance among all remaining armories. The recommendation notes that ARPA funding will be pursued with the SPARK Taskforce for this purpose.
21. **ENHANCEMENT—WAREHOUSE – ARPA.** The Governor does not recommend the agency's enhancement request of \$6.0 million SGF for the purchase of an emergency supply warehouse. The recommendation notes that ARPA funding will be pursued with the SPARK Taskforce for this purpose.
22. **ENHANCEMENT—KANSASTAG.GOV REDESIGN.** The Governor recommends \$124,500 SGF for the website redesign, which is a decrease of \$12,500 below the agency's request.
23. **OFFICE OF EMERGENCY COMMUNICATIONS.** The Governor recommends an increase of \$122,481 SGF, offset by a decrease of the same amount from special revenue funds, for maintaining and training statewide communications interoperability capabilities. These expenditures were previously funded with an annual transfer from the Kansas Department of Transportation (KDOT) and the recommendation notes this adjustment would cease that transfer after FY 2023.

The **Governor's** recommendation also includes 294.0 FTE positions, which is a decrease of 5.5 FTE positions below the agency's FY 2023 request. The decrease is due to the Governor not recommending 4.5 FTE positions for KDEM and 1.0 position for KIFC, as part of the agency enhancement request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FY 2022 SUPPLEMENTAL						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Deferred Maintenance	\$ 319,480	\$ 638,960	--	\$ 319,480	\$ 638,960	--
Rehabilitation and Repair	83,333	166,666	--	83,333	166,666	--
State Disaster Payments	2,000,000	22,000,000	--	2,000,000	22,000,000	--
TOTAL	\$ 2,402,813	\$ 22,805,626	--	\$ 2,402,813	\$ 22,805,626	--

REQUEST 1

DEFERRED MAINTENANCE

The **agency** requests \$638,960, including \$319,480 SGF, to begin renovation and modernization of the 38 armories and other National Guard facilities in FY 2022. These expenditures would support large restoration projects, HVAC replacements, roof replacements, interior upgrades, and exterior improvements. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories).

The agency indicates deferred maintenance work would occur at armories in Abilene, Emporia, Hays, Hiawatha, Holton, Hutchinson, and Junction City in FY 2022.

The Governor recommends adoption of this request.

REQUEST 2

REHABILITATION AND REPAIR

The **agency** requests \$166,666, including \$83,333 SGF, for additional routine rehabilitation and repair among the 38 armories and other National Guard facilities in FY 2022. These expenditures would support physical security upgrades, groundskeeping, code compliance, and utility infrastructure replacement. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories).

The Governor recommends adoption of this request.

REQUEST 3

STATE DISASTER PAYMENTS

The **agency** requests \$22.0 million, including \$2.0 million SGF, to reimburse eligible expenses of state, local, and nonprofit organizations for federally declared disasters. The agency notes that payments for federally declared disasters require a 25.0 percent state matching rate. Of this, generally 15.0 percent is paid by the local organization, while 10.0 percent is provided by the agency. An increase of \$2.0 million SGF would leverage an additional \$20.0 million in federal payments for flooding that occurred in FY 2019 and for expenditures related to the COVID-19 pandemic response.

The Governor recommends adoption of this request.

FY 2023 ENHANCEMENTS						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Deferred Maintenance	\$ 2,500,000	\$ 5,000,000	--	\$ 2,500,000	\$ 5,000,000	--
Rehabilitation and Repair	500,000	1,000,000	--	500,000	1,000,000	--
State Disaster Payments	1,832,034	20,152,374	--	1,832,034	20,152,374	--
KDEM Positions	610,910	610,910	8.5	300,000	300,000	4.0
KIFC Positions	201,686	201,686	2.0	100,843	100,843	1.0
SDB Redesign & Remodel	20,951,443	20,951,443	--	20,951,443	20,951,443	--
Super System Licensing Fee	125,000	125,000	--	-	-	--
New Hays Armory - ARPA	18,135,000	18,135,000	--	18,135,000	18,135,000	--
Deferred Maintenance - ARPA	35,800,000	35,800,000	--	-	-	--
Warehouse - ARPA	6,000,000	6,000,000	--	-	-	--
KansasTAG.gov Rebuild	137,000	137,000	--	124,500	124,500	--
TOTAL	\$ 86,793,073	\$108,113,413	10.5	\$ 44,443,820	\$ 65,764,160	5.0

REQUEST 4

DEFERRED MAINTENANCE

The **agency** requests \$5.0 million, including \$2.5 million SGF, to continue renovation and modernization of the 38 armories and other National Guard facilities for FY 2023. These expenditures would support large restoration projects, HVAC replacements, roof replacements, interior upgrades, and building envelope improvements. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent match, with a few exceptions at 25.0 percent match for readiness centers (armories).

The agency indicates deferred maintenance work would occur at armories in Concordia, Dodge City, Paola, Salina, Smith Center, and Wichita for FY 2023.

The Governor recommends adoption of this request.

REQUEST 5

REHABILITATION AND REPAIR

The **agency** requests \$1.0 million, including \$500,000 SGF, for additional routine rehabilitation and repair among the 38 armories and other National Guard facilities for FY 2023. These expenditures would support physical security upgrades, groundskeeping, code compliance, and utility infrastructure replacement. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent match, with a few exceptions at 25.0 percent matching rate for readiness centers (armories).

The Governor recommends adoption of this request.

REQUEST 6

STATE DISASTER PAYMENTS

The **agency** requests \$20.2 million, including \$1.8 million SGF, to reimburse eligible expenses of state, local, and nonprofit organizations for federally declared disasters. The agency notes that payments for federally declared disasters require a 25.0 percent state matching rate. Of this, generally 15.0 percent is paid by the local organization, while 10.0 percent is provided by the agency. An increase of \$1.8 million SGF would leverage an additional \$18.3 million in federal payments for flooding that occurred in FY 2019 and for expenditures related to the COVID-19 pandemic response.

The Governor recommends adoption of this request.

REQUEST 7

KANSAS DEPARTMENT OF EMERGENCY MANAGEMENT (KDEM) POSITIONS

The **agency** requests \$610,910, all SGF, for the addition of 8.0 FTE positions for the KDEM at the State Defense Building in Topeka for FY 2023. In addition to their primary roles, these positions would augment the SEOC during periods of activation. The agency indicates the SEOC is currently understaffed. The request includes:

- \$73,514 for 1.0 FTE Recovery Specialist position responsible for coordinating recovery activities and providing technical support to local units of government before, during, and after a disaster. This position would assist local communities with damage assessments and coordinate with state and federal agencies.
- \$71,923 for 1.0 FTE Planner position to lead state planning efforts pursuant to KSA 48-926, which requires KDEM to maintain a state disaster emergency plan and state resource management plan. The agency notes the COVID-19 pandemic reinforced a need for state agencies to maintain Continuity of Operations Plans (COOP) to continue essential services. Further, this position would assist with development of county emergency plans.
- \$147,028 for 2.0 FTE Geospatial Information Systems (GIS) Specialist positions to provide information visualization for mitigation planning, hazard and risk assessments, and resource management. The agency notes the majority of county emergency management programs do not have GIS capabilities and rely on KDEM for this service. These GIS positions would supplement two existing positions, allowing for the deployment of a GIS team during disasters to support local incident management while retaining a team to support the SEOC.
- \$110,271 for 1.0 FTE Warehouse Manager position and 0.5 FTE Warehouse Specialist position to manage the warehousing of emergency relief supplies and equipment, such as personal protective equipment, bottled water, and cots at a fixed location in Topeka. Pursuant to KSA 48-928(b), KDEM has the duty to procure and distribute such supplies throughout the state during disasters.
- \$134,660 for 2.0 FTE Curriculum Specialist positions to provide emergency management training for state and local personnel in order to conform to the National Incident Management System standards. These positions would instruct courses, develop curriculum, perform evaluations, and liaison with public safety officials and state and

federal training specialists. The agency notes that in recent years, KDEM relied on local volunteers to deliver this training, but strains on local resources have diminished this volunteer option.

- \$73,514 for 1.0 FTE Incident Support Program Coordinator to coordinate activities involving the incident management system and provide technical support to local units of government. This position would coordinate exercises, certify and validate of response personnel, and certify deployment of the Incident Support Team and the State Emergency Operations Center (SEOC) support teams. Pursuant to KSA 48-928(o), KDEM has a duty to implement use of an incident management system among state, local, and interjurisdictional disaster agencies during an emergency or disaster.

The Governor recommends partial adoption of this request. The recommendation includes salaries and wages expenditures totaling \$300,000 for 4.0 FTE positions at KDEM.

REQUEST 8
KIFC POSITION

The **agency** requests \$201,686, all SGF, for 2.0 FTE analyst positions in the Kansas Intelligence Fusion Center (KIFC) for FY 2023. These positions would provide analysis of existing and emerging biological threats to the state's key agricultural infrastructure. The agency states that the National Bio and Agro-Defense Facility in Manhattan is scheduled to be operational by 2023. The agency further states these positions would enhance capacity to give decision-makers the opportunity to address threats before they become disasters.

The Governor recommends partial adoption of this request. The recommendation includes salaries and wages expenditures of \$100,843 SGF for 1.0 FTE position at KIFC.

REQUEST 9
SDB REMODEL

The **agency** requests \$21.0 million, all SGF, for the complete remodeling of the current State Defense Building (SDB) and the SEOC. The Kansas Division of of Emergency Management (KDEM) is currently housed in the basement of the the SDB in Topeka. The agency states that the current space is inadequate for the day-to-day operations of the SEOC. The agency's request is to provide space through the most-optimized design for the SEOC and KDEM. The complete remodeling includes construction, partial demolition, and engineering costs, as well as the acquisition and integration of technology.

The agency states that a complete remodel of the current facility is the most suitable option, as it sits within a secured site and is the location of the current SEOC and Joint Operations Center and supports the consolidation of multiple Adjutant General's Department programs, such as the Comptroller's Office and Human Resources Office. The agency notes that KDEM and the SEOC were significantly involved in the State's response to the COVID-19 pandemic and suggests discretionary funds provided through the federal American Rescue Plan Act (ARPA) may be suitable to be used instead of SGF moneys for this purpose.

The Governor recommends adoption of this request.

REQUEST 10

SUPER SYSTEM LICENSING FEE

The **agency** requests \$125,000, all SGF, for a licensing fee associated the Super System, an online application that supports the development and maintenance of emergency plans among regional, state, and local entities of government in Kansas, for FY 2023. The system allows for an inclusive planning process involving local emergency operations plans (LEOPs), continuity of operations (COOP) plans, and regional mitigation plans among 105 counties and 85 state entities, which includes state agencies, universities, and the Judicial Branch. The agency indicates the system's hierarchical structure and tiered permissions allows KDEM planners to efficiently review and approve plans in a timely manner.

KDEM is required to approve and periodically review emergency plans generated by local and regional entities, pursuant to KSA 48-929. The Super System was established in 2005, to better enable KDEM in reviewing a backlog of county LEOPs. According to the agency, the system proved successful and after the 2007 Greensburg Tornado, the system was expanded to include COOP plans. In 2012, the system was further expended to include the development of regional mitigation plans, which are required to qualify for federal hazard mitigation grants.

The Governor does not recommend adoption of this request.

REQUEST 11

NEW HAYS ARMORY – ARPA

The agency requests \$18.1 million, all SGF, to establish a new National Guard armory in Hays for FY 2023. This estimate includes the purchase of a 15-acre site (\$2.1 million), yet to be determined, and the construction of a 49,792-square foot National Guard Readiness Center (\$16.0 million). The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.

The agency states that the current armory in Hays is over 60 years old and located on a site in a flood plain that does not support new construction. The current facility lacks adequate administrative and classroom space, kitchen facilities, and affords limited maintenance bay capacity. The agency indicates these limitations inhibit training. The agency notes a new facility would better enable training, administrative actions, automation, and communication for a site that is a mobilization platform for federal and state activation of National Guard soldiers. The agency estimates construction of the new facility would be complete by FY 2026.

The Governor recommends adoption of this request. The recommendation includes \$18.1 million, all SGF, for this request and notes that ARPA funding will be pursued with the SPARK Taskforce for this purpose.

REQUEST 12

DEFERRED MAINTENANCE – ARPA

The agency requests \$35.8 million, all SGF, to address deferred maintenance among all remaining National Guard facilities for FY 2023. The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose. These expenditures would support renovation and modernization of facilities, including HVAC system replacement, roof replacement, interior upgrades, and exterior improvements. The agency notes that National Guard readiness centers (armories) were last updated between 2001 and 2012 and many systems have reached the end of their life cycle.

The Governor does not recommend adoption of this request. The recommendation notes that ARPA funding will be pursued with the SPARK Taskforce for this purpose.

REQUEST 13

WAREHOUSE – ARPA

The agency requests \$6.0 million, all SGF, for the purchase of a warehouse in Topeka to enable the storage and statewide distribution of personal protective equipment (PPE) and other emergency supplies for FY 2023. The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.

In response to the COVID-19 pandemic, large quantities of PPE, and other response supplies and medical equipment, were procured and warehoused at a leased facility. Since March 2020, these warehousing operations have supported the delivery of 1.0 million pieces of PPE to community partners experiencing supply shortfalls. The warehouse provides KDEM the capability to maintain a 60-day supply of items such as PPE, bottled water, packaged food, and cots, which the agency indicates is critical due to continued supply-chain disruptions during the COVID-19 pandemic and would be a valuable capability during future disasters.

The proposed site is a 34,429-square foot warehouse located at Forbes Field in Topeka. The site is in proximity to interstate highways and the Forbes Airfield, which affords access to both ground and air transportation. Additionally, the agency indicates the site could be suitable as a temporary alternative location for the SEOC.

The Governor does not recommend adoption of this request. The recommendation notes that ARPA funding will be pursued with the SPARK Taskforce for this purpose.

KANSASTAG.GOV REDESIGN

The **agency** requests \$137,000, all SGF, for a redesign of KansasTAG.gov, the agency's website, for FY 2023. The agency's current websites were developed over 15 years ago with programming that presents security vulnerabilities and is now obsolete. The agency states a full redesign would appear modern, better allow for maintenance, improve security, and potentially serve as single platform to interface with local entities regarding emergency plans submission, resource management, and state and federal funding opportunities.

The agency indicates it lacks the amount of information technology staff required to support a project of this scope; therefore, these contractual services expenditures are needed for the redesign and ongoing maintenance of the website.

The Governor recommends partial adoption of this request. The recommendation includes \$124,500 SGF for redesign of the website, which is \$12,500 below the agency's request.

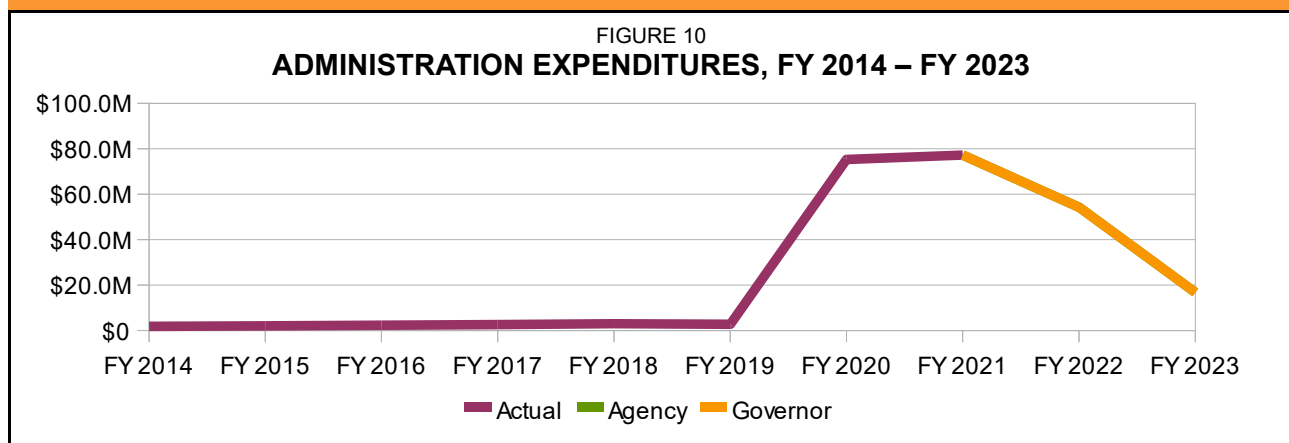
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 77,230,039	\$ 54,260,667	\$ 54,260,667	\$ 16,764,944	\$ 16,752,444
Emergency	6,191,729	9,043,040	10,093,040	8,349,636	7,812,883
Management and Homeland Security					
Infrastructure	27,593,199	32,748,897	32,748,897	31,314,136	31,314,136
Disaster Recovery	26,570,950	62,824,879	62,824,879	48,916,415	48,916,415
Payments					
Debt Service	-	-	-	-	-
Capital Improvements	11,875,343	8,309,359	8,309,359	94,380,417	52,580,417
TOTAL	\$ 149,461,260	\$ 167,186,842	\$ 168,236,842	\$ 199,725,548	\$ 157,376,295
FTE Positions:					
Administration	39.0	44.4	44.4	44.4	44.4
Emergency	57.0	55.7	55.7	66.1	60.7
Management and Homeland Security					
Infrastructure	193.0	189.0	189.0	189.0	189.0
Disaster Recovery	-	-	-	-	-
Payments					
Debt Service	-	-	-	-	-
Capital Improvements	-	-	-	-	-
TOTAL	289.0	289.0	289.0	299.5	294.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • *Kansas Constitution* Article 8, Section 2, KSA 48-201 through 48-206

PROGRAM GOALS: • Ensure military forces in Kansas are trained and prepared to respond to state and federal missions.
• Ensure accounting of armory and station funds is of the highest standard and the audit reviews of these funds will find a low number of audit exceptions.
Ensure critical information is provided to the public during emergencies or disasters.

The Administration program is responsible for the administrative functions of the agency. Sections include the Office of the Adjutant General, Office of State Human Resources, Comptroller's Office, Public Affairs Office, Information Technology Office, Archives, administration of the Military Bill of Rights, STARBASE, and other administrative support.

OFFICE OF THE ADJUTANT GENERAL

Funding provides for the pay and administrative costs for personnel of the Office of the Adjutant General to coordinate efforts to protect life and property through planning, coordination, and synchronization of state and federal resources, to provide a ready military, emergency management, and homeland security capability for the state and nation. The funding also provides salary for the Kansas Military Board members.

HUMAN RESOURCES

Funding provides personnel and administrative costs for processing employee benefits, payroll, recruitment, and employee relations for state employees located at 14 work sites across the state. It also allows for the implementation of policies and procedures that meet the needs of the agency while complying

with state and federal statutes, regulations, and best practices.

COMPTROLLER

Funding provides for personnel and administrative costs of the State Comptroller, accounts, inventory control officer, budgeting functions, procurement officer, and travel officer. This office ensures compliance with state and federal laws, regulations and procedures relating to fiscal policy, accounting standards, budget execution, procurement activities, and inventory management.

PUBLIC AFFAIRS OFFICE

Funding provides for pay and administrative costs associated with providing critical information to the public during emergencies or disasters and updates throughout the year regarding the Department's actions, plans, and recommendations. The Director of the Public Affairs Office activates the Joint Information Center in conjunction with the State Emergency Operations Center during times of natural or man-made disasters, including those resulting from nuclear and biological threats. Additionally, the Public Affairs Office produces media campaigns to increase awareness of the activities of the Adjutant General's Department.

INFORMATION TECHNOLOGY (IT)

Funding provides for IT support across all state functions of the agency. This includes computer support, applications and web support, and data storage. This subprogram also reviews and administers efforts to modernize, secure, and streamline communications for the agency.

MILITARY BILL OF RIGHTS

Funding provides for pay differential, activation payments, and the Kansas Military

Relief Fund. These funds are administered by the Comptroller's Office.

STARBASE

The mission of the Kansas STARBASE, Inc., is to add value to Kansas' youth through the development of math, science, technology, and personal growth skills in 4th, 5th, and 6th grade children. This program is 100.0 percent federally funded.

FIGURE 11 ADMINISTRATION, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Percent of Uptime for all Prescribed Services	99.0 %	99.0 %	99.0 %	99.0 %	99.0 %
2.Percent of Employees Reviewed Annually	100.0 %	100.0 %	99.8 %	100.0 %	100.0 %
3.Percent of requests for IT projects reviewed within 28 days*	100.0 %	100.0 %	95.3 %	100.0 %	100.0 %
Output Measure:					
4.Percent of Positive Customer Service Feedback	100.0 %	100.0 %	93.7 %	100.0 %	100.0 %
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2024
SGF	\$ 4,399,075	\$ (185,665)		\$ 1,282,833	\$ 1,386,077
COVID-19 Federal Relief Funds	65,248,228	75,706,494		50,211,208	12,600,000
Other Federal Funds	5,076,343	1,977,163		2,743,252	2,743,004
All Other Funds	535,207	(267,962)		23,374	23,363
TOTAL	\$ 75,258,853	\$ 77,230,030		\$ 54,260,667	\$ 16,752,444
Percentage Change:					
SGF	234.8 %	(104.2) %		(790.9) %	8.0 %
All Funds	2,655.5 %	2.6 %		(29.7) %	(69.1) %
FTE Positions	38.1	39.0		44.4	44.4
*The Office of Governor does not use this performance measure for evaluation purposes.					

BUDGET ANALYSIS

The **agency** requests a revised estimate of \$54.3 million, including \$1.3 million SGF, for the Administration program in FY 2022. This is an all funds increase of \$49.3 million, and an SGF decrease of \$90,571, from the FY 2022 approved amount. The increase is attributable to expenditures of \$45.9 million from COVID-19 federal relief funds, primarily for the operation of the State Emergency Operations Center, public affairs personnel, the purchase of personal protective equipment, and contracts for congregate housing.

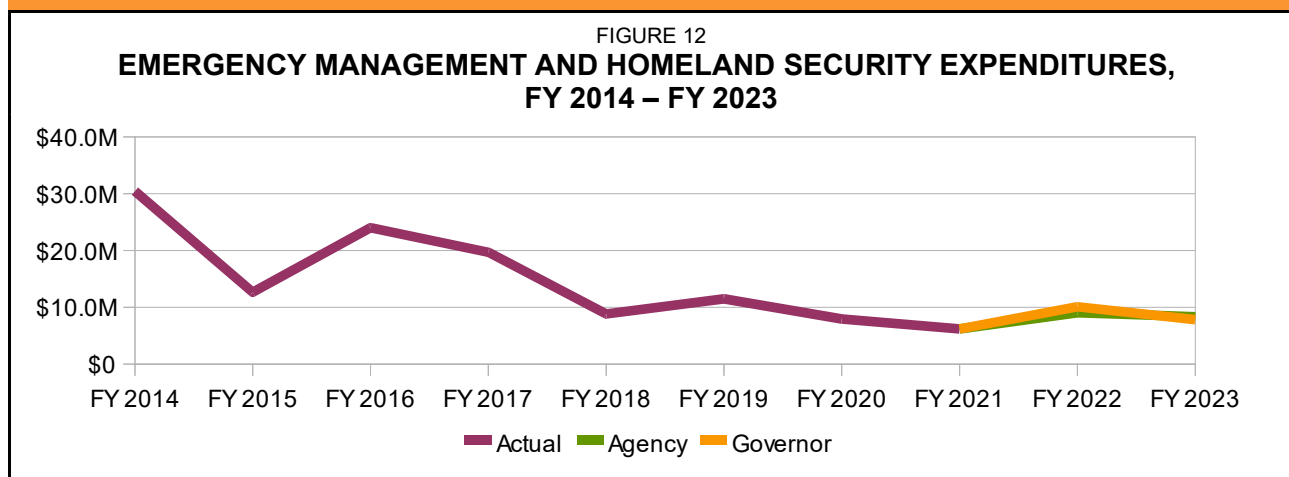
The **Governor** concurs with the agency's revised estimate for the Administration program in FY 2022.

The **agency** requests \$16.8 million, including \$1.4 million SGF, for the Administration program for FY 2023. This is an all funds decrease of \$37.5 million, including an SGF increase of \$115,744, from the FY 2022 revised estimate.

The decrease is attributable to decreased expenditures from COVID-19 federal relief funds (\$37.6 million), which is partially offset by the agency's enhancement request of \$137,000 for website redesign.

The **Governor** recommends expenditures totaling \$16.8 million, including \$1.4 million SGF, for the Administration program for FY 2023. This is a decrease of \$12,500 SGF below the agency's FY 2023 revised estimate. The recommendation decreases the agency's enhancement request for website redesign by \$12,500.

EMERGENCY MANAGEMENT AND HOMELAND SECURITY



STATUTORY BASIS: • KSA 48-901 through 48-968

PROGRAM GOALS:

- Reduce vulnerability of people, the environment, and structures to natural and technological incidents and disasters by eliminating or reducing the effects of a variety of hazards.
- Enhance state and local emergency management organizational readiness.
- Respond to incidents and disasters promptly and effectively.
- Provide timely and effective assistance to expedite recovery from incidents and disasters.
- Generate high-value intelligence products to counter terrorism and transnational criminal threats, biological threats, and cyber-warfare threats to critical infrastructure.

Emergency Management and Homeland Security activities are composed of work with local communities, first responders, non-governmental organizations, governmental entities, and owners of critical infrastructure and key resources to achieve disaster and terrorism preparedness. Specific activities include identification of concerns, prioritization of capabilities, development of common solutions, multi-agency exercises, training, and other actions to ensure a coordinated response and recovery to natural and man-made disasters, including terrorism. Expenditures in this program reflect expenditures for the following subprograms:

MITIGATION, PREPAREDNESS, PREVENTION, RESPONSE, AND RECOVERY

This subprogram provides funding for KDEM personnel and administrative costs associated with planning, mitigation, response, recovery, training, and exercises.

KANSAS INTELLIGENCE FUSION CENTER (KIFC)

Funding provides for KIFC personnel and administrative costs to produce high-value, all-source intelligence products to protect the life, freedoms, and property of the people of Kansas. KIFC is focused on the three primary Kansas Homeland Security risk areas: 1) terrorism threats, asymmetric warfare threats, and transnational criminal organization threats; 2) biological threats (both man-made and natural pathogens threatening human health, animal health, and plant/crop health); and 3) cyber-warfare threats and threats to critical infrastructure and key resources.

RADIOLOGICAL, BIOLOGICAL, AND NUCLEAR RESPONSIBILITIES

Funding for this subprogram provides for personnel, administrative, training, and exercise activities. This includes development and promulgation of planning standards and guidance concerning hazardous substances, such as toxic chemicals, radioactive substances, biological agents, and potential releases from nuclear power plants.

Funding also provides technical assistance related to chemical, biological, and radiological response planning, emergency notification, and statewide emergency coordination. This subprogram maintains the state's Radiological Emergency Response Plan for nuclear facilities and exercises the plan with respect to fixed nuclear facilities located in Coffey County (Wolf Creek Generating Station) and Cooper Nuclear Station in Nebraska. Additionally, this subprogram calibrates and distributes radiation detection devices for use by various public agencies in case of an incident at one of the nuclear power plants. This subprogram also receives notifications for radiological shipments through Kansas.

KDEM HOMELAND SECURITY

Funding within this subprogram reflects homeland security grants received. This money is required to support the State Homeland Security Program, which supports the implementation of state homeland security strategies to address planning, organization, equipment, training, and exercise needs to protect against, mitigate, respond to, and recover from acts of terrorism and other catastrophic events. Awards are based on three factors: minimum amounts of legislative mandates, U.S. Department of Homeland Security's (DHS) risk methodology, and anticipated effectiveness based on the strength of the investment justifications submitted to and approved by DHS.

KDEM EMERGENCY MANAGEMENT ASSISTANCE COMPACT (EMAC)

KDEM is responsible for developing policies and procedures for the formation, training, equipping, deployment, and sustainment of Incident Management Teams (IMTs) and SEOC Support teams. Members participate in training and exercises annually to maintain readiness for deployment to emergencies and disasters within their region and across the state. IMTs and SEOC Support Teams can deploy to assist other states during an incident or disaster under EMAC.

CIVIL AIR PATROL

Funding supports administering the budget for the federal Civil Air Patrol program, which provides Kansas citizens with a well-trained

group of volunteers that can provide cost-effective emergency services through the utilization of the assets of the Kansas wing of the Civil Air Patrol.

The program is managed by a volunteer director and a 0.5 FTE position secretary who provides a point of contact for administration, information, and other requested services on a scheduled weekday basis through the program's office in the headquarters of the Kansas wing at Salina Municipal Airport.

STATE ACTIVE DUTY

Funds pay for National Guard personnel who are activated in a state active duty status by the Governor for the purpose of performing emergency duty. Soldiers may be called to state active duty for disasters or emergencies, such as floods, tornadoes, ice storms, terrorism, or a civil disturbance. The program also pays for the use of federal training equipment on a cost basis for equipment issued to the Kansas National Guard. The Governor has the authority to call approximately 7,000 Kansas National Guard citizen soldiers and airmen to leave their full-time employment to serve on emergency or other state active duty. The current number of assigned positions is 2,162 Air National Guard members (94.4 percent of the authorized amount of 2,291) and 4,301 Army National Guard members (89.2 percent of authorized amount of 4,823). The state active duty does not contain any FTE positions; however, KSA 75-2935(g) states that when National Guard members are called in for state active duty, they are considered to be active within the unclassified service and are compensated within these parameters. The State pays the salaries and per diem for the service of these members.

STATE MILITARY SERVICE OPERATIONS

The State Military Service Operations Program provides funds for State Active Duty on a cost basis to meet the needs of the people of Kansas.

EMERGENCY COMMUNICATIONS

Funding provides for the personnel and administrative costs of the Adjutant General's Department Office of Emergency Communications, which supports outreach,

training, and coordination of statewide public safety communications capabilities. The Office functions as the emergency communications lead for the State Emergency Operations Center and has operational responsibility for

two deployable communications capabilities in support of the state public safety trunked radio system and leads the Statewide Interoperability Advisory Committee, as well as the State's Public Safety Broadband initiative.

FIGURE 13 EMERGENCY MANAGEMENT AND HOMELAND SECURITY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Threat Briefings	56	100	87	100	100
2.Number of Exercises Conducted that Focus on Top Tier Threats	5	5	N/A	5	5
3.Number of Written Intelligence Reports Published	53	75	53	75	75
Output Measure:					
4.Number of Public Awareness Campaigns for Individual and Family Preparedness	6	6	6	6	6
5.Number of County Emergency Operations Plans Reviewed*	6	57	28	N/A	N/A
6.Number of Intelligence Projects Disseminated to the Kansas Intelligence Community*	44	20	26	20	N/A
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,904,021	\$ 1,584,528		\$ 3,249,954	\$ 2,142,094
COVID-19 Federal Relief Funds	4,572,141	3,859,114		5,051,011	4,526,013
Other Federal Funds	677,700	275,927		521,187	521,188
All Other Funds	785,907	472,160		1,270,888	623,588
TOTAL	\$ 7,939,769	\$ 6,191,729		\$ 10,093,040	\$ 7,812,883
Percentage Change:					
SGF	(10.2) %	(16.8) %		105.1 %	(34.1) %
All Funds	(30.9) %	(22.0) %		63.0 %	(22.6) %
FTE Positions	55.0	57.0		55.7	60.7
*The Office of Governor does not use this performance measure for evaluation purposes.					

BUDGET ANALYSIS

The **agency** request a revised estimate of \$9.0 million, including \$3.2 million SGF, for the Emergency Management and Homeland Security program in FY 2022. This is an all funds increase of \$1.1 million, and an SGF increase of \$1.6 million, above the FY 2022 approved amount. The increase is attributable to design costs (\$1.6 million) for the remodel of the State Defense Building, which houses KDEM and the State Emergency Operations Center. The increase is partially offset by a decrease in salaries and wages expenditures (\$362,392), which includes employer contributions for fringe benefits such as the

Kansas Public Employees Retirement System (KPERs).

The **Governor** recommends expenditures totaling \$10.1 million, including \$3.2 million SGF, for the Emergency Management and Homeland Security program in FY 2022. This is an increase of \$1.1 million, all from special revenue funds, above the agency's FY 2022 revised estimate. The recommendation includes increased expenditures from the State Emergency Fund (\$525,000) to provide state match for increased expenditures from the

federal Emergency Management Performance Grant fund (\$525,000) for supplemental projects involving updating recovery plans based on lessons learned during the COVID-19 pandemic. The Governor also recommends transferring the unspent balance of the State Emergency Fund (\$8.6 million) back to the SGF. These funds were approved by the State Finance Council for expenditures in response to the COVID-19 pandemic; however, federal relief funds became available for this purpose.

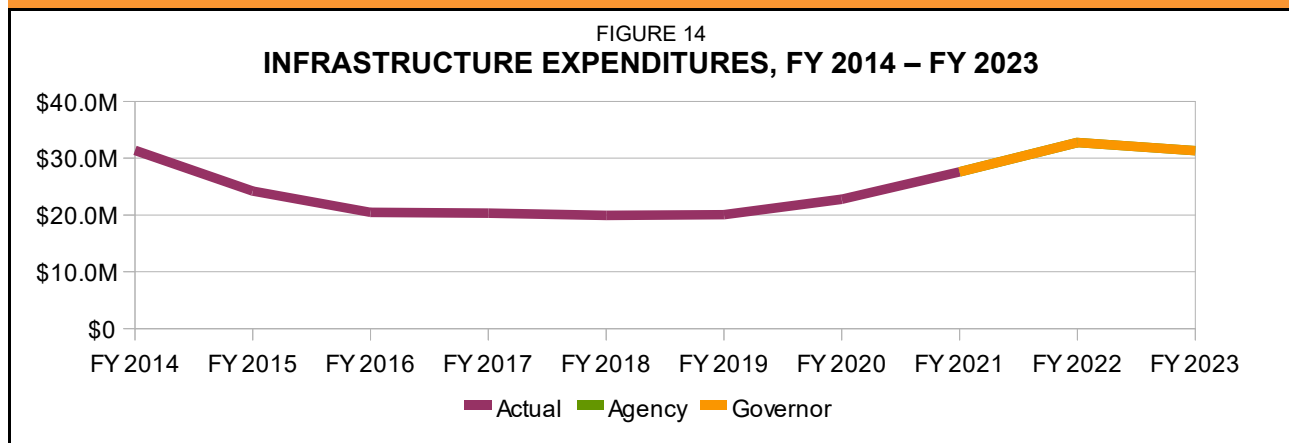
The **agency** requests \$8.3 million, including \$2.6 million SGF, for the Emergency Management and Homeland Security program in FY 2023. This is an all funds decrease of \$693,404 and an SGF decrease of \$693,588 below the FY 2022 revised estimate. The decrease is attributable to design costs for the remodel of the State Defense Building (\$1.6 million) that occur in FY 2022 but do not reoccur in FY 2023.

The decrease is partially offset by an increase in salaries and wages expenditures (\$808,775), which is primarily attributable to the

agency's enhancement requests to add 8.5 FTE positions in KDEM and 2.0 FTE positions in the KIFC.

The **Governor** recommends \$7.8 million, including \$2.1 million, for the Emergency Management and Homeland Security for FY 2023. This is an all funds decrease of \$536,753, and an SGF decrease of \$414,272. The recommendation includes enhancements totaling \$400,843 SGF for 5.0 additional FTE positions at KDEM and KIFC, which is a decrease of \$411,753 and 5.5 FTE positions below the agency's FY 2023 requests. The recommendation also includes an increase of \$122,481 SGF, offset by a decrease of the same amount from special revenue funds, for maintaining and training statewide communications interoperability capabilities. These expenditures were previously funded with an annual transfer from KDOT after termination of a federal grant in FY 2013. The recommendation notes this adjustment would cease that transfer after FY 2023.

INFRASTRUCTURE



STATUTORY BASIS: • KSA 48-205, 48-301, 48-304, 48-313; 32 USC 702, 708, 314

PROGRAM GOALS: • Provide maintenance resources to keep the physical facilities of the Army and Air National Guard operable, which include 84 Readiness Centers and federal buildings, 103 training site facilities, and 28 logistical facilities.

Infrastructure activities provide the Kansas Division of Emergency Management (KDEM) and units of the Kansas Army and Air National Guard and the State at large with necessary facilities. Army National Guard equipment and buildings are also used for state purposes, and armories can be available for community use. Most of the buildings and equipment are operated and maintained by the State on a cost-sharing basis with the federal government. The program maintains the State Defense Building, the Headquarters Complex, the Great Plains Joint Regional Training Center, and 38 Army National Guard armories, including 1 Armed Forces Reserve Center.

Of the armories, 35 are state-owned, 1 is leased, and 2 are federal property. Most of these armories were built in the 1950s and 1960s, but six armories were constructed between 1987 and 1997 and two were constructed in the 2000s. Additionally, 19 have been returned to their respective cities over the years. Most Army National Guard facilities have at least one full-time federal employee, who serves as the Non-commissioned Officer in Charge and handles administrative and training matters.

Army National Guard maintenance, logistical facilities, and training centers are financed by a mix of state and federal funds. They include nine field maintenance shops, the U.S. Property

and Fiscal Office, the Combined Support Maintenance Shop, the Federal Warehouse, the Kansas Training Center in Salina, the Army Aviation Support Facilities at Forbes Field and Salina, the Battle Command Training Center at Fort Leavenworth, the Maneuver Area Training Equipment Site at Fort Riley, and the Unit Training and Equipment Site in Salina.

This program also maintains facilities at Forbes Field in Topeka, McConnell Air Force Base (AFB) in Wichita, and Smoky Hill Air National Guard Weapons Range in Salina for units of the Kansas Air National Guard. The 184th Intelligence Wing at McConnell AFB performs intelligence and cyber missions as assigned. Within the 184th Intelligence Wing, there is also a Regional Support Group, Mission Support Group, Cyber Operations Group, and Medical Group. The 190th Air Refueling Wing at Forbes Field flies KC-135R tankers and uses buildings at Forbes Field for aircraft maintenance. Within the 190th Air Refueling Wing, there is also an Operations Group, Maintenance Group, Mission Support Group, and a Medical Group. Forbes is also home to the 73rd Civil Support Team. Crisis City allows for rescue training of first responders.

This program also accounts for the physical security of facilities; environmental compliance to preserve, protect, conserve, and restore the quality of the environment; and utility services

of these facilities. The Governor has the authority to commit federal training equipment issued to the Kansas National Guard, including helicopters, wheeled vehicles, aircraft, engineer equipment, personnel carriers, generators, and other similar items. The State pays for the use of this equipment on a cost basis.

This program includes expenditures for the maintenance and sustainment of the State Emergency Operations Center (SEOC). The SEOC facility serves as the center for federal, state, and local coordination, and is necessary to ensure continuity of operations and government in major emergencies and disasters caused by any hazard. Led by the

response and recovery branch director, the SEOC exists to gather, process, and report emergency situation intelligence to aid in state policy and decision-making; support local communities as they direct and control disaster emergency response operations; and account for the State's response support costs. The SEOC's ability to exchange critical disaster information is achieved through diverse and redundant communications technologies. Members of KDEM staff serve as the duty officer on a rotational basis, taking calls for a host of incidents in addition to severe weather, such as tornadoes, floods, and blizzards. A terrorist attack is managed in the same manner as a tornado or flood.

FIGURE 15 INFRASTRUCTURE, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Routine Work Orders Processed within 60 Days	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Percent of Urgent Work Orders Processed within 7 Days	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Output Measure:					
3. Percent of Sites that Received Energy Audits*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,467,020	\$ 2,712,682		\$ 2,856,191	\$ 2,853,987
COVID-19 Federal Relief	-	-		-	-
Other Federal Funds	20,040,681	24,685,850		29,892,706	28,460,149
All Other Funds	272,643	194,667		-	-
TOTAL	\$ 22,780,344	\$ 27,593,199		\$ 32,748,897	\$ 31,314,136
Percentage Change:					
SGF	19.3 %	10.0 %		5.3 %	(0.1) %
All Funds	13.6 %	21.1 %		18.7 %	(4.4) %
FTE Positions	188.0	193.0		189.0	189.0
*The Office of Governor does not use this performance measure for evaluation purposes.					

BUDGET ANALYSIS

The **agency** requests a revised estimate of \$32.7 million, including \$2.9 million SGF, for the Infrastructure program in FY 2022. This is an all funds increase of \$10.1 million, and an SGF increase of \$686,782, above the FY 2022 approved amount. The increase is attributable to increased contractual services expenditures (\$5.9 million), that include grounds and building maintenance services and utilities. The increase

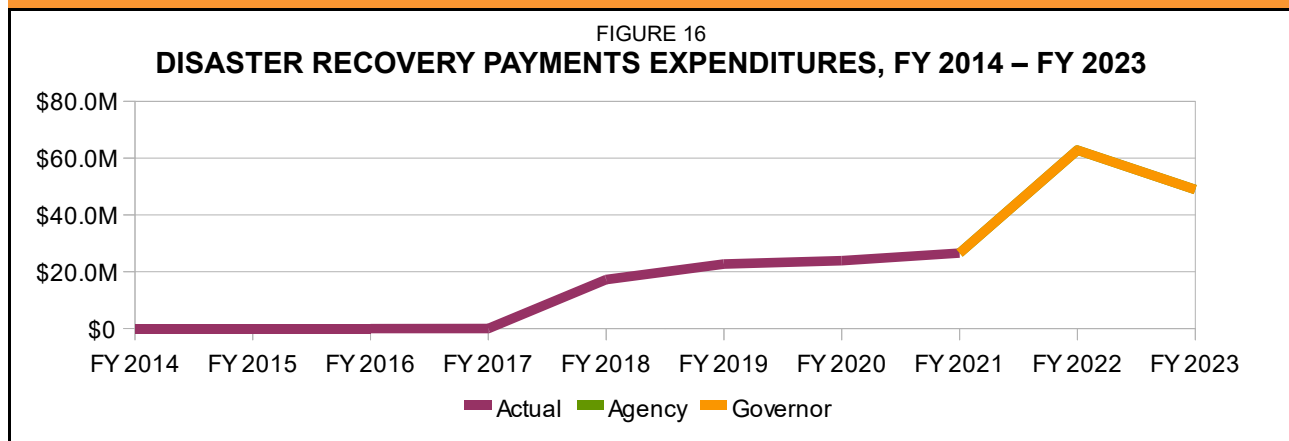
is also attributable to capital outlay expenditures (\$3.2 million) for the purchase of office furniture and computing equipment.

The **Governor** concurs with the agency's revised estimate for the Infrastructure program in FY 2022.

The **agency** requests \$31.3 million, including \$2.9 million SGF, for the Infrastructure program for FY 2023. This is an all funds decrease of \$1.4 million, and an SGF decrease of \$2,204, below the FY 2022 revised estimate. The decrease is attributable to decreased contractual services expenditures (\$1.4 million) for engineering services.

The **Governor** concurs with the agency's request for the Infrastructure program for FY 2023.

DISASTER RECOVERY PAYMENTS



Expenditures for this program were included with the Emergency Management and Homeland Security Program until FY 2017.

STATUTORY BASIS: • KSA 48-919, 48-924, 48-925, 48-926 through 48-933, 48-938, 48-943, 48-950

PROGRAM GOALS: • Finance response and recovery efforts for state or federally declared disasters.

The Disaster Recovery Payments program tracks expenditures for disaster relief payments. Expenditures include payments for state-declared disasters and federally declared disasters. Disaster funding for state-only declared disasters is 100.0 percent the responsibility of the State, whereas federally declared disasters (meeting the damage thresholds set by the Federal Emergency Management Agency (FEMA)) are typically funded by 75.0 percent federal funds, with a 25.0 percent non-federal match. The non-federal match for federally declared disasters has historically been provided for with the State

providing 10.0 percent and local units of government making up the other 15.0 percent of the non-federal matching funds.

Activities involve the administration of pass-through funds for state and federal emergencies. Although the total amount of this fund can dramatically rise or fall from one year to the next depending on the number of disasters occurring that year, these funds do not benefit or fund agency activities. These funds simply pass through the agency to finance local, county, and state costs associated with past state or federally declared disasters.

FIGURE 17
DISASTER RECOVERY PAYMENTS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of State Declared Disasters*	12	N/A	N/A	N/A	N/A
2.Number of Damage Assessments Completed*	3	N/A	N/A	N/A	N/A
Output Measure:					
3.State Funds Paid for State-Only Declared Disasters*	\$ 699,178	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,857,766	\$ 1,762,912		\$ 5,222,768	\$ 3,332,034
COVID-19 Federal Relief Funds	158	-		-	-
Other Federal Funds	21,026,346	23,711,058		57,602,111	45,584,381
All Other Funds	577	1,096,980		-	-
TOTAL	\$ 23,884,847	\$ 26,570,950		\$ 62,824,879	\$ 48,916,415

Percentage Change:					
SGF	(6.7) %	(38.3) %		196.3 %	(36.2) %
All Funds	5.2 %	11.2 %		136.4 %	(22.1) %
FTE Positions	--	--		--	--
*The Office of Governor does not use this performance measure for evaluation purposes.					

BUDGET ANALYSIS

The **agency** requests a revised estimate of \$62.8 million, including \$5.2 million SGF, for the Disaster Recovery Payments program in FY 2022. This is an all funds increase of \$47.3 million, and an SGF increase of \$3.7 million, above the FY 2022 approved amount. The increase is primarily attributable the the agency's supplemental request for \$2.0 million SGF, which would serve as match to leverage an additional \$20.0 million in federal funds. The total amount in this program includes payments for seven open disasters, payments for appeals, state active duty, and the State Emergency Operations Center assignments for FY 2022. Expenditures appearing in the FY 2021 actual amount reflect eligible costs incurred by state active duty personnel in support of disaster recovery. Such expenditures include basic pay, subsistence, lodging, travel, and administrative supplies, as needed. State active duty expenditures are not budgeted for future years as the nature of disasters cannot be forecasted.

The **Governor** concurs with the agency's revised estimate amount for the Disaster Recovery Payments program in FY 2022. However, the recommendation includes a decrease of \$10.0 million from COVID-19 federal relief funds for the agency's

enhancement request, which is offset by an increase of \$10.0 million from other federal disaster funds for the same purpose.

The **agency** requests \$48.9 million, including \$3.3 million SGF, for the Disaster Recovery Payments program for FY 2023. This is an all funds decrease of \$13.9 million, and an SGF decrease of \$1.9 million, below the FY 2022 revised estimate. The decrease is attributable to to a decrease in reimbursements to local entities for previous disasters, such as flooding in FY 2017. The requested amount includes the agency's enhancement request for \$1.8 million SGF, which would serve as a match to leverage \$18.3 million in federal funds. The total amount for this program includes payments for seven open disasters, payments for appeals, state active duty, and State Emergency Operations Centers assignments for FY 2023.

The **Governor** concurs with the agency's requested amount for the Disaster Recovery Payments program for FY 2023. However, the recommendation includes a decrease of \$9.2 million from COVID-19 federal relief funds for the agency's enhancement request, which is offset by an increase of \$9.2 million from other federal disaster funds for the same purpose.

CAPITAL IMPROVEMENTS

The Adjutant General's Department is responsible for capital improvements at facilities that include National Guard Readiness Centers (armories), the State Defense Building in Topeka, the Great Plains Joint Training Center in Salina, and Air National Guard facilities at McConnell Air Force Base in Wichita and Forbes Field in Topeka, and various other facilities.

A cooperative agreement between the agency and the federal National Guard Bureau generally requires 50.0 percent match with state funds, with a few exceptions that require a 25.0 percent match

FIGURE 18 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
State General Fund Projects:					
Rehabilitation and Repair	\$ 1,354,871	\$ 587,066	\$ 587,066	\$ 993,974	\$ 993,974
Deferred Maintenance	62,340	319,480	319,480	38,300,000	2,500,000
SDB Remodel	-	-	-	20,951,443	20,951,443
New Hays Armory	-	-	-	18,135,000	18,135,000
Warehouse	-	-	-	6,000,000	-
Life-Health-Safety Projects	3,359	-	-	-	-
General Armory Maintenance	460,724	-	-	-	-
<i>Subtotal–SGF</i>	<i>\$ 1,881,294</i>	<i>\$ 906,546</i>	<i>\$ 906,546</i>	<i>\$ 84,380,417</i>	<i>\$ 42,580,417</i>
Special Revenue Fund (SRF) / Federal Fund Projects					
General Fees Fund	\$ 88	\$ -	\$ -	\$ -	\$ -
NGB Ops/Maint. R&R Fed Match	8,472,802	7,402,813	7,402,813	5,000,000	5,000,000
JFHQ Construction				5,000,000	5,000,000
Architects and Engineers	1,110,945	-	-	-	-
COVID-19 Federal Relief Funds	410,214	-	-	-	-
<i>Subtotal–SRF&FED</i>	<i>\$ 9,994,049</i>	<i>\$ 7,402,813</i>	<i>\$ 7,402,813</i>	<i>\$ 10,000,000</i>	<i>\$ 10,000,000</i>
TOTAL	\$ 11,875,343	\$ 8,309,359	\$ 8,309,359	\$ 94,380,417	\$ 52,580,417
Financing:					
SGF	\$ 1,881,294	\$ 906,546	\$ 906,546	\$ 84,380,417	\$ 42,580,417
Federal Funds	9,993,961	7,402,813	7,402,813	10,000,000	10,000,000
All Other Funds	88	-	-	-	-
TOTAL	\$ 11,875,343	\$ 8,309,359	\$ 8,309,359	\$ 94,380,417	\$ 52,580,417

FY 2022 CAPITAL IMPROVEMENTS

The agency requests a revised estimate totaling \$8.3 million, including \$906,546 SGF, in FY 2022. The revised estimate includes two supplemental requests totaling \$805,626,

including \$402,813 SGF for additional rehabilitation and repair projects and deferred maintenance. The estimate is composed of the following:

- **SGF moneys:** The FY 2022 revised estimate includes \$587,066 for rehabilitation and repair expenditures and \$319,480 for deferred maintenance; and
- **All Other Funds:** The FY 2022 revised estimate includes \$7.4 million, all from matching federal funds, for eligible projects. This includes the agency's two supplemental requests for additional rehabilitation and repair and deferred maintenance projects in FY 2022.

SGF capital improvement projects included in the FY 2021 revised estimate are as follows:

- **REHABILITATION AND REPAIR.** The agency requests \$166,666, including \$83,333 SGF, for additional routine rehabilitation and repair among the 38 armories and other National Guard facilities in FY 2022. These expenditures would support physical security upgrades, groundskeeping, code compliance, and utility infrastructure replacement. The agency notes the

cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories).

- **DEFERRED MAINTENANCE.** The agency requests \$638,960, including \$319,480 SGF, to begin renovation and modernization of the 38 armories and other National Guard facilities in FY 2022. These expenditures would support large restoration projects, HVAC replacements, roof replacements, interior upgrades, and exterior improvements. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency indicates deferred maintenance work would occur at armories in Abilene, Emporia, Hays, Hiawatha, Holton, Hutchinson, and Junction City in FY 2022.

The **Governor** concurs with the agency's revised estimate in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$94.4 million, including \$84.4 million SGF, for capital improvements for FY 2023. This request includes six enhancement requests totaling \$86.9 million, including \$83.9 million SGF, for the remodel of the State Defense Building (SDB), a new armory in Hays, the purchase of an emergency supply warehouse, additional rehabilitation and repair, and deferred maintenance project expenditures. The request is composed of the following:

SGF MONEYS. The request includes \$993,974 for rehabilitation and repair expenditures, \$38.3 million for deferred maintenance, \$21.0 million for the remodel of the SDB, \$18.1 million for the land and construction of a new armory in Hays, and \$6.0 million for the purchase of an emergency supply warehouse.

ALL OTHER FUNDS. The request includes \$10.0 million, all from federal funds, for eligible projects. This includes matching funds for two of the agency's enhancement requests for additional rehabilitation and repair and deferred maintenance projects for FY 2023. Further, the request includes \$5.0 million from federal funds for construction of a new Joint Forces Headquarters (JFHQ) on federal property at Forbes Field in Topeka. The total project cost is estimated at \$16.5 million, with construction concluding in FY 2025.

SGF capital improvement projects included in the FY 2023 request are as follows:

REHABILITATION AND REPAIR. The agency requests \$1.0 million, including \$500,000 SGF, for additional routine rehabilitation and repair among the 38 armories

and other National Guard facilities, for FY 2023. These expenditures would support physical security upgrades, groundskeeping, code compliance, and utility infrastructure replacement. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories).

DEFERRED MAINTENANCE. The agency requests \$5.0 million, including \$2.5 million SGF, to continue renovation and modernization of the 38 armories and other National Guard facilities, for FY 2023. These expenditures would support large restoration projects, HVAC replacements, roof replacements, interior upgrades, and building exterior improvements. The agency notes the cooperative agreement with the federal National Guard Bureau generally provides a 50.0 percent rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency indicates deferred maintenance work would occur at armories in Concordia, Dodge City, Paola, Salina, Smith Center, and Wichita for FY 2023.

DEFERRED MAINTENANCE - ARPA. The agency request \$35.8 million, all SGF, to address deferred maintenance among all remaining National Guard facilities. The agency suggests discretionary funds provided through the federal American Rescue Plan Act (ARPA) may be suitable to be used instead of SGF moneys for this purpose. The agency notes that National Guard readiness centers (armories) were last updated between 2001 and 2012 and many systems have reached the end of their life cycle.

SDB REMODEL. The agency requests \$21.0 million, all SGF, for the complete remodeling of the current State Defense Building (SDB) and the State Emergency Operations Center (SEOC). The Kansas Division of Emergency Management (KDEM) is currently housed in the basement of the the SDB in Topeka. The agency states that the current space is inadequate for the day-to-day operations of the SEOC. The complete remodeling includes construction, partial demolition, and engineering

costs, as well as the acquisition and integration of technology. The agency states that remodeling of the current facility is the most suitable option, as it sits within a secured site and is the location of the current SEOC and Joint Operations Center and supports the consolidation of multiple agency offices, such as the Comptroller's Office and Human Resources Office. The agency suggests that discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.

NEW HAYS ARMORY. The agency requests \$18.1 million, all SGF, to establish a new National Guard armory in Hays. This estimate includes the purchase of a 15-acre site (\$2.1 million), yet to be determined, and the construction of a 49,792-square foot National Guard Readiness Center (\$16.0 million). The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose. The agency states that the current armory in Hays is over 60 years old and located in a flood plain, which does not support new construction. The current facility lacks adequate administrative and classroom space, kitchen facilities, and affords limited maintenance bay capacity, all of which inhibits training. The agency estimates construction would be complete by FY 2026.

WAREHOUSE - ARPA. The agency requests \$6.0 million, all SGF, for the purchase of a warehouse in Topeka to enable the storage and statewide distribution of personal protective equipment (PPE), and other emergency supplies. The agency suggests discretionary funds provided through ARPA may be suitable to be used instead of SGF moneys for this purpose.

In response to the COVID-19 pandemic, large quantities of PPE, and other response supplies, were warehoused at a leased facility. This facility provides KDEM the capability to maintain a 60-day supply of items such as PPE, bottled water, and packaged food, which the agency indicates is critical due continued supply-chain disruptions during the COVID-19 pandemic and would be a valuable capability for future disasters. The proposed facility is a 34,429-square foot warehouse located at

Forbes Field in Topeka, which is in proximity to major interstate highways and an airfield. Additionally, the agency indicates the site could be suitable as an temporary alternate location for the SEOC.

The **Governor** recommends expenditures totaling \$52.6 million, including \$42.6 million SGF, for capital improvements for FY 2023. This is an SGF decrease of \$41.8 million below

the agency's FY 2022 revised estimate. The decrease is due to the Governor not recommending the agency's enhancement requests for additional deferred maintenance of all remaining armories (\$35.8 million), nor the purchase of a supply warehouse (\$6.0 million). The recommendation does not include ARPA funding for any projects, but notes that such federal funding should be pursued with the SPARK Taskforce.

KANSAS BUREAU OF INVESTIGATION

FY 2021 – FY 2023 BUDGET ANALYSIS

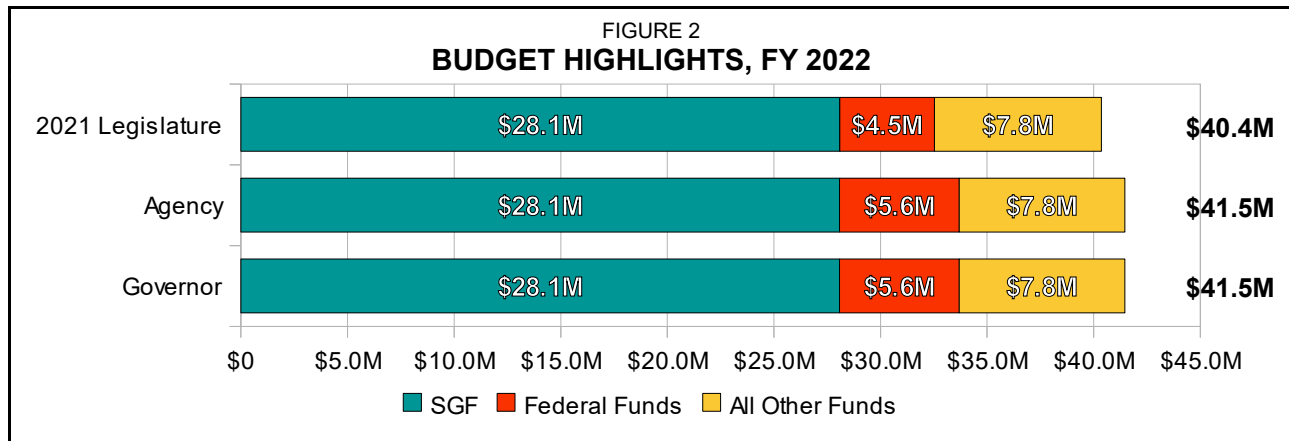
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 30,672,490	\$ 25,330,613	\$ 25,330,613	\$ 27,899,979	\$ 25,874,316
Federal Funds	6,321,983	5,609,819	5,609,819	4,565,400	4,565,400
All Other Funds	6,794,437	7,776,295	7,776,295	7,795,184	6,851,259
<i>Subtotal</i>	<u>\$ 43,788,910</u>	<u>\$ 38,716,727</u>	<u>\$ 38,716,727</u>	<u>\$ 40,260,563</u>	<u>\$ 37,290,975</u>
Capital Improvements:					
State General Fund	\$ 2,667,306	\$ 2,750,000	\$ 2,750,000	\$ 2,885,000	\$ 2,885,000
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 2,667,306</u>	<u>\$ 2,750,000</u>	<u>\$ 2,750,000</u>	<u>\$ 2,885,000</u>	<u>\$ 2,885,000</u>
TOTAL	<u>\$ 46,456,216</u>	<u>\$ 41,466,727</u>	<u>\$ 41,466,727</u>	<u>\$ 43,145,563</u>	<u>\$ 40,175,975</u>
Percentage Change:					
State General Fund	20.3 %	(15.8) %	(15.8) %	9.6 %	2.4 %
All Funds	11.9 %	(10.7) %	(10.7) %	4.0 %	(3.1) %
FTE Positions	353.5	353.5	353.5	353.5	353.5

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

The Kansas Bureau of Investigation (KBI) was established in 1939 as a division within the Office of the Attorney General. The mission of the KBI is to provide professional investigative and laboratory services to Kansas criminal justice agencies and to collect and disseminate criminal justice information for the purpose of promoting public safety and the prevention of crime in Kansas. The KBI headquarters is located in Topeka, and the agency has regional offices in Wichita, Lenexa, Great Bend, Pittsburg, and Garden City. Laboratory facilities are located in Great Bend, Kansas City, Pittsburg, and Topeka.

EXECUTIVE SUMMARY

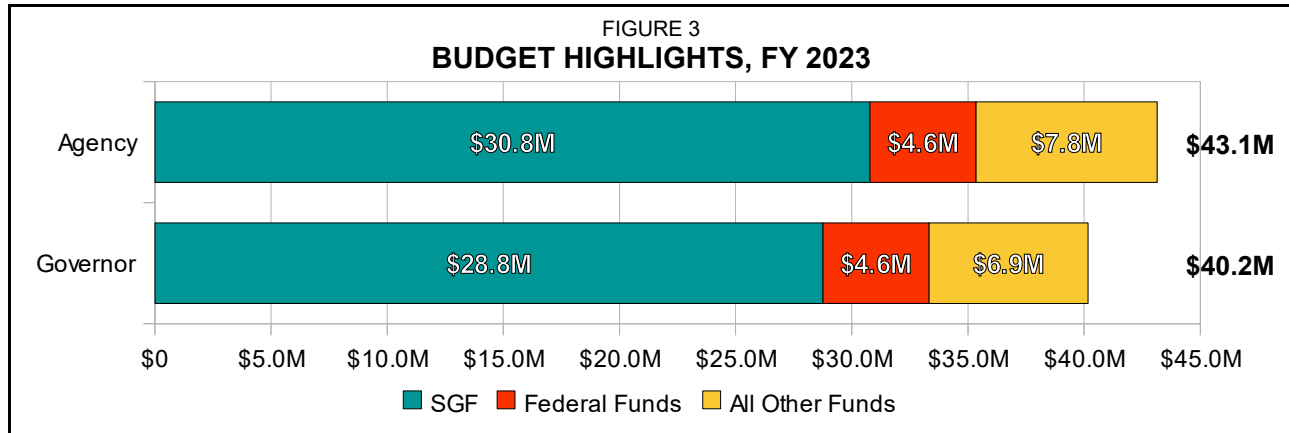
The 2021 Legislature approved a budget of \$39.3 million, including \$27.0 million from the State General Fund (SGF), for the Kansas Bureau of Investigation for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. This adjustment results in an increase of \$1.1 million, all SGF, attributable to the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.



The **agency** requests a revised estimate of \$41.5 million, including \$28.1 million SGF, in FY 2022. This is an all funds increase of \$1.1 million and an SGF decrease of \$2,851 from the FY 2022 approved amount. The all funds increase is primarily attributable to increased receipt and expenditures of federal funds in FY 2022. These additional federal funds include \$369,015 in Coronavirus Emergency Supplemental funding, an increase of \$393,610 in federal National Criminal History Improvement Grant funds, and \$354,674 in additional E-Citation Priority Safety federal grant funds.

The agency's revised estimate includes 353.5 FTE positions, which is unchanged from the FY 2022 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$43.1 million, including \$30.8 million SGF, for FY 2023. This is an all funds increase of \$1.7 million and an SGF increase of \$2.7 million above the FY 2022 revised estimate. The agency requests enhancements totaling \$4.0 million, all SGF, for recruitment and retention efforts that include professional staff (\$918,181), commissioned personnel (\$1.1 million), and forensic scientists (\$947,050). The agency also requests an enhancement of \$1.1 million SGF to restore the agency's previous base budget amount, which was decreased by 4.5 percent in FY 2021 as part of a reduced resource measure item adopted by the Governor. The agency offset the increase in SGF for enhancement requests by increasing the shrinkage rate for FY 2023.

The agency request also includes 353.5 FTE positions, which is unchanged from the FY 2022 revised estimate.

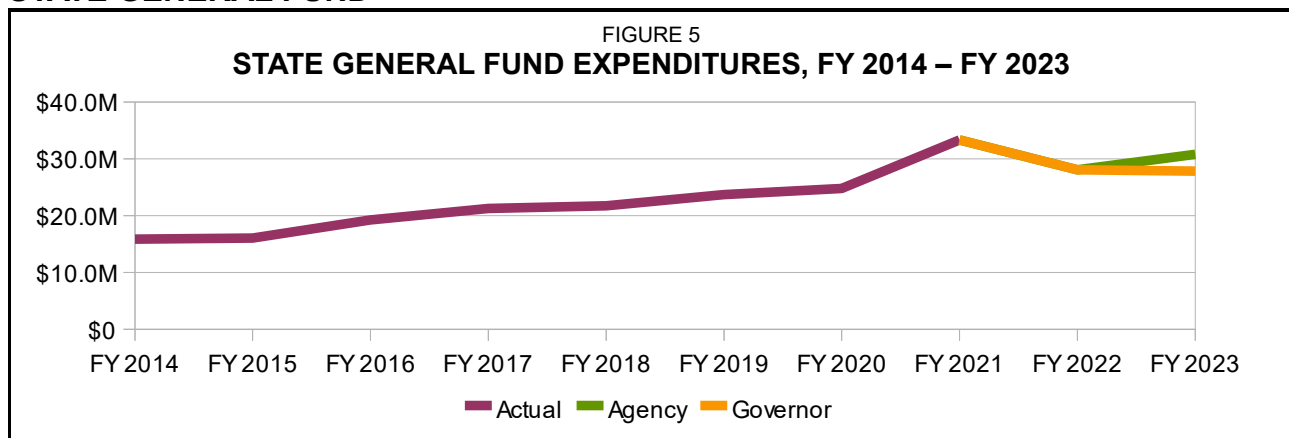
The **Governor** recommends \$40.2 million, including \$28.8 million SGF, for FY 2023. The recommendation is a decrease of \$3.0 million, or 7.4 percent, below the FY 2023 agency request. This includes the restoration of \$1.1 million SGF, which was reduced from the agency's budget as a part of the agency's FY 2022 reduced resource budget. The funding will be used to hire 16.0 FTE positions in investigations and forensic science services. Additionally, the Governor recommends \$943,925 be expended from the SGF as opposed to the Kansas Criminal Justice Information System fee fund.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 22,481,163	\$ 23,985,909	\$ 23,985,909	\$ 26,864,610	\$ 23,895,022
Contractual Services	7,915,216	8,894,709	8,894,709	8,014,329	8,014,329
Commodities	1,544,911	1,699,618	1,699,618	1,705,021	1,705,021
Capital Outlay	8,246,234	1,293,516	1,293,516	969,503	969,503
Debt Service Interest	1,802,925	1,673,675	1,673,675	1,537,800	1,537,800
<i>Subtotal</i>	<i>\$ 41,990,449</i>	<i>\$ 37,547,427</i>	<i>\$ 37,547,427</i>	<i>\$ 39,091,263</i>	<i>\$ 36,121,675</i>
Aid to Local Units	1,798,461	1,169,300	1,169,300	1,169,300	1,169,300
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 43,788,910</i>	<i>\$ 38,716,727</i>	<i>\$ 38,716,727</i>	<i>\$ 40,260,563</i>	<i>\$ 37,290,975</i>
Capital Improvements	147,306	100,000	100,000	100,000	100,000
Debt Service Principal	2,520,000	2,650,000	2,650,000	2,785,000	2,785,000
TOTAL	\$ 46,456,216	\$ 41,466,727	\$ 41,466,727	\$ 43,145,563	\$ 40,175,975
Financing:					
State General Fund	\$ 33,339,796	\$ 28,080,613	\$ 28,080,613	\$ 30,784,979	\$ 28,759,316
Record Check Fee Fund	2,660,863	3,163,064	3,163,064	3,131,525	3,131,525
Kansas Criminal Justice Information System (KCJIS)	1,493,926	1,885,946	1,885,946	1,713,855	769,930
Forensic Laboratory and Materials Fee Fund	1,774,948	1,859,623	1,859,623	1,953,759	1,953,759
Federal Funds	6,321,983	5,609,819	5,609,819	4,565,400	4,565,400
All Other Funds	864,700	867,662	867,662	996,045	996,045
TOTAL	\$ 46,456,216	\$ 41,466,727	\$ 41,466,727	\$ 43,145,563	\$ 40,175,975
FTE Positions	353.5	353.5	353.5	353.5	353.5

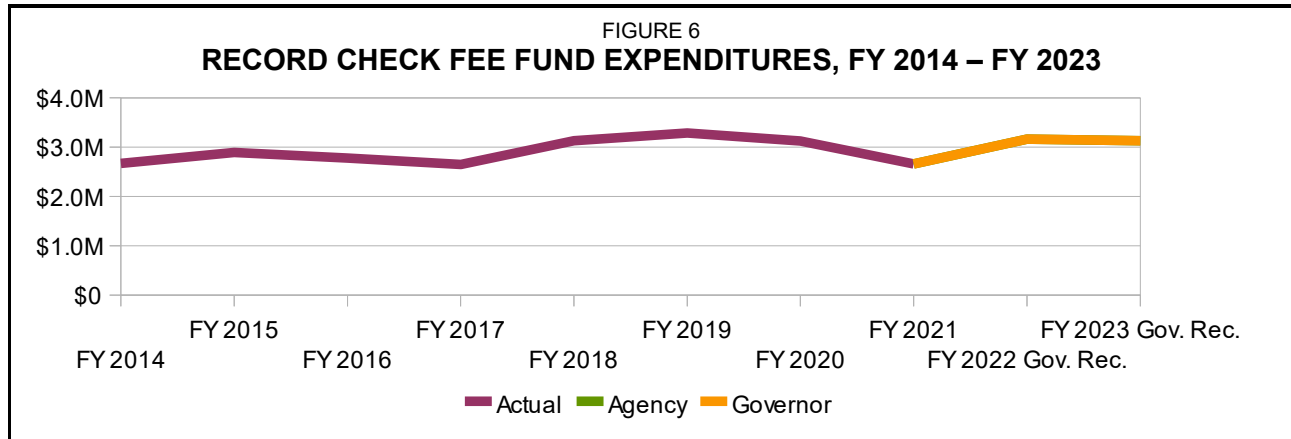
STATE GENERAL FUND



The Kansas Bureau of Investigation requests SGF expenditures of \$30.8 million for FY 2023. This is an increase of \$2.7 million above the FY 2022 revised estimate. The agency primarily utilizes SGF moneys for salaries and wages expenditures. The increase in SGF expenditures for FY 2023 is due to the agency's enhancements totaling \$4.0 million, all SGF, for recruitment and retention efforts. These were partially offset by the agency increasing the shrinkage rate to plan for

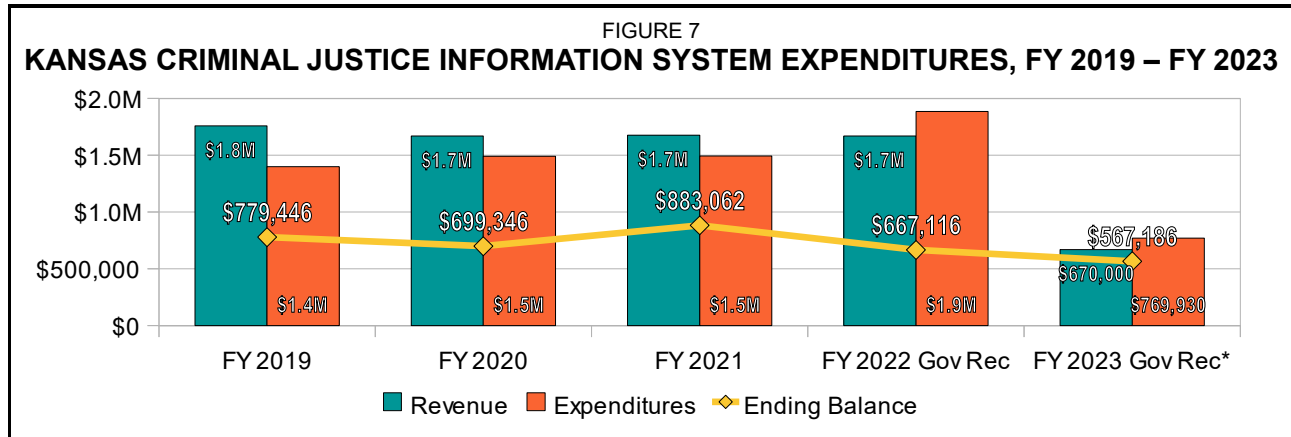
vacant positions to remain vacant. The agency has had a number of vacant positions in previous fiscal years and plans to implement retention and recruitment strategies to fill vacant positions in subsequent fiscal years.

RECORD CHECK FEE FUND



The Record Check Fee Fund, which is a no-limit fee fund, was established to collect fees in order to recover all or part of the direct and indirect operating expenses for criminal history record checks conducted for non-criminal justice entities and private organizations. Expenditures may be made from the Record Check Fee Fund for operating expenditures of the KBI. There are a variety of record checks, each with a different fee. In addition, moneys collected pay the Federal Bureau of Investigation for fingerprint searches done at the national level.

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM



* For FY 2023, the lowest month ending balance for the Kansas Criminal Justice Information System will occur in June with a balance of \$0.

This fund represents proceeds received from the disposition of district court fines, penalties, and forfeitures. Moneys in this fund are used to offset the costs of maintaining the Kansas Criminal Justice Information System (KCJIS). KSA 74-7336(a) provides that 4.3 percent of each traffic fine is credited to this fund. Additionally, \$1 of each Division of Vehicles modernization surcharge collected is required to be remitted to this fund, but the total cannot exceed \$1.0 million per year in FY 2022 and FY 2023.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 26,978,708	\$ 12,283,027	\$ 39,261,735	353.5
1. SGF Reappropriation	1,104,756	-	1,104,756	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 28,083,464</i>	<i>\$ 12,283,027</i>	<i>\$ 40,366,491</i>	<i>353.5</i>
Agency Revised Estimate:				
2. Coronavirus Emergency Supplemental Funding	\$ -	\$ 369,015	\$ 369,015	--
3. E-Citation National Priority Safety	-	325,830	325,830	--
4. National Criminal History Improvement Program	-	354,674	354,674	--
5. All Other Adjustments	(2,851)	53,568	50,717	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 28,080,613</i>	<i>\$ 13,386,114</i>	<i>\$ 41,466,727</i>	<i>353.5</i>
Governor's Recommendation:				
6. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 28,080,613	\$ 13,386,114	\$ 41,466,727	353.5

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$39.3 million, including \$27.0 million SGF, appropriated to the Kansas Bureau of Investigation for FY 2022. This adjustment changes the current year approved amount without any legislative action required.

1. **SGF REAPPROPRIATION.** An increase of \$1.1 million, all SGF, is attributable to the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$41.5 million, including \$28.1 million SGF, in FY 2022. This is an all funds increase of \$1.1 million, and an SGF decrease of \$2,851, from the FY 2022 approved amount.

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

2. **CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING.** The agency's revised estimate includes \$369,015 in Coronavirus Emergency Supplemental Funding in FY 2022, which is made available by the U.S. Department of Justice. The agency was awarded these funds to purchase necessary supplies and personal protective equipment.
3. **E-CITATION NATIONAL PRIORITY SAFETY.** The E-Citation National Priority Safety program is a federal program subgranted to the KBI through the Kansas Department of Transportation to staff a records manager position for the E-Citation system. This system allows agencies to submit citations electronically and allows criminal justice agencies to search citations for investigative purposes. The agency revised estimate includes an increase of \$325,830 for this program.
4. **NATIONAL CRIMINAL HISTORY IMPROVEMENT PROJECT.** The National Criminal History Improvement Project is a federal program subgranted through the Office of the

Governor's Grants Program. These funds are used to support staff performing data entry work concerning court records, arrest reports, offense reports, and document imaging of criminal history records. The agency's revised estimate includes additional expenditures of \$354,674 for this program.

5. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes an all other funds increase of \$50,717 above the FY 2022 approved amount. This adjustment includes a decrease of \$2,851, all SGF, which is partially offset by an increase in federal fund expenditures for the Paul Coverdell Forensic Sciences Improvement Grant and Law Enforcement Victims Advocate federal assistance program.

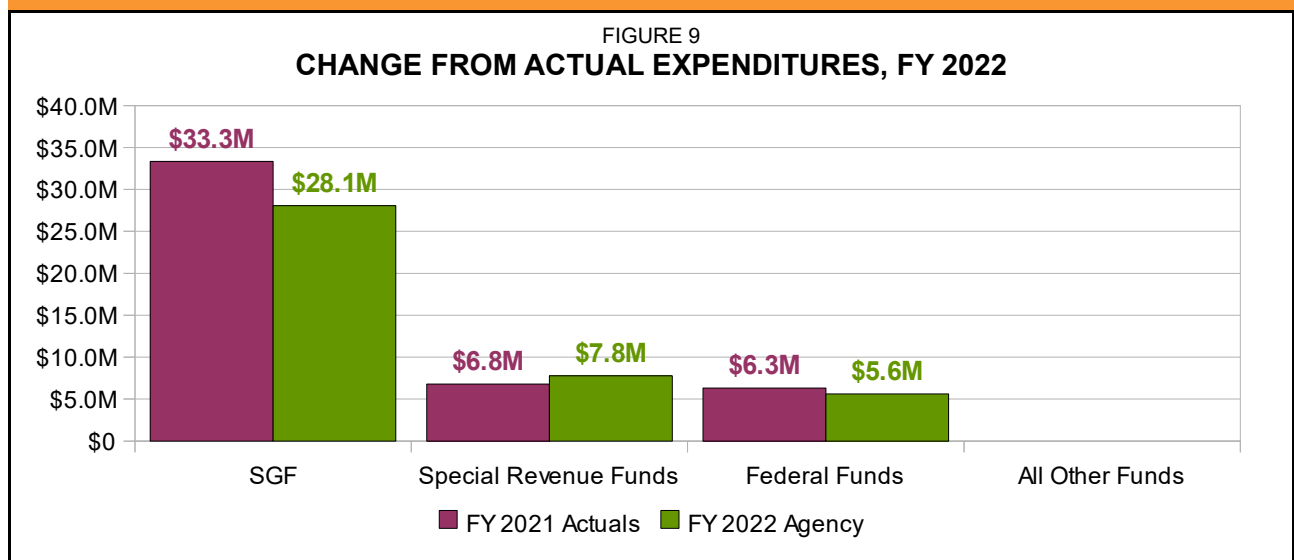
The **agency** estimate also includes 353.5 FTE positions, which is unchanged from the FY 2022 approved amount.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$41.5 million, including \$28.1 million SGF, in FY 2022. This includes 353.5 FTE positions, which is unchanged from the FY 2022 revised estimate.

6. **NO CHANGES.** The Governor concurs with the agency's revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency requests a revised estimate of \$41.5 million, including \$28.1 million SGF, for FY 2022. This is a decrease of \$5.0 million below the FY 2021 actual amount. This decrease is primarily attributable to a decrease of \$7.0 million in capital outlay expenditures. This decrease is due to expenditures related to the Automatic Biometric Identification System (ABIS) that occur in FY 2021, but do not reoccur in FY 2022. The decrease is partially offset by an increase of \$1.5 million in salaries and wages expenditures. This increase is due to an increase in regular and temporary salary expenditures and increases in employer contributions for fringe benefits in FY 2022.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 28,080,613	\$ 13,386,114	\$ 41,466,727	353.5
Agency Request:				
1. Coronavirus Emergency Supplemental Funding	\$ -	\$ (369,015)	\$ (369,015)	--
2. National Criminal History Improvement Program	-	(418,048)	(418,048)	0-
3. E-Citation National Priority Safety	-	(303,437)	(303,437)	--
4. Enhancement– Forensic Scientist Recruitment and Retention Initiative	947,050	-	947,050	--
5. Enhancement– Professional Staff Recruitment and Retention Initiative	918,181	-	918,181	--
6. Enhancement– KBI Commissioned Personnel Recruitment and Retention Initiative	1,104,357	-	1,104,357	--
7. Reinstatement of Base Budget	1,059,831	-	1,059,831	--
8. Vacant Positions– Shrinkage	(2,109,831)	(420,000)	(2,529,831)	--
9. All Other Adjustments	784,778	484,970	1,269,748	--
Subtotal–Agency Request	\$ 30,784,979	\$ 16,090,480	\$ 43,145,563	353.5
Governor's Recommendation:				
10. Reduced Resources Reinstatement	\$ -	\$ -	\$ -	--
11. KCJIS Funding Adjustment Q	943,925	(943,925)	-	--
12. Enhancement– Forensic Scientist Recruitment and Retention Initiative	(947,050)	-	(947,050)	--
13. Enhancement– Professional Staff Recruitment and Retention Initiative	(918,181)	-	(918,181)	--
14. Enhancement– KBI Commissioned Personnel Recruitment and Retention Initiative	(1,104,357)	-	(1,104,357)	--
TOTAL	\$ 28,759,316	\$ 15,146,555	\$ 40,175,975	353.5

AGENCY REQUEST

The **agency** requests \$40.2 million, including \$27.9 million SGF, for FY 2023. This is a decrease of \$1.2 million below the FY 2022 revised estimate.

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

- CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING.** The agency request includes a decrease of \$369,015 in Coronavirus Emergency Supplement funding for FY 2023. These funds are provided by the U.S. Department of Justice in FY 2022, but are not available for FY 2023.
- NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM.** The agency's request includes a decrease of \$418,048 for the National Criminal History Improvement federal grant program for FY 2023.
- E-CITATION NATIONAL PRIORITY SAFETY.** The agency's request includes a decrease of \$303,437 for the E-Citation National Priority Safety federal grant program for FY 2023.

4. **ENHANCEMENT—FORENSIC SCIENTIST RECRUITMENT AND RETENTION INITIATIVE.** The agency requests \$947,050 SGF to improve recruitment and retention of forensic scientists for FY 2023. The agency has faced challenges with high turnover in forensic science positions and seeks to implement a salary adjustment to be more competitive in the job market. Salary increases would be initiated once introductory forensic scientists complete all necessary training, and the agency would implement incremental pay increases for all non-introductory positions based on years of experience.
5. **ENHANCEMENT—PROFESSIONAL STAFF RECRUITMENT AND RETENTION INITIATIVE.** The agency requests \$1.1 million SGF for professional staff recruitment and retention efforts. These positions include program consultants, public service administrators, senior administrative assistants, application developers, system and data architects, information security analysts, technical support consultants, and service desk technicians. The agency requests a 10.0 percent salary enhancement for all professional staff to facilitate the recruitment and retention of these positions in the current job market.
6. **ENHANCEMENT—KBI COMMISSIONED PERSONNEL RECRUITMENT AND RETENTION INITIATIVE.** The agency requests additional expenditures of \$918,181 SGF for recruitment and retention efforts for commissioned personnel, including officers. The agency has faced challenges recruiting new officers due to heightened preferred qualifications, extensive background investigations, competition with other investigative entities, and below-market salary levels. The agency intends to improve recruitment by adjusting salary rates to be more competitive in the job market. Therefore, the agency is seeking to implement an adjustment to the Special Agency Recruitment and Retention plan that would be carried out over three years. This plan would increase salaries by 12.0 percent in the first year (FY 2023), and 7.5 percent in the two following budget years.
7. **REINSTATEMENT OF THE BASE BUDGET.** The agency requests an enhancement of \$1.1 million SGF for FY 2023 to restore the agency's base budget amount. In FY 2021, the Governor requested that specific agencies with SGF moneys provide a reduced resources budget submission of 10.0 percent for FY 2022. The Kansas Bureau of Investigation submitted a plan to reduce SGF expenditures by 10.0 percent, but stated that such a reduction would result in vacant positions across the agency as well as other operating expenditure reductions, which the agency indicated would be detrimental to providing services across the state. The Governor instead recommended a reduction of 4.5 percent, equaling \$1.1 million in FY 2022. The agency requests additional expenditures to restore salaries and wages and operating expenditures for FY 2023.
8. **VACANT POSITIONS—SHRINKAGE.** In order to reduce the amount of additional SGF moneys required to fulfill the agency's enhancement requests, the agency increased the shrinkage rate for FY 2023. The agency has had a number of vacant positions in previous fiscal years and plans for a portion of these positions to remain vacant for FY 2023. Therefore, the agency estimated salaries and wages expenditure savings of \$2.3 million SGF for these vacant positions.
9. **ALL OTHER ADJUSTMENTS.** The agency request includes additional increases totaling \$1.3 million, including \$784,778 SGF. This increase is primarily attributable to adjustments in salaries and wages, specifically, for police and firemen retirement and group health hospitalization insurance.

The **agency** request also includes 353.5 FTE positions, which is unchanged from the FY 2022 revised estimate.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$40.2 million, including \$28.8 million SGF, for FY 2023. The recommendation is a decrease of \$3.0 million, or 7.4 percent, below the FY 2023 agency request. This includes 353.5 FTE positions, which is unchanged from the FY 2023 request.

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

10. **REDUCED RESOURCES REINSTATEMENT.** The Governor recommends reinstatement of the base budget for 10.0 percent of the agency's FY 2022 budget, as requested by the agency as an enhancement.
11. **KCJIS FUNDING ADJUSTMENT.** The Governor recommends a shift of \$943,925 from the Kansas Criminal Justice Information System Fund to the SGF. This is primarily attributable to the elimination of a transfer into the Criminal Justice Information System Line Fund from the Division of Vehicles modernization surcharge. These funds will be used to finance personnel and infrastructure for the program.
12. **ENHANCEMENT—FORENSIC SCIENTIST RECRUITMENT AND RETENTION INITIATIVE.** The Governor does not recommend adoption of this request.
13. **ENHANCEMENT—PROFESSIONAL STAFF RECRUITMENT AND RETENTION INITIATIVE.** The Governor does not recommend adoption of this request.
14. **ENHANCEMENT—KBI COMMISSIONED PERSONNEL RECRUITMENT AND RETENTION INITIATIVE.** The Governor does not recommend adoption of this request.

ENHANCEMENT REQUESTS

REQUEST 1

ENHANCEMENT—RECRUITMENT AND RETENTION INITIATIVES

The agency requests enhancements to improve the recruitment and retention of forensic scientists, professional staff, and commissioned officers.

Recruitment and Retention Initiatives	
Item	SGF
1. Forensic Scientist Recruitment and Retention	\$ 947,050
2. Professional Staff Recruitment and Retention	918,181
3. KBI Commissioned Personnel Recruitment and Retention	1,104,357
TOTAL	\$ 2,969,588

1. **FORENSIC SCIENTIST RECRUITMENT AND RETENTION.** The agency requests \$947,050 SGF to improve recruitment and retention of forensic scientists for FY 2023. The agency has faced challenges with high turnover in forensic science positions and seeks to implement a salary adjustment to be more competitive in the job market. Salary increases would occur once entry-level forensic scientists completed all necessary training, and the agency would implement incremental pay increases for all other positions based on years of experience.

The Governor does not recommend adoption of this request.

2. **PROFESSIONAL STAFF RECRUITMENT AND RETENTION.** The agency requests additional expenditures of \$918,181 SGF for professional staff recruitment and retention efforts. These positions include program consultants, public service administrators, senior administrative assistants, application developers, system and data architects, information security analysts, technical support consultants, and service desk technicians. The agency requests a 10.0 percent salary increase for all professional staff to assist in the recruitment and retention in the current job market for these positions.

The Governor does not recommend adoption of this request.

3. **KBI COMMISSIONED PERSONNEL RECRUITMENT AND RETENTION.** The agency requests \$1.1 million SGF for recruitment and retention efforts for commissioned personnel, including officers. The agency has faced challenges recruiting new officers due to preferred qualifications, an extensive background investigation of applicants, recruitment competition, and salary levels. The agency intends to improve recruitment by adjusting salary rates to be more competitive in the job market and begin lateral hiring processes. Therefore, the agency is seeking to implement an adjustment to the Special Agency Recruitment and Retention plan that would be carried out over three years. The agency would increase salaries by 12.0 percent in the first year (FY 2023), and 7.5 percent for the two following budget years.

The Governor does not recommend adoption of this request.

ENHANCEMENT—REINSTATEMENT OF BASE BUDGET

4. The agency requests additional expenditures of \$1.1 million SGF for FY 2023 to restore the agency's base budget amount. In FY 2021, the Governor requested that specified agencies with SGF moneys provide a reduced resources budget submission of 10.0 percent for FY 2022. The Kansas Bureau of Investigation submitted a plan to reduce SGF expenditures by 10.0 percent, but stated such a reduction would result in vacant positions across the agency as well as other operating expenditure cuts that would interfere with the agency's ability to provide services across the state. The Governor instead recommended a reduction of 4.5 percent, equaling \$1.1 million in FY 2022. The agency requests additional expenditures to restore salaries and wages and operating expenditures for FY 2023.

The Governor recommends adoption of this request.

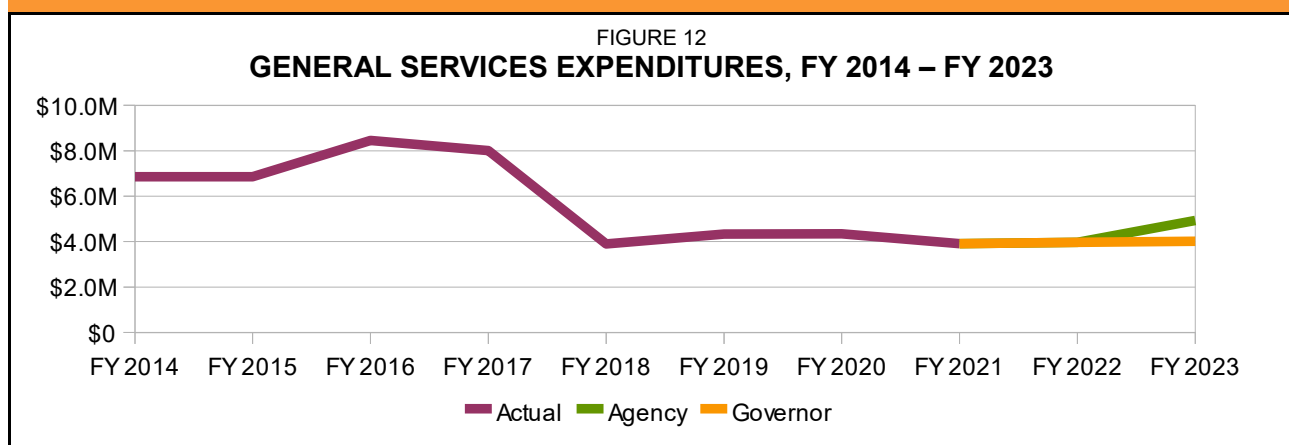
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
General Services	\$ 3,912,080	\$ 3,968,222	\$ 3,968,222	\$ 4,935,234	\$ 4,017,053
Field Investigations	6,645,032	6,690,963	6,690,963	7,966,636	6,862,279
Forensic Laboratory	10,734,352	11,415,146	11,415,146	12,580,385	11,633,335
KCJIS and IT	3,988,898	5,301,600	5,301,600	4,317,304	4,317,304
Information Services Division	7,963,296	1,007,637	1,007,637	590,307	590,307
Special Operations Division	8,742,327	8,659,484	8,659,484	8,332,897	8,332,897
Capital Improvements	147,306	100,000	100,000	100,000	100,000
Debt Service	4,322,925	4,323,675	4,323,675	4,322,800	4,322,800
TOTAL	\$ 46,456,216	\$ 41,466,727	\$ 41,466,727	\$ 43,145,563	\$ 40,175,975
FTE Positions:					
General Services	27.0	27.0	27.0	27.0	27.0
Field Investigations	72.0	72.0	72.0	72.0	72.0
Forensic Laboratory	92.5	92.5	92.5	92.5	92.5
KCJIS and IT	29.0	29.0	29.0	20.0	20.0
Information Services Division	18.0	18.0	18.0	18.0	18.0
Special Operations Division	58.0	58.0	58.0	58.0	58.0
Debt Service	-	-	-	-	-
Off Budget	57.0	57.0	57.0	66.0	66.0
TOTAL	353.5	353.5	353.5	353.5	353.5

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

GENERAL SERVICES



STATUTORY BASIS: • N/A

PROGRAM GOALS: • Provide accurate information and timely services to support the operations of the Bureau.
• Maintain a vacancy level below 5.0 percent as compared to established staffing levels. This includes both FTE and non-FTE positions.

The General Services program is responsible for establishing efficient and effective programs, policies, and procedures that provide relevant and timely management, data processing, and administrative services in support of KBI operations and the Kansas criminal justice community. The agency carries out its administrative functions through a variety of subprograms.

OFFICE OF THE DIRECTOR. The Office of the Director provides the overall management of the agency. The Director is ultimately responsible for the efficient operation of the agency and administration of agency programs in alignment with the agency mission, overarching goals, and in fulfillment of statutory obligations.

OFFICE OF GOVERNMENTAL AFFAIRS. The Office of Governmental Affairs is responsible for coordinating activities regarding intergovernmental relations to ensure the effective and accurate representation of the KBI in governmental affairs. The Executive Officer is the principal adviser to the Director and the executive staff with respect to legislative affairs and policy matters affecting state and local government.

OFFICE OF GENERAL COUNSEL. The Office of General Counsel provides timely and

efficient counsel and provides legal representation to the agency Director and, as appropriate, to the executive staff, divisions, units, and line employees on legal matters relating to agency operations.

OFFICE OF COMMUNICATIONS AND ENGAGEMENT. The Office of Communications and Engagement is responsible for internal and external communication initiatives as well as preparing and responding to external media inquiries. This office also coordinates and develops the agency's public service announcements.

OFFICE OF PROFESSIONAL STANDARDS. The Office of Professional Standards is responsible for developing and reviewing internal agency policies and ensuring agency officials adhere to those standards. This office is staffed by one Special Agent in Charge who is tasked with conducting objective investigations when the agency receives a complaint or becomes aware of situations involving employee misconduct. Additionally, the Special Agent in Charge conducts audits and inspections of agency programs and processes to ensure adherence to established standards.

HUMAN RESOURCES OFFICE. The Human Resources Office is responsible for personnel

management and agency-wide recruitment. This office manages the posting of vacant positions, receipt and processing of applications, and the background and hiring processes. Additionally, the Office is responsible for benefits management, payroll, and employee relations.

FISCAL OFFICE. The Fiscal Office provides financial services to both internal and external customers using generally accepted accounting principles. This office is responsible for maintenance of the accounting system and the financial records of the agency. It also manages the agency's budget by providing fiscal oversight of agency programs, monitoring the

budget process, and preparing fiscal information. Additionally, the Office administers approximately 14 state or federal grants that are used to fund programs that enhance the criminal justice system or generally improve public safety in Kansas.

FACILITIES OPERATIONS. The Facilities Operations subprogram works toward providing a safe and welcoming environment for employees and agency visitors. Those in Facilities Operations are responsible for ensuring the agency's facilities are clean, safe, secure, and well maintained. Custodial, maintenance, and security personnel at each facility are included in this group.

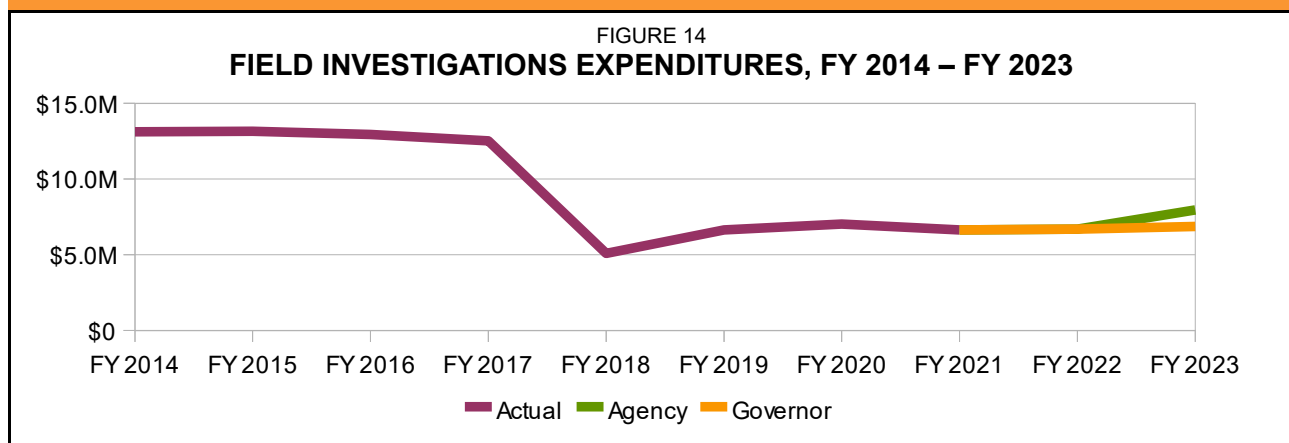
FIGURE 13 GENERAL SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Positions Vacant	15.0 %	15.0 %	16.0 %	8.0 %	5.0 %
Output Measure:					
2. Number of Authorized Positions	403	394	396	397	397
3. Number of Filled Positions	344	333	333	362	377
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 3,588,654	\$ 3,041,826		\$ 3,263,858	\$ 2,823,642
Federal Funds	221,915	458,877		45,550	45,550
All Other Funds	557,216	411,377		658,814	1,147,861
TOTAL	<u>\$ 4,367,785</u>	<u>\$ 3,912,080</u>		<u>\$ 3,968,222</u>	<u>\$ 4,017,053</u>
Percentage Change:					
SGF	8.2 %	(15.2) %		7.3 %	(13.5) %
All Funds	0.8 %	(10.4) %		1.4 %	1.2 %
FTE Positions	29.0	27.0		27.0	27.0

BUDGET ANALYSIS

The agency requests \$4.9 million, including \$3.7 million SGF, for the General Services program for FY 2023. This is an increase of \$967,012 above the FY 2022 revised estimate. This increase is primarily attributable to the agency's enhancement request and an increase in salaries and wages expenditures for regular and temporary staff and for employer contributions to employee fringe benefits.

The **Governor** recommends \$4.0 million, including \$2.8 million SGF, for the General Services program for FY 2023. This is a decrease of \$918,181, or 18.6 percent, below the agency's FY 2023 request. This decrease is attributable to the Governor not recommending adoption of the Professional Staff and Retention enhancement request.

FIELD INVESTIGATIONS



STATUTORY BASIS: • KSA 75-712(a), 75-111, 74-5607(a), 75-712(b-d), 75-4315(d), 74-8705, 74-8805, and 74-9804

PROGRAM GOALS: • Provide professional investigative assistance to local, state, and federal law enforcement agencies in response to all requests for assistance.

The Field Investigations program is responsible for promoting public safety and governmental integrity, at the request of partner law enforcement agencies and the Kansas Attorney General, through the aggressive and efficient investigation of serious criminal violations, the collection of information and evidence, the collection and dissemination of criminal intelligence information, and the completion of background investigations. The program prioritizes the investigation of major crimes of violence, major drug trafficking organizations, crimes involving child victims, crimes involving governmental integrity, and crimes wherein the local jurisdiction has a recognized conflict of interest in investigating the offense. This program achieves these goals through a variety of subprograms, detailed below.

MANAGEMENT AND SUPPORT. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures. This unit is responsible for coordinating and implementing the statutorily required continuing education and basic training for both of the agency's investigations divisions.

GENERAL INVESTIGATIVE OPERATIONS. The General Investigative Operations Unit is responsible for deploying Special Agent staff in

sufficient numbers to effectively investigate crimes utilizing recognized best practices. This unit utilizes a core group of specially trained Special Agents to respond to homicides, suspicious deaths, and crimes committed by public officials. Statutorily required investigations, including in-custody death investigations and cases conducted at the direction of the Kansas Attorney General, are also included in this program.

CHILD VICTIMS UNIT. The Child Victims Unit (CVU) investigates serious sexually violent crimes, which are designated as "Jessica's Law" violations pursuant to KSA 21-6627; serious physical abuse of a child; and crimes committed by suspects who are designated as habitual sexual offenders pursuant to KSA 21-6627. The CVU conducts an average of 50 investigations per year. The CVU also investigate 75.0 percent of the cases involving child victims; the remaining 25.0 percent of these cases are worked by other Special Agents who normally work cases referred to the General Investigative Operations Unit.

CRIME SCENE RESPONSE TEAM. The Crime Scene Response Team (CSRT) deploys Special Agent and Forensic Scientist staff to investigate major crime scenes. The crime scenes they process are typically related to homicide, law enforcement uses of deadly force, and violent sexual assaults. The CSRT is

supervised and managed full-time by one Assistant Special Agent in Charge with ten Special Agents and three Forensic Scientists whose part-time participation on the team is a collateral duty to their full-time assignments. The CSRT occasionally supports larger agencies that lack the level of expertise to reconstruct a crime scene or perform certain examinations at the scene of the crime.

CASE MANAGEMENT UNIT. The Case Management Unit (CMU) supports the investigative process by performing multiple duties related to the management of physical master case files, the retention of criminal investigative files according to the prescribed retention schedule, and the dissemination of criminal investigation reports and case files in support of the judicial process. This unit also manages the agency's electronic Investigative Case Management System (ICMS) and supports investigative personnel who are required to document case-related activities in ICMS.

AGENT EVIDENCE OPERATIONS. The Agent Evidence Operations Unit works to ensure the integrity of evidence that will be used for criminal prosecution and maintains the accountability of evidence held by the agency until it is properly disposed of through appropriate legal means. To ensure accountability, regular audits and inspections of evidence facilities are performed as a part of this subprogram. This unit also supports both of the agency's investigative divisions through the management, appropriate retention, and legal disposal of evidence seized during the course of an investigation.

MISSING PERSONS CLEARINGHOUSE OPERATIONS. The Missing Persons Clearinghouse contains more than 500 missing persons listed in a statutorily required database. Of those missing individuals, about 63.0 percent are juveniles. The database also serves

as a collection and distribution point for information related to unidentified human remains. This unit conducts daily verifications of new missing persons and interacts with law enforcement agencies and other governmental agencies in conducting investigations into missing persons. This unit also maintains files of the reported unidentified remains that law enforcement agencies in Kansas have discovered, acting as a repository and facilitator to assist in locating the missing persons and identifying any unidentified remains.

BACKGROUND INVESTIGATIONS OPERATIONS. The Background Investigations Operations Unit conducts background investigations, including both pre-employment backgrounds on prospective KBI employees and those the agency is statutorily required to conduct. Background investigations are conducted to determine the suitability of an individual for appointment to an important position within state government or within the judicial system and are generally aimed at assessing the individual's judgment, ability, honesty, responsible behavior, loyalty, mental stability, attitude, and prior criminal involvement or association.

FEDERAL TASK FORCE OPERATIONS. The Federal Task Force Operations subprogram contains Special Agents who participate in federal operations. Currently, the Investigations Division has two special agents assigned to a federal task force. As a part of the implementation of a cybercrimes unit, an agreement has been established with the FBI and the U.S. Secret Service to assign one special agent to the respective agencies' cybercrimes task forces. The assignments will be effective following the year-long KBI training program for new agents. The agency notes these state-federal relationships improve information sharing and collaboration on matters of enforcement, which, in turn, enhance public safety.

FIGURE 15

FIELD INVESTIGATIONS, PERFORMANCE MEASURES

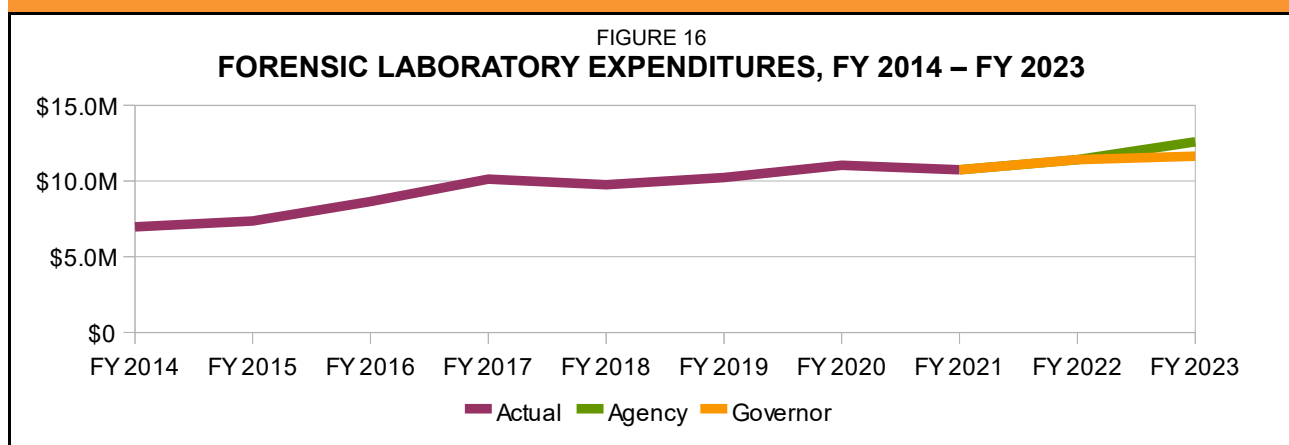
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Priority Investigations Declined	1.7 %	9.3 %	4.5 %	5.0 %	5.0 %
2. Percent of Cases Substantially Completed within 90 days	25.4 %	38.5 %	39.4 %	45.0 %	45.0 %
3. Percent of Prosecuted Offenders Convicted	100.0 %	100.0 %	100.0 %	97.0 %	97.0 %
Output Measure:					
4. Number of Investigations Initiated	251	288	288	295	295
5. Number of Investigations Declined	59	86	56	20	20
6. Number of Prosecuted Offenders Convicted	30	59	64	80	80
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 6,876,511	\$ 6,513,159		\$ 6,504,549	\$ 6,676,003
Federal Funds	49,250	52,979		69,342	69,040
All Other Funds	109,373	78,894		117,072	117,236
TOTAL	\$ 7,035,134	\$ 6,645,032		\$ 6,690,963	\$ 6,862,279
Percentage Change:					
SGF	6.5 %	(5.3) %		(0.1) %	2.6 %
All Funds	9.0 %	(5.5) %		0.7 %	2.6 %
FTE Positions	72.0	72.0		72.0	72.0

BUDGET ANALYSIS

The agency requests \$8.0 million, including \$7.8 million SGF, for the Field Investigations program for FY 2023. This is an all funds increase of \$1.3 million above the FY 2022 revised estimate. This increase is attributable to the agency's enhancement request and an increase in salaries and wages expenditures primarily for increases in employer contributions to fringe benefits such as the Kansas Police and Firemen's Retirement Plan.

The **Governor** recommends \$6.9 million, including \$6.7 million SGF, for the Field Investigations program for FY 2023. This is an all funds decrease of \$1.1 million below the agency's FY 2023 request. This decrease is attributable to the Governor not recommending adoption of the KBI Commissioned Personnel Retention and Recruitment enhancement request.

FORENSIC LABORATORY



STATUTORY BASIS: • KSA 65-448, 65-67a09, 22-2902(c), and 21-2511

PROGRAM GOALS:

- Provide timely, state-of-the-art forensic science services to the Kansas criminal justice system.
- Preserve the safety of all Kansas citizens through the application of science and modern technology.
- Ensure the interpretation of evidence is meaningful, objective, and free of bias.

The Forensic Laboratory program is responsible for providing timely, state-of-the-art forensic services to the Kansas public safety community through science and modern technology. To accomplish this, the forensic laboratory seeks to maintain its accreditation as a forensic laboratory, develop and retain a staff of highly trained and qualified forensic scientists, improve technology levels and facilities, and be consistent with best practices in forensic science. This program achieves these goals through a variety of subprograms, detailed below.

MANAGEMENT AND SUPPORT UNIT. The Management and Support Unit is responsible for the administration and conformance of laboratory policies, procedures, quality assurance, facilities, and supervision of laboratory support staff and supervisors. This unit oversees the Laboratory Information Management System and the quality assurance program to ensure compliance with the accreditation, safety, and security programs within the laboratory. Administrative staff are responsible for managing thousands of case files and communications with external customers within the criminal justice system and schedule approximately 3,600 subpoenas for testimony each year.

BIOLOGY/DNA UNIT. The Biology/DNA Unit is responsible for the identification and analysis of biological materials and for developing DNA profiles from evidence and reference samples. The potential for developing a suspect or providing investigative leads make DNA a powerful tool for law enforcement and, for that reason, the services for this section are in high demand.

DATABANK UNIT. The Databank Unit is responsible for the collection, maintenance, and analysis of offender DNA samples pursuant to Kansas law. This unit also maintains the Combined DNA Index System to link forensic and offender profiles. Matches made between profiles can link crimes, identify serial offenders, and generate investigative leads in unsolved cases.

DIGITAL EVIDENCE UNIT. The Digital Evidence Unit is responsible for the collection, processing, examination, and analysis of digital media that is stored on a wide variety of electronic devices, including, but not limited to, computer systems, mobile devices, external storage devices, and removable media.

DRUG CHEMISTRY UNIT. The Drug Chemistry Unit is responsible for the analysis of controlled substances, clandestine laboratory,

general chemical, and alcoholic beverage evidence.

EVIDENCE CONTROL CENTERS. The Evidence Control Centers subprogram is responsible for the safekeeping of all evidence submitted across the state to the laboratory for examination in criminal cases.

FIREARM AND TOOLMARK UNIT. The Firearm and Toolmark Unit is responsible for the examination of firearms, bullets, cartridge cases, ammunition components, fractured items, tools, tool-marked surfaces, and gunshot-damaged clothing.

LATENT PRINT UNIT. The Latent Print Unit is responsible for the development, recovery, and examination of latent prints from evidence. Staff compare latent prints removed from evidence to known prints of individuals and unidentified latent prints in the Automated Fingerprint Identification System. Evidence is also examined for the development and recovery of footwear and tire track impressions.

Unknown impressions are compared to known footwear, known tires, and test impressions.

QUESTIONED DOCUMENT UNIT. The Questioned Document Unit is responsible for the examination of document evidence to determine origin, authenticity, or authorship. This unit also performs lottery ticket quality control for the Kansas Lottery.

TOXICOLOGY UNIT. The Toxicology Unit is responsible for the analysis of human biological materials for the presence and amounts of alcohol, drugs, or other toxic compounds. Case types examined by the Toxicology Unit include driving under the influence (DUI), drug distribution/possession, drug-facilitated sexual assault, child endangerment, and death investigations.

TRACE EVIDENCE UNIT. The Trace Evidence Unit is responsible for performing primer gunshot residue and fire debris testing. This unit is in the process of developing capabilities in the trace disciplines of physical fit, fiber, and paint analysis.

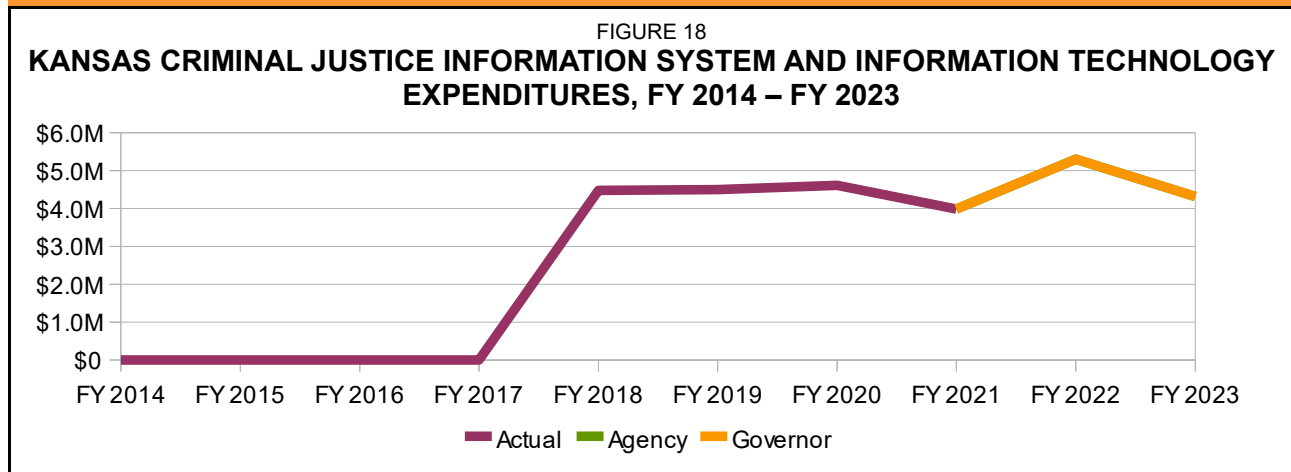
FIGURE 17 FORENSIC LABORATORY, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Total Backlog of Forensic Laboratory Assignments	5,437	4,911	4,538	3,900	3,900
2.Backlog over 60 days	2,378	2,790	2,056	2,200	1,900
3.Percent of Backlog over 60 days	43.7 %	56.8 %	43.7 %	45.0 %	40.0 %
Output Measure:					
4.New Forensic Laboratory Assignments	17,917	19,313	18,577	19,500	19,600
5.Completed Assignments	15,772	18,320	17,842	18,500	18,550
6.Number of Assignments Completed within 60 days	9,884	7,079	8,948	7,700	8,300
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 7,214,737	\$ 7,694,924		\$ 8,484,811	\$ 8,464,984
Federal Funds	543,277	403,041		277,200	292,697
All Other Funds	3,283,866	2,636,387		2,653,135	2,875,654
TOTAL	\$11,041,880	\$10,734,352		\$11,415,146	\$11,633,335
Percentage Change:					
SGF	4.0 %	6.7 %		10.3 %	(0.2) %
All Funds	7.9 %	(2.8) %		6.3 %	1.9 %
FTE Positions	92.5	92.5		92.5	92.5

BUDGET ANALYSIS

The agency requests \$12.6 million, including \$9.4 million SGF, for the Forensic Laboratory program for FY 2023. This is an all funds decrease of \$1.2 million below the FY 2022 revised estimate. This decrease is attributable to a decrease in salaries and wages expenditures to account for vacant positions and a decrease in contractual services expenditures for travel-related costs, partially offset by the agency's enhancement request.

The **Governor** recommends \$11.6 million, including \$8.5 million SGF, for the Forensic Laboratory program for FY 2023. This is an all funds decrease of \$947,050 below the FY 2023 request. This decrease is attributable to the Governor not recommending adoption of the agency's Forensic Scientist Retention and Recruitment enhancement request.

KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION TECHNOLOGY



Staff note: the Kansas Criminal Justice Information System and Information Technology program was not established as a separate program in the Kansas Bureau of Investigation budget until FY 2018.

STATUTORY BASIS: • KSA 74-5707 and 74-5702(d)

PROGRAM GOALS: • Maintain a secure, highly available, and responsive network capable of transporting criminal justice and related information to and from public and private agencies for the purpose of promoting public safety and the prevention of crime in Kansas.

- Develop, deploy, and maintain high availability solutions for critical systems.

The Kansas Criminal Justice Information System and Information Technology (KCJIS and IT) program contains the IT Division, which serves a diverse set of stakeholders and supports a wide range of technologies. The program's primary responsibilities include supporting agency initiatives and the KCJIS through a variety of subprograms, detailed below.

MANAGEMENT AND SUPPORT. The Management and Support Unit is responsible for administrative support for all other groups within the IT Division. This group provides support for correspondence, mail, training, travel, scheduling, purchasing, reporting, and other administrative needs of the Division. In addition, the group provides the IT purchasing agent for the entire agency, manages the statewide KCJIS user group community, assists with the yearly KCJIS conference, and performs other outward-facing support tasks as needed.

TECHNICAL SUPPORT AND DATA CENTER OPERATIONS. The Technical Support and Data Center Operations Unit is responsible for installing, maintaining,

troubleshooting, and replacing all hardware and software for the agency, as well as the platforms and secure data center in which KCJIS operates. The program serves as the central review and purchasing point for all IT resources at the agency and for KCJIS and provides day-to-day support of desktops, laptops, printers, and a wide variety of specialized equipment. Management of network resources, including shared data, account management for the KBI, and collaboration systems are the responsibility of Technical Support.

HELP DESK AND COMMUNICATIONS. The Help Desk and Communications Unit provides a single point of contact for agency users for all IT systems, as well as first-line support for the nearly 10,000 KCJIS users who utilize KCJIS resources. This unit is also responsible for monitoring and managing physical security systems for the KBI, assisting in the issuance of Amber Alerts and other critical communications, managing the onboarding of agency users, and support of mobile solutions utilized by agency staff. KCJIS relies heavily on this unit, as they provide a means of communication to other

state and national partners when local agency systems fail. Initial contact regarding any agency or KCJIS system is usually managed by this unit.

IT SECURITY AND NETWORKING. The IT Security and Networking Unit is responsible for installing, maintaining, and administering security hardware and software for the agency and for KCJIS. This includes the core firewalls, mobile firewalls, vulnerability scanning, internet and email security, and virus protection. Additionally, this unit maintains all secure connections to and from the agency and KCJIS, including network access control, authentication, and securing services. This unit is also involved in network management for the agency and KCJIS, disaster recovery, continuity of operations planning, security training, risk assessment, policy development, and secure mobile access.

PROJECT MANAGEMENT. The Project Management Unit is responsible for overseeing IT projects specialized to the particular needs and requirements of the criminal justice community, governance, and business processes. Development of project plans, scheduling maintenance, resource and budget management, risk management, contract development, oversight of testing and quality assurance, project documentation,

requirements gathering, business analysis, and reporting are the main areas of responsibility for the Project Management Unit. This unit interfaces with the Kansas Information Technology Office (KITO), major system vendors, and stakeholders both internal and external who are involved in IT projects, and reviews policy compliance at the state and federal level.

APPLICATION DEVELOPMENT AND DATA MANAGEMENT. The Application Development and Data Management Unit is responsible for supporting a large number of services offered to stakeholders both within the agency and in the KCJIS community. Development and integration of new applications and services, as well as support and integration for legacy systems, are this unit's responsibility. Many of the projects given to the IT Division become part of the workload for Application Development. Additionally, Application Development and Data Management is the primary line of support for partner agencies and stakeholders who have a need to integrate with agency or KCJIS systems. This unit is also responsible for supporting the many repositories and databases housed within the agency or accessed through KCJIS systems, including data integration to and from other systems and agencies and ongoing maintenance of existing systems.

FIGURE 19

**KANSAS CRIMINAL JUSTICE INFORMATION SYSTEM AND INFORMATION
TECHNOLOGY, PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percentage of Average Uptime for Critical Systems	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Percentage of Optimal Staffing	69.0 %	67.0 %	67.0 %	82.0 %	82.0 %
Output Measure:					
3. Minutes of Unplanned Downtime	84	9	46	60	60
4. Optimal Staffing Number	45	45	45	45	45
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 356,322	\$ 318,274		\$ 446,578	\$ 1,402,688
Federal Funds	142,267	209,802		507,848	204,108
All Other Funds	4,114,590	3,460,822		4,347,274	2,710,508
TOTAL	\$ 4,613,179	\$ 3,988,898		\$ 5,301,700	\$ 4,317,304
Percentage Change:					
SGF	(63.3) %	(10.7) %		40.3 %	214.1 %
All Funds	2.5 %	(13.5) %		32.9 %	(18.6) %
FTE Positions	29.0	29.0		29.0	29.0

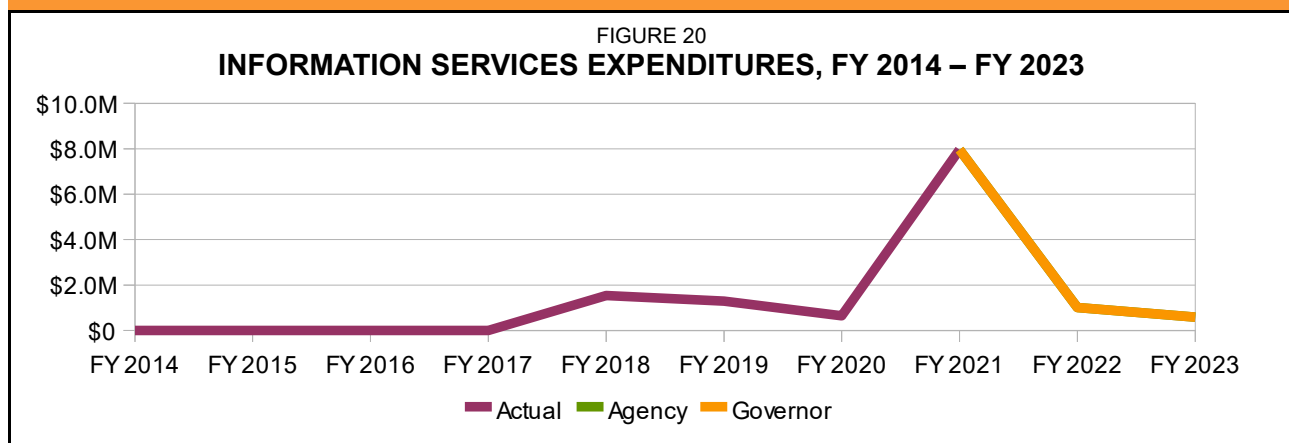
BUDGET ANALYSIS

The agency requests \$4.3 million, including \$458,763 SGF, for the Kansas Criminal Justice Information System and Information Technology program for FY 2023. This is an all funds decrease of \$984,296, and an SGF decrease of \$692,841, below the FY 2022 revised estimate. This decrease is primarily attributable to a decrease of \$436,959 in contractual services expenditures due to IT consulting and computer replacement services expenditures in FY 2022

that do not occur for FY 2023. Additionally, the agency estimates a decrease of \$604,777 for salaries and wages expenditures for FY 2023. This decrease is partially due to the agency budgeting for an increase in vacant positions for FY 2023.

The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.

INFORMATION SERVICES



Staff note: the Information Services program was not established as a separate program in the Kansas Bureau of Investigation budget until FY 2018.

STATUTORY BASIS: • KSA 12-4516, 17-2234, 19-826, 21-2501a, 21-4619, 22-2410, 22-4618, 39-970, 40-5504, 41-2610, 41-311b, 46-1103, 50-1128, 58-3039, 58-4127, 65-516, 65-1120, 65-1505, 65-1696, 65-2402, 73-1210a, 74-4905, 74-8705, 74-8763, 74-1112, 74-2113, 74-4905, 74-8705, 74-8763, 74-8769, 74-8803, 74-8805 and 8806, 74-8816, 74-9804, 75-4315d, 75-712, 75-7b04, 75-7b21, 75-7c05, 75-3707e, 75-5156, 75-5609a, and various federal laws

PROGRAM GOALS: • Enhance public safety in Kansas by providing the public with information regarding convicted offenders who could pose a threat, providing Kansas criminal history record checks, and providing valuable statistical crime information in Kansas to local law enforcement partners through incident-based reporting.

The Information Services program contains the Information Services Division, which collects and disseminates criminal justice information for the purposes of promoting public safety and preventing crime in Kansas. The Division is statutorily responsible for incident and arrest data, adult and juvenile criminal history record information, and administration of the Kansas Offender Registration Act through a variety of subprograms, detailed below.

MANAGEMENT AND SUPPORT UNIT. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures.

INCIDENT BASED REPORTING UNIT. The Incident Based Reporting Unit maintains the Kansas Incident Based Reporting System (KIBRS), a statewide crime data repository used to collect information obtained from Kansas Standard Offense Reports and Kansas Standard Arrest Reports. KIBRS assists the

agency in helping develop a clear picture of the crime problems in Kansas.

OFFENDER REGISTRATION UNIT.

Pursuant to KSA 22-4901, *et seq.*, the KBI is required to maintain the offender registration repository for sex, violent, and drug offenders in the State of Kansas. Registrations are submitted quarterly from sheriffs' offices for each offender based upon the offender's birth month. The agency notes that the Division has worked diligently over the last few years to create an electronic submission interface that allows for timelier processing of offender registrations.

The KBI manages offender registrations with a system called KsORT (Kansas Offender Registration Tool). KsORT is also offered, at no charge, to local law enforcement to submit registrations electronically. Across the state, 92 agencies use KsORT to submit registrations quarterly.

In 2016, the registry began accepting electronic submissions for registrations through an interface with a third-party vendor. Currently, there are 22 counties using the interface. Electronic registrations also update the public website an average of two days sooner than mailed registrations.

The combined use of KsORT and the interface with the third-party vendor allow over 67,000 registrations to be submitted each quarter.

CRIMINAL HISTORY RECORDS UNIT. The Criminal History Records Unit maintains the repository for criminal history records in Kansas, pursuant to KSA 22-4701. The records in the repository include fingerprint-based arrests, filings, court dispositions, and prison confinements. This unit also maintains the Automated Fingerprint Identification System (AFIS). AFIS is a fingerprint and palm print repository that contains the fingerprints and palm prints of Kansas registered offenders and

certain arrestees. AFIS identifies offenders by the patterns of fingerprints to determine if they are a new or recidivist offender. The data detailing the individual and the crime on the fingerprint card is then electronically submitted to the Criminal History Records repository based upon the fingerprint identity. Fingerprints are also processed for civil applicants based upon state and federal statutes authorizing for, among others, employment, licensing, child placement, and visa applications purposes. Fingerprints are compared to the criminal fingerprints to determine whether an applicant has a criminal history. The results of the fingerprint search are sent to the appropriate agency so they can determine eligibility for the reason the fingerprints were submitted. This system is being replaced with a new Automated Biometric Identification System (ABIS), which the agency expects to go live for FY 2023.

This unit also maintains the Scrap Metal Data Repository, pursuant to 2019 SB 219, which makes certain data available to law enforcement regarding the theft of scrap metal.

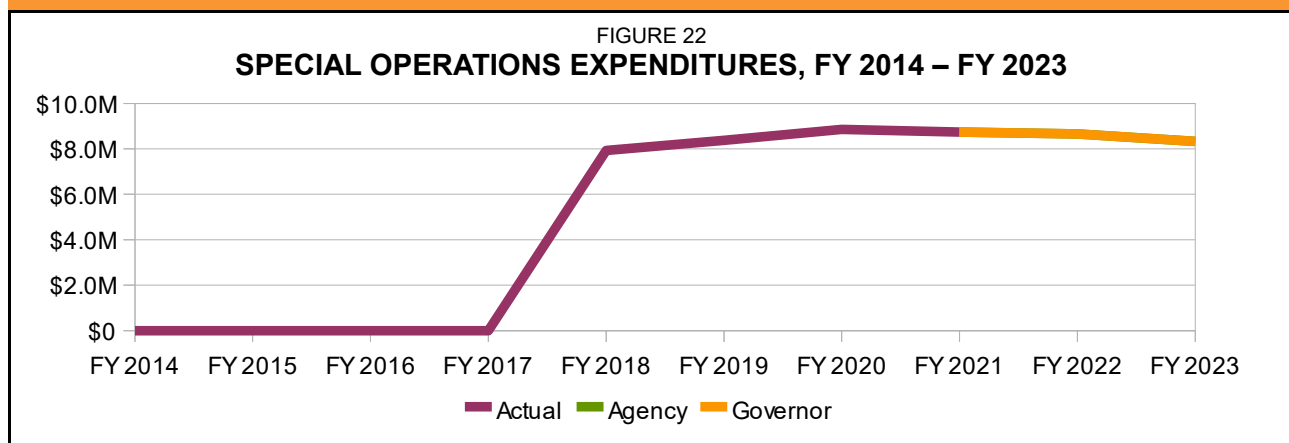
FIGURE 21 INFORMATION SERVICES, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Records Collection–Percent of Dispositions Submitted Manually	48.0 %	19.0 %	34.0 %	15.0 %	13.0 %
2.Records Collection– Percent of Dispositions Submitted Electronically	52.0 %	81.0 %	66.0 %	85.0 %	90.0 %
Output Measure:					
3.Records Collection–Number of Dispositions Submitted Manually	42,385	60,909	51,594	45,000	30,000
4.Records Collection– Number of Dispositions Submitted Electronically	185,997	259,823	220,999	270,000	283,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 122,222	\$ 7,012,790		\$ 119,186	\$ 119,578
Federal Funds	80,000	746,038		888,451	470,729
All Other Funds	439,979	204,468		-	-
TOTAL	\$ 642,201	\$ 7,963,296		\$ 1,007,637	\$ 590,307
Percentage Change:					
SGF	70.2 %	5,637.7 %		(98.3) %	0.3 %
All Funds	(50.5) %	1,140.0 %		(87.3) %	(41.4) %
FTE Positions	20.0	18.0		18.0	18.0

BUDGET ANALYSIS

The agency requests \$590,307, including \$119,578 SGF, for the Information Services program for FY 2023. This is an all funds decrease of \$417,330, and an SGF increase of \$392, from the FY 2022 revised estimate. This decrease is due to a decrease in contractual services expenditures for staffing and recruiting services in FY 2022 that do not reoccur for FY 2023.

The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.

SPECIAL OPERATIONS



Staff note: the Special Operations program was not established as a separate program in the Kansas Bureau of Investigation budget until FY 2018.

STATUTORY BASIS: • KSA 75-711, 74-5607(a), and 75-712(a)

PROGRAM GOALS:

- Ensure and enhance public safety in Kansas by providing professional investigative, technical, and tactical services to the criminal justice community.
- Prioritize investigations toward organized criminal groups and career criminal offenders, especially those engaged in drug manufacture and distribution, weapons offenses, and other acts of violence.
- Provide an efficient response for criminal investigations and assist in the timely arrest or charging of any suspect of a criminal act, and endeavor to substantially complete every investigation within 90 days.

The Special Operations program contains the Special Operations Division, which provides professional proactive investigative, technical, and tactical services to the criminal justice community in Kansas. The Division is the agency's primary resource for conducting criminal investigative and crime intelligence services, with a prioritized effort on identifying and targeting the most serious violent criminal offenders and organized criminal enterprises that pose threats to Kansas citizens. To accomplish this, the Division employs a collaborative, multi-agency approach to its investigations through a variety of subprograms, detailed below.

MANAGEMENT AND SUPPORT. The Management and Support Unit is responsible for the oversight of personnel, development and implementation of policy, and accountability for established performance measures.

GENERAL INVESTIGATIVE OPERATIONS. The General Investigative Operations Unit encompasses the Division's overall mission and performance. Agents work together and with local, state, and federal partners to target

repeat criminal offenders with a propensity for violence. The Unit also works to disrupt and dismantle criminal groups involved in drug manufacturing and distribution in and affecting Kansas. This unit also manages the Technical Services Unit and Asset Forfeiture Program.

CRIMINAL INTELLIGENCE. The Criminal Intelligence Unit provides criminal case support to Special Agents in both of the agency's investigative divisions. This unit facilitates internal and external information exchange, provides tactical case support, and produces intelligence reports that provide timely, accurate, and relevant information to support and guide decision-making in the law enforcement community. This unit also fulfills various collateral duty responsibilities in support of the agency's mission, program requirements, and statutory mandates, such as management of the Missing Persons Clearinghouse.

STATEWIDE INTELLIGENCE OPERATIONS. The Statewide Intelligence Operations subprogram includes both Special Agents and Intelligence Analysts to proactively collect information and share intelligence for the

purpose of promoting public safety and preventing crime in Kansas. The agency has assigned an Assistant Special Agent in Charge to the Kansas Intelligence Fusion Center (KIFC) to supervise assigned staff and act as a liaison among the KIFC, the agency, and the Kansas law enforcement community. This group utilizes the Kansas Intelligence System (KIS), a secure, electronic, statewide intelligence network used by law enforcement and criminal justice agencies for the purpose of sharing criminal intelligence information. The agency notes the KIS provides a necessary balance between preventing and controlling crime while protecting the privacy and constitutional rights of its citizens. The Kansas Intelligence Association is an information and intelligence sharing organization open to agencies that have an investigative criminal justice function, and is composed of 14 districts in the state.

HIGH RISK WARRANT TEAM. The High Risk Warrant Team is composed of specially trained Special Agents who carry out high-risk tactical operations in support of agency investigations and other local, state, and federal law enforcement agencies that request their assistance. The team conducts operations, which include arresting violent individuals, executing high-risk search warrants, performing dignitary protection details, and responding to critical events, such as hostage rescue incidents and barricaded subjects with a propensity for violence.

CLANDESTINE LABORATORY RESPONSE AND METH WASTE DISPOSAL PROGRAM. The Clandestine Laboratory Response Team

contains both Special Agents and Chemists to provide technical, investigative, and hazardous waste cleanup assistance to local and state law enforcement agencies upon the discovery of clandestine methamphetamine manufacturing sites. In partnership with the Drug Enforcement Administration, the Special Operations Division manages and coordinates Kansas' Meth Waste Disposal Program, which responds to domestic methamphetamine lab incidents in the state and minimizes opportunities for citizens to be endangered by the dangerous chemical environments methamphetamine labs create.

FEDERAL TASK FORCE OPERATIONS. The Federal Task Force Operations subprogram includes Special Agents cross-designated as federal task force officers to both the U.S. Secret Service's Task Force and the Department of Homeland Security's Homeland Security Investigations Task Force. Currently, the Special Operations Division does not have any agents assigned to federal task forces on a full-time basis.

HIGH INTENSITY DRUG TRAFFICKING AREA OPERATIONS. The High Intensity Drug Trafficking Area Operations subprogram contains a partnership with the Office of National Drug Control Policy's Midwest High Intensity Drug Trafficking Area (HIDTA) program. HIDTA provides drug enforcement resources that are critical to the ability of state and local law enforcement to combat drug crimes and associated violence. The agency acts as the fiduciary agent for the Midwest HIDTA program.

FIGURE 23 SPECIAL OPERATIONS, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Prosecuted Criminal Offenders and Organizations Convicted	72.0 %	90.0 %	81.0 %	90.0 %	90.0 %
2. Percent of Cases Substantially Completed within 90 Days	27.0 %	50.0 %	36.0 %	50.0 %	50.0 %
3. Percent of Kansas Counties Served	20.0 %	40.0 %	30.0 %	40.0 %	40.0 %

FIGURE 23 SPECIAL OPERATIONS, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
4. Percent of Population Served by Agencies using Kansas Intelligence System	46.0 %	50.0 %	47.0 %	50.0 %	50.0 %
5. Percent of Meth Waste Disposal Requests Honored	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Output Measure:					
6. Number of Criminal Offenders and Organizations Identified and Targeted	153	200	155	200	200
7. Number of Criminal Offenders and Organizations Prosecuted	102	125	108	125	125
8. Number of Meth Waste Disposal Requests Received	4	10	9	12	12
9. Number of Kansas Intelligence System Users	531	585	541	585	585
10. Number of Kansas Intelligence System Agencies	56	65	58	65	65
11. Number of Kansas System Subjects	6,119	6,500	5,192	6,500	6,500
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 4,601,943	\$ 4,288,592		\$ 4,837,956	\$ 4,849,621
Federal Funds	4,228,496	4,451,246		3,821,528	3,483,276
All Other Funds	18,994	2,489		-	-
TOTAL	\$ 8,849,433	\$ 8,742,327		\$ 8,659,484	\$ 8,332,897
Percentage Change:					
SGF	13.9 %	(6.8) %		12.8 %	0.2 %
All Funds	5.7 %	(1.2) %		(0.9) %	(3.8) %
FTE Positions	58.0	58.0		58.0	58.0

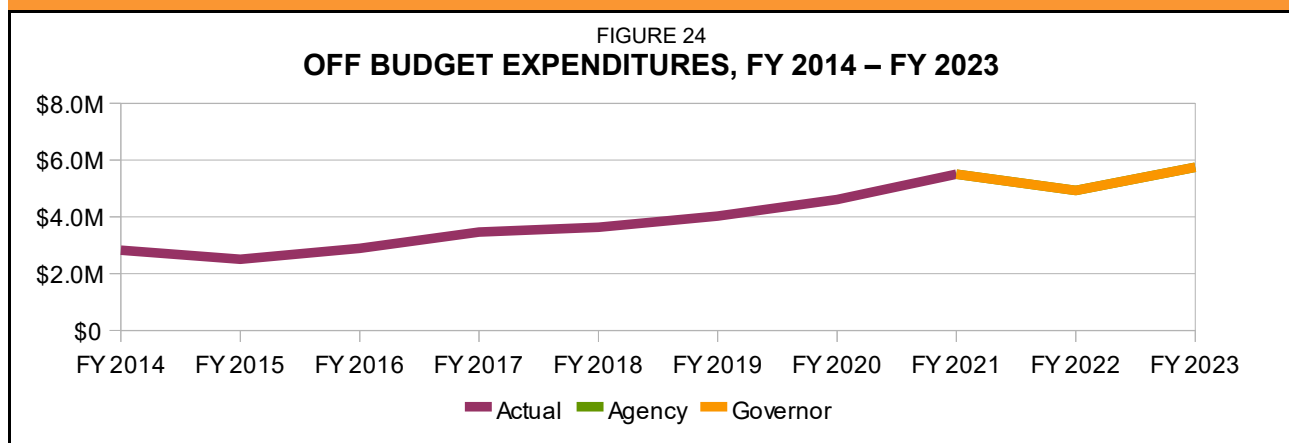
BUDGET ANALYSIS

The agency requests \$8.3 million, including \$4.8 million SGF, for the Special Operations program for FY 2023. This is an all funds decrease of \$326,587, and an SGF increase of \$11,665, from the FY 2022 revised estimate. This decrease is primarily attributable to a decrease in capital outlay expenditures for investigative tools and equipment purchases in FY 2022 that do not reoccur for FY 2023. The

increase in SGF expenditures is attributable to an increase in salaries and wages expenditures for regular positions and for employer contributions to employee fringe benefits.

The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.

OFF BUDGET



STATUTORY BASIS: • N/A

PROGRAM GOALS: • There were no goals submitted for this program.

This section is included for informational purposes only, and the expenditures for this program are not included in other parts of this budget analysis unless specifically noted. Primary funding for the agency's off-budget program comes from the Intergovernmental Service Fund, which was established to collect fees in order to recover all or part of the direct and indirect operating expenses for criminal

history record checks conducted for other state agencies by statute or request. Additionally, the Off-Budget Motor Pool Fund provides some of the program's funding. The Off-Budget Motor Pool Fund's revenue comes from money charged internally for mileage. Currently, the charge is \$0.40 per mile. This money is used to pay for gas, vehicle repairs, and vehicle replacement costs.

FIGURE 25
OFF BUDGET, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
No performance measures were submitted for this program.					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	2,163		-	-
All Other Funds	4,617,293	5,505,010		4,927,827	5,745,047
TOTAL	\$ 4,617,293	\$ 5,507,173		\$ 4,927,827	\$ 5,745,047
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	-- %	19.3 %		(10.5) %	16.6 %
FTE Positions	57.0	56.0		57.0	66.0

BUDGET ANALYSIS

The agency requests \$5.7 million, all from special revenue funds, for off budget expenditures for FY 2023. This is an increase of \$817,220 above the FY 2022 revised estimate. This increase is primarily attributable to an

increase in salaries and wages expenditures for off-budget personnel.

The **Governor** concurs with the agency's FY 2022 revised estimate and FY 2023 request.

DEBT SERVICE

FIGURE 26 DEBT SERVICE, GOVERNOR'S RECOMMENDATION, FY 2022 – FY 2023						
	FY 2022			FY 2023		
	Principal	Interest	Total	Principal	Interest	Total
Forensic Science Laboratory	\$ 2,650,000	\$ 1,673,675	\$ 4,323,675	\$ 2,785,000	\$ 1,537,800	\$ 4,322,800
TOTAL	\$ 2,650,000	\$ 1,673,675	\$ 4,323,675	\$ 2,785,000	\$ 1,537,800	\$ 4,322,800
Financing:						
SGF	\$ 2,650,000	\$ 1,673,675	\$ 4,323,675	\$ 2,785,000	\$ 1,537,800	\$ 4,322,800
Federal Funds	-	-	-	-	-	-
All Other Funds	-	-	-	-	-	-
TOTAL	\$ 2,650,000	\$ 1,673,675	\$ 4,323,675	\$ 2,785,000	\$ 1,537,800	\$ 4,322,800

The Kansas Bureau of Investigation Debt Service is comprised of payments on the forensic science laboratory located at Washburn University. The laboratory officially opened in November 2015. The Topeka Building Commission authorized the issuance

of its Public Building Commission Leasehold Revenue Bonds in the principal amount of \$57.4 million. The bonds are issued for a period of 20 years, with the last payment in FY 2034. Total principal and interest payments over the course of the redemption totals \$85.5 million.

CAPITAL IMPROVEMENTS

FIGURE 27 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehabilitation and Repair	\$ 147,306	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<i>Subtotal–Projects</i>	<i>\$ 147,306</i>	<i>\$ 100,000</i>	<i>\$ 100,000</i>	<i>\$ 100,000</i>	<i>\$ 100,000</i>
Debt Service Principal:					
Forensic Laboratory (Washburn University)	\$ 2,520,000	\$ 2,650,000	\$ 2,650,000	\$ 2,785,000	\$ 2,785,000
<i>Subtotal–Debt</i>	<i>\$ 2,520,000</i>	<i>\$ 2,650,000</i>	<i>\$ 2,650,000</i>	<i>\$ 2,785,000</i>	<i>\$ 2,785,000</i>
TOTAL	\$ 2,667,306	\$ 2,750,000	\$ 2,750,000	\$ 2,885,000	\$ 2,885,000
Financing:					
SGF	\$ 2,667,306	\$ 2,750,000	\$ 2,750,000	\$ 2,885,000	\$ 2,885,000
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 2,667,306	\$ 2,750,000	\$ 2,750,000	\$ 2,885,000	\$ 2,885,000

FY 2022 CAPITAL IMPROVEMENTS

The **agency** requests a revised estimate of \$2.8 million, all SGF, for capital improvement expenditures in FY 2022. This is no change from the FY 2022 approved amount. The agency requests funding for following projects in FY 2022:

- **REHABILITATION AND REPAIR.** The agency requests \$100,000 SGF for rehabilitation and repair projects in FY 2022. These expenditures include HVAC systems and security improvements at

the Topeka headquarters and annex and the Great Bend office.

- **FORENSIC SCIENCE LABORATORY (DEBT SERVICE PRINCIPAL).** The agency requests \$2.7 million SGF for debt service principal payments for the Forensic Science Laboratory located at Washburn University in FY 2022.

The **Governor** concurs with the agency's FY 2022 revised estimate for capital improvements expenditures.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$2.9 million, all SGF, for capital improvement expenditures for FY 2023. This is an increase of \$135,000 above the FY 2022 revised estimate. The agency requests funding for following projects for FY 2023:

- **REHABILITATION AND REPAIR.** The agency requests \$100,000 SGF for rehabilitation and repair projects for FY 2023. These expenditures include HVAC systems and security improvements at

the Topeka headquarters and annex and the Great Bend office.

- **FORENSIC SCIENCE LABORATORY (DEBT SERVICE PRINCIPAL).** The agency requests \$2.8 million SGF for debt service principal payments for the Forensic Science Laboratory located at Washburn University for FY 2023.

The **Governor** concurs with the agency's FY 2023 request for capital improvements expenditures.

KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING

FY 2021 – FY 2023 BUDGET ANALYSIS

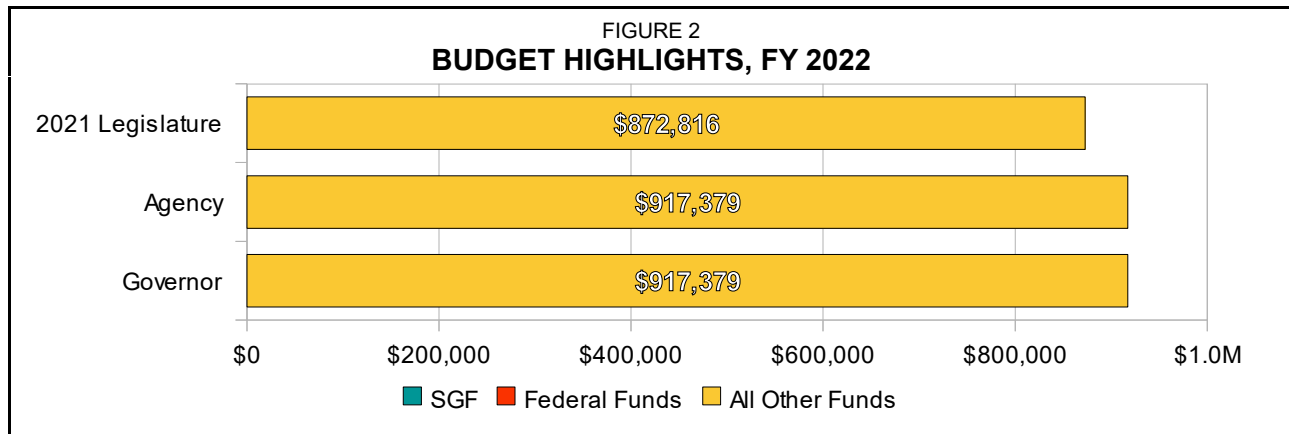
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	27	-	-	-	-
All Other Funds	808,981	917,379	917,379	889,326	889,326
Subtotal	\$ 809,008	\$ 917,379	\$ 917,379	\$ 889,326	\$ 889,326
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 809,008	\$ 917,379	\$ 917,379	\$ 889,326	\$ 889,326
Percentage Change:					
State General Fund	--	--	--	--	--
All Funds	(1.2) %	13.4 %	13.4 %	(3.1) %	(3.1) %
FTE Positions	6.0	6.0	6.0	6.0	6.0

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

The Kansas Commission on Peace Officers' Standards and Training (KS CPOST), located in Wichita, Kansas, is a regulatory body that provides the citizens of Kansas with qualified, trained, and professional peace officers. It is also dedicated to adopting and enforcing professional standards for certification of peace officers to promote public safety and preserve public trust. The KS CPOST maintains a central registry of law enforcement officers' demographics, qualifications, and employment history, which is made available to agencies when reviewing employment applications. KS CPOST conducts criminal and administrative investigations related to violations of the Kansas Law Enforcement Act, KSA 74-5601 *et seq*, and may suspend, revoke, or deny certification of a law enforcement officer.

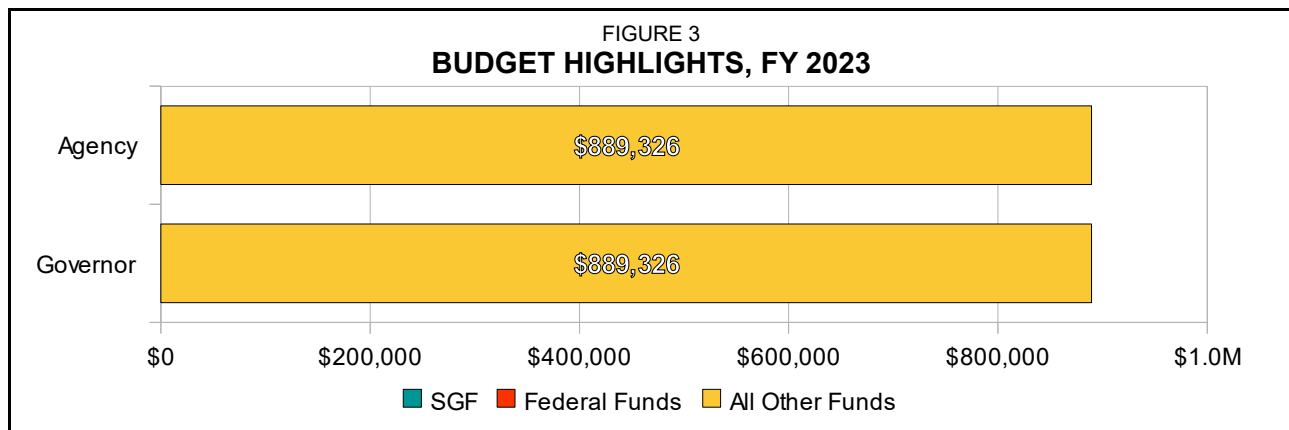
EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$872,816, all from special revenue funds, for the Kansas Commission on Peace Officers' Standards and Training for FY 2022.



The **agency** estimates revised expenditures of \$917,379, all from a special revenue funds, in FY 2022, which is an increase of \$44,563, or 5.1 percent, above the FY 2022 approved amount. The increase is attributable to increased salaries and wages expenditures to allow for a two-month period of overlap for the previous Executive Director to train a newly hired Executive Director. The increase is also due to the agency's enhancement request to replace a vehicle used for employee travel and records and evidence transport. The increase is partially offset by decreased reimbursements of municipalities for law enforcement training due to declining revenue to the Local Law Enforcement Training Reimbursement Fund. The revised estimate includes 6.0 FTE positions, which is an increase of 1.0 FTE position above the approved number. The additional FTE position is the result of converting a part-time investigator position to a full-time position.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$889,326, all from the special revenue funds, for FY 2023. This is an all funds decrease of \$28,053, or 3.1 percent, below the FY 2022 revised estimate. The decrease is attributable decreased salaries and wages expenditures related to the transition of Executive Directors that occur in FY 2022, but do not reoccur for FY 2023, and decreased expenditures for the purchase of computer equipment. The decrease is partially offset by increased expenditures for data storage services and attorney fees for legal consultation. In addition, the agency submitted an enhancement request of \$25,000 to replace an existing vehicle. The request includes 6.0 FTE positions, which is unchanged from the FY 2022 revised estimate.

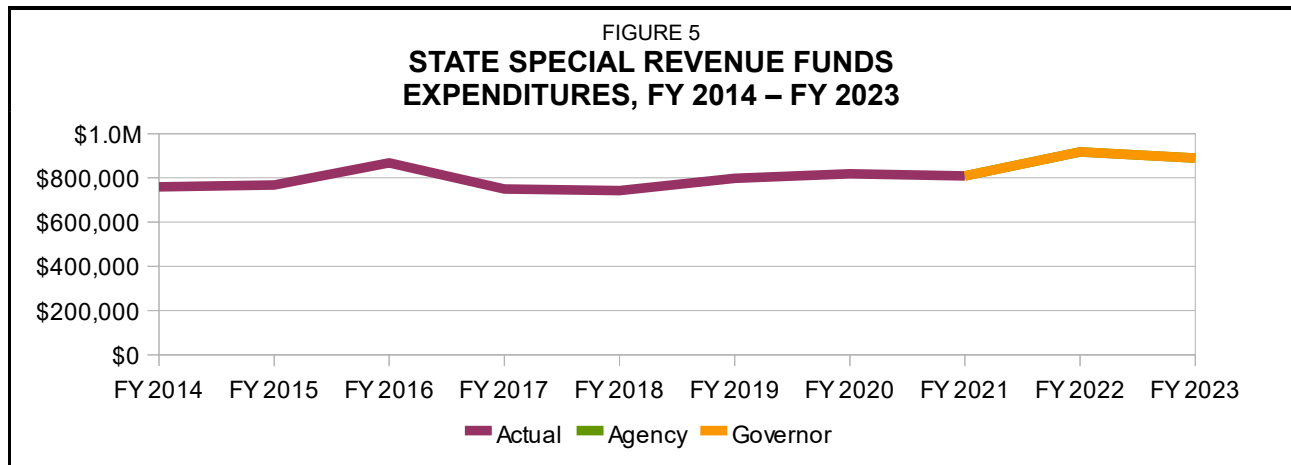
The **Governor** concurs with the agency's request for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

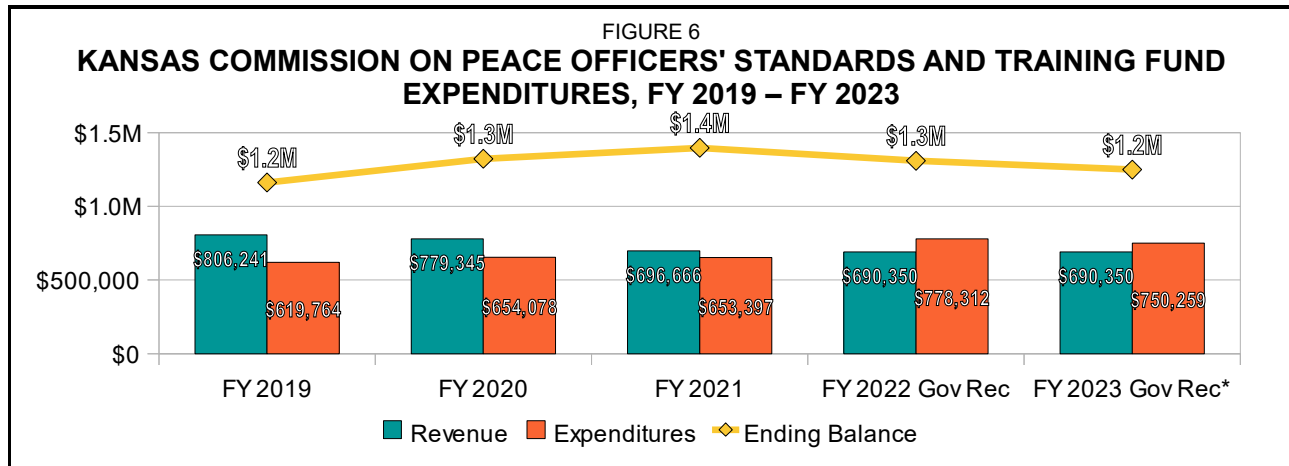
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 461,630	\$ 543,963	\$ 543,963	\$ 521,534	\$ 521,534
Contractual Services	163,730	168,874	168,874	179,110	179,110
Commodities	18,505	13,516	13,516	14,315	14,315
Capital Outlay	9,559	51,959	51,959	35,300	35,300
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 653,424</i>	<i>\$ 778,312</i>	<i>\$ 778,312</i>	<i>\$ 750,259</i>	<i>\$ 750,259</i>
Aid to Local Units	155,584	139,067	139,067	139,067	139,067
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 809,008</i>	<i>\$ 917,379</i>	<i>\$ 917,379</i>	<i>\$ 889,326</i>	<i>\$ 889,326</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 809,008	\$ 917,379	\$ 917,379	\$ 889,326	\$ 889,326
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	27	-	-	-	-
All Other Funds	808,981	917,379	917,379	889,326	889,326
TOTAL	\$ 809,008	\$ 917,379	\$ 917,379	\$ 889,326	\$ 889,326
FTE Positions	6.0	6.0	6.0	6.0	6.0

STATE SPECIAL REVENUE FUNDS



The expenditures from the major special revenue funds has been steady around \$800,000 per year since FY 2014.

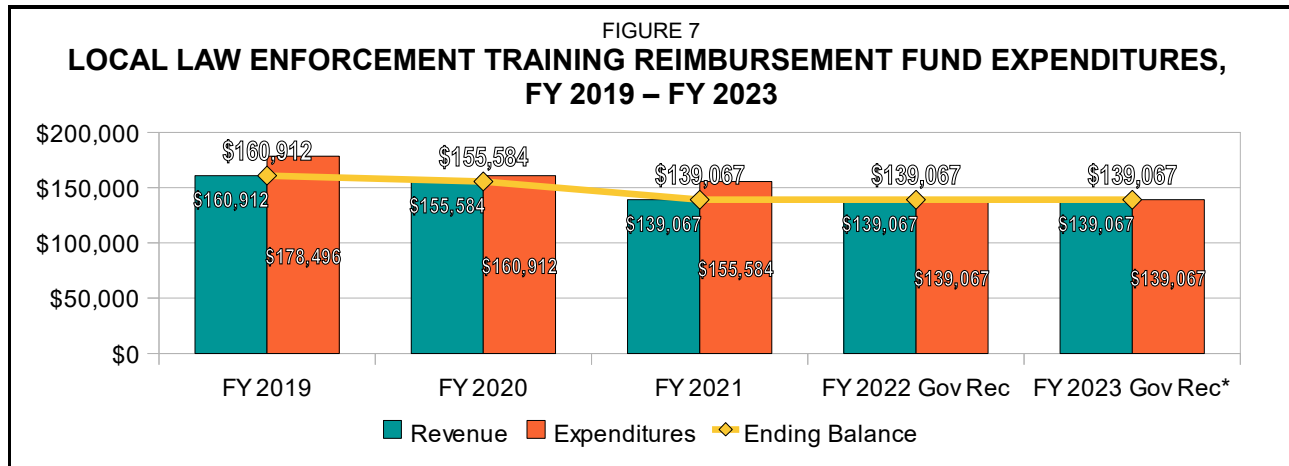
KANSAS COMMISSION ON PEACE OFFICERS' STANDARDS AND TRAINING FUND



* For FY 2023, the lowest month ending balance for the Kansas Commission on Peace Officers' Standards and Training Fund will occur in July, with a balance of \$1.2 million.

The Kansas Commission on Peace Officers' Standards and Training Fund is primarily funded through docket fees. KSA 12-4117 provides that a sum of \$22.50 is assessed on each case filed in municipal court, other than non-moving traffic violations, where there is a finding of guilty or a plea of no contest, forfeiture of bond, or a diversion. Of the \$22.50 assessed, \$5.00 is deposited into the Kansas Commission on Peace Officers' Standards and Training Fund. In addition, KSA 74-5619 allows the agency to deposit into the Fund any grants or donations.

LOCAL LAW ENFORCEMENT TRAINING REIMBURSEMENT FUND



* For FY 2023, the lowest month ending balance for the Local Law Enforcement Training Reimbursement Fund will occur in January, with a balance of \$70,824 million.

The Local Law Enforcement Training Reimbursement Fund is used to reimburse municipalities for officers participating in local law enforcement training programs. Of the \$22.50 assessed to cases filed in municipal court, \$1.00 is deposited in this fund pursuant to KSA 12-4117. Expenditures from this fund may only be used as reimbursement to municipalities for law enforcement training, pursuant to KSA 74-5620, and cannot be used for agency operations.

The agency notes that revenue to this fund has declined in recent years due to a decrease in the number of municipal court cases as a result of court closures in response to the COVID-19 pandemic.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 872,816	\$ 872,816	5.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 872,816	\$ 872,816	5.0
Agency Revised Estimate:				
2. Filling Vacant Position and Overlap	\$ -	\$ 41,408	\$ 41,408	1.0
3. Supplemental Vehicle Purchase	-	25,000	25,000	--
4. Municipality Aid	-	(21,845)	(21,845)	--
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 917,379	\$ 917,379	6.0
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ -	\$ 917,379	\$ 917,379	6.0

LEGISLATIVE APPROVED

1. Subsequent to the 2021 Session, no adjustments were made to the \$872,816 approved for the Kansas Commission on Peace Officers' Standards and Training for FY 2022.

AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$917,379, all from special revenue funds, which is an increase of \$44,563, or 5.1 percent, above the FY 2022 approved amount.

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

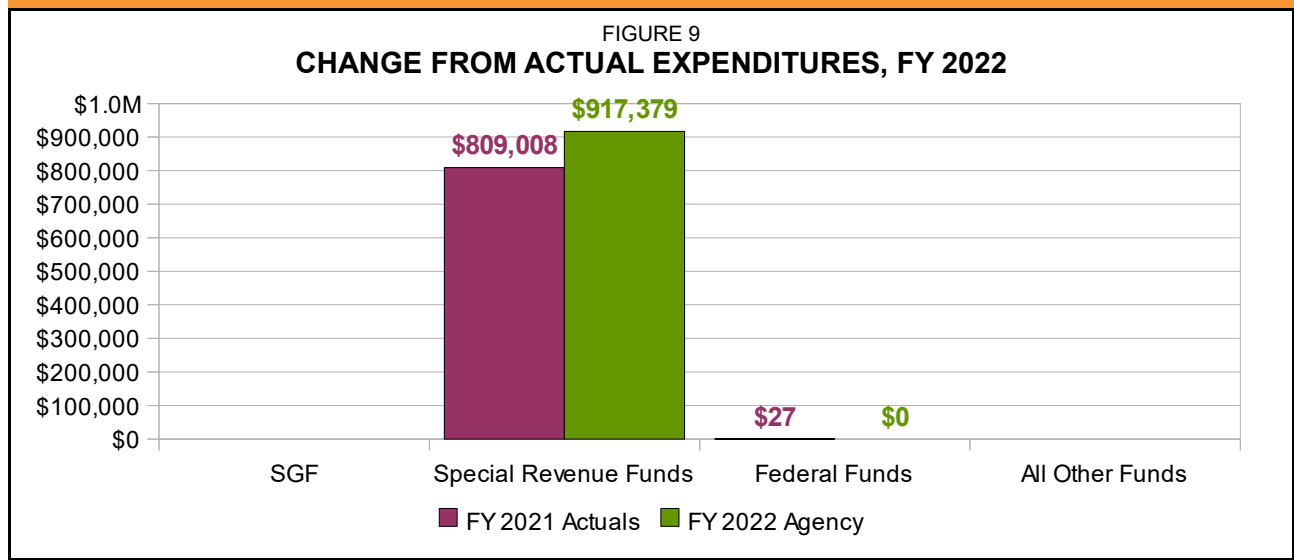
2. **FILLING VACANT POSITION AND OVERLAP.** The agency converted a part-time investigator position to a full-time position in FY 2022, which resulted in increased salaries and wages expenditures of \$22,718. Additionally, there was a two-month period of overlap between the previous Executive Director's departure and the start of the new Executive Director to allow for training.
3. **SUPPLEMENTAL—VEHICLE.** The agency requests \$25,000 for the purchase of a mid-size SUV that will be used for employee travel and to transport records and evidence. The new vehicle would replace an existing vehicle.
4. **MUNICIPALITY AID.** The agency has a Local Law Enforcement Training Reimbursement Fund that is a pass-through fund used to partially reimburse municipalities for expenses associated with training law enforcement officers at local law enforcement academies. Expenditures from this fund decreased by \$21,845 below the FY 2022 approved amount due to a decrease in revenue derived from municipal court docket fees.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

5. **NO CHANGES.** The **Governor** recommends no adjustments to the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised expenditures of \$917,379, all from special revenue funds, in FY 2022. This is an increase of \$108,371, or 13.4 percent, above the FY 2021 actual expenditures. This increase is due to the supplemental request for a vehicle purchase and the purchase of computer equipment and software. Additionally, the increase is due to increased expenditures in salaries and wages including filling a vacant position, group health insurance, and overlap in the Executive Director position.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 917,379	\$ 917,379	6.0
Agency Request:				
1. Enhancement—Vehicle Purchase	\$ -	\$ -	\$ -	--
2. Computer Software Maintenance	-	6,155	6,155	--
3. Computer Equipment	-	(17,064)	(17,064)	--
4. Attorney Fees	-	4,000	4,000	--
5. All Other Adjustments	-	(21,144)	(21,144)	--
<i>Subtotal—Agency Estimate</i>	\$ -	\$ 889,326	\$ 889,326	6.0
Governor's Recommendation:				
6. No Changes	\$ -	\$ -	\$ -	--
TOTAL	<u>\$ -</u>	<u>\$ 889,326</u>	<u>\$ 889,326</u>	<u>6.0</u>

AGENCY REQUEST

The **agency** requests \$889,326, all from special revenue funds, for FY 2023. This is an all funds decrease of \$28,053, or 3.1 percent, below the FY 2022 revised estimate.

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

1. **ENHANCEMENT—VEHICLE PURCHASE.** The agency requests \$25,000 for replacement of an additional vehicle in FY 2023. Because the agency submits a similar request in FY 2022, there is no increase for this expenditure for FY 2023 over the FY 2022 revised estimate.
2. **COMPUTER SOFTWARE MAINTENANCE.** The agency increased expenditures by \$6,155 in FY 2023 due to an increase in database server space required to support the Central Registry.
3. **COMPUTER EQUIPMENT.** The agency is requesting to purchase computer equipment in FY 2022, which will eliminate laptop rental fees and provide for a \$17,064 decrease for FY 2023.
4. **ATTORNEY FEES.** The expenditure increase of \$4,000 from FY 2022 is for the consultation of a subject matter expert for legal questions arising under federal law.
5. **ALL OTHER ADJUSTMENTS.** There is a decrease in expenditures from FY 2022 to 2023 in the amount of \$21,144, primarily due to overlap in the Executive Director salaries in FY 2022, which does not reoccur in FY 2023.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency request for FY 2023

6. **NO CHANGES.** The **Governor** recommends no adjustments to the agency's FY 2023 request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1 VEHICLE PURCHASES

Item	FY 2022	FY 2023
Supplemental—Vehicle Purchase	\$ 25,000	\$ -
Enhancement—Vehicle Purchase	-	25,000
TOTAL	\$ 25,000	\$ 25,000

The agency currently owns a fleet of three vehicles, including 2008, 2009, and 2010 Chevy Impalas. One of the vehicles is dedicated solely for the use by the Executive Director to provide immediate response. The vehicles are used for agency operations, including travel to the Kansas Law Enforcement Center Training Center, investigations, and meetings with other law enforcement agencies. The fleet is increasingly unreliable, and the agency has seen repair and maintenance costs rise. The agency requests replacement of one vehicle in FY 2022 and replacement of a second vehicle in FY 2023. The agency seeks to purchase mid-sized SUVs to better support the transport of records and evidence.

The Governor concurs with the agency's request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

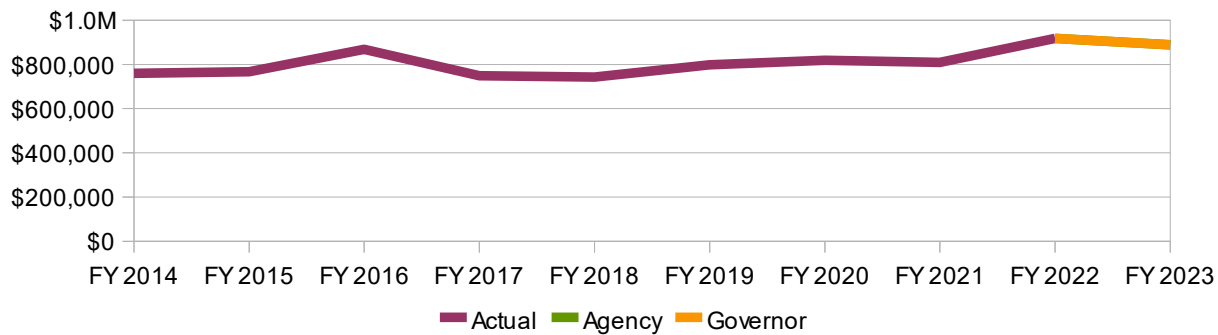
FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 809,008	\$ 917,379	\$ 917,379	\$ 889,326	\$ 889,326
FTE Positions:					
Administration	6.0	6.0	6.0	6.0	6.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 12
ADMINISTRATION EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 74-5607, KSA 74-5611, and KSA 74-5620

PROGRAM GOALS: • Provide the citizens of Kansas with qualified, trained, ethical, competent, and professional peace officers.
• Adopt and enforce professional standards for certification of peace officers to promote public safety and preserve public trust and confidence.

FIGURE 13
ADMINISTRATION PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Percentage of Information Requests Fulfilled*	105.9 %	100.9 %	102.0 %	100.0 %	100.0 %
2.Percentage of Officers Certified Per Provisional License Issued*	86.2 %	76.8 %	79.2 %	82.0 %	77.0 %
Output Measure:					
3.Number of New Law Enforcement Officers Certified	602	605	605	600	625
4.Number of Investigations Completed	106	144	138	130	140
5.Number of Hearings Held	6	NA	NA	5	5
6.Number of Certification Actions Taken*	45	43	46	45	45
7.Number of Demographic Forms Processed*	1,155	1,339	1,278	1,280	1,300
8.Number of Information Requests Fulfilled	441	416	458	450	475
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	818,665	809,008		917,379	889,326
TOTAL	\$ 818,665	\$ 809,008		\$ 917,379	\$ 889,326
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	2.6 %	(1.2) %		13.4 %	(3.1) %
FTE Positions	5.0	6.0		6.0	6.0

*The Governor's Office does not utilize this measure for evaluation purposes.

EMERGENCY MEDICAL SERVICES BOARD

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

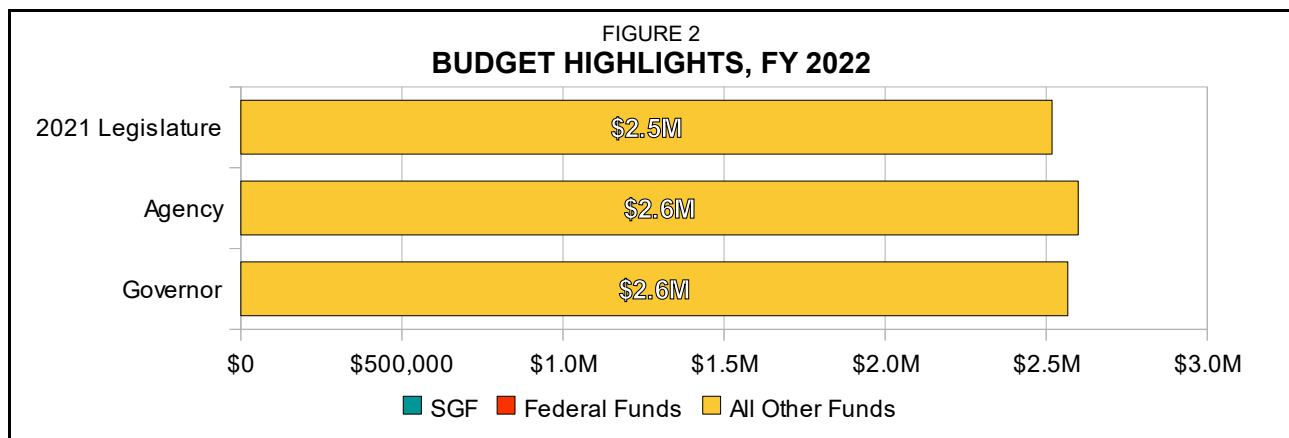
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	321	-	-	-	-
All Other Funds	2,018,507	2,599,843	2,599,843	2,587,331	2,587,331
<i>Subtotal</i>	<i>\$ 2,018,828</i>	<i>\$ 2,599,843</i>	<i>\$ 2,599,843</i>	<i>\$ 2,587,331</i>	<i>\$ 2,587,331</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 2,018,828	\$ 2,599,843	\$ 2,599,843	\$ 2,587,331	\$ 2,587,331
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	30.2 %	28.8 %	28.8 %	(0.5) %	(0.5) %
FTE Positions	14.0	14.0	14.0	14.0	14.0

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

The mission of the Emergency Medical Services Board (KBEMS) is to promote Emergency Medical Services (EMS) through the consistent application of laws: to provide support for the ambulance services, EMS professionals, and EMS educational organizations in maintaining statutory and regulatory compliance; and to enhance patient care through evidence-based practice.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$2.5 million, all special revenue funds, for the Emergency Medical Services Board for FY 2022.

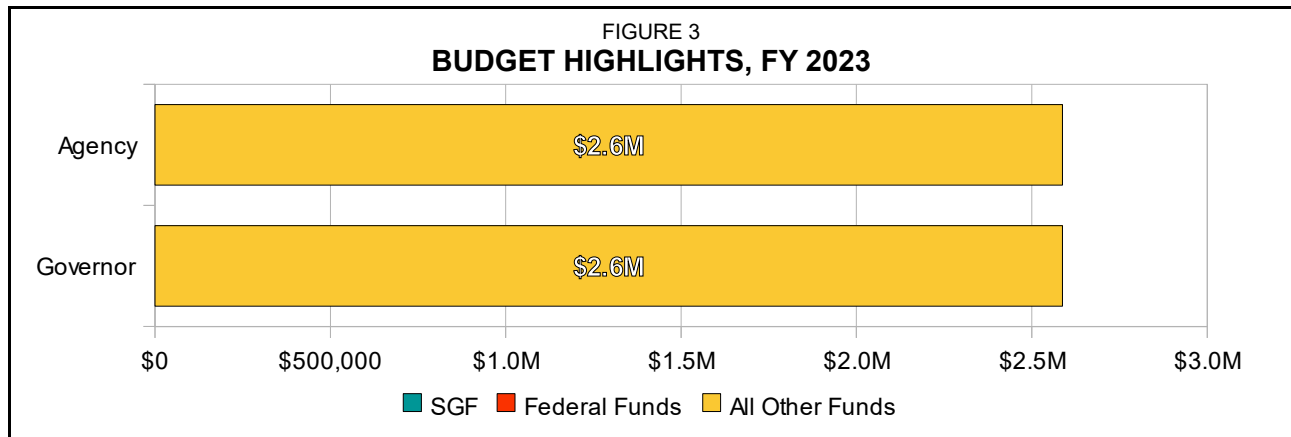


The **agency** requests a revised estimate of \$2.6 million, all from special revenue funds. This is an increase of \$81,641, or 3.2 percent, above the approved amount. There is an increase of

expenditures in salaries and wages of \$5,766, or 0.6 percent; an increase of contractual services of \$3,789, or 0.6 percent; and an increase in aid to local units of \$79,311, or 11.6 percent. There are decreases in expenditures in commodities of \$1,732, or 2.9 percent and capital outlay of \$5,493, or 21.2 percent. There were no changes to the 14.0 FTE positions.

The significant increase in aid to local units includes the EMS Revolving Grant, which had a slight increase in FY 2022, partially attributed to some resumption of operations following the complete shutdown of district courts due to the COVID-19 pandemic.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$2.6 million, all from special revenue funds. This is a decrease of \$12,512, or 0.5 percent, below the FY 2022 revised estimate. There are increases of expenditures in all categories, including \$45,930 in contractual services and \$16,953 in capital outlay. There is a decrease in aid to local units of \$79,311, or 10.4 percent. This amount was carried forward from FY 2021 in FY 2022. There were no changes to the 14.0 FTE positions.

The increase in contractual services includes increased rent and increased legal fees due to anticipated increased hearings. The increase in capital outlay is for replacement of computer equipment.

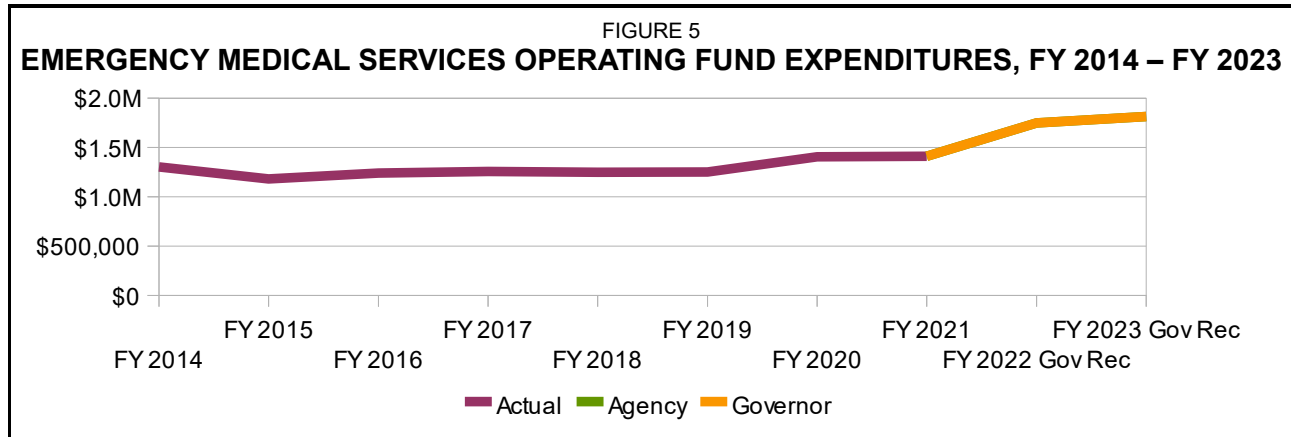
The **Governor** concurs with the agency's request for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

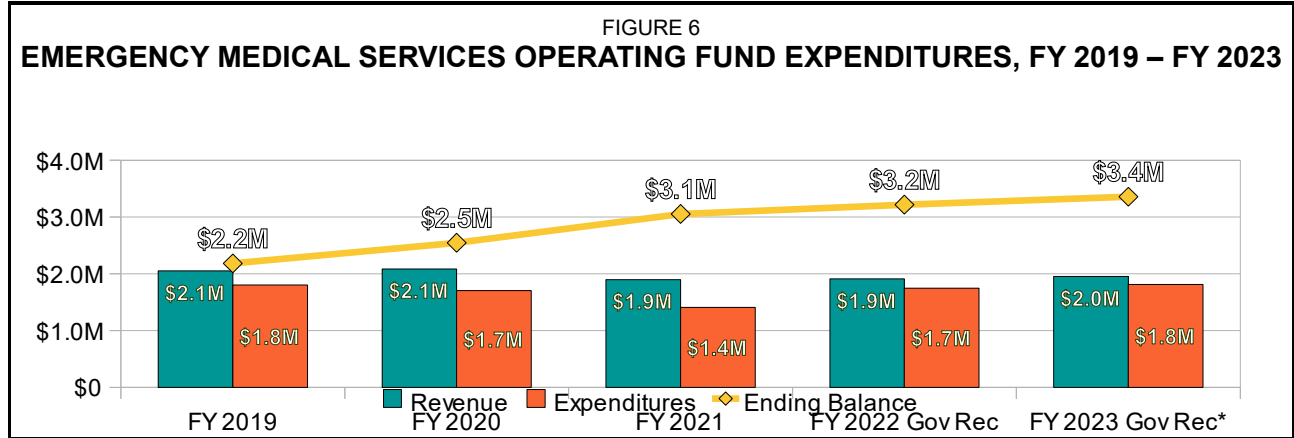
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 844,369	\$ 964,561	\$ 964,561	\$ 967,249	\$ 967,249
Contractual Services	418,691	647,145	647,145	693,075	693,075
Commodities	32,702	57,183	57,183	58,411	58,411
Capital Outlay	8,450	20,393	20,393	37,346	37,346
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,304,212</i>	<i>\$ 1,689,282</i>	<i>\$ 1,689,282</i>	<i>\$ 1,756,081</i>	<i>\$ 1,756,081</i>
Aid to Local Units	564,616	760,561	760,561	681,250	681,250
Other Assistance	150,000	150,000	150,000	150,000	150,000
<i>Subtotal—Operating</i>	<i>\$ 2,018,828</i>	<i>\$ 2,599,843</i>	<i>\$ 2,599,843</i>	<i>\$ 2,587,331</i>	<i>\$ 2,587,331</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 2,018,828	\$ 2,599,843	\$ 2,599,843	\$ 2,587,331	\$ 2,587,331
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	321				
All Other Funds	2,018,507	2,599,843	2,599,843	2,587,331	2,587,331
TOTAL	\$ 2,018,828	\$ 2,599,843	\$ 2,599,843	\$ 2,587,331	\$ 2,587,331
FTE Positions	14.0	14.0	14.0	14.0	14.0

EMERGENCY MEDICAL SERVICES OPERATING FUND



The Emergency Medical Services Operating Fund include regulatory fees and a levy of 0.25 percent gross cash receipts on fire insurance premiums (KSA 15-1508). Fees collected by the agency are for ambulance licenses, ambulance services' licenses, examinations and certifications, certification renewals, and replacement cards or certificates.

EMERGENCY MEDICAL SERVICES OPERATING FUND



* For FY 2023, the lowest month ending balance for the Emergency Medical Services Operating Fund will occur in November with a balance of \$2.0 million.

The Emergency Medical Services Operating Fund receives fees in the amounts noted within the following fee table for certifications or permits for first responders, mobile intensive care technicians, emergency medical technicians, instructor coordinators, and ambulance services.

FIGURE 7 LICENSE FEES, FY 2022			
License	Current Fee	Statutory Limit	Authority
EMS application for certification fee	\$ 15	\$ 15	KSA 65-6111
Certification renewal prior to expiration	20	20	
Certification renewal within 31 days after expiration	40	40	
Certification renewal 32 days or later after expiration	80	80	
Paramedic application for certification fee	65	65	KSA 65-6111
Certification renewal prior to expiration	50	50	
Certification renewal within 31 days after expiration	100	100	
Certification renewal 32 days or later after expiration	200	200	
EMT and AEMT application for certification fee	50	50	KSA 65-6111
Certification renewal prior to expiration	30	30	
Certification renewal within 31 days after expiration	60	60	
Certification renewal 32 days or later after expiration	120	120	
Instructor Coordinator application for certification fee	65	65	KSA 65-6111
Certification renewal prior to expiration	30	30	
Certification renewal within 31 days after expiration	60	60	
Certification renewal 32 days or later after expiration	120	120	
Ambulance service permit application fee	100	100	KSA 65-6111
Certification renewal prior to expiration	100	100	
Certification renewal within 31 days after expiration	200	200	
Vehicle license application fee	40	40	
Temporary license for an ambulance	10	10	

Note: Fee schedule and references to applicable authorizing statutes may be found in KAR 109-7-1.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 2,518,202	\$ 2,518,202	14.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 2,518,202</i>	<i>\$ 2,518,202</i>	<i>14.0</i>
Agency Revised Estimate:				
2. All Other Adjustments	-	81,641	81,641	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 2,599,843</i>	<i>\$ 2,599,843</i>	<i>14.0</i>
Governor's Recommendation:				
3. No Changes	-	-	-	--
TOTAL	\$ -	\$ 2,599,843	\$ 2,599,843	14.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$2.5 million appropriated to the Emergency Medical Services Board in FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$2.6 million, all from special revenue funds. This is an increase of \$81,641, or 3.2 percent, above the approved amount. There is an increase of expenditures in salaries and wages of \$5,766, or 0.6 percent; an increase in contractual services of \$3,789, or 0.6 percent; and an increase in aid to local units of \$79,311, or 11.6 percent. There are decreased expenditures in commodities of \$1,732, or 2.9 percent, and capital outlay of \$5,493, or 21.2 percent.

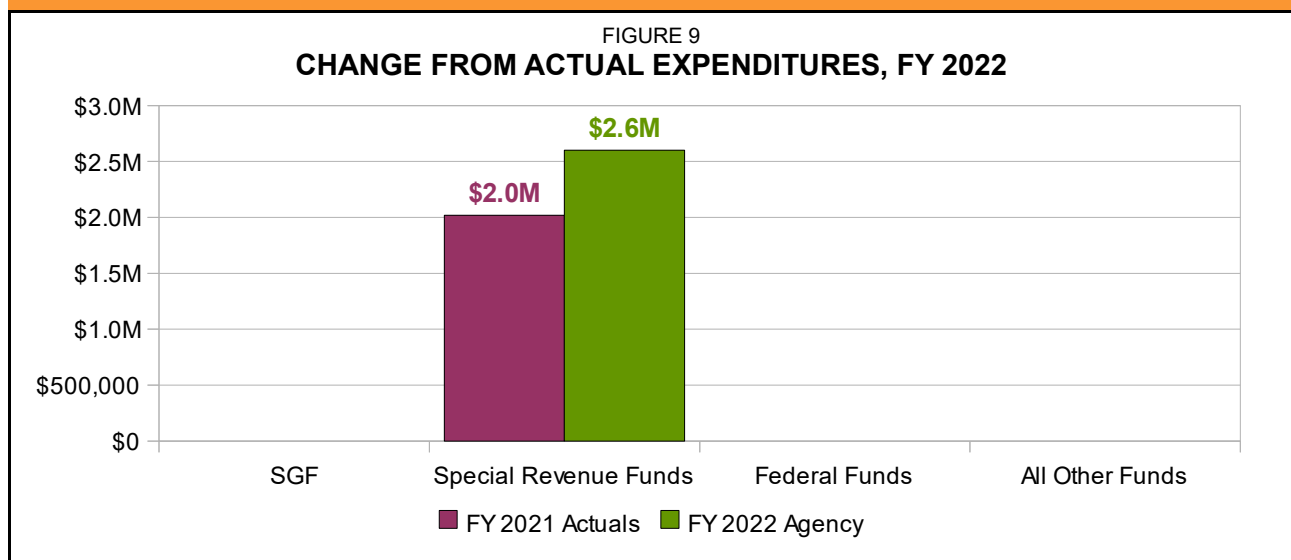
The significant increase in aid to local units includes the EMS Revolving Grant, which had a slight increase in FY 2022, partially attributed to some resumption of operations following the complete shutdown of district courts due to the COVID-19 pandemic.

- **EMS REVOLVING FUND.** This is a state funded grant program to provide financial assistance, based upon demonstrated financial need, to Kansas EMS agencies and organizations. The EMS Revolving Grant Fund is provided through a percentage from remitted fines, penalties, and forfeitures associated with KSA 74-7336: the disposition of district court fines, penalties, and forfeitures.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency** requests \$2.6 million, all from special revenue funds in FY 2022. This is an increase of \$581,015, or 28.8 percent, above the FY 2021 actual expenditures. There are increases of expenditures in all categories including the largest increases of \$120,192 in salaries and wages; \$228,454 in contractual services; and \$195,945 in aid to locals.

Salaries and wages increases included unclassified temporary positions and benefits. Contractual services increased in rent, training, travel costs, and attorney fees. The aid to local units increases are due to additional grants. The EMS Revolving Grant Fund is provided through a percentage from remitted fines, penalties, and forfeitures associated with KSA 74-7336: the disposition of district court fines, penalties, and forfeitures. There was a slight increase when the courts resumed activity following a complete shutdown of district courts due to the COVID-19 pandemic.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 2,599,843	\$ 2,599,843	14.0
Agency Request:				
1. All Other Adjustments	-	(12,512)	(12,512)	--
<i>Subtotal—Agency Estimate</i>	\$ -	\$ 2,587,331	\$ 5,187,174	14.0
Governor's Recommendation:				
2. No Changes	-	-	-	--
TOTAL	<u>\$ -</u>	<u>\$ 2,587,331</u>	<u>\$ 2,587,331</u>	<u>14.0</u>

AGENCY REQUEST

The **agency** requests \$2.6 million, all from special revenue funds, for FY 2023. This is a decrease of \$12,512, or 0.5 percent, below the FY 2022 revised estimate. There are increases of expenditures in all operations categories including \$45,930 in contractual services and \$16,953 in capital outlay. There is a decrease in aid to local units of \$79,311, or 10.4 percent.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2023.

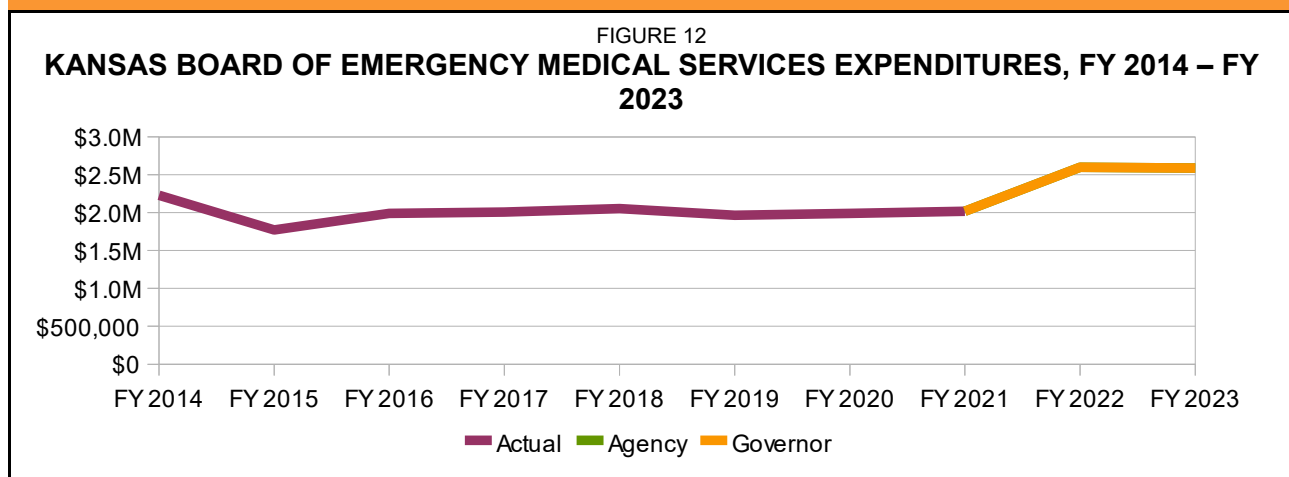
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 FTE POSITIONS FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 2,018,828	\$ 2,599,843	\$ 2,599,843	\$ 2,587,331	\$ 2,587,331
FTE Positions:					
Administration	14.0	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

KANSAS BOARD OF EMERGENCY MEDICAL SERVICES



STATUTORY BASIS: • KSA Chapter 65, Article 61

PROGRAM GOALS:

- Promote EMS through the consistent application of laws.
- Promote support for the ambulance services, EMS providers, and EMS educational organizations in maintaining statutory and regulatory compliance.
- Enhance patient care through evidence-based practice.

The Kansas Board of Emergency Medical Services is one program divided into three subprograms: Compliance, Issuances, and Research and Analysis. **Compliance** ensures that ambulance services, vehicles, and providers have met and continue to maintain the standards established by the Board to safely and appropriately provide EMS to the

public upon request. **Issuances** oversees processes involved with the issuance of certificates for providers, permits for operators, licenses for vehicles, and grants to qualified recipients. **Research and Analysis** collects and utilizes the data submitted to the Board's databases to assist in evidence-based decisions on process and clinical oversight.

FIGURE 13

PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of ambulance services inspected	100 %	100 %	100 %	100 %	100 %
2. Percent of applicants certified within 7 days of passing both exams *	97 %	100 %	98 %	97 %	97 %
3. Percent of investigations closed within 180 days	81 %	73 %	79.3 %	80 %	82%
Output Measure:					
4. Number of providers re-certified *	4,163	3,869	3,886.3	4,000	3,800
5. Number of continuing education audits	196	215	140.3	500	1,000
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	3,300	321		-	-
All Other Funds	1,987,325	2,018,507		2,599,843	2,587,331
TOTAL	\$ 1,990,625	\$ 2,018,828		\$ 2,599,843	\$ 2,587,331
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	1.1 %	1.4 %		28.8 %	(0.5) %
FTE Positions	14.0	14.0		14.0	14.0

*The Governor's Office does not utilize this measure for evaluation purposes.

STATE FIRE MARSHAL

FY 2021 – FY 2023 BUDGET ANALYSIS

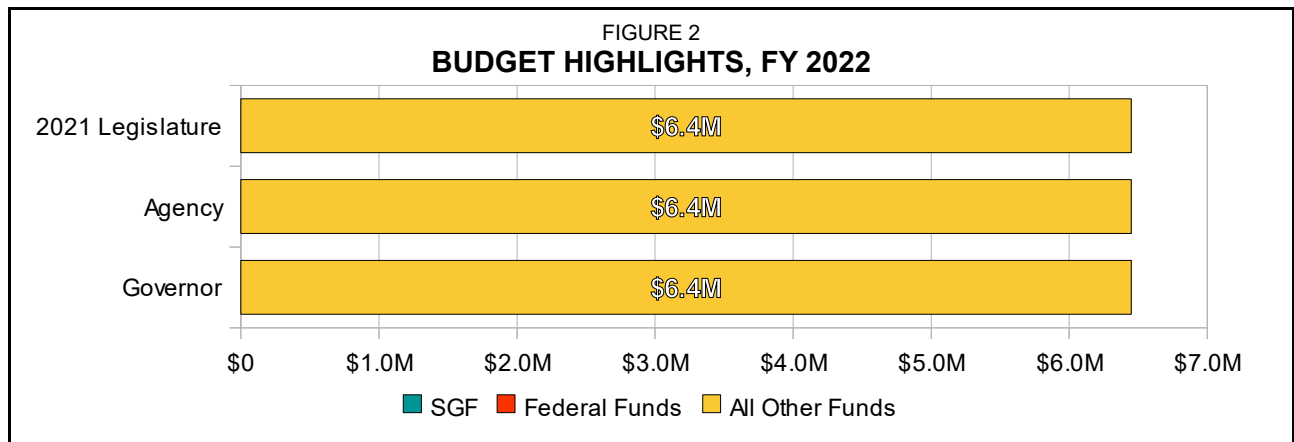
FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	5,654,821	6,448,995	6,448,995	6,931,215	6,870,874
<i>Subtotal</i>	<u>\$ 5,654,821</u>	<u>\$ 6,448,995</u>	<u>\$ 6,448,995</u>	<u>\$ 6,931,215</u>	<u>\$ 6,870,874</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 5,654,821</u>	<u>\$ 6,448,995</u>	<u>\$ 6,448,995</u>	<u>\$ 6,931,215</u>	<u>\$ 6,870,874</u>
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	1.9 %	14.0 %	14.0 %	7.5 %	6.5 %
FTE Positions	69.8	71.3	71.3	70.3	70.3

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

The Office of the State Fire Marshal was originally established in 1913, abolished in 1933, and re-established in 1939. The mission of the Office of the State Fire Marshal is to protect lives and property from the hazards of fire, explosion, and natural disaster and promote prevention, educational, and investigative activities to mitigate incidents, promote life safety, and deter crimes. Four agency programs assist with the agency's mission: Administration, Investigation, Fire Prevention, and Emergency Response. The agency also contracts with the Kansas Department for Aging and Disability Services to conduct fire and life safety surveys of Medicare and Medicaid nursing facilities, and with the Kansas Department of Health and Environment to conduct fire and life safety surveys of Medicare and Medicaid medical facilities.

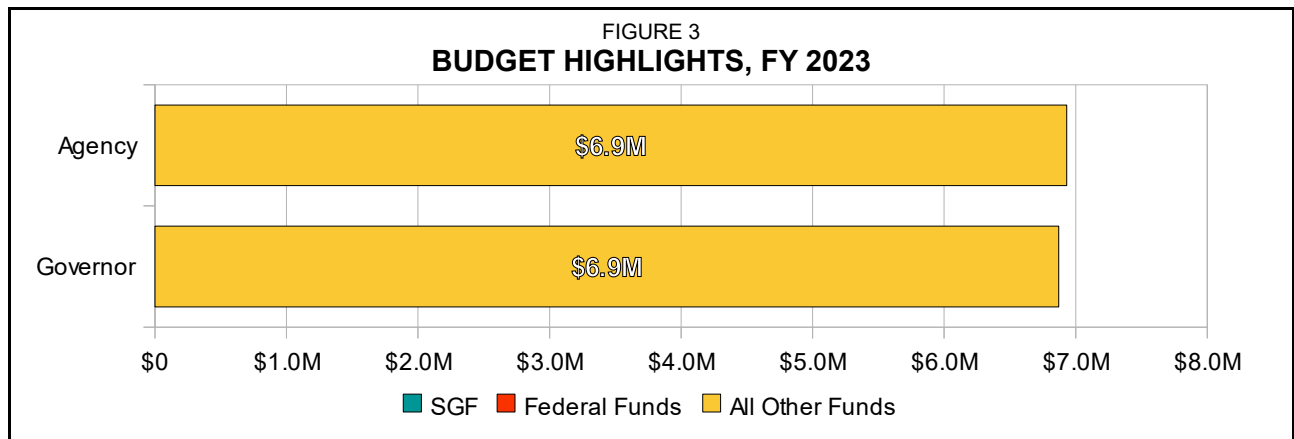
EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$6,448,995, all from special revenue funds, for the State Fire Marshal in FY 2022.



The **agency** requests a revised estimate of \$6.4 million, all from special revenue funds. This is the same as the amount approved by the 2021 Legislature. There are no changes to the expenditure categories.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$6.9 million, all from special revenue funds, for FY 2023. This is an increase of \$482,220, or 7.5 percent, above the FY 2022 revised estimate. The request includes an enhancement in salaries and wages of \$410,071 for recruitment and retention. There is a decrease in expenditures on training materials and from the new data servers that were purchased in FY 2022. The Kansas Firefighter Recruitment and Safety Grant is not funded in FY 2023. The grant provides no-match funds to volunteer/part-time departments across the state for personal protective equipment, physicals not covered by insurance, and support of junior firefighter programs.

The **Governor** recommends expenditures of \$6.9 million, all from special revenue funds, for FY 2023. This is a decrease of \$60,341, or 0.9 percent, below the agency's request.

Significant items in the Governor's recommendation include the following:

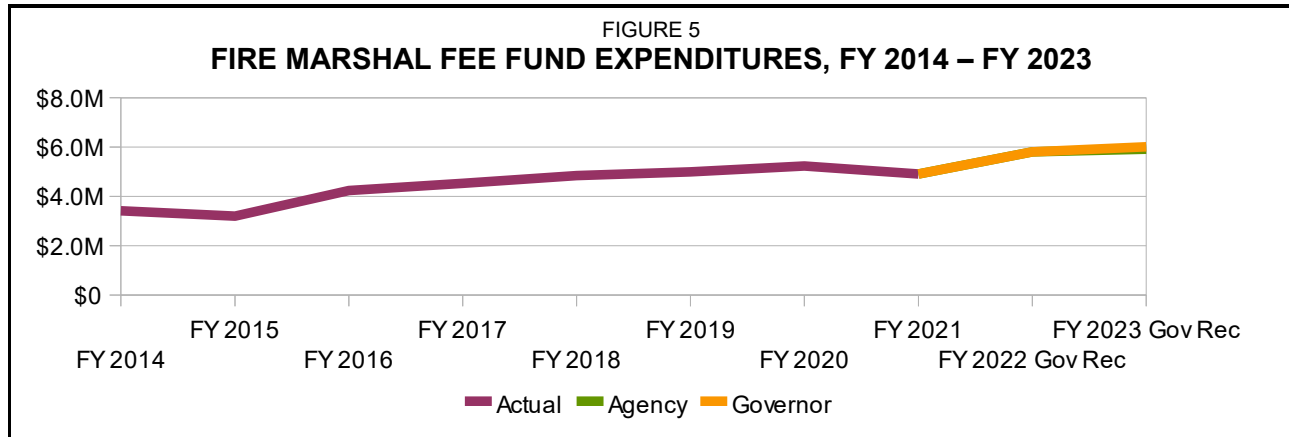
- **RECRUITMENT AND RETENTION.** The Governor recommends \$249,730 beginning in FY 2023 for recruitment and retention issues. The Governor did not recommend the agency's enhancement request.
- **KANSAS FIREFIGHTER RECRUITMENT AND SAFETY GRANT PROGRAM.** The Governor recommends increasing expenditures by \$100,000 from the Fire Marshal Fee Fund to restore the Kansas Firefighter Recruitment and Safety Grant Program.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

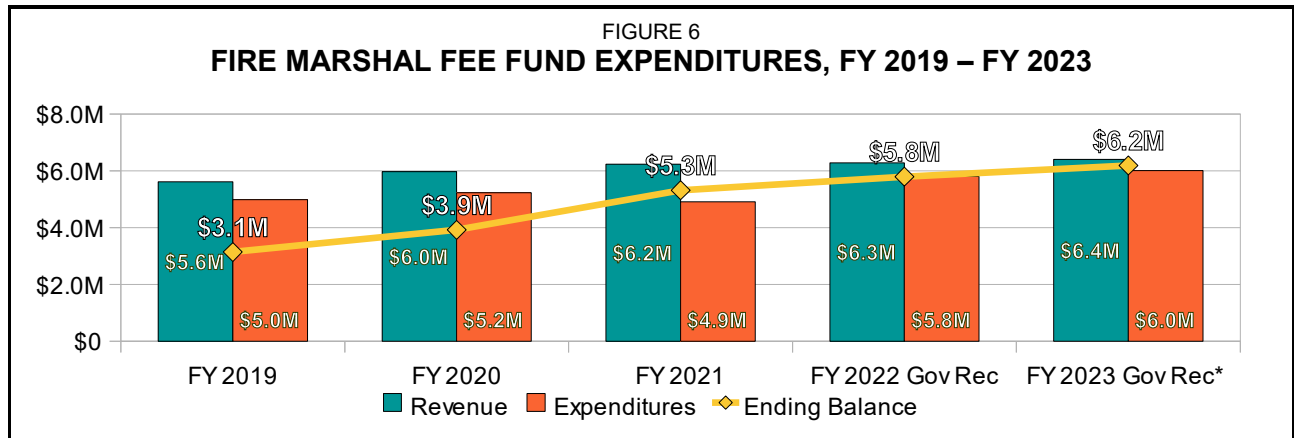
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 4,034,469	\$ 4,466,830	\$ 4,466,830	\$ 4,984,275	\$ 4,823,934
Contractual Services	1,012,741	1,166,540	1,166,540	1,168,065	1,168,065
Commodities	219,244	403,975	403,975	406,425	406,425
Capital Outlay	388,367	311,650	311,650	372,450	372,450
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 5,654,821</i>	<i>\$ 6,348,995</i>	<i>\$ 6,348,995</i>	<i>\$ 6,931,215</i>	<i>\$ 6,770,874</i>
Aid to Local Units	-	100,000	100,000	-	100,000
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<i>\$ 5,654,821</i>	<i>\$ 6,448,995</i>	<i>\$ 6,448,995</i>	<i>\$ 6,931,215</i>	<i>\$ 6,870,874</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 5,654,821	\$ 6,448,995	\$ 6,448,995	\$ 6,931,215	\$ 6,870,874
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	138,803	-	-	-	-
All Other Funds	5,516,018	6,448,995	6,448,995	6,931,215	6,870,874
TOTAL	\$ 5,654,821	\$ 6,448,995	\$ 6,448,995	\$ 6,931,215	\$ 6,870,874
FTE Positions	69.8	71.3	71.3	70.3	70.3

FIRE MARSHAL FEE FUND



The Fire Marshal Fee Fund is the primary source of funding for the agency. KSA 75-1508 requires each fire insurance company doing business in Kansas to pay a levy to the Commissioner of Insurance. Pursuant to the statute, the levy shall not exceed 0.8 percent of a sum equal to the gross cash receipts of such company on all fire business transacted by the company in the preceding calendar year. This levy on fire insurance premiums totals 1.25 percent and supports three agencies as follows: The State Fire Marshal receives 64.0 percent, the Board of Emergency Medical Services receives 20.0 percent, and the University of Kansas Fire and Rescue Training Institute receives 16.0 percent.

FIRE MARSHAL FEE FUND



* For FY 2023, the lowest month ending balance for the Fire Marshal Fee Fund will occur in November, with a balance of \$2.0 million.

The Fire Marshal Fee Fund receives the majority of the transfers of receipts from the insurance premium fund in the months of December and June. The June transfer funds the agency for the first six months of the next fiscal year. This fund is used for the Kansas Firefighter Recruitment and Safety Grant. The grant provides no-match funds to volunteer/part-time departments across the state for personal protective equipment, physicals not covered by insurance, and support of junior firefighter programs.

FY 2022 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$	\$ 6,448,995	\$ 6,448,995	69.8
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ -	\$ 6,448,995	\$ 6,448,995	69.8
Agency Revised Estimate:				
2. FTE Adjustment	-	-	-	1.5
<i>Subtotal—Agency Revised Estimate</i>	\$ -	\$ 6,448,995	\$ 6,448,995	1.5
Governor's Recommendation:				
3. No Changes	-	-	-	--
TOTAL	\$ -	\$ 6,448,995	\$ 6,448,995	71.3

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the \$6.4 million appropriated to the State Fire Marshal in FY 2022.

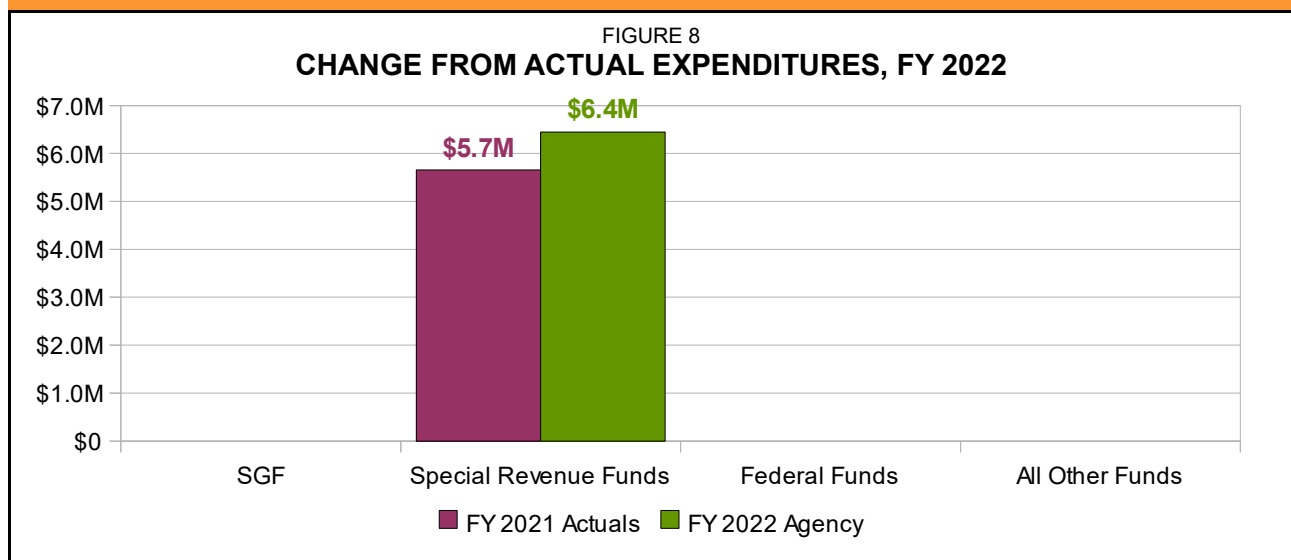
AGENCY ESTIMATE

The **agency** requests \$6.4 million, all from special revenue funds. This is the same amount as the amount approved by the 2021 Legislature. There are no adjustments by the agency to the approved amount or expenditure categories. There is an adjustment to the FTE count although no positions were added.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency** requests \$6.4 million, all from special revenue funds, in FY 2022. This is an increase of \$794,174, or 14.0 percent, above the FY 2021 actual expenditures. The FY 2022 request includes an increase in salaries and wages of \$432,361 for approximately ten open positions; \$153,799 for increased computer data services, new servers, central mail, and rent in contractual services; and \$184,731 for increased code materials for fire and life safety and Hazmat materials in commodities. Aid to local units increased by \$100,000 for the Kansas Firefighter Recruitment and Safety Grant, which is funded for only FY 2022. There is a decrease of \$76,717 in capital outlay, since there are no trucks purchased in FY 2022.

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 6,448,995	\$ 6,448,995	71.3
Agency Request:				
1. Enhancement–Recruitment/Retention	\$ -	\$ 410,071	\$ 410,071	--
2. Reduced Grant	-	(100,000)	(100,000)	--
3. All Other Adjustments	-	172,149	172,149	(1.0)
<i>Subtotal–Agency Estimate</i>	\$ -	\$ 6,931,215	\$ 6,931,215	70.3
Governor’s Recommendation:				
4. Recruitment and Retention	\$ -	\$ 249,730	\$ 249,730	
5. Enhancement	-	(410,071)	(410,071)	
6. Kansas Firefighter Recruitment and Safety Grant Program	-	100,000	100,000	
TOTAL	\$ -	\$ 6,870,874	\$ 6,870,874	70.3

AGENCY REQUEST

The **agency** requests \$6.9 million, all from special revenue funds, for FY 2023. This is an increase of \$482,220, or 7.5 percent, above the FY 2022 revised estimate.

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

1. **ENHANCEMENT–RECRUITMENT AND RETENTION.** The request includes an enhancement in salaries and wages of \$410,071 for recruitment and retention.
2. **KANSAS FIREFIGHTER RECRUITMENT AND SAFETY GRANT.** This grant is not funded in FY 2023. The grant provides no-match funds to volunteer/part-time departments across the state for personal protective equipment, physicals not covered by insurance, and support of junior firefighter programs.
3. **ALL OTHER ADJUSTMENTS.** There is an increase in expenditures for capital outlay for the purchase of two half-ton trucks with bed covers and accessories and four replacement sedans. There was a deletion of 1.0 FTE position.

GOVERNOR’S RECOMMENDATION

The Governor recommends \$6.9 million, all from special revenue funds. This is a decrease of \$60,341, or 0.9 percent, below the agency request. The Governor's recommendation does not include the entire enhancement request but adds \$100,000 for the Kansas Firefighter Recruitment and Safety Grant Program for FY 2023.

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

4. **RECRUITMENT AND RETENTION.** The Governor recommends \$249,730 for recruitment and retention. This would include \$135,955 from the Boiler Inspection Fee Fund and \$113,775 from the Fire Safety Standard and Firefighter Protection Act Reinforcement Fund.
5. **ENHANCEMENT.** The Governor deleted \$410,071, all from special revenue funds, due to not recommending the agency's enhancement request.
6. **KANSAS FIREFIGHTER RECRUITMENT AND SAFETY GRANT.** The Governor recommends adding \$100,000, from the Fire Marshal Fee Fund, to restore the Kansas Firefighter Recruitment and Safety Grant Program.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1

FIVE-YEAR EMPLOYEE RECRUITMENT AND RETENTION PLAN

Over the last several years, the agency indicates it has experienced difficulties with recruitment of and retention of vital, capable, and competent applicants for open positions throughout the agency. The agency proposes a five-year recruitment and retention plan designed to increase salaries of all positions by 10.0 percent beginning for FY 2023, followed by a 2.5 percent increase in each of the next four years.

Item	Enhancement		Other Funds	Total
	SGF			
Recruitment and Retention Plan	\$ -	\$	410,071	\$ 410,071

The Governor recommends a pay plan of \$249,730 for this request.

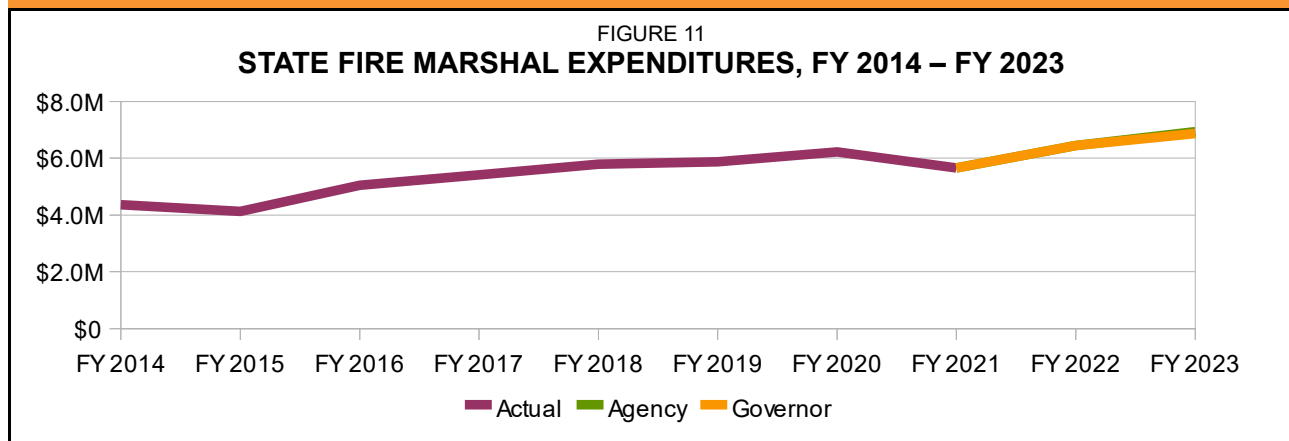
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 10 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 5,654,821	\$ 6,448,995	\$ 6,448,995	\$ 6,931,215	\$ 6,870,874
FTE Positions:					
Administration	69.8	71.3	71.3	70.3	70.3

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

STATE FIRE MARSHAL



STATUTORY BASIS: • KSA-75-1503, 75 15-5, 75-1510, 75-1513, and 17-3136 established the office of the State Fire Marshal. Other statutes that guide the State Fire Marshal include KSA 31-133, 134, 136, 137, 138, 143, 144, 146, 148, 149, 150, 157, 401-406, 501-506, 601-613, 39-928, 40-2,110, 55-1807-1813, 65-34,105 and 34,136, 65-508, 75-1515, 1518, 1519, 3137, and 6102. KSA 2-3901-3909 regulates commercial hemp.

PROGRAM GOALS: • Reduce fires.
• Increase arson convictions.
• Locate and inspect boilers.
• Maintain and train the nine regional Hazmat response teams.
• Train and respond for search and rescue teams.

The State Fire Marshal has four divisions within the agency. These include Administration, Investigation, Fire Prevention, and Emergency Response. The Administration Division provides support services such as fiscal management, personnel, education training, and legal. It also provides publication of press releases and maintenance of the information technology services. The Investigation Division provides fire origin and cause investigation, criminal investigation, explosives investigation and

permits, fireworks permits, fire investigation and explosives training and education, and the fire safety cigarette program. The Fire Prevention Division provides fire and life safety code rules and regulations, the field fire and safety inspection and enforcement program, facility plan reviews and code enforcement, and boiler inspection and certifications. The Emergency Response Division provides hazardous material response and training and search and rescue response and training.

FIGURE 12
STATE FIRE MARSHAL, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Request for OSFM investigation*	367	390	376.7	400	400
2. Storage permits for explosives*	57	66	62.3	60	64
3. Field inspection hours*	14,188	12,720	14,031.3	14,992	15,392
4. Boiler inspections*	3,377	4,021	3,562.7	4,423	4,423
5. Number of Hazmat responses*	822	819	812.7	825	825
Output Measure:					
6. Canine responses*	78	58	66.7	75	75
7. Fires caused by smoking*	275	128	206.7	280	280
8. Inspections completed annually*	11,323	7,912	8,774.3	8,616	N/A
9. Boiler certificates issued*	11,386	12,069	12,326.3	13,275	13,275
10. Number of investigative hours	18,064	18,004	--	21,500	21,500
11. Number of requests for investigation	369	390	--	400	400
12. Number of search and rescue responses	694	705	--	700	725
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	6,222,344	5,654,821		6,448,995	6,870,874
TOTAL	<u>\$ 6,222,344</u>	<u>\$ 5,654,821</u>		<u>\$ 6,448,995</u>	<u>\$ 6,870,874</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	1.4 %	(9.1) %		14.0 %	6.5 %
FTE Positions	62.8	66.7		71.3	70.3

*The Governor's Office does not utilize this measure for evaluation purposes.

KANSAS HIGHWAY PATROL

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

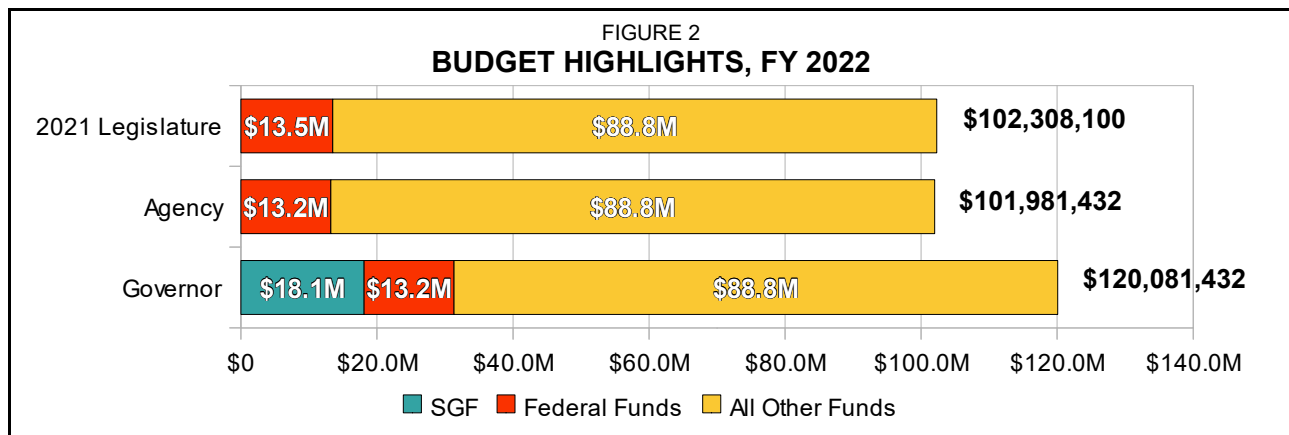
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ 18,100,000	\$ -	\$ -
Federal Funds	15,955,584	13,222,892	13,222,892	13,730,059	13,730,059
All Other Funds	79,762,556	87,347,598	87,347,598	107,248,028	92,025,125
<i>Subtotal</i>	<i>\$ 95,718,140</i>	<i>\$ 100,570,490</i>	<i>\$ 118,670,490</i>	<i>\$ 120,978,087</i>	<i>\$ 105,755,184</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,093,948	-	-	-	-
All Other Funds	362,515	1,410,942	1,410,942	1,136,354	1,136,354
<i>Subtotal</i>	<i>\$ 1,456,463</i>	<i>\$ 1,410,942</i>	<i>\$ 1,410,942</i>	<i>\$ 1,136,354</i>	<i>\$ 1,136,354</i>
TOTAL	\$ 97,174,603	\$ 101,981,432	\$ 120,081,432	\$ 122,114,441	\$ 106,891,538
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	(100.0) %
All Funds	(0.8) %	4.9 %	23.6 %	19.7 %	(11.0) %
FTE Positions	880.0	880.0	880.0	880.0	880.0

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

The mission of the Kansas Highway Patrol (KHP) is to provide protection of life and property through the enforcement of traffic, criminal, and other laws of Kansas and support of Homeland Security initiatives. Other services provided by KHP include training to law enforcement officers for the detection and apprehension of drunk drivers, motorist assistance, title inspection for cars being titled for the first time in Kansas, and the Motor Carrier Assistance program. The agency operates the KHP Training Academy in Salina to provide training for new recruits and continuing education for KHP sworn officers. The agency also works to reduce the number of oversized, overweight, and/or unsafe commercial vehicles through the Motor Carrier Inspection program.

EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$102,308,100, all from special revenue funds, for the Kansas Highway Patrol for FY 2022.



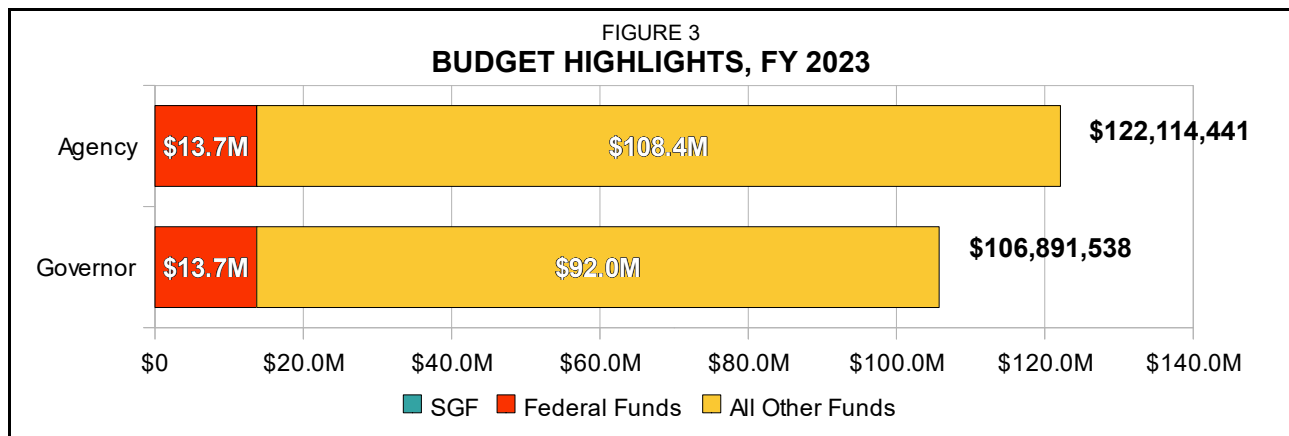
The **agency** requests an FY 2022 revised estimate of \$102.0 million, all from special revenue funds, for total agency expenditures. This is a decrease of \$326,668, or 0.3 percent, below the FY 2022 approved amount. The decrease is largely due to the agency's revised request for capital improvement expenditures being \$462,256 below the amount included in the FY 2021 approved budget. This was partially offset by an additional \$135,588 in COVID-19 relief transactions that were not included in the approved amount. The FY 2022 revised estimate is composed of \$100.7 million of operating expenditures and \$1.4 million of capital improvement expenditures. The FY 2022 revised estimate includes 880.0 FTE positions, which is no change from the approved number.

The **Governor** recommends expenditures totaling \$120.1 million, including \$18.1 million SGF, in FY 2022. This is an increase of \$18.1 million, or 17.7 percent, all SGF, above the agency's FY 2022 revised estimate. The increase is due to recommending the agency's FY 2023 enhancement request for law enforcement aircraft replacement in FY 2022. The Governor also recommends funding this request with SGF moneys rather than through the KHP Operations Fund as was included in the agency's enhancement request. The Governor concurs with the agency's FY 2022 revised estimate for capital improvements expenditures.

Significant items in the Governor's recommendation include the following:

- **REPLACEMENT AND UPGRADE OF LAW ENFORCEMENT AIRCRAFT ASSETS.**

The Governor recommends \$18.1 million, all SGF, for the purchase of two new helicopters, one multipurpose single-engine airplane, and the upgrade of FLIR (Forward-Looking Infrared Radar) on the 2012 Cessna 206 aircraft (\$800,000) in FY 2022.



The **agency** request totals agency expenditures of \$122.1 million, all from special revenue funds. This is an increase of \$20.1 million, or 19.7 percent, above the FY 2022 revised estimate. The increase is primarily due to the agency's enhancement requests, totaling \$19.4 million.

The first enhancement request (\$18.1 million) is for the replacement and upgrade of the KHP law enforcement aircraft assets. This request includes the purchase of two new helicopters, one multipurpose single-engine airplane, and the upgrade of FLIR (Forward-Looking Infrared Radar) on the 2012 Cessna 206 aircraft. The second enhancement request (\$1.3 million) is to establish an annual operating budget for the aircraft unit to sustain aircraft operations.

The FY 2023 request includes \$121.0 million in operating expenditures and \$1.1 million in capital improvement expenditures. The FY 2023 budget includes 880.0 FTE positions, which is no change from agency's FY 2022 revised estimate.

The **Governor** recommends operations expenditures totaling \$105.8 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$15.2 million, or 12.5 percent, below the agency's FY 2023 request. The decrease is due to the Governor recommending the agency's enhancement request for aircraft support funding in FY 2022 rather than FY 2023. Also included in the Governor's recommendation are the agency's enhancement request to establish an annual operating budget of \$1.3 million for aircraft operations, and increased expenditures for the agency's Career Progression Plan.

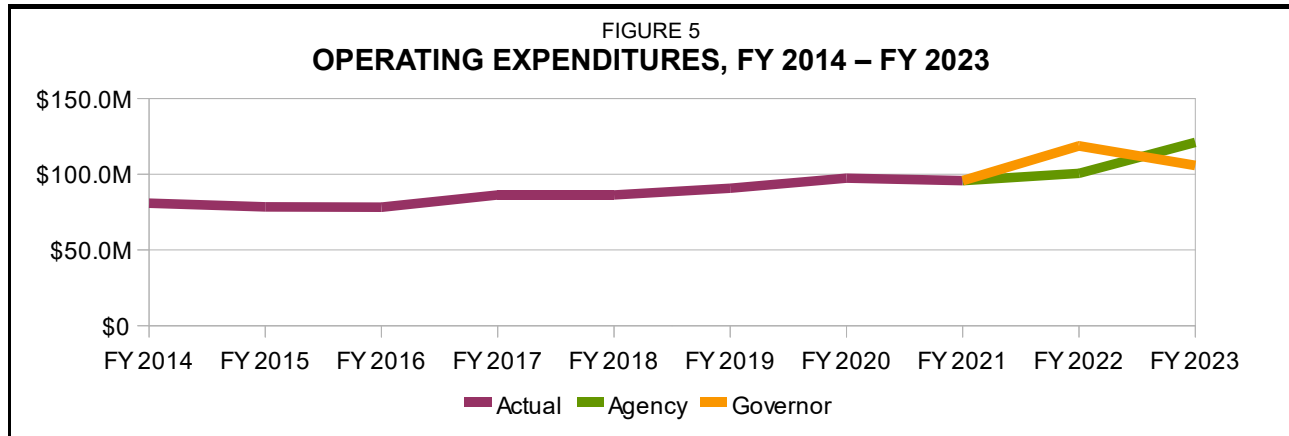
The **Governor** concurs with the agency's FY 2023 request for capital improvements expenditures.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

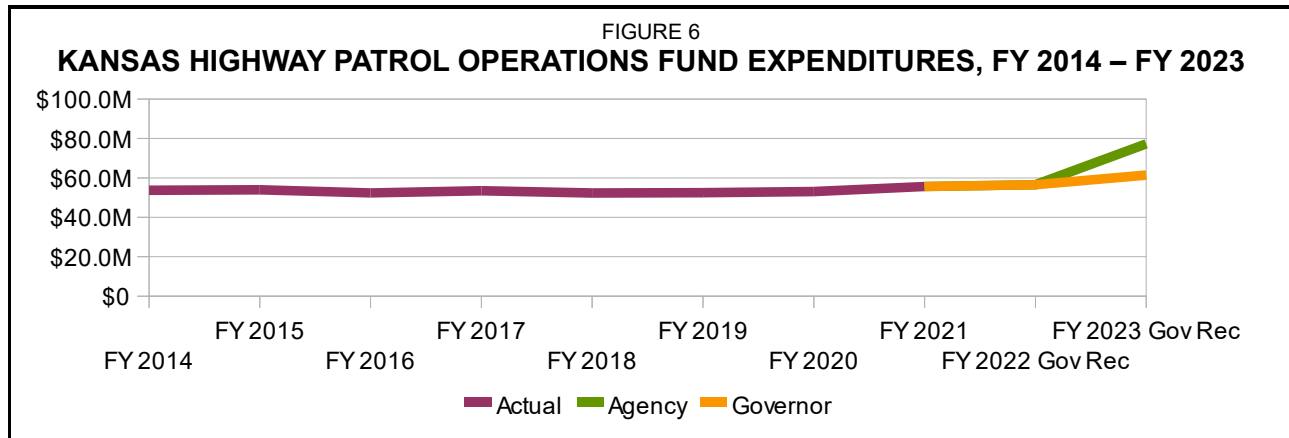
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 64,144,182	\$ 69,462,543	\$ 69,462,543	\$ 70,115,230	\$ 73,702,837
Contractual Services	8,330,343	8,505,871	9,232,997	9,543,127	8,687,321
Commodities	7,438,061	6,506,542	7,215,889	8,342,688	7,110,995
Capital Outlay	11,744,518	12,255,987	28,919,514	29,137,495	12,414,484
Debt Service Interest	-	-	-	-	-
Subtotal	\$ 91,657,104	\$ 96,730,943	\$ 114,830,943	\$ 117,138,540	\$ 101,915,637
Aid to Local Units	3,993,066	3,839,547	3,839,547	3,839,547	3,839,547
Other Assistance	67,970	-	-	-	-
Subtotal—Operating	\$ 95,718,140	\$ 100,570,490	\$ 118,670,490	\$ 120,978,087	\$ 105,755,184
Capital Improvements	1,456,463	1,410,942	1,410,942	1,136,354	1,136,354
Debt Service Principal	-	-	-	-	-
TOTAL	\$ 97,174,603	\$ 101,981,432	\$ 120,081,432	\$ 122,114,441	\$ 106,891,538
Financing:					
State General Fund	\$ -	\$ -	\$ 18,100,000	\$ -	\$ -
KHP Operations	55,629,101	56,486,975	56,486,975	77,228,291	61,415,898
KHP Staffing & Training	2,881,126	9,482,882	9,482,882	9,456,769	9,456,769
VIN Fee Fund	3,581,254	3,718,800	3,718,800	3,779,224	3,779,224
KHP Motor Vehicle Fund	6,541,404	7,000,000	7,000,000	7,000,000	7,000,000
Patrol of KS Turnpike	4,722,594	4,212,445	4,212,445	4,242,857	4,242,857
Federal Funds	17,049,532	13,222,892	13,222,892	13,730,059	13,730,059
All Other Funds	6,769,592	7,857,438	7,857,438	6,677,241	7,266,731
TOTAL	\$ 97,174,603	\$ 101,981,432	\$ 120,081,432	\$ 122,114,441	\$ 106,891,538
FTE Positions	880.0	880.0	880.0	880.0	880.0

OPERATING EXPENDITURES



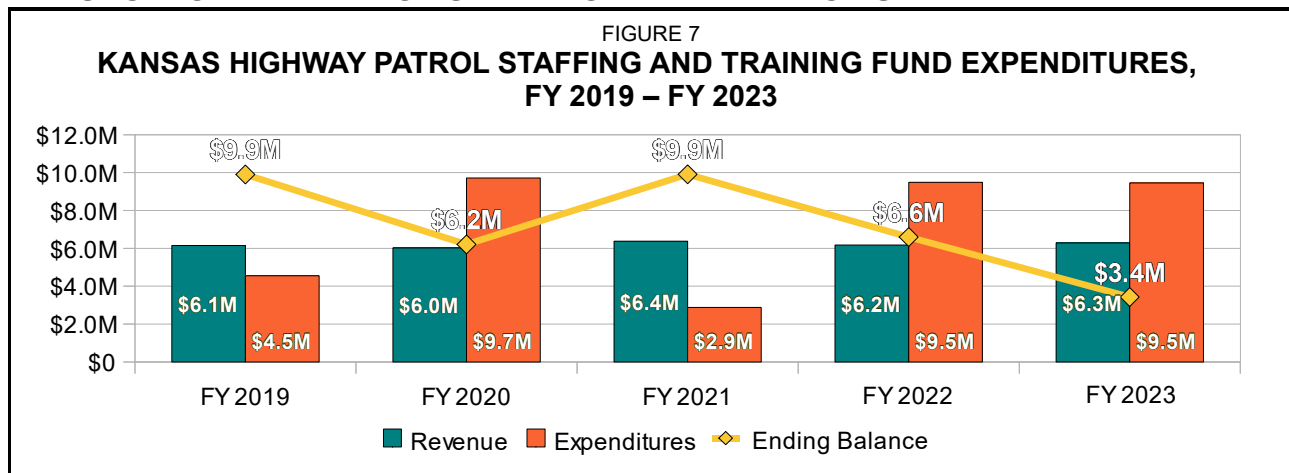
For the Kansas Highway Patrol, operating expenditures rose \$16.4 million between FY 2014 and FY 2021. The agency's request for operating expenditures in FY 2023 includes an increase of \$20.1 million above the FY 2022 request due to two enhancement requests related to purchasing agency aircraft and establishing an annual operating budget for the agency's aircraft unit. The Governor's recommendation includes funding the agency's \$18.1 million enhancement for new aircraft in FY 2022 rather than FY 2023.

KANSAS HIGHWAY PATROL OPERATIONS FUND



The Kansas Highway Patrol (KHP) received its funding primarily from the State General Fund (SGF) prior to FY 2013. Effective July 1, 2013, the agency's primary source of funding is the KHP Operations Fund, whose source is transfers from the State Highway Fund. KHP Operations Fund expenditures have remained primarily consistent between FY 2014 and FY 2021, with expenditures ranging between \$52.3 million and \$55.3 million. In FY 2022, the agency requests \$18.1 million from the KHP Operations Fund to fund their enhancement request for replacement aircraft. The Governor recommends funding this enhancement request in FY 2022 using SGF moneys.

KANSAS HIGHWAY PATROL STAFFING AND TRAINING FUND



* For FY 2023, the lowest month ending balance for the Kansas Highway Patrol Staffing and Training Fund will occur in July, with a balance of \$7.0 million.

The 2016 Legislature passed HB 2696, which created the Kansas Highway Patrol Staffing and Training Fund and added a new \$2.00 nonrefundable surcharge to each vehicle registration fee to be deposited into the Fund. The bill also contained language stating moneys deposited into the Fund may only be used for the purposes set forth in the law creating the Fund. The KHP Staffing and Training Fund was appropriated as a no-limit fund for FY 2017 by 2016 House Sub. for SB 249.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ -	\$ 102,308,100	\$ 102,308,100	880.0
1. No changes	-	-	-	-
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 102,308,100</i>	<i>\$ 102,308,100</i>	<i>880.0</i>
Agency Revised Estimate:				
2. COVID-19 Relief Transactions	\$ -	\$ 135,588	\$ 135,588	-
3. Capital Improvement adjustments	-	(462,256)	(462,256)	-
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 101,981,432</i>	<i>\$ 101,981,432</i>	<i>880.0</i>
Governor's Recommendation:				
4. Law Enforcement Asset Replacement	\$ 18,100,000	\$ -	\$ 18,100,000	-
TOTAL	\$ 18,100,000	\$ 101,981,432	\$ 120,081,432	880.0

LEGISLATIVE APPROVED

1. Subsequent to the 2021 Session, no adjustments were made to the \$102,308,100 appropriated to the Kansas Highway Patrol for FY 2022.

AGENCY ESTIMATE

The **agency** requests an FY 2022 revised estimate for total agency expenditures of \$102.0 million, all from special revenue funds. This is a decrease of \$326,668, or 0.3 percent, below the FY 2022 approved amount. The FY 2022 revised estimate is composed of \$100.7 million of operating expenditures and \$1.4 million of capital improvement expenditures. The **agency** estimate also includes 880.0 FTE positions, which is no change from the approved number.

The **agency** revised estimate includes the following adjustments:

2. **COVID-19 RELIEF EXPENDITURES.** The increase in operating expenditures is due to \$135,588 in COVID-19 relief funds that were anticipated to be spent in FY 2021 but are budgeted in FY 2022. They were used for sanitizer for office space and employees.
3. **CAPITAL IMPROVEMENT ADJUSTMENTS.** The agency decreased capital improvement expenditures by \$462,256 below the amount included in the FY 2021 approved budget. This is largely due to the removal of the storage building at Troop E (\$400,000) and updated budget estimates.

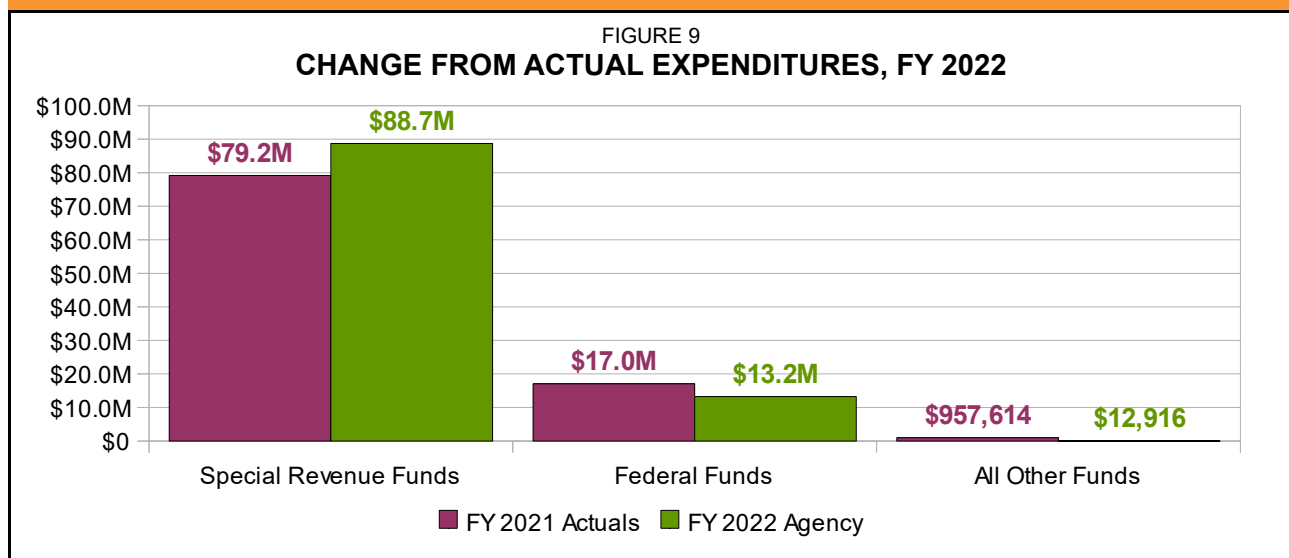
GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$120.1 million, including \$18.1 million SGF, in FY 2022. This is an increase of \$18.1 million, or 17.7 percent, all SGF, above the agency's FY 2022 revised estimate. The Governor concurs with the agency's FY 2022 revised estimate for capital improvements expenditures.

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

4. **REPLACEMENT AND UPGRADE OF LAW ENFORCEMENT AIRCRAFT ASSETS.** The Governor recommends \$18.1 million, all SGF, for the purchase of two new helicopters for \$12.6 million (\$6.3 million per helicopter), one multipurpose single-engine airplane for \$5.7 million, and the upgrade of FLIR (Forward-Looking Infrared Radar) on the 2012 Cessna 206 aircraft (\$800,000) in FY 2022. This amount takes into account the trade-in value of three current agency aircraft for a credit of \$1.0 million (2005 Bell 407, 1998 Cessna, and 1978 Cessna).

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



KHP estimates revised FY 2022 expenditures of \$102.0 million, all from special revenue funds. This is an increase of \$4.8 million above FY 2021 actual expenditures. The increase is largely due to lower than anticipated expenditures for staff training and retention needs in FY 2021, due to the COVID-19 pandemic. The increases for staff training in FY 2022 is partially offset by reductions in COVID-19 relief funds.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 101,981,432	\$ 101,981,432	880.0
Agency Request:				
1. Enhancement– Law Enforcement Asset Replacement	\$ -	\$ 18,100,000	\$ 18,100,000	-
2. Enhancement - Aircraft Operations	-	1,300,000	1,300,000	-
3. All Other Adjustments	-	733,009	733,009	-
<i>Subtotal–Agency Estimate</i>	\$ -	\$ 122,114,441	\$ 122,114,441	880.0
Governor’s Recommendation:				
4. Not recommending Law enforcement Asset Replacement enhancement	\$ -	\$ (18,100,000)	\$ (18,100,000)	-
5. Career Progression Plan	-	3,587,607	3,587,607	-
6. Aircraft Operations Annual Appropriation	-	(710,510)	(710,510)	-
TOTAL	\$ -	\$ 106,891,538	\$ 106,891,538	880.0

AGENCY REQUEST

The **agency** requests total agency expenditures of \$122.1 million, all from special revenue funds. This is an increase of \$20.1 million, or 19.7 percent, above the FY 2022 revised estimate. The FY 2022 request includes \$121.0 million in operating expenditures and \$1.1 million in capital improvement expenditures. The agency request also includes 880.0 FTE positions, which is no change from agency's FY 2022 revised estimate.

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

- 1. ENHANCEMENT—REPLACEMENT AND UPGRADE OF LAW ENFORCEMENT AIRCRAFT ASSETS.** The agency requests \$18.1 million, all from the KHP Operations Fund, for the purchase of two new helicopters for \$12.6 million (\$6.3 million per helicopter), one multipurpose single-engine airplane for \$5.7 million, and the upgrade of FLIR (Forward-Looking Infrared Radar) on the 2012 Cessna 206 aircraft (\$800,000) for FY 2023. This amount takes into account the trade-in value of three current agency aircraft for a credit of \$1.0 million (2005 Bell 407, 1998 Cessna, and 1978 Cessna).
- 2. ENHANCEMENT—ESTABLISH AN ANNUAL OPERATING BUDGET FOR THE AIRCRAFT UNIT.** The agency requests an annual appropriation of \$1.3 million, all from the KHP Operations Fund, to sustain aircraft operations in FY 2023. There is currently a proviso that annually transfers \$600,000 from the KHP Motor Vehicle Fleet Fund (Fleet Fund) to the air support unit. The agency requests this current transfer no longer occur and remain to the support of the Fleet Fund.
- 3. ALL OTHER ADJUSTMENTS.** Other adjustments are largely due to increased expenditures in salaries and wages, including increased expenditures for employee health and retirement benefits in the operations support program.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures totaling \$106.9 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$15.2 million, or 14.2 percent, below the agency's FY 2023 request. The decrease is due to the Governor recommending the agency's enhancement request for replacement aircraft in FY 2022 rather than FY 2023. Also included in the Governor's recommendation are the agency's enhancement requests to establish an annual operating budget of \$1.3 million for aircraft operations, and increased expenditures for the agency's Career Progression Plan. The **Governor** concurs with the agency's FY 2023 request for capital improvements expenditures.

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

4. **NOT RECOMMENDING AIRCRAFT ASSET ENHANCEMENT REQUEST IN FY 2023.**
The Governor recommends funding this one-time enhancement request in the agency's FY 2022 budget.
5. **CAREER PROGRESSION PLAN.** The Governor recommends \$3.6 million, all from the KHP Operations Fund, for a pay plan to alter the agency's Career Progression Plan. This funding will be used to support the recruitment and compensation of Troopers and Law Enforcement Officers.
6. **AIRCRAFT OPERATIONS ANNUAL BUDGET.** The Governor recommends funding the agency's enhancement request to establish an annual operations budget for the aircraft operations program by establishing an ongoing transfer of \$1.3 million from the State Highway Fund (SHF) to the Aircraft Fund beginning in FY 2023. The total cost of the enhancement is \$1.3 million, of which \$710,510 is funded within the agency's FY 2023 budget request. This transfer from the SHF will replace the current transfer of \$600,000 from the Fleet Fund to the Aircraft Fund.

ENHANCEMENT REQUESTS

REQUEST 1

ENHANCEMENT—REPLACEMENT AND UPGRADE OF LAW ENFORCEMENT AIRCRAFT ASSETS

The KHP Air Support Unit is the only aircraft unit in the State of Kansas that provides law enforcement/criminal apprehension air support and flights for public safety. The Unit has seen an increase in requests for service and calls since 2017. In the first 7 months of 2021, the Air Support Unit has been requested for, or has responded to, 81 vehicle pursuits and 61 manhunts.

The agency requests \$18.1 million, all from the KHP Operations Fund, for the purchase of two new helicopters, one multipurpose single-engine airplane, and the upgrade of Forward-Looking Infrared Radar (FLIR) on the 2012 Cessna 206 aircraft for FY 2023. This amount takes into account the trade-in value of three current agency aircraft for a credit of \$1.0 million (2005 Bell 407, 1998 Cessna, and 1978 Cessna).

REPLACEMENT AND UPGRADE OF LAW ENFORCEMENT AIRCRAFT ASSETS			
Enhancements	FY 2022		FY 2023
Two helicopters	\$	-	\$ 12,600,000
Multipurpose single-engine airplane		-	5,700,000
FLIR upgrade on 2012 Cessna 206 aircraft		-	800,000
Trade-in of three current agency aircraft		-	(1,000,000)
TOTAL	\$	-	\$ 18,100,000

The Governor recommends fully funding this request using all SGF moneys, in FY 2022.

REQUEST 2

ENHANCEMENT—ESTABLISH AN ANNUAL OPERATING BUDGET FOR THE AIRCRAFT UNIT

Funding for the Aircraft Unit was created by an appropriation bill proviso, starting in FY 2006, which authorized a transfer from the KHP Motor Vehicle Fleet Fund (Fleet Fund) of \$400,000. That amount was increased to \$600,000 beginning in FY 2014.

The agency requests an annual appropriation of \$1.3 million, all from the KHP Operations Fund, to sustain aircraft operations for FY 2023. The agency requests the current annual transfer of \$600,000 from the KHP Motor Vehicle Fleet Fund to the Aircraft Unit no longer occur.

ESTABLISH AN ANNUAL OPERATING BUDGET FOR THE AIRCRAFT UNIT			
Enhancements	FY 2022		FY 2023
Contractual Services	\$	-	\$ 235,442
Commodities		-	955,722
Capital Outlay		-	108,836
TOTAL	\$	-	\$ 1,300,000

The Governor recommends fully funding this request for FY 2023.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

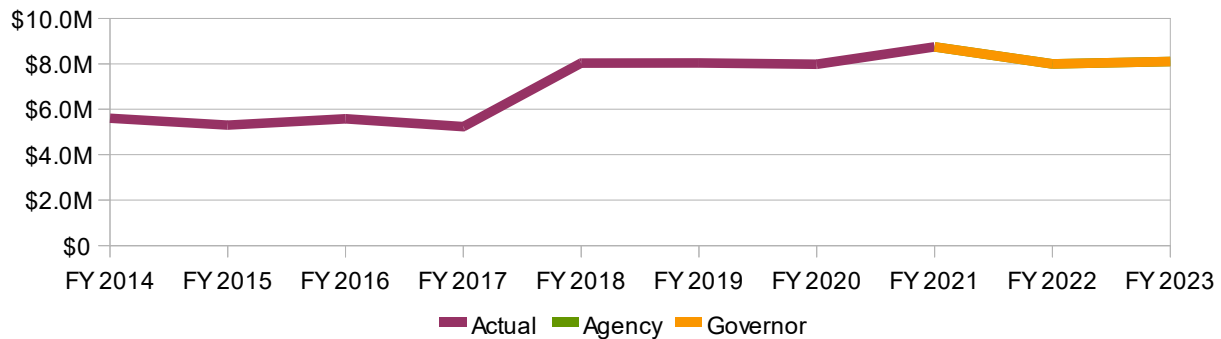
FIGURE 11 OPERATING EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 10,217,100	\$ 8,130,792	\$ 8,130,792	\$ 8,103,651	\$ 8,103,651
Aircraft Operations	2,925,950	2,816,117	20,916,117	22,256,213	3,445,703
Capitol Police	1,320,659	1,408,605	1,408,605	1,415,039	1,415,039
Fleet	9,363,810	9,089,736	9,089,736	9,145,435	9,145,435
Homeland Security	4,646,213	4,496,609	4,496,609	4,499,370	4,499,370
Motor Carrier	2,983,978	4,393,687	4,393,687	4,393,687	4,393,687
Inspection					
Motorist Assistance	1,589,113	1,570,582	1,570,582	1,570,582	1,570,582
Operations Support	54,677,946	61,183,882	61,183,882	62,022,794	65,610,401
Turnpike Patrol	4,739,953	4,212,445	4,212,445	4,242,857	4,242,857
Vehicle ID Number	3,253,418	3,268,035	3,268,035	3,328,459	3,328,459
TOTAL	\$ 95,718,140	\$ 100,570,490	\$ 118,670,490	\$ 120,978,087	\$ 105,755,184
FTE Positions:					
Administration	75.5	75.5	75.5	75.5	75.5
Aircraft Operations	17.0	17.0	17.0	17.0	17.0
Capitol Police	21.0	21.0	21.0	21.0	21.0
Fleet	13.0	13.0	13.0	13.0	13.0
Homeland Security	4.0	7.0	7.0	7.0	7.0
Motor Carrier	59.0	59.0	59.0	59.0	59.0
Inspection					
Motorist Assistance	21.0	19.0	19.0	19.0	19.0
Operations Support	576.0	576.0	576.0	576.0	576.0
Turnpike Patrol	52.5	51.5	51.5	51.5	51.5
Vehicle ID Number	41.0	41.0	41.0	41.0	41.0
TOTAL	880.0	880.0	880.0	880.0	880.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 12
ADMINISTRATION EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 74-2113 (Administration), 45-215 through 45-223 (Records Unit)

PROGRAM GOALS: • Improve the function, operation, and cohesiveness of KHP programs; and maintain or improve the consistency of agency management and operations.

The Administration program provides leadership and support for the successful operation of KHP law enforcement. This program includes the Superintendent's Office, the Professional Standards Unit Fiscal, and legal, records, information technology, public and government affairs, and human resources services. As part of performance-based budgeting, the agency's information technology

function was combined with this program beginning in FY 2018.

Information Technology Program. This program includes all aspects of information technology within the agency, including dispatch systems, in-car systems, communication devices, reporting and citation systems, and internal support systems, including desktop, fleet, inventory, and remote access.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
1.Number of miles patrolled	12,372,038	12,750,000	--	12,750,000	12,750,000
2.Percent of fatalities per 100 million miles traveled	1.53%	1.00%	-- %	1.00%	1.00%
3.Number of felony arrests	1,365	1,000	--	1,000	1,000
4.Percent of injury accidents involving alcohol	6.00%	6.00%	6.00%	6.00%	6.00%
Financing (in thousands)	Actual FY2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	8,051,592	10,217,505		7,995,204	8,103,651
TOTAL	\$ 8,051,592	\$ 10,217,505		\$ 7,995,204	\$ 8,103,651
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	7.3 %	26.9 %		(21.7) %	1.4 %
FTE Positions	73.5	75.5		75.5	75.5

BUDGET ANALYSIS

The Administration program provides leadership and support for the successful operation of KHP law enforcement.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$8.1 million, all from special revenue funds, for expenditures in the Administration program in FY 2022. This is an increase of \$135,588, or 1.7 percent, above the amount approved by the 2021 Legislature. The revised estimate includes 75.5 FTE positions, which is the same as the approved number.

The decrease is due to increased expenditures for contractual services such as computer programming and \$135,588 in COVID-19 relief funds that were anticipated to be spent in FY 2021 but were spent in FY 2022. These increases were partially offset by a decrease in expenditures for computer software maintenance.

FY 2023 ESTIMATE

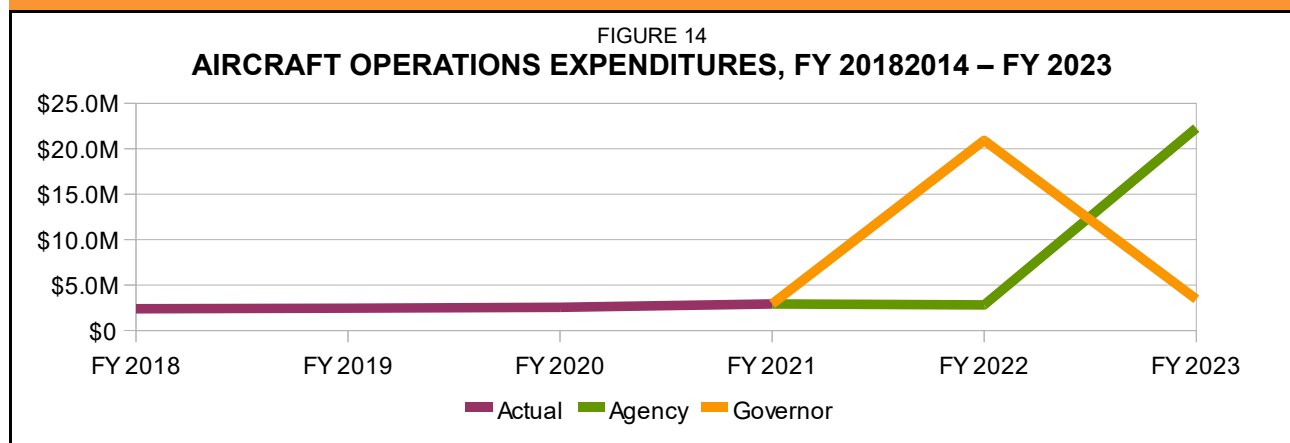
The agency requests FY 2023 Administration program operating expenditures totaling \$8.1 million, all from special revenue funds. This is a decrease of \$27,141, or 0.3 percent, below the FY 2022 revised estimate. The request includes 75.5 FTE positions, which is no change from the FY 2022 revised estimate.

The decrease is largely due to decreased contractual expenditures for computer programming and COVID-19-related services. This decrease was partially offset by increased expenditures in salaries and wages for retirement benefits and increased expenditures for gasoline.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Administration program in FY 2022 and for FY 2023.

AIRCRAFT OPERATIONS



STATUTORY BASIS: • KSA 74-2105

PROGRAM GOALS: • The KHP is the only statewide law enforcement agency that provides airborne services to local, state, and federal agencies. In addition to the KHP aircraft fleet, the agency also manages the executive aircraft, which provides secure transportation services to the governor and other state agencies.

The Aircraft Operations program was created in 2018 to manage the agency's aircraft fleet, including the State's non-enforcement aircraft. This includes maintenance, fuel, parts, and aircraft acquisitions. In FY 2007, the agency constructed a hangar at Billard Airport in Topeka, with aircraft support also conducted in

Salina and Hays. Since FY 2006, a transfer of \$400,000 was made from the Kansas Highway Patrol Motor Vehicle Fund to the Aircraft On-Budget Fund to subsidize the costs. This transfer was increased to \$600,000 beginning in FY 2013.

FIGURE 15
AIRCRAFT OPERATIONS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Percent readiness for FLIR/Law enforcement equipped aircraft*	78 %	56 %	71 %	95 %	95 %
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	2,550,390	2,926,210		20,916,117	3,445,703
TOTAL	<u>\$ 2,550,390</u>	<u>\$ 2,926,210</u>		<u>\$ 20,916,117</u>	<u>\$ 3,445,703</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	3.7 %	14.7 %		614.8 %	(83.5) %
FTE Positions	18.0	17.0		17.0	17.0

*This measure was not included in the Governor's recommendation

BUDGET ANALYSIS

The Aircraft Operations program was created to manage the agency's aircraft fleet, including the State's non-enforcement aircraft.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$2.8 million, all from special revenue funds, for expenditures in the Aircraft Operations program in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 17.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

The agency requests FY 2023 Aircraft Operations program operating expenditures totaling \$22.3 million, all from special revenue funds. This is an increase of \$19.4 million, or 690.3 percent, above the FY 2022 revised estimate. The request includes 17.0 FTE

positions, which is no change from the FY 2022 revised estimate.

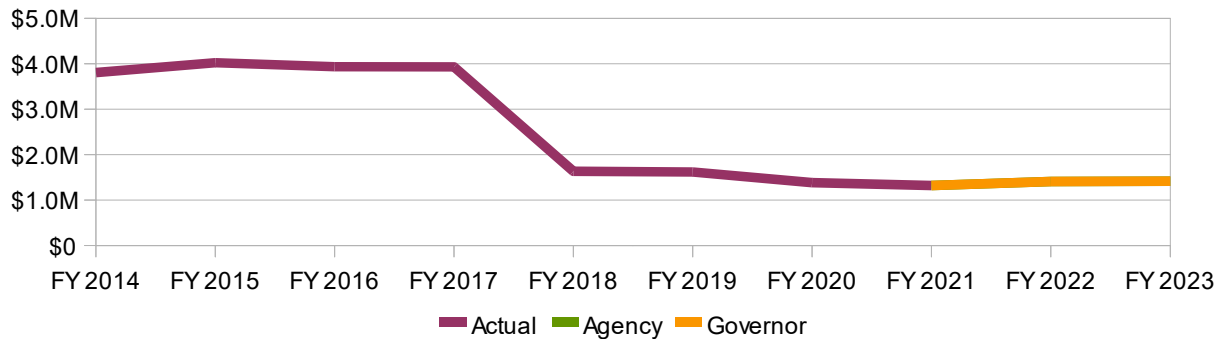
The increase is due to the agency's enhancement requests for Law Enforcement Aircraft Asset replacement and upgrade (\$18.1 million) and funding to establish an annual operating budget for the aircraft unit (\$1.3 million).

GOVERNOR RECOMMENDATION

The Governor recommends operating expenditures totaling \$20.9 million in FY 2022 and \$3.4 million for FY 2023 for the Aircraft Operations program. The Governor's recommendation includes funding, in FY 2022, the agency's enhancement request for aircraft assets. The agency has included these expenditures in their FY 2023 budget request.

CAPITOL POLICE

FIGURE 16
CAPITOL POLICE EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • KSA 74-2108, 74-2105, 75-4503

PROGRAM GOALS:

- Provide for the proactive safety of persons and the protection of property within the Capitol Complex and on other state-owned or state-leased property within Shawnee County.
- Decrease the damage and losses suffered by employees, and by the State, for property located within the Capitol Security's area of operation.
- Increase the proactive safety of persons and property to include state parking lots located within the respective area of operations.

The Capitol Police provide for the safety of persons and the protection of property within the Capitol Complex and at other state-owned or state-leased property within Shawnee

County. The 2006 Legislature changed the name of the program from "Capitol Area Security Patrol" to "Capitol Police."

FIGURE 17
CAPITOL POLICE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1.Number of crimes reported and complains filed	1,233	89	866	1,000	1,000
2.Number of patrol hours	32,021	19,140	30,515	30,000	30,000
3.Number of arrests resulting from filed complaints	267	19	261	290	290
4.Number of safety lectures presented to State Employees*	24	6	30	40	40
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	1,384,886	1,320,659		1,408,605	1,415,039
TOTAL	\$ 1,384,886	\$ 1,320,659		\$ 1,408,605	\$ 1,415,039
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(14.3) %	(4.6) %		6.7 %	0.5 %
FTE Positions	27.0	21.0		21.0	21.0

* This measure was not included in the Governor's recommendation

BUDGET ANALYSIS

The Capitol Police provide for the safety of persons and the protection of property within the Capitol Complex and at other state-owned or state-leased property within Shawnee County.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$1.4 million, all from special revenue funds, for expenditures in the Capitol Police program in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 21.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

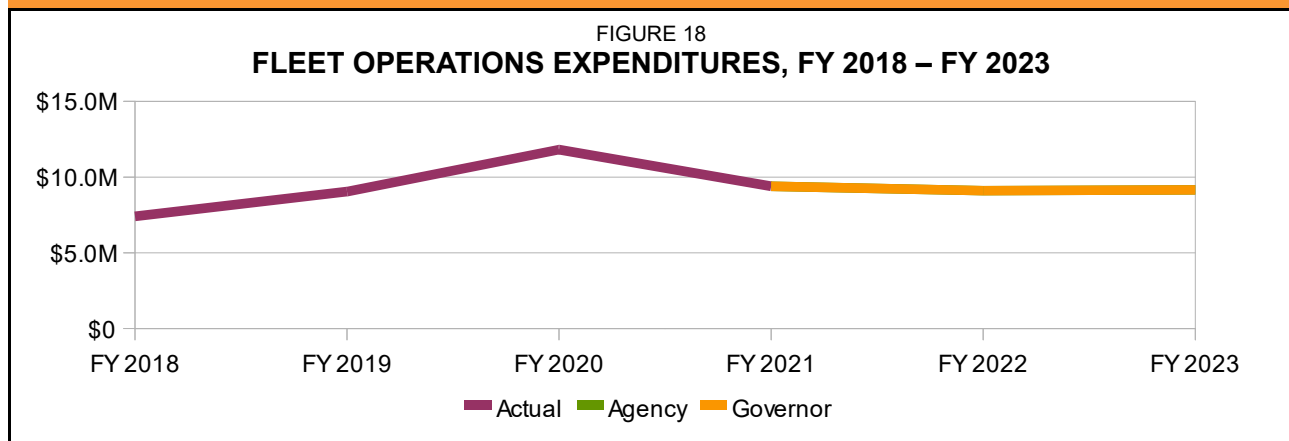
The agency requests FY 2023 Capitol Police program operating expenditures totaling \$1.4 million, all from special revenue funds. This is an increase of \$6,434, or 0.5 percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures for employee health insurance.

The request includes 21.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Capitol Police program in FY 2022 and for FY 2023.

FLEET OPERATIONS



STATUTORY BASIS: • KSA 74-2124 and 74-2136

PROGRAM GOALS: • Maintain a vehicle replacement program that will provide safer, better quality vehicles for the KHP and provide low-mileage vehicles for sale to local law enforcement and other state and local agencies.

The Fleet Operations program was established in FY 1997 to capture all costs associated with the agency's vehicle fleet operations. Expenditures include operation of the agency garage in Topeka, personnel, and vehicle acquisition and related equipment (including decals, lights, wiring, in-car cameras, and mobile data units). As part of the FY 2018

budget, these expenditures have been separated from the Operations Support program. Beginning in FY 2019, trooper recruit expenses related to vehicles were made from the Staffing and Training Fund. Also, in FY 2019, the Fleet unit was separated from the Aircraft Unit and now operates independently under the command of the unit Captain.

FIGURE 19
FLEET OPERATIONS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
There were no agency performance measures submitted for this program.					
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	11,809,035	9,387,676		9,098,874	9,154,774
TOTAL	\$11,809,035	\$ 9,387,676		\$ 9,098,874	\$ 9,154,774
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	30.6 %	(20.5) %		(3.1) %	0.6 %
FTE Positions	10.0	13.0		13.0	13.0

BUDGET ANALYSIS

The Fleet Operations program was established in FY 1997 to capture all costs associated with the agency's vehicle fleet operations.

FY 2022 REVISED ESTIMATE

The Fleet Operations program revised estimate includes \$9.1 million, all from special revenue funds, for expenditures in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 13.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

The agency requests FY 2023 Fleet Operations program operating expenditures

totaling \$9.2 million, all from special revenue funds. This is an increase of \$55,900, or 0.6 percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures for employee retirement and health benefits, as well as vehicle parts and supplies.

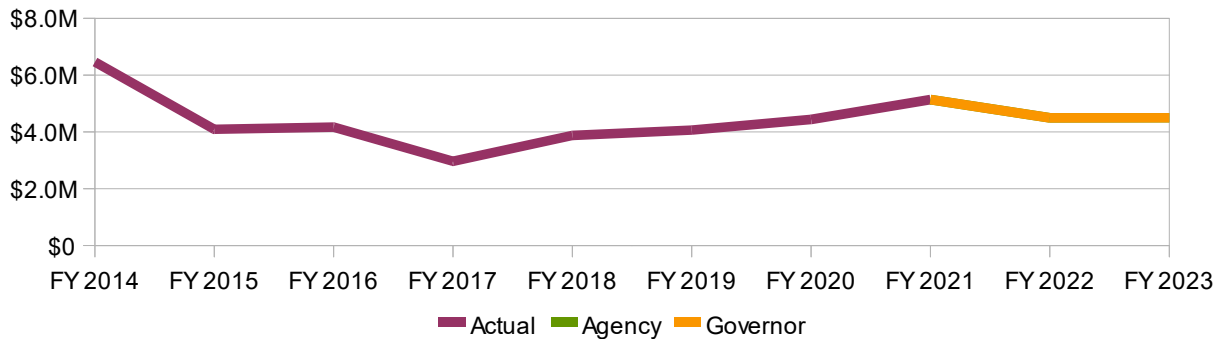
The request includes 13.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Fleet Operations program in FY 2022 and for FY 2023.

HOMELAND SECURITY

FIGURE 20
HOMELAND SECURITY EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • Public Law 111-83, Public Law 110-53, 6 U.S.C. §101 *et seq.*

PROGRAM GOALS: • Support state, local, and tribal efforts to prevent terrorism and other catastrophic events, and prepare the nation for the threats and hazards that pose the greatest risk to the security of the United States.

The KHP is the state-designated agency to help administer the federal Homeland Security Grant program. Funding for the program is provided by the U.S. Department of Homeland Security. The Homeland Security Grant

Program provides funds to Kansas and its political subdivisions for improving the State's capability to prevent, protect, mitigate, respond to, and recover from acts of terrorism and other catastrophic events.

FIGURE 21
HOMELAND SECURITY, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percentage of funds obligated within 45 days of receipt by the State	100 %	100 %	100 %	100 %	100 %
2. Percentage of proposals for funding reviewed within 30 day of receipt	100 %	100 %	100 %	100 %	100 %
Output Measure:					
3. Expenditure of Homeland Security funds	\$ 3,191,728	\$ 3,960,399	\$ 3,509,889	\$ 3,839,547	\$ 3,839,547
Financing					
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	3,876,270	4,646,213		4,496,609	4,499,370
TOTAL	\$ 3,876,270	\$ 4,646,213		\$ 4,496,609	\$ 4,499,370
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	10.2 %	19.9 %		(3.2) %	0.1 %
FTE Positions	4.0	4.0		7.0	7.0

BUDGET ANALYSIS

The Homeland Security program is the state-designated agency to help administer the federal Homeland Security Grant program. Funding for the program is provided by the U.S. Department of Homeland Security.

FY 2022 REVISED ESTIMATE

The Homeland Security program revised estimate includes \$4.5 million, all from special revenue funds, for expenditures in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 7.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

The agency requests FY 2023 Homeland Security program operating expenditures

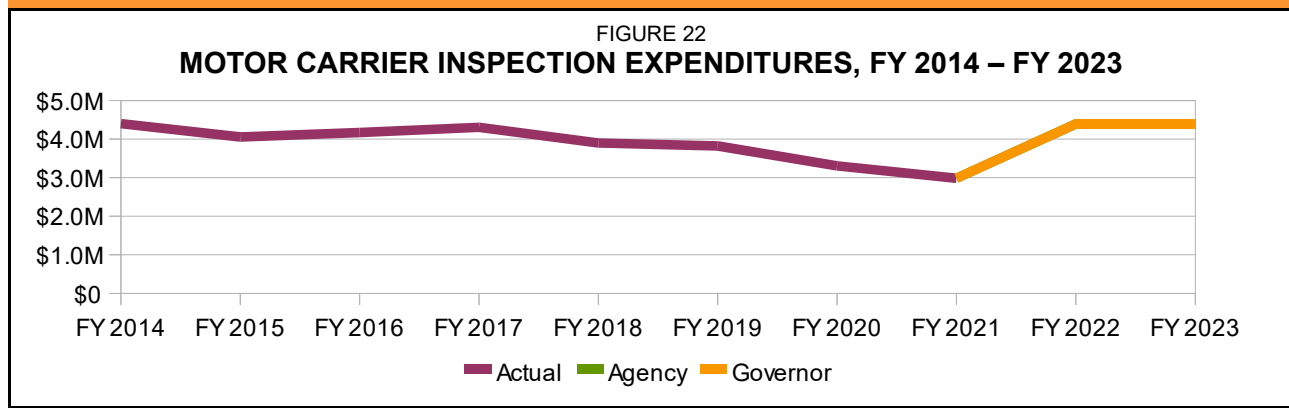
totaling \$4.5 million, all from special revenue funds. This is an increase of \$2,761, or 0.1 percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures for gasoline and computer equipment.

The request includes 7.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Homeland Security program in FY 2022 and for FY 2023.

MOTOR CARRIER INSPECTION



STATUTORY BASIS: • KSA 66-1302, 66-1318, and 74-2108

PROGRAM GOALS: • Protect the infrastructure of highways in Kansas and enhance the safety of motorists on Kansas roads by eliminating overweight and unsafe commercial motor vehicles from operating in Kansas.

The Motor Carrier Inspection program was established to reduce the usage of oversized, overweight, or unsafe commercial vehicles on Kansas roads and highways. This program includes the inspection of commercial motor vehicles to ensure compliance with regulations adopted by the Kansas Corporation Commission. The program was transferred from

the Kansas Department of Revenue to the KHP in FY 1989. Efforts to reduce the use of overweight vehicles on Kansas highways include the operation of ports of entry, the utilization of mobile units to check the weight of trucks, and safety and informational programs. There are nine related facilities located throughout the state.

FIGURE 23
MOTOR CARRIER INSPECTION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of trucks stopped by mobile units which are illegally overweight	20 %	30 %	25 %	20 %	20 %
2. Percent of vehicles at ports exceeding the legal weight limit	0.2%	0.1%	0.4%	0.2%	0.2%
Output Measure:					
3. Number of safety programs presented	97	55	97	50	50
4. Number of active mobile units*	32	23	28	32	32
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	3,306,449	2,983,978		4,393,687	4,393,687
TOTAL	\$ 3,306,449	\$ 2,983,978		\$ 4,393,687	\$ 4,393,687
Percentage Change:					
SGF	(99.0) %	-- %		-- %	-- %
All Funds	(99.0) %	(9.8) %		47.2 %	-- %
FTE Positions	58.0	59.0		59.0	59.0

* This measure was not included in the Governor's recommendation

BUDGET ANALYSIS

The Motor Carrier Inspection program was established to reduce the usage of oversized, overweight, or unsafe commercial vehicles on Kansas roads and highways.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$4.4 million, all from special revenue funds, for expenditures in the Motor Carrier Inspection program in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 59.0 FTE positions, which is also the same as the approved number.

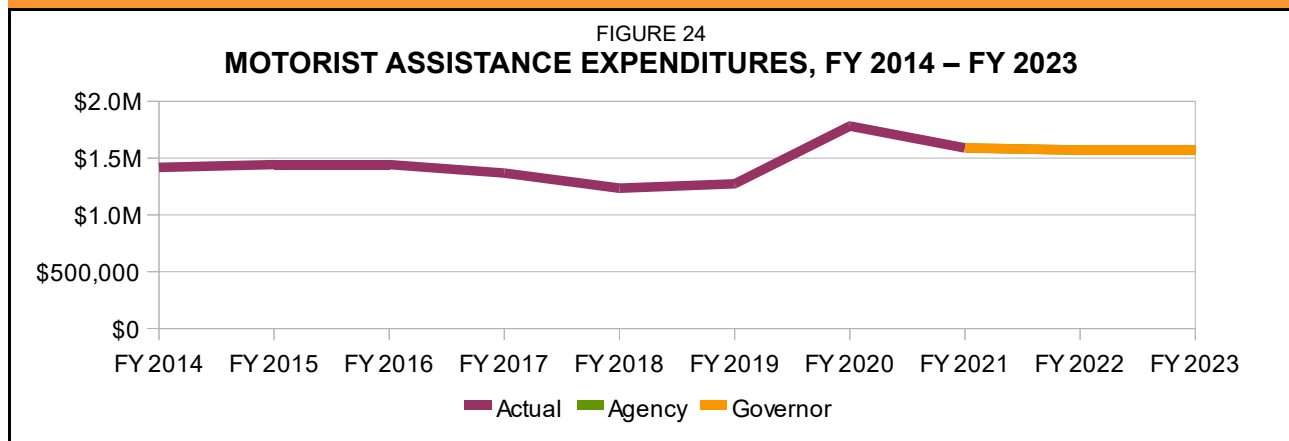
FY 2023 ESTIMATE

The agency requests FY 2023 Motor Carrier Inspection operating expenditures totaling \$4.4 million, all from special revenue funds. This is the same amount as the FY 2022 revised estimate. The request includes 59.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Motor Carrier Inspection program in FY 2022 and for FY 2023.

MOTORIST ASSISTANCE



STATUTORY BASIS: • N/A

- PROGRAM GOALS:**
- Protect and assist stranded motorists by reducing safety risks created by themselves and other drivers.
 - Reduce congestion in the metropolitan areas during peak traffic hours by removal of disabled vehicles from traffic lanes.
 - Assist state and local law enforcement agencies in the prevention of incidents that endanger motorists and disrupt traffic flow.
 - Free road patrol troopers to perform duties requiring law enforcement powers through the cost-effective employment of non-sworn motorist assist technicians.

The Motorist Assistance Program (MAP) was established with the Kansas Department of Transportation (KDOT) for special project employees to patrol major urban interstate highways to assist stranded motorists. The program's goal is to assist motorists in urban and metropolitan areas, increasing the safety to all travelers, and to ease traffic congestion. The program is staffed by non-FTE unclassified employees who patrol major interstates, and it

allows KHP troopers to concentrate on law enforcement duties rather than assisting these individuals. The cost of this program is shared with KDOT with funding provided through federal funds (80.0 percent) and a state match through the Highway Safety Fund (20.0 percent). [Note: the Highway Safety Fund receives a transfer from KDOT]. Expenditure categories are based on the budget and program direction agreed upon with KDOT.

FIGURE 25
MOTORIST ASSISTANCE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Output Measure:					
1. Percent of "Service Renders" where the technician responds to the scene in 10 minutes or less*	75 %	65 %	67 %	65 %	65 %
2. Percent of those surveyed that indicate they are pleased with MAP service and support*	100 %	100 %	100 %	100 %	100 %

Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	1,781,857	1,589,113		1,570,582	1,517,582
TOTAL	<u>\$ 1,781,857</u>	<u>\$ 1,589,113</u>		<u>\$ 1,570,582</u>	<u>\$ 1,517,582</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	39.9 %	(10.8) %		(100.0) %	(3.4) %
FTE Positions	20.0	21.0		19.0	19.0

*These measures were not included in the Governor's recommendation

BUDGET ANALYSIS

The Motorist Assistance Program was established with KDOT for special project employees to patrol major urban interstate highways assist stranded motorists.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$1.6 million, all from special revenue funds, for expenditures in the Motorist Assistance Program in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 19.0 FTE positions, which is also the same as the approved number.

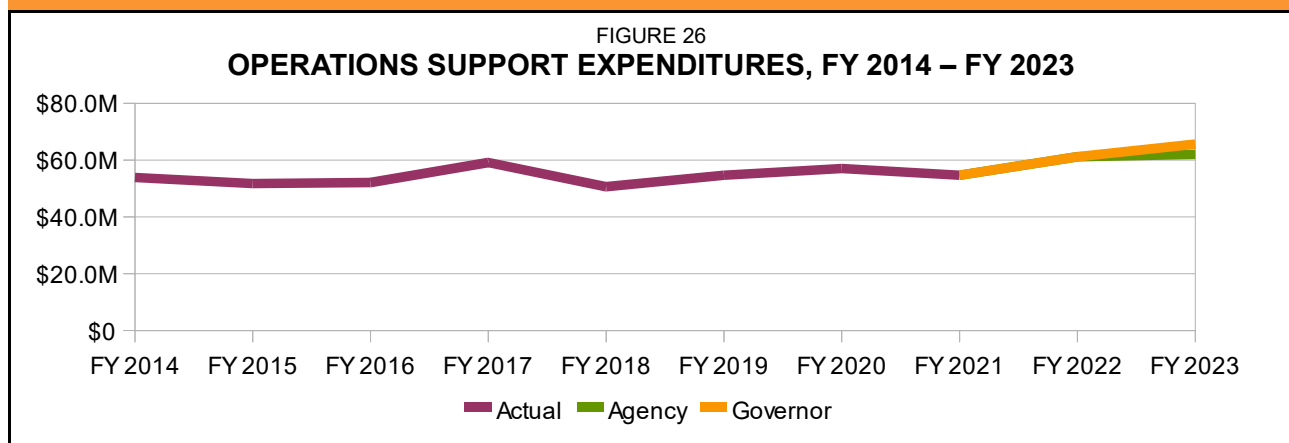
FY 2023 ESTIMATE

The agency requests FY 2023 Motorist Assistance Program operating expenditures totaling \$1.6 million, all from special revenue funds. This is the same amount as the FY 2022 revised estimate. The request includes 19.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Motorist Assistance Program in FY 2022 and for FY 2023.

OPERATIONS SUPPORT



STATUTORY BASIS: • KSA 74-2105 and 74-2108

PROGRAM GOALS:

- Enforce the laws of the State relating to public and private motor carriers of passengers or property. Maximize public presence and road patrol by troopers.
- Reduce the number and severity of traffic crashes through the enforcement of impaired driving and occupant protection laws.
- Reduce the number of impaired drivers operating vehicles on Kansas roadways.
- Deter motorists from driving impaired and arrest impaired drivers through proven DUI countermeasures, such as selective enforcement efforts and sobriety check lanes.
- Pursue, apprehend, and prosecute those who utilize Kansas highways for criminal activities.
- Promote the use of child restraints and safety belts through aggressive enforcement and educational programs.

The Operations Support program performs the agency's main statutory assignment: enforcement of the state's traffic, criminal, and other laws. The program includes a number of subprograms, detailed below.

BREATH ALCOHOL UNIT. The Breath Alcohol Unit was created in 1989 with a grant from the National Highway Traffic Safety Administration. The program was created to enhance the detection and apprehension by law enforcement officers of individuals driving under the influence (DUI). This includes educational programs for law enforcement officers, such as DUI Detection/Standardized Field Sobriety Testing and the Drug Recognition Expert program. The program also provides funding for operating checkpoints.

KANSAS HIGHWAY PATROL TRAINING ACADEMY. Located in Salina, the Kansas Highway Patrol Training Academy provides law enforcement education and training to KHP personnel. Training includes initial education for KHP recruits and the statutorily required 40

hours of continuing education for each KHP sworn officer. The Training Academy also is available to help meet the training needs of other agencies.

CIVIL ASSESSMENT PROGRAM. This program was created in FY 2006 as a joint effort with the Kansas Corporation Commission (KCC) to reduce the number of injury and fatality accidents involving commercial motor vehicles. Beginning in 2006, the KCC began assessing civil penalties for motor carriers for out-of-service violations with the issuance of misdemeanor citations by KHP troopers. A biennial transfer of civil assessment penalties is provided to the KHP from the KCC.

MOTOR CARRIER SAFETY ASSISTANCE PROGRAM. The duty of the Motor Carrier Safety Assistance Program (MCSAP) is to regulate the commercial traffic traveling on the highways of Kansas. The MCSAP enforces the uniform traffic code and the statutes regulating motor carriers and property, as well as the rules and regulations adopted by the KCC.

The program is financed with 85.0 percent from federal funds and 15.0 percent from state funds, with the federal portion on a strict reimbursement basis and the state portion

financed by motor carrier fees transferred from the KCC. This program also includes the 100.0 percent federally funded New Entrant program.

FIGURE 27 OPERATIONS SUPPORT, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Fatalities per 100 million vehicle miles*	1.53	N/A	1.41	1.25	1.25
2. Percent compliance with seat belt laws*	85.0 %	N/A	85.0 %	93.0 %	93.0 %
3. Percent of fatal accidents related to alcohol*	18.59 %	24.0 %	20.84 %	19.0 %	19.0 %
Output Measure:					
4. Number of DUI arrests*	1,271	900	1,137	900	900
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	57,025,857	54,677,954		61,183,882	65,610,401
TOTAL	\$ 57,025,857	\$ 54,677,954		\$61,183,882	\$65,610,401
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	5.4 %	(4.1) %		11.9 %	7.2 %
FTE Positions	571.0	576.0		576.0	576.0

*These measures were not included in the Governor's recommendation

BUDGET ANALYSIS

The Operations Support Program performs the agency's main statutory assignment: enforcement of the state's traffic, criminal, and other laws.

FY 2022 REVISED ESTIMATE

The agency's revised estimate includes \$61.2 million, all from special revenue funds, for expenditures in the Operations Support program in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 576.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

The agency requests FY 2023 Operations Support Program operating expenditures totaling \$62.0 million, all from special revenue funds. This is an increase of \$838,912, or 1.4

percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures for employee health and retirement benefits, as well as increased costs for gasoline. Operating expenditures for non-salary items reflect a 2.2 percent across-the-board adjustment. The request includes 576.0 FTE positions, which is no change from the FY 2022 revised number.

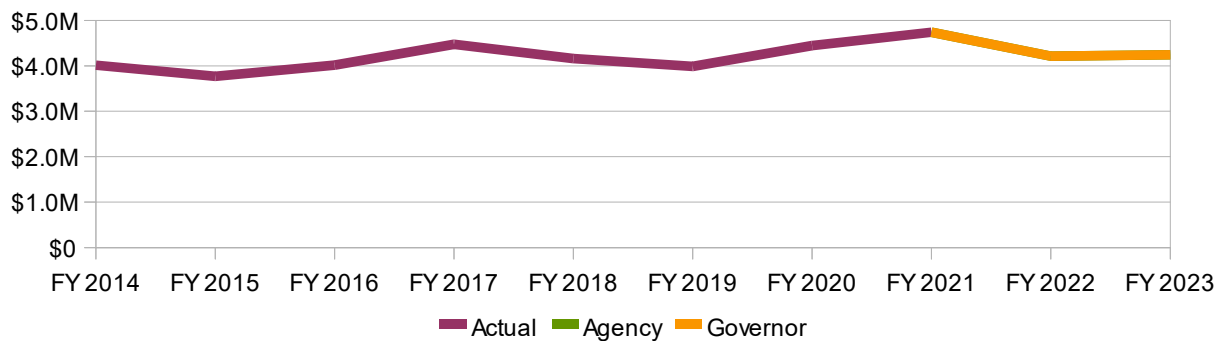
GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Operations Support Program in FY 2022.

For FY 2023, the Governor recommends \$65.6 million. This is an increase of \$3.6 million due to the pay plan adjustment for Troopers and Law Enforcement Officers.

TURNPIKE PATROL

FIGURE 28
TURNPIKE PATROL EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • N/A

PROGRAM GOALS:

- Reduce fatality and serious injury accidents occurring on the Kansas Turnpike.
- Enhance the safety of persons traveling on Kansas roads by removing the criminal element from the Kansas Turnpike.
- Service motorists needing assistance on the Kansas Turnpike.

The Turnpike Patrol program provides security and law enforcement on the Kansas Turnpike. Troopers enforce traffic laws, render services to the motoring public, investigate accidents, provide emergency aid to injured

persons, and develop cases pertaining to all criminal activity occurring on Kansas Turnpike Authority (KTA) property. The agency notes the KTA reimburses the KHP for all of its expenditures related to patrol of the Turnpike.

FIGURE 29
TURNPIKE PATROL, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of fatalities to total accidents	0.55 %	0.55 %	0.55 %	0.55 %	0.55 %
2. Number of miles patrolled	1,823,642	1,793,765	1,790,756	1,800,000	1,800,000
3. Number of unattended vehicles*	1,256	1,104	1,244	1,800	1,800
4. Number of service renders*	16,315	15,415	16,089	18,590	18,590
5. Number of DUI arrests	239	233	432	400	400
Output Measure:					
6. Total number of accidents*	1,721	1,499	1,742	1,800	1,800
7. Total number of fatalities*	15	9	12	10	10
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	4,444,473	4,739,953		4,212,445	4,242,857
TOTAL	\$ 4,444,473	\$ 4,739,953		\$ 4,212,445	\$ 4,242,857
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	11.5 %	6.6 %		(11.1) %	0.7 %
FTE Positions	51.5	52.5		51.5	51.5

* This measure was not included in the Governor's recommendation

BUDGET ANALYSIS

The Turnpike Patrol program provides security and law enforcement on the Kansas Turnpike.

FY 2022 REVISED ESTIMATE

The Turnpike Patrol Program revised estimate includes \$4.2 million, all from special revenue funds, for expenditures in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 51.5 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

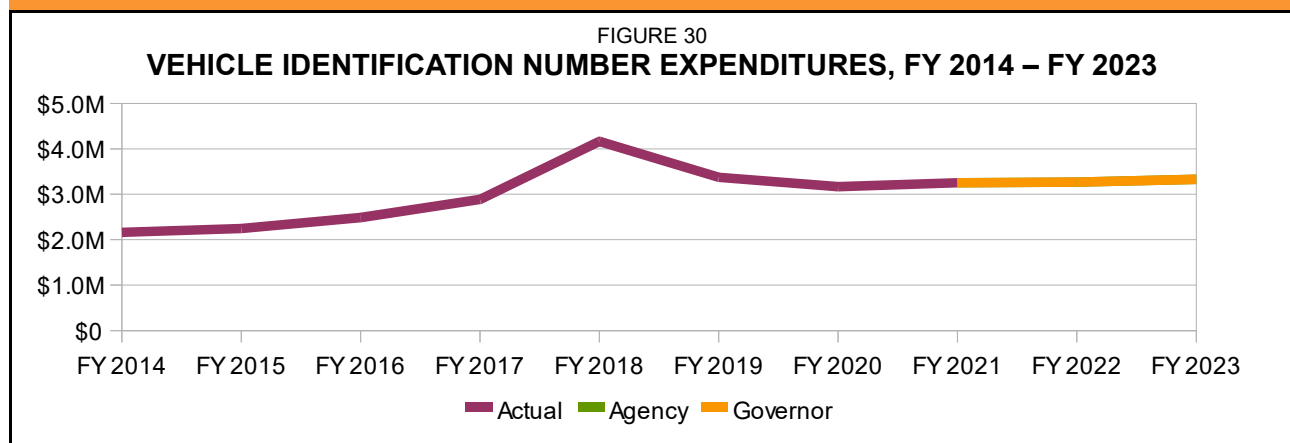
The agency requests FY 2023 Turnpike Patrol Program operating expenditures totaling

\$4.2 million, all from special revenue funds. This is an increase of \$30,412, or 0.7 percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures within the salaries and wages category for employee retirement benefits. The request includes 51.5 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the Turnpike Patrol program in FY 2022 and for FY 2023.

VEHICLE IDENTIFICATION NUMBER



STATUTORY BASIS: • KSA 8-116a, 74-2135

PROGRAM GOALS: • Preserve the integrity of Kansas motor vehicle titles and provide prompt and courteous service to customers by increasing the detection and recovery of stolen vehicles and/or component parts; train other law enforcement agencies in auto theft and vehicle inspections; and work closely with the Kansas Department of Revenue in titling and registering vehicles.

The Vehicle Identification Number (VIN) program is responsible for the inspection of the VIN of every car being titled in Kansas for the first time, as well as certain rebuilt salvage and assembled vehicles. The inspection verifies the VIN on the vehicle title matches the VIN on the car and that neither number has been altered. The inspection may be conducted by staff of the KHP or by another law enforcement agency designated by the KHP. The 2011 Legislature amended KSA 8-116a to allow the KHP to charge \$15.00 per inspection (an increase of

\$5.00 over the previous inspection fee of \$10.00), which is deposited into the VIN Fund. This fee then increased to \$20.00 per inspection on July 1, 2012. If a designated law enforcement agency conducts the inspection, the local agency retains \$18.00 of the fee and remits the remaining \$2.00 to the KHP. This fee finances the expenses of this program. The agency notes increases in the inspection fee have allowed the program to be self-supporting since FY 2013.

FIGURE 31
VEHICLE IDENTIFICATION NUMBER, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Vehicles Inspected	141,348	215,000	197,817	215,000	215,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
All Other Funds	3,167,125	3,253,418		3,268,035	3,328,459
TOTAL	<u>\$ 3,167,125</u>	<u>\$ 3,253,418</u>		<u>\$ 3,268,035</u>	<u>\$ 3,328,459</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(6.1) %	2.7 %		0.4 %	1.8 %
FTE Positions	43.0	41.0		41.0	41.0

BUDGET ANALYSIS

The Vehicle Identification Number (VIN) program is responsible for the inspection of the VIN of every car being titled in Kansas for the first time, as well as certain rebuilt salvage and assembled vehicles.

FY 2022 REVISED ESTIMATE

The Vehicle Identification Number Program revised estimate includes \$3.3 million, all from special revenue funds, for expenditures in FY 2022. This is the same amount approved by the 2021 Legislature. The revised estimate includes 41.0 FTE positions, which is also the same as the approved number.

FY 2023 ESTIMATE

The agency requests FY 2023 Vehicle Identification Number Program operating

expenditures totaling \$3.3 million, all from special revenue funds. This is an increase of \$60,424, or 1.8 percent, above the FY 2022 revised estimate. The increase is largely due to increased expenditures within the salaries and wages category for employee retirement benefits and temporary staff. The request includes 41.0 FTE positions, which is no change from the FY 2022 revised number.

GOVERNOR RECOMMENDATION

The Governor concurs with the agency's budget request for the VIN program in FY 2022 and for FY 2023.

CAPITAL IMPROVEMENTS

FIGURE 32 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Troop J - Training Academy Major Projects	\$ 71,119	\$ 917,675	\$ 917,675	\$ 221,375	\$ 221,375
Troop J - Training Academy Maintenance and Repair	266,857	132,000	132,000	84,030	84,030
Troop Facility - Major Projects	-	-	-	502,500	502,500
Troop Facility - Maintenance and Repair	-	145,729	145,729	107,910	107,910
Troop I - Scale Repair and Replacement		206,400	206,400	211,200	211,200
Troop Storage Expansion (Troop E, Evidence Facility, and Troop A)	1,093,948	-	-	-	-
Fleet Program Repair Expenditures	24,539	9,138	9,138	9,339	9,339
TOTAL	\$ 1,456,463	\$ 1,410,942	\$ 1,410,942	\$ 1,136,354	\$ 1,136,354
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Funds	1,456,463	1,410,942	1,410,942	1,136,354	1,136,354
TOTAL	\$ 1,456,463	\$ 1,410,942	\$ 1,410,942	\$ 1,136,354	\$ 1,136,354

FY 2022 CAPITAL IMPROVEMENTS

The **agency** requests FY 2022 capital improvements expenditures totaling \$1.4 million, all from special revenue funds. This is a decrease of \$462,256, or 24.8 percent, below the agency's 2022 approved budget.

The decrease is due to the cancellation of the new storage building at Troop E (\$400,000). In addition, the agency brought on a new facilities coordinator who revisited the previously made bids and met with the Troops to prioritize projects. These activities led to a further reduction of \$62,256.

The agency's FY 2022 request of \$1.4 million includes the following projects:

TROOP J TRAINING ACADEMY MAJOR PROJECTS (PROJECTS GREATER THAN \$50,000). The agency requests \$917,675, all from special revenue funds, for the following five projects in FY 2022: replace concrete cap over lower power plant (\$499,675); replace stairs between power plant and Troop J (\$38,500); replace dorm and gym windows (\$221,375); replace gym stairs (\$56,925); and replace dorm lighting with LED fixtures (\$101,200).

TROOP J TRAINING ACADEMY MAINTENANCE AND REPAIR (PROJECTS LESS THAN \$50,000). The agency requests \$132,000, all from special revenue funds, in FY 2022 for the following projects: Wi-Fi systems for the administration building (\$38,500) and dormitories (\$33,000); installation of flooring in

kitchen and replacement of the heated glass panel (\$18,700); and floor replacement in the administration building (\$41,800).

TROOP FACILITY MAINTENANCE AND REPAIR (PROJECTS LESS THAN \$50,000).

The agency requests \$145,729, all from special revenue funds, to complete the following projects in FY 2022: pave shooting range (\$39,780) and ballistics laminate (\$6,379) at Troop H; laminate windows and doors (\$6,576) at General Headquarters; finish upstairs room (\$9,600) and window laminate (\$7,960) at Troop E; interior paint and drywall work

(\$6,000), security cameras (\$18,000), and repairs to front gate (\$36,127) at Fleet; and laminate windows (\$15,308) at Troops M, D, and F.

TROOP I SCALE REPAIR AND REPLACEMENT.

The agency requests \$206,400, all from special revenue funds, for expenditures to replace the north Olathe scale (\$170,400) and routine maintenance (\$36,000).

The **Governor** concurs with the agency's revised estimate for capital improvement expenditures in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests FY 2023 capital improvements expenditures totaling \$1.1 million, all from special revenue funds. This is a decrease of \$274,789, or 19.6 percent, below the 2022 revised request. The requested amount includes the following expenditures:

TROOP J TRAINING ACADEMY MAJOR PROJECTS (PROJECTS GREATER THAN \$50,000). The agency requests \$221,375, all from special revenue funds, for dorm and gym window replacement - Phase 1.

TROOP J TRAINING ACADEMY MAINTENANCE AND REPAIR (PROJECTS LESS THAN \$50,000). The agency requests \$84,030, all from special revenue funds, to replace gym lighting with LED fixtures (\$44,430) and install a ground level entry into Troop J (\$39,600).

TROOP FACILITY MAJOR PROJECTS (PROJECTS GREATER THAN \$50,000). The agency requests \$502,500, all from special revenue funds, for fleet building exterior

painting (\$172,500) and Troop C elevator repairs (\$330,000).

TROOP FACILITY MAINTENANCE AND REPAIR (PROJECTS LESS THAN \$50,000).

The agency requests \$107,910, all from special revenue funds, to complete the following projects for FY 2023: window laminate (\$6,935) and exterior/interior cameras (\$12,000) at Troop A; plumbing work (\$6,000) at Fleet; and replace carpeting (\$42,000), paint roof (\$38,575), and finish weight room walls (\$2,400) at Troop D.

TROOP I SCALE REPAIR AND REPLACEMENT.

The agency requests \$211,200, all from special revenue funds, for Troop I scale repair and replacement projects for FY 2023. The agency's request includes expenditures to replace the Wabaunsee Scale (175,200) and ongoing scale maintenance (\$36,000).

The **Governor** concurs with the agency's request for capital improvement expenditures for FY 2023.

KANSAS SENTENCING COMMISSION

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 7,013,928	\$ 13,553,992	\$ 9,781,761	\$ 10,635,877	\$ 9,871,584
Federal Funds	50,914	-	-	-	-
All Other Funds	70,639	20,595	20,595	16,300	16,300
<i>Subtotal</i>	<i>\$ 7,135,481</i>	<i>\$ 13,574,587</i>	<i>\$ 9,802,356</i>	<i>\$ 10,652,177</i>	<i>\$ 9,887,884</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 7,135,481	\$ 13,574,587	\$ 9,802,356	\$ 10,652,177	\$ 9,887,884
Percentage Change:					
State General Fund	(11.8) %	93.2 %	39.5 %	(21.5) %	0.9 %
All Funds	(11.9) %	90.2 %	37.4 %	(21.5) %	0.9 %
FTE Positions	11.8	14.0	14.0	14.0	14.0

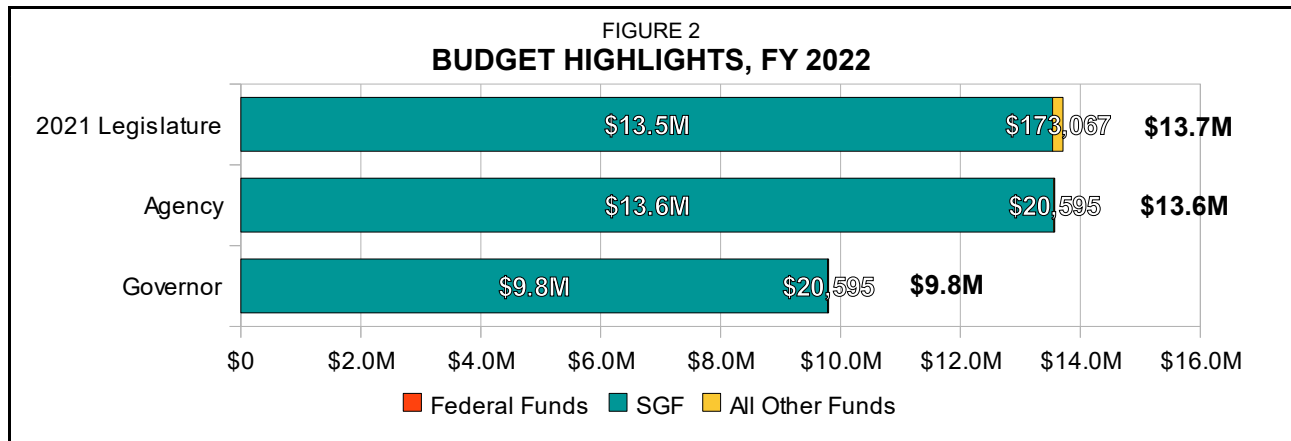
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Kansas Sentencing Commission was created by the 1989 Legislature to develop a sentencing guideline model, or grid, based upon fairness and equity, and to provide a mechanism for linking justice and corrections policies. The Commission tracks and assesses sentencing impositions using statistical methodologies to develop prison population projections and legislative impacts to interested parties, including the Kansas Department of Corrections (KDOC), the Governor, and the Legislature. The Commission also administers the Substance Abuse Treatment Program created by the 2003 Legislature in SB 123, principally codified in KSA 21-6824.

EXECUTIVE SUMMARY

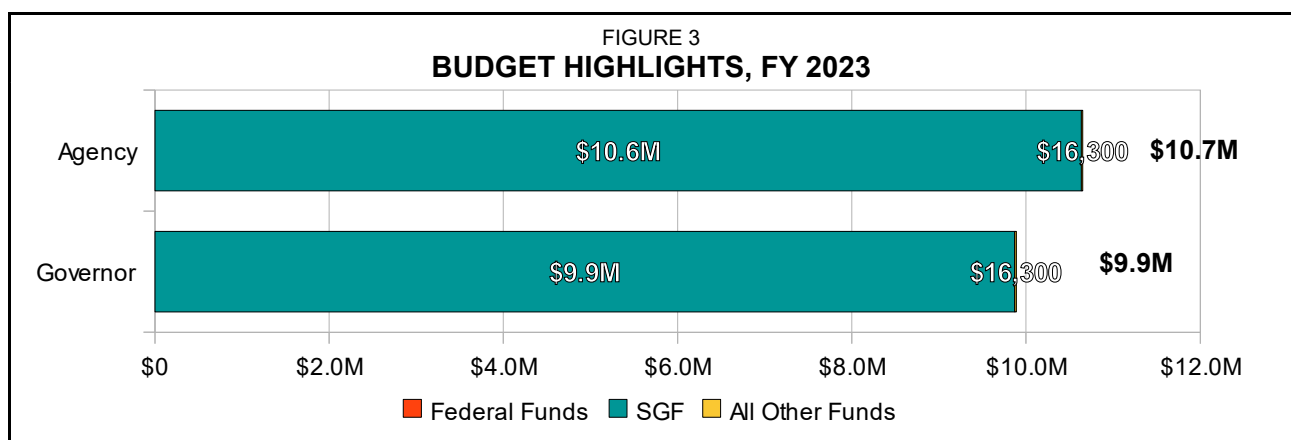
The 2021 Legislature approved a budget of \$10.0 million, including \$9.8 million from the State General Fund (SGF), for the Kansas Sentencing Commission for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. Adjustments for this agency include the following:

- **SGF REAPPROPRIATION.** The agency received an increase of \$3.8 million SGF based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.



The **agency** estimates revised expenditures of \$13.6 million, including \$13.6 million SGF, in FY 2022. This is an all funds decrease of \$137,488, and an SGF increase of \$14,984, from the FY 2022 approved amount. The decrease is attributed to decreased expenditures for the 2003 SB 123 substance abuse treatment program (SB 123 Program), which experienced lower admissions due to court delays resulting from the COVID-19 pandemic. The decrease is partially offset by the agency's supplemental request of \$17,605 for the initial phase of a two-year salary adjustment plan. The decrease is also partially offset by increased expenditures for implementation of 2021 HB 2026, which allows substance abuse treatment for drug offenders on diversion. The agency's revised estimate includes 14.0 FTE positions, which is an increase of 0.25 FTE positions above the FY 2022 approved amount. The FTE increase is due to the SB 123 Program Director transitioning from part-time to full-time.

The **Governor** recommends expenditures of \$9.8 million, including \$9.8 million SGF, in FY 2022. This is an SGF decrease of \$3.8 million below the agency's FY 2022 revised estimate. The recommendation includes a lapse of \$3.8 million from the SB 123 Program, which is the amount reappropriated from FY 2021. The recommendation does not include funding for the initial phase of the agency's salary adjustment plan. However, funding for the final phase in FY 2023 is recommended, with modifications. The recommendation includes 14.0 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.



The **agency** requests \$10.7 million, including \$10.6 million SGF, for FY 2023. This is an all funds decrease of \$2.9 million, and an SGF decrease of \$2.9 million, below the FY 2022 revised estimate. The decrease is attributable to decreased expenditures for the SB 123 Program, which is primarily due to SGF reappropriations available in FY 2022 that are not available for FY 2023. The decrease is partially offset by the agency's two enhancement requests, which include the final

phase of two-year salary adjustment plan (\$91,801) and expenditures to sustain implementation of 2021 HB 2026 (\$764,293). The agency's request includes 14.0 FTE positions, which is unchanged from the FY 2022 revised number.

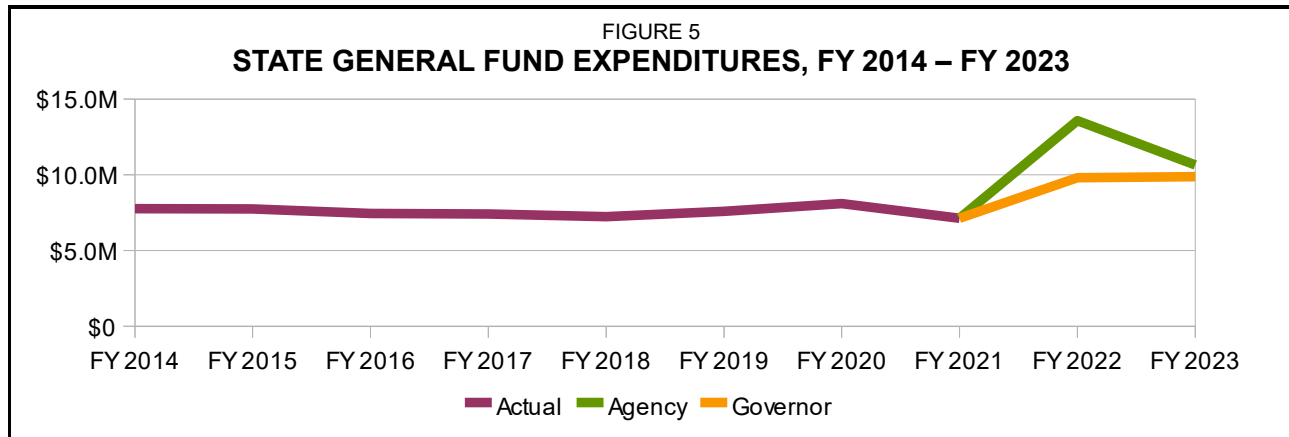
The **Governor** recommends expenditures of \$9.9 million, including \$9.9 million SGF, for FY 2023. This is an SGF decrease of \$764,293, or 7.7 percent, below the agency's FY 2023 request. The recommendation does not include additional funds to sustain implementation of 2021 HB 2026. The recommendation does include funding for the agency's salary adjustment plan, but implements the plan in one year rather than two and excludes the Executive Director from the plan for FY 2023. The recommendation includes 14.0 FTE positions, which is unchanged from the agency's FY 2022 requested number.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

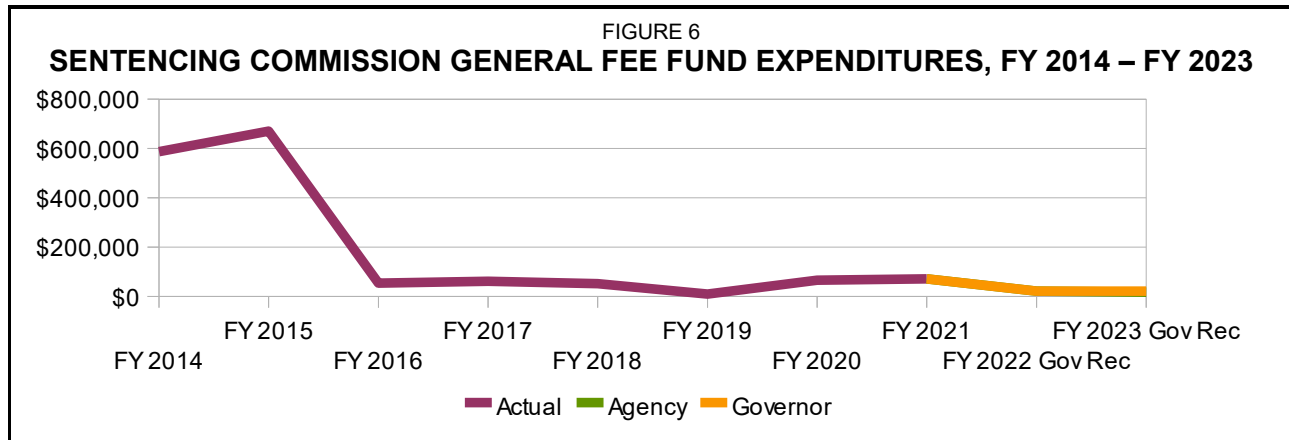
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 839,840	\$ 955,211	\$ 937,606	\$ 1,097,256	\$ 1,097,256
Contractual Services	368,883	512,876	512,876	487,731	342,016
Commodities	10,687	12,250	12,250	13,305	13,305
Capital Outlay	11,118	22,506	22,506	1,000	1,000
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 1,230,528</i>	<i>\$ 1,502,843</i>	<i>\$ 1,485,238</i>	<i>\$ 1,599,292</i>	<i>\$ 1,453,577</i>
Aid to Local Units	-	-	-	-	-
Other Assistance	5,904,953	12,071,744	8,317,118	9,052,885	8,434,307
<i>Subtotal—Operating</i>	<i>\$ 7,135,481</i>	<i>\$ 13,574,587</i>	<i>\$ 9,802,356</i>	<i>\$ 10,652,177</i>	<i>\$ 9,887,884</i>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	\$ 7,135,481	\$ 13,574,587	\$ 9,802,356	\$ 10,652,177	\$ 9,887,884
Financing:					
State General Fund	\$ 7,013,928	\$ 13,553,992	\$ 9,781,761	\$ 10,635,877	\$ 9,871,584
COVID-19 Federal	11,365	-	-	-	-
Relief Funds	-	-	-	-	-
Other Federal Funds	39,549	-	-	-	-
All Other Funds	70,639	20,595	20,595	16,300	16,300
TOTAL	\$ 7,135,481	\$ 13,574,587	\$ 9,802,356	\$ 10,652,177	\$ 9,887,884
FTE Positions	11.8	14.0	14.0	14.0	14.0

STATE GENERAL FUND

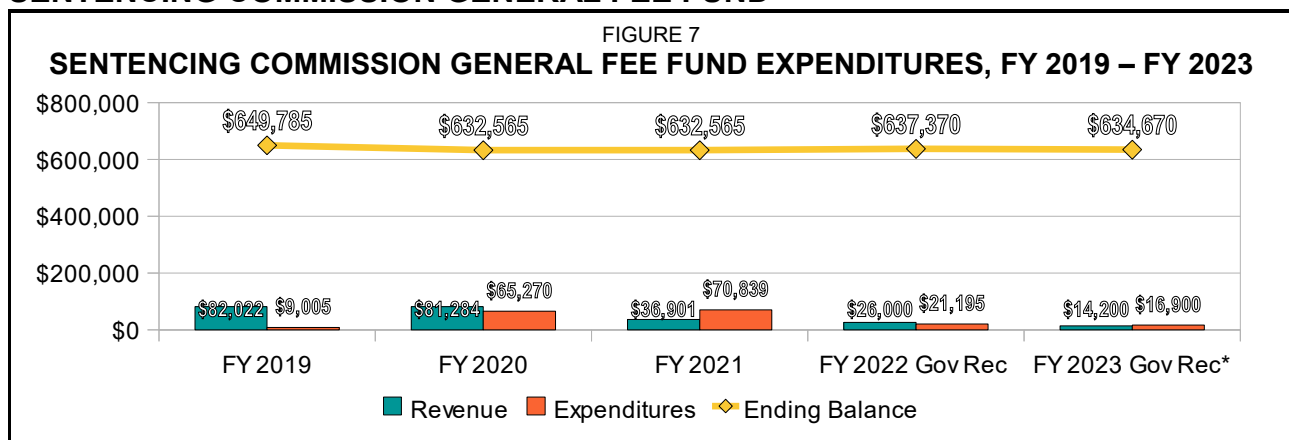


For the Kansas Sentencing Commission, SGF expenditures have averaged \$7.3 million annually since FY 2014. These expenditures are primarily utilized for the SB 123 Program, which average \$6.4 million annually, and operating expenditures in the Administration program, which average \$952,167 annually. Salaries and wages typically comprise 65.0 percent of the SGF expenditures in the Administration program.

SENTENCING COMMISSION GENERAL FEE FUND



SENTENCING COMMISSION GENERAL FEE FUND



* For FY 2023, the lowest month ending balance for the Sentencing Commission General Fee Fund will occur in May, with a balance of \$601,896.

The Sentencing Commission General Fee Fund receives funds from the sale of publications and fees associated with data request. The Fund previously received funds from offender reimbursement for the SB 123 Program substance abuse treatment, but those funds are now treated as a reimbursement of expenditures from the SGF. Therefore, this fund is no longer a viable funding source to offset SB 123 Program expenditures. Additionally, the Fund previously received an annual inter-fund transfer of approximately \$54,000 from KDOC to offset costs associated with administering substance abuse treatment to offenders in KDOC's Community Corrections program. The 2020 Legislature eliminated this inter-fund transfer and replaced it with a direct SGF appropriation beginning in FY 2021.

The **agency's** revised estimate includes expenditures of \$20,595 from the General Fee Fund in FY 2022. This is a decrease of \$152,472 below the FY 2022 approved amount. Expenditures are for technology needs, office equipment, and travel.

The **agency's** request includes expenditures of \$16,300 from the General Fee Fund for FY 2023. This is a decrease of \$4,295 below the FY 2022 revised estimate. Expenditures are for technology needs and travel.

The **Governor** concurs with the agency's revised estimate in FY 2022 and request for FY 2023.

FY 2022 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 9,782,243	\$ 173,067	\$ 9,955,310	13.8
1. SGF Reappropriation	3,756,765	-	3,756,765	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 13,539,008</i>	<i>\$ 173,067</i>	<i>\$ 13,712,075</i>	<i>13.8</i>
Agency Revised Estimate:				
2. Supplemental—Salary Adjustment Plan Initial Phase	\$ 17,605	\$ -	\$ 17,605	--
3. 2021 HB 2026 Implementation	166,471	-	166,471	--
4. General Fee Fund Adjustment	152,472	(152,472)	-	--
5. 2003 SB 123 Substance Abuse Treatment Program Adjustment	(341,772)	-	(341,772)	--
6. All Other Adjustments	20,208	-	20,208	0.3
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 13,553,992</i>	<i>\$ 20,595</i>	<i>\$ 13,574,587</i>	<i>14.0</i>
Governor's Recommendation:				
7. SGF Reappropriations Lapse	\$ (3,754,626)	\$ -	\$ (3,754,626)	--
8. Supplemental—Salary Adjustment Initial Phase	(17,605)	-	(17,605)	--
TOTAL	\$ 9,781,761	\$ 20,595	\$ 9,802,356	14.0

LEGISLATIVE APPROVED

The 2021 Legislature approved a budget of \$10.0 million, including \$9.8 million SGF for the Kansas Sentencing Commission for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. Adjustments for this agency include the following:

1. **SGF REAPPROPRIATION.** The agency received an increase of \$3.8 million SGF based on the reappropriation of FY 2021 funding that was not spent in FY 2021 and has shifted to FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$13.6 million, including \$13.6 million SGF, in FY 2022. This is an all funds decrease of \$137,488, and an SGF increase of \$14,984, from the FY 2022 approved amount.

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

2. **SUPPLEMENTAL—SALARY ADJUSTMENT PLAN INITIAL PHASE.** The agency requests \$17,605 SGF for the initial phase of a two-year salary adjustment plan, as recommended by a third-party salary study, in FY 2022. The study concluded that the majority of agency positions were near or below the market rate, which has resulted in turnover in skilled positions that are in demand among other justice-related entities.
3. **2021 HB 2026 IMPLEMENTATION.** The agency's revised estimate includes an increase of \$166,471 SGF for expansion of the online treatment provider payment system to accommodate provisions of 2021 HB 2026, which allows for community-based substance abuse treatment for certain drug offenders who have entered into diversion agreements after July 1, 2021.

4. **GENERAL FEE FUND ADJUSTMENT.** The agency's revised estimate includes an increase of \$152,472 SGF to offset decreased expenditures from the agency's general fee fund, primarily for contractual services.
5. **2003 SB 123 SUBSTANCE ABUSE TREATMENT PROGRAM ADJUSTMENT.** The agency's revised estimate includes a decrease of \$341,772 SGF for the 2003 SB 123 Substance Abuse Treatment Program (SB 123 Program) in FY 2022, which is attributable to decreased admissions due to court delays resulting from the COVID-19 pandemic. These expenditures are payments to providers for community-based substance abuse treatment of persons convicted of certain drug offenses. The budgeted amount of \$12.1 million includes \$618,578 for additional payments to treatment providers, which the agency notes is necessitated by 2021 HB 2026. The revised estimate includes a reappropriation of \$3.8 million from FY 2021.
6. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes an increase of \$20,208 SGF, primarily for technology upgrades to support virtual meetings and training and increased travel expenditures.

The **agency** estimate includes 14.0 FTE positions, which is an increase of 0.25 FTE positions above the FY 2022 approved amount. The increase is due to the SB 123 Program Director transitioning from part-time to full-time.

GOVERNOR'S RECOMMENDATION

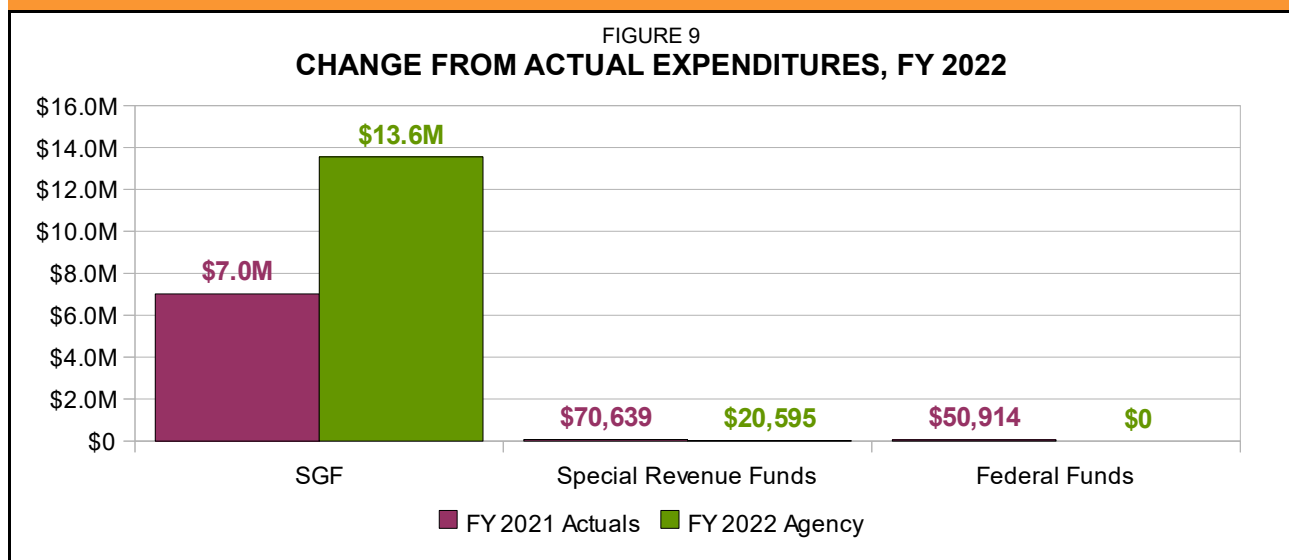
The **Governor** recommends expenditures of \$9.8 million, including \$9.8 million SGF, in FY 2022. This is an SGF decrease of \$3.8 million below the agency's FY 2022 revised estimate.

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

7. **SGF REAPPROPRIATION LAPSE.** The recommendation would lapse \$3.8 million from the SB 123 Program, which is the amount reappropriated from FY 2021. The remaining amount of \$8.3 million for the program in FY 2022 would include \$618,578 for payments to treatment provider resulting from implementation of 2021 HB 2026.
8. **SUPPLEMENTAL—SALARY ADJUSTMENT INITIAL PHASE.** The Governor does not recommend \$17,605 SGF for the initial phase of the agency's salary enhancement plan. However, the recommendation does include funding for the final phase of the salary adjustment plan for FY 2023, with modifications.

The **Governor's** recommendation includes 14.0 FTE positions, which is unchanged from the agency's FY 2022 revised estimate.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$13.6 million SGF, which is an increase of \$6.4 million above the FY 2022 actual amount. The increase is primarily attributed to increased expenditures on the SB 123 Program. Increased expenditures related to this program include the reappropriation of \$3.8 million in FY 2022, which was unspent in FY 2021 due to decreased admissions resulting from court delays associated with the COVID-19 pandemic. The agency also anticipates increased expenditures for this program as courts resume normal operations and 2019 SB 18, which expands the types of offenders eligible for treatment, is fully implemented. Further, increased expenditures for this program are requested to implement 2021 HB 2026, which allows treatment for drug offenders who have entered into diversion agreements.

The agency also requests increased salaries and wages expenditures (\$115,371) to fill two vacant positions and to provide funds for the initial phase of a two-year salary adjustment plan. Additionally, the agency requests increased contractual services expenditures (\$143,993) to expand the online treatment provider payment system to accommodate implementation of 2021 HB 2026.

FY 2023 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 13,553,992	\$ 20,595	\$ 13,574,587	14.0
Agency Request:				
1. Enhancement—Salary Adjustment Plan Final Phase	\$ 91,082	\$ -	\$ 91,082	--
2. Enhancement—2021 HB 2026 Implementation	764,293	-	764,293	--
3. 2003 SB 123 Substance Abuse Treatment Program Adjustment	(3,637,437)	-	(3,637,437)	--
4. Technology	(166,270)	-	(166,270)	--
5. All Other Adjustments	30,217	(4,295)	25,922	--
<i>Subtotal—Agency Estimate</i>	<u>\$ 10,635,877</u>	<u>\$ 16,300</u>	<u>\$ 10,652,177</u>	<u>14.0</u>
Governor's Recommendation:				
6. Enhancement Modification—Salary Adjustment Plan	\$ -	\$ -	\$ -	--
7. Enhancement—2021 HB 2026 Implementation	(764,293)	-	(764,293)	--
TOTAL	<u><u>\$ 9,871,584</u></u>	<u><u>\$ 16,300</u></u>	<u><u>\$ 9,887,884</u></u>	<u><u>14.0</u></u>

AGENCY REQUEST

The **agency** requests \$10.7 million, including \$10.6 million SGF, for FY 2023. This is an all funds decrease of \$2.9 million, and an SGF decrease of \$2.9 million, below the FY 2022 revised estimate.

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

- 1. ENHANCMENT—SALARY ADJUSTMENT PLAN.** The agency requests \$91,082, all SGF, for the final phase of a two-year salary adjustment plan, as recommended by a third-party salary study, for FY 2023. This phase includes a 5.0-percent pay increase for certain employees based on the duration of their employment
- 2. ENHANCMENT—2021 HB 2026 IMPLEMENTATION.** The agency requests \$764,293 SGF to sustain implementation 2021 HB 2026, which allows for community-based substance abuse treatment for certain drug offenders who have entered into diversion agreements. These expenditures include \$618,578 for payments to treatment providers and \$145,715 to maintain expansion of the online treatment provider payment system.
- 3. 2003 SB 123 SUBSTANCE ABUSE TREATMENT PROGRAM ADJUSTMENT.** The agency's request includes a decrease of \$3.6 million SGF from the SB 123 Program for FY 2023. The decrease is primarily attributable to SGF reappropriations occurring in FY 2022 that do not reoccur in FY 2023.
- 4. TECHNOLOGY.** The agency's request includes a decrease of \$166,270 SGF due to technology expenditures occurring in FY 2022 that do not reoccur in FY 2023.

5. **ALL OTHER ADJUSTMENTS.** The agency's request includes an all funds increase of \$25,922, including \$30,217 SGF, primarily for increased employer contributions for group health insurance, consulting fees, and Office of Information Technology fees.

The **agency** request includes 14.0 FTE positions, which is unchanged from the FY 2022 revised number.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$9.9 million, including \$9.9 million SGF, for FY 2023. This is an SGF decrease of \$764,293 below the agency's FY 2023 request.

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

6. **ENHANCEMENT MODIFICATION—SALARY ADJUSTMENT PLAN.** The Governor concurs with the agency's enhancement request to add \$91,082 SGF for a salary adjustment plan, but recommends the plan be implemented in one year rather than two, and excludes the Executive Director from this plan for FY 2023. The recommendation would include the Executive Director, with agency staff, as part of a statewide 5.0-percent cost of living increase.
7. **ENHANCEMENT—2021 HB 2026 IMPLEMENTATION.** The Governor does not recommend adding \$764,293 SGF to sustain implementation of 2021 HB 2026.

The **Governor's** recommendation includes 14.0 FTE positions, which is unchanged from the agency's FY 2022 requested number.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FY 2022 SUPPLEMENTAL						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Salary Adjustment Plan - Initial Phase	\$ 17,605	\$ 17,605	-	\$ -	\$ -	-

REQUEST 1

SALARY ADJUSTMENT PLAN - INITIAL PHASE

The **agency** submits a supplemental request of \$17,605, all SGF, for the initial phase of a two-year salary adjustment plan, as recommended by a third-party salary study, in FY 2022. The study, conducted in FY 2020 at the request of the agency, compared the work performed by agency staff with comparable entities and positions, both locally and nationally. The study concluded that 7 of the agency's 14 positions were paid significantly below market rate and 3 positions could potentially fall below market rate. The study further noted that the agency experienced recent turnover in positions requiring specialized knowledge of criminology and data analytics, which are skills sought by other state and federal justice-related entities.

This request of \$17,605 in FY 2022 would move eligible employees to the minimum rate of their range in the new pay plan, effective April 3, 2022.

The **Governor** does not recommend adoption of this request. However, the Governor does recommend \$91,802 for the final phase of the agency's salary adjustment plan in FY 2023, with modifications.

FY 2023 ENHANCEMENTS							
Item	Agency Recommendation				Governor's Recommendation		
	SGF	All Funds	FTE		SGF	All Funds	FTE
Salary Adjustment Plan - Final Phase	\$ 91,082	\$ 91,082	-	\$	91,082	\$ 91,802	-
2021 HB 2026 Implementation	764,293	764,293	-		-	-	-
TOTAL	\$ 855,375	\$ 855,375	-	\$	91,082	\$ 91,802	-

REQUEST 2

SALARY ADJUSTMENT PLAN - FINAL PHASE

The **agency** submits an enhancement request of \$91,082, all SGF, for the final phase of a two-year salary adjustment plan, as recommended by a third-party salary study, for FY 2023. A study conducted in FY 2020 compared the work performed by agency staff with comparable positions at local and national entities and concluded the majority of agency positions were near or below the market rate, which has resulted in turnover among positions with in-demand skills such as criminology and data analytics.

This request of \$91,082 would move employees to the market rate of their range in the new pay plan and provide a 5.0-percent pay increase to certain employees based on the duration of their employment.

The **Governor** recommends adoption of this request, with modifications. The Governor recommends \$91,082 SGF to implement the agency's salary adjustment plan in one year rather than two, and excludes the Executive Director from this plan, for FY 2023. The recommendation would include the Executive Director, with agency staff, as part of statewide 5.0-percent cost of living increase.

REQUEST 3

2021 HB 2026 IMPLEMENTATION

The **agency** submits an enhancement request of \$764,293, all SGF, to sustain implementation of 2021 HB 2026, which allows substance abuse treatment for persons charged with felony drug possession who have entered into diversion agreements in lieu of further criminal proceedings after July 1, 2021. The agency notes the program was established pursuant to 2021 HB 2026, but no additional funds were appropriated for this purpose. The request includes the following:

- \$618,578 for payments to community-based treatment providers. The agency initially estimated the program would serve 75 individuals, but subsequent interest from the Sedgwick County District Attorney's Office resulted in a revised estimate of 175. The average annual cost for treatment in the program is estimated at \$3,535 per offender.
- \$145,715 for expansion of the online treatment provider payment system to accommodate issuance of payments to providers as part of 2021 HB 2026. This payment system is hosted by Beacon Health Options, and funds would support information technology design and maintenance costs.

The **Governor** does not recommend adoption of this request.

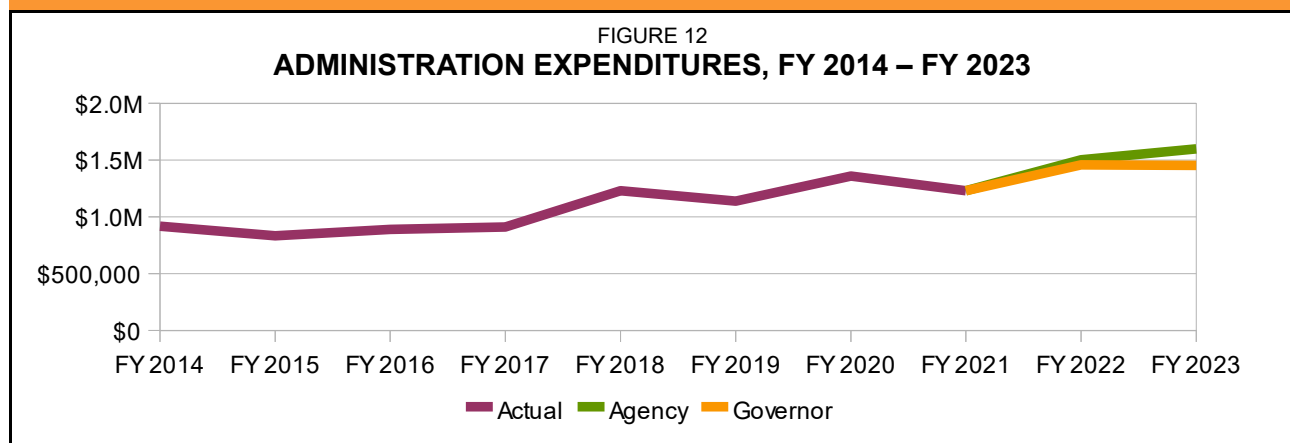
PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 1,230,528	\$ 1,502,843	\$ 1,485,238	\$ 1,599,292	\$ 1,453,577
Substance Abuse Treatment	5,904,953	12,071,744	8,317,118	9,052,885	8,434,307
TOTAL	\$ 7,135,481	\$ 13,574,587	\$ 9,802,356	\$ 10,652,177	\$ 9,887,884
FTE Positions:					
Administration	11.8	14.0	14.0	14.0	14.0
Substance Abuse Treatment	-	-	-	-	-
TOTAL	11.8	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 74-9101 through 74-9106, KSA 21-6801 through 21-6825

PROGRAM GOALS:

- Develop sentencing guidelines to promote public safety by incarcerating violent offenders.
- Reduce sentence disparity to ensure the elimination of racial, geographic, or other bias that may exist.
- Establish sentences that are proportional to the seriousness of the offense and the degree of injury to the victim
- Establish a range of easy-to-understand presumptive sentences that will promote "truth in sentencing."
- Provide state and local correctional authorities with information to assist with population management options.
- Provide policy makers with information that will enhance decisions regarding resource allocations.

The Administration program develops prison population projections and maintains a statewide sentencing database. The Commission annually publishes the Desk Reference Manual, which contains sentencing grids and the required sentencing forms for felony offenders. Training and assistance is provided to judges, court services staff, and

other criminal justice professionals regarding the implementation of legislative changes to sentencing policy. The agency is the State's federal-designated Statistical Analysis Center for criminal justice matters and provides data analysis to the Governor, Legislature, and the State's criminal justice agencies.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Prison Population Projection Error Rate of +/- 5.0 Percent or Less	10.7 %	3.8 %	5.3 %	1.5 %	1.5 %
2. Number of Felony Journal Entries Entered	14,424	12,998	15,190	13,130	13,130
3. Cost to Process Each Journal Entry*	\$ 19	\$ 19	\$ 18	N/A	N/A
Output Measure:					
4. Number of Bed Space Impact Assessments Prepared for the Legislature and Other Stakeholders*	142	190	170	N/A	N/A
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,210,145	\$ 1,108,975		\$ 1,464,643	\$ 1,437,277
Federal Funds	83,771	50,914		-	-
All Other Funds	64,806	70,639		20,595	16,300
TOTAL	\$ 1,358,722	\$ 1,230,528		\$ 1,485,238	\$ 1,453,577
Percentage Change:					
SGF	8.1 %	(8.4) %		32.1 %	(1.9) %
All Funds	19.4 %	(9.4) %		20.7 %	(2.1) %
FTE Positions	13.8	14.0		14.0	14.0
*The Governor's Office does not utilize this measure for evaluation purpose.					

BUDGET ANALYSIS

The **agency** requests a revised estimate of \$1.5 million, including \$1.5 million SGF, for the Administration program in FY 2022. This is an all funds increase of \$204,284, and an SGF increase of \$356,756, above the FY 2022 approved amount. The increase is primarily attributed to increased information technology services expenditures (\$166,471) for expansion of the online treatment provider payment system to accommodate the provisions 2021 HB 2026, which allows for treatment of certain drug offenders who have entered into diversion agreements. The agency submits a supplemental request of \$17,605 SGF to implement the initial phase of a two-year salary adjustment plan, as recommended in the third-party salary study. The revised estimate also includes 14.0 FTE positions, which is an increase of 0.25 FTE positions above the FY 2022 approved amount. The increase is due to the SB 123 Program Director transitioning to full-time status.

The **Governor** recommends expenditures of \$1.5 million, including \$1.5 million SGF, for the Administration program in FY 2022. This is an all funds decrease of \$17,605, and an SGF decrease of \$17,605, below the agency's FY 2022 revised estimate. The recommendation does not include the agency's supplemental request of \$17,605 SGF for the initial phase of a two-year salary adjustment plan.

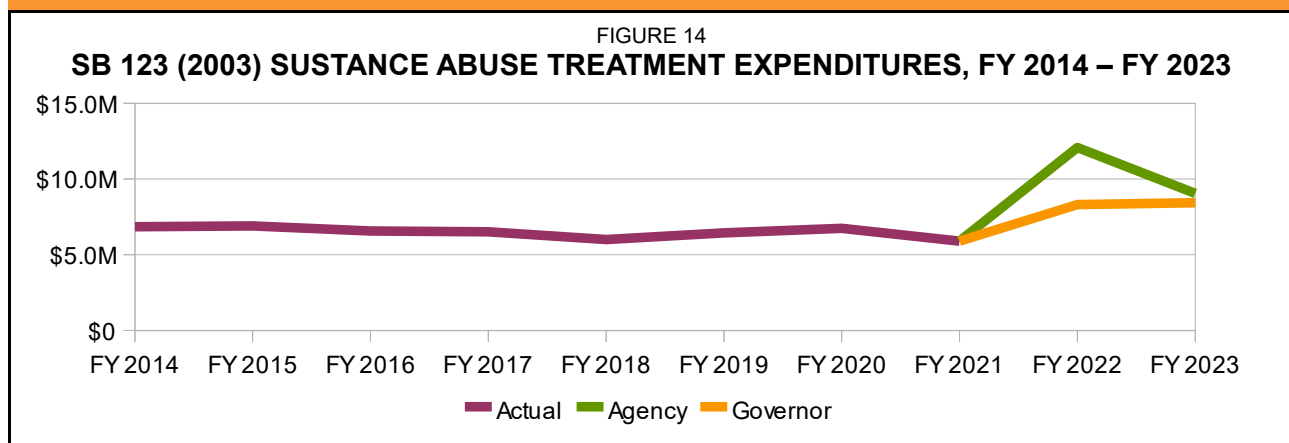
The **agency** requests \$1.6 million, including \$1.6 million SGF, for the Administration program for FY 2023. This is an all funds increase of \$96,449, and an SGF increase of \$100,744, above the FY 2022 revised estimate. The increase is attributed to the agency's two enhancement requests totaling \$236,797 SGF. The first request is for \$145,715 to maintain expansion of the online treatment provider payment system to accommodate provisions of 2021 HB 2026, which allows for substance abuse treatment of drug offenders on diversion. The second request is for \$91,082 for the final phase of a two-year salary adjustment plan,

which includes a 5.0 percent pay increase based on the duration of employment. The increase is primarily offset by decreased technology expenditures for software maintenance services (\$166,270). The request also includes 14.0 FTE positions, which is unchanged from the FY 2022 revised estimate.

The **Governor** recommends expenditures of \$1.5 million, including \$1.4 million SGF, for the Administration program for FY 2023. This is an all funds decrease of \$145,715, and an SGF decrease of \$145,715, below the agency's FY

2023 request. The recommendation does not include the agency's enhancement request of \$145,715 to maintain expansion of the treatment provider payment system to accommodate provisions of 2021 HB 2026. Further, the recommendation modifies the agency's enhancement request of \$91,082 for a salary adjustment plan by implementing the plan in one year rather than two, and excludes the Executive Director from such salary adjustments. A salary adjustment for the Executive Director would be addressed with a statewide cost of living adjustment.

SB 123 (2003) SUSTANCE ABUSE TREATMENT



STATUTORY BASIS: • KSA 21-6824 (2003 SB 123), and KSA 21-5705 through 21-5706

PROGRAM GOALS:

- Provide substance abuse treatment and supervision within Kansas communities for offenders with substance abuse addictions and improve local communities by reducing recidivism.
- Provide a response and centralized system that brings cohesion to the management of the program and efficient payment policies.
- Track financial records of payments through the system and provide analysis and estimates of funding needs.

The agency administers the SB 123 Substance Abuse Treatment program, which was established by 2003 SB 123. The program is a non-prison sanction providing mandatory state-funded substance abuse treatment for certain offenders convicted of drug possession. The program is designed to divert low-level drug offenders out of the prison system. Subsequently, 2018 HB 258 and 2019 SB 18 expanded the types of offenders eligible for treatment to include those convicted of cultivating and distributing a controlled substance. Offenders are placed under

community supervision, and treatment is rendered by providers certified by KDOC. Treatment methods include residential, group outpatient, reintegration, and peer mentoring.

The agency is responsible for program administration and the payment of treatment providers. Payments are issued through an online treatment provider payment system, which allows the agency to collect data on of the offender group to assess the program's effectiveness as an alternative to incarceration.

FIGURE 15 SB 123 (2003) SUSTANCE ABUSE TREATMENT, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Number of Offenders Treated in the 2003 SB 123 Program	2,680	2,124	2,124	2,672	2,947
Output Measure:					
2.Invoices for Substance Abuse Treatment Processed*	36,055	37,408	32,233	N/A	N/A
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 6,743,362	\$ 5,904,953		\$ 8,317,118	\$ 8,434,307
Federal Funds	-	-		-	-
All Other Funds	-	-		-	-
TOTAL	\$ 6,743,362	\$ 5,904,953		\$ 8,317,118	\$ 8,434,307
Percentage Change:					
SGF	4.4 %	(12.4) %		40.8 %	1.4 %
All Funds	4.4 %	(12.4) %		40.8 %	1.4 %
FTE Positions	--	--		--	--
*The Governor's Office does not utilize this measure for evaluation purpose.					

BUDGET ANALYSIS

The **agency** requests a revised estimate of \$12.1 million, all SGF, for the SB 123 (2003) Substance Abuse Treatment program in FY 2022. This is a decrease of \$341,772 below the FY 2022 approved amount. The revised estimate includes an SGF reappropriation of \$3.8 million. Expenditures in this program are payments to 140 certified providers for substance abuse treatment of an estimated 2,124 offenders, which is a decrease from the 2,680 offenders treated in FY 2021. The agency indicates the decrease is due to the COVID-19 pandemic, which resulted in decreased admissions to the program due to court delays and limited offender access to treatment providers. The agency anticipates increased expenditures as courts resume normal operations and as 2019 SB 18, which expands the types of offenders eligible for treatment, is fully implemented. The increase includes \$618,578 for implementation of 2021 HB 2026, which requires payments to providers for the provision of substance abuse treatment among certain drug offenders on diversion.

The **Governor** recommends expenditures of \$8.3 million, all SGF, for the SB 123 (2003) Substance Abuse Treatment program in FY

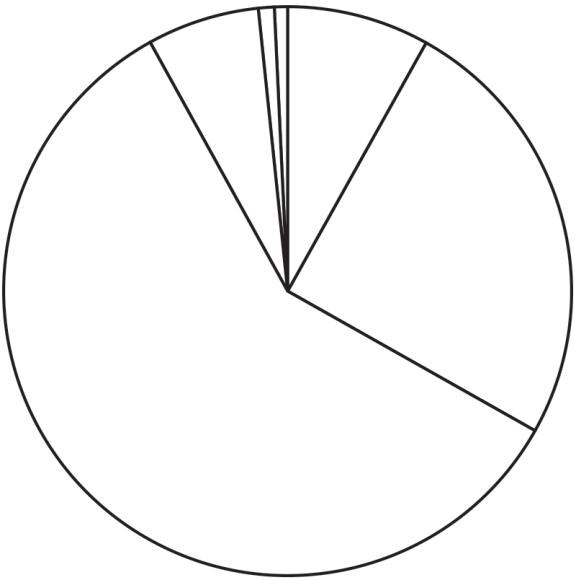
2022. This is a decrease of \$3.8 million below the agency's FY 2022 revised estimate. The recommendation would decrease payments to substance abuse treatment providers by \$3.8 million, which is the amount of SGF reappropriated from FY 2021.

The **agency** requests \$9.1 million, all SGF, for the SB 123 (2003) Substance Abuse Treatment program for FY 2023. This is a decrease of \$3.0 million below the FY 2022 revised estimate. The decrease is primarily attributable to an SGF reappropriation (\$3.8 million) in FY 2022 that does not reoccur in FY 2023. The decrease is partially offset by the agency's enhancement request of \$618,578 to sustain payments to providers for substance abuse treatment among certain drug offenders on diversion pursuant to 2021 HB 2026.

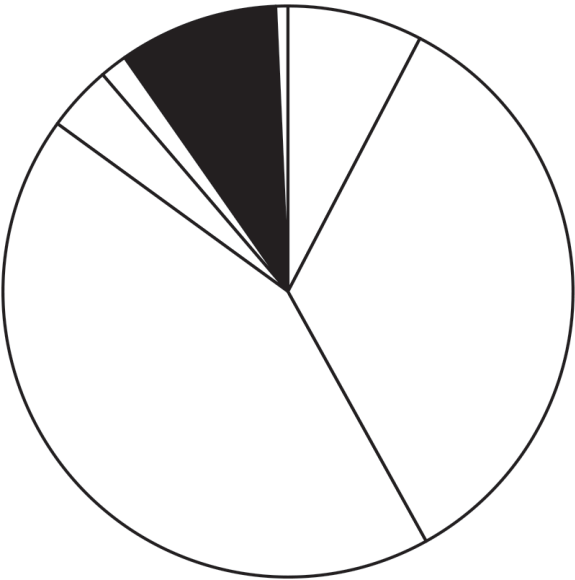
The **Governor** recommends expenditures of \$8.4 million, all SGF, for the SB 123 (2003) Substance Abuse Treatment program for FY 2023. This is a decrease of \$618,578 below the agency's FY 2023 requested amount. The recommendation does not include the agency's enhancement request of \$618,578 for payments to treatment providers for offenders made eligible pursuant to HB 2026.

TRANSPORTATION

State General Fund



All Funds



The Transportation function of government has the responsibility for construction and maintenance of highways and other transportation functions. This function includes the Kansas Department of Transportation.

The Governor's FY 2022 recommendation for the Transportation function totals \$2.1 billion, all from special revenue funds, which is an increase of \$280.2 million, or 15.6 percent, above the FY 2021 actual expenditures.

Agencies in this Function:	
Kansas Department of Transportation.....	1476

The FY 2023 recommendation totals \$2.0 billion, which is a decrease of \$36.5 million, or 1.8 percent, below the FY 2022 Governor's recommendation.

A total of 2,297.3 FTE positions are recommended by the Governor for the Transportation function in FY 2023, which is the same as the FY 2022 Governor's recommendation.

This agency has no expenditures from the State General Fund.

KANSAS DEPARTMENT OF TRANSPORTATION

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	50,904,403	18,674,068	18,674,068	1,265,000	1,265,000
All Other Funds	763,428,274	729,586,977	729,586,977	732,224,917	742,841,910
<i>Subtotal</i>	<u>\$ 814,332,677</u>	<u>\$ 748,261,045</u>	<u>\$ 748,261,045</u>	<u>\$ 733,489,917</u>	<u>\$ 744,106,910</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	983,294,585	1,319,120,189	1,319,120,189	1,297,193,233	1,297,193,233
<i>Subtotal</i>	<u>\$ 983,294,585</u>	<u>\$ 1,319,120,189</u>	<u>\$ 1,319,120,189</u>	<u>\$ 1,297,193,233</u>	<u>\$ 1,297,193,233</u>
TOTAL	<u>\$ 1,797,627,262</u>	<u>\$ 2,067,381,234</u>	<u>\$ 2,067,381,234</u>	<u>\$ 2,030,683,150</u>	<u>\$ 2,041,300,143</u>
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	27.1 %	15.0 %	15.0 %	(1.8) %	(1.3) %
FTE Positions	2,250.3	2,297.3	2,297.3	2,297.3	2,297.3

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

The Kansas Department of Transportation (KDOT) is a cabinet-level agency headed by a secretary appointed by the Governor. The purpose of KDOT is to coordinate the planning, development, and operation of the various modes and systems of transportation within the state. KDOT has administrative and planning responsibilities for aviation, highways, public transportation, railroads, and waterways. However, the agency's efforts focus primarily on approximately 10,000 miles of the state highway system, which has more than 140,372 miles of public roads and highways in total (KSA 68-406(a)). Of those miles, approximately 10,000 are maintained by KDOT, 238 by the Kansas Turnpike Authority, and approximately 130,000 by local governments. There are also 307 miles located on the grounds of state parks. Of the miles of highway maintained by the State, 635 are on the interstate highway system. The State of Kansas ranks fourth nationwide in the total number of public roads and fifth in the total number of bridges. Statewide, there are approximately 25,000 bridges.

KDOT has five programs: Administration, Transportation Planning and Modal Support, Local Support, Maintenance, and Construction. The agency indicates that in March 2021, the functions and personnel for information technology services were separated from the Program of Administration and made into a new program, the Program of Information Technology Services. All expenditures for the Program of Information Technology Services are included in the Administration Subprogram.

The Program of Project Delivery was created in September 2020 from the staff of the Program of Operations, and the Program of Operations was renamed the Program of Field Operations. Expenditures for the Program of Project Delivery are in the Operations Support Subprogram and the Construction Inspection Subprogram.

These adjustments have not yet been reflected in the agency budget submission.

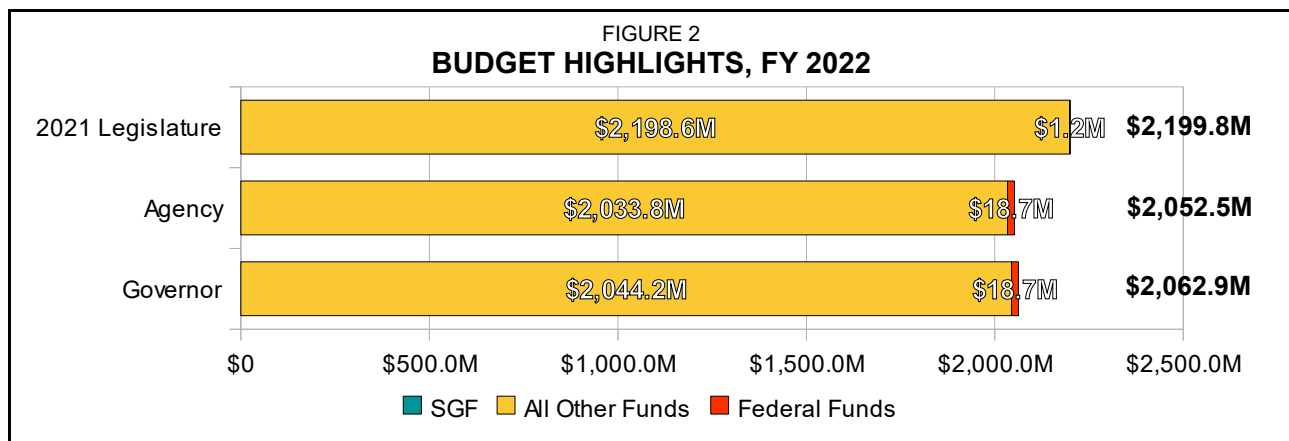
STATE OPERATIONS AND CAPITAL IMPROVEMENTS

In a state agency budget, state operations include agency operating costs for salaries and wages and other operating expenditures. Other operating expenditures include contractual services, commodities, and capital outlay. Agency budgets also include separate categories for aid to local units of government, other assistance, and capital improvements. The KDOT budget differs from other agency budgets in that expenditures typically considered state operations are included with budgeted capital improvements expenditures. For example, the Construction program includes capital improvements expenditures but also contains expenditures classified as state operations.

For state budgeting and accounting purposes, an expenditure is categorized as reportable only when it initially is spent to avoid double counting. Consequently, when reviewing KDOT's budget, most tabular data (including those in the Governor's Budget Report) reflect reportable expenditures and exclude spending of non-reportable money. The magnitude of non-reportable spending by KDOT is significant. Within the agency's budget submission, non-reportable expenditures include \$216.9 million in FY 2022 and \$193.1 million for FY 2023.

EXECUTIVE SUMMARY

Subsequent to the 2021 Session, no adjustments were made to the \$2.2 billion approved by the Legislature.

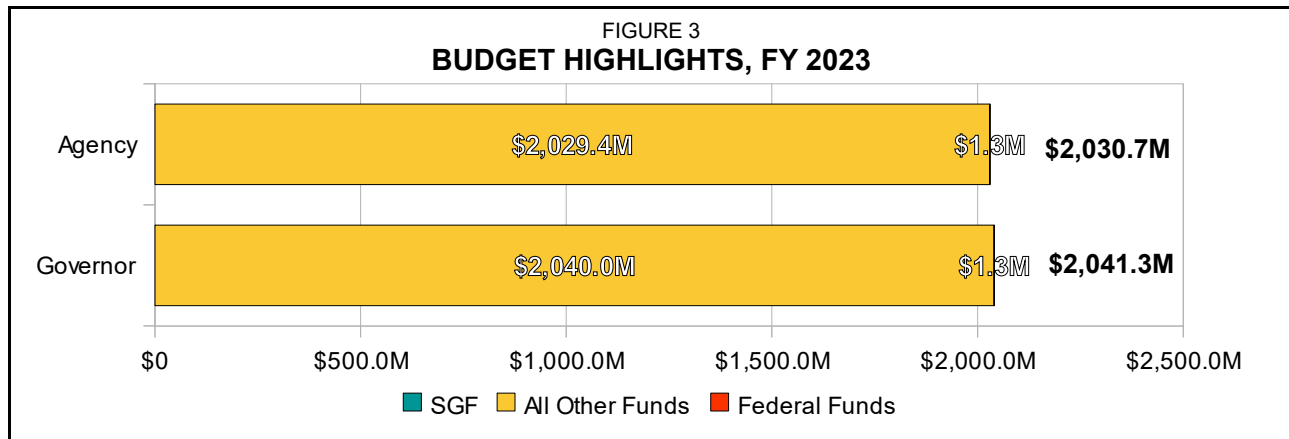


The **agency** requests \$2.1 billion, which includes a State Highway Fund decrease of \$179.7 million, or 8.3 percent, and an increase of federal and other funds of \$39.9 million, or 36.1 percent, from the FY 2022 approved amount. The decrease is attributable to a \$256.8 million reduction in the Expansion Program related to a delay in the U.S. 69 Highway (US-69) project. The reduction is partially offset by an increase in federal CARES Act funding (\$14.2 million), rail improvements (\$7.5 million), local support (\$54.5 million), and modernization projects (\$39.3 million).

The agency requests 2,297.3 FTE positions, which is an increase of 47.0 FTE positions above the FY 2022 approved number. In addition to the FTE position increase, there is an increase of expenditures for salaries and wages of \$4.3 million associated with the Governor's Executive Orders.

The **agency** requests \$21.0 million in capital improvements for buildings for FY 2022. The request is an increase of \$6.0 million above the FY 2022 approved amount. The majority of the increase is in subarea modernization.

The **Governor** recommends expenditures of \$2.1 billion, which is an increase of \$10.4 million, or 0.5 percent, above the FY 2022 agency request. The increase is attributable to a revised estimate for State Highway Fund revenues. The Governor concurs with the agency's request for capital improvements for FY 2022.



The **agency** requests \$2.0 billion, including \$41.3 million in special revenue and federal funds, for FY 2023. The request is a decrease of \$36.7 million, or 1.8 percent, below the FY 2022 revised estimate. The decrease is attributable to a reduction in federal CARES Act funding (\$14.2 million), rail line improvements (\$7.8 million), cost share program estimates (\$10.8 million), and the construction schedule (\$19.4 million). The reductions are partially offset by increases in maintenance commodities such as concrete and asphalt and an increase in salaries and wages for the maintenance program (\$2.9 million). The agency request includes 2,397 FTE positions, which is the same number as the FY 2022 agency revised estimate.

The **agency** requests \$23.0 million in capital improvements for buildings for FY 2023. The request is an increase of \$2.0 million above the FY 2022 revised estimate. The majority of the increase is for construction of a new District One Headquarters in Topeka.

The **Governor** recommends expenditures of \$2.0 billion, which is an increase of \$10.6 million, or 0.5 percent, above the FY 2023 agency request. The Governor's recommendation eliminates transfers from the State Highway Fund to the Kansas Department for Aging and Disability Services for mental health grants (\$9.8 million), the Office of Emergency Communications in the Adjutant General's Department (\$320,000), and for debt service on the Statehouse bonds (\$20.4 million). The recommendation also eliminates the transfer to the State General Fund (SGF) as planned. The transfers adjustment reductions are partially offset by increases of transfers for Kansas Highway Patrol (KHP) operations and to the Division of Vehicles Operating Fund in the Department of Revenue totaling \$6.7 million.

The Governor concurs with the agency's request for capital improvements for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4 BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023					
Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 141,891,931	\$ 156,188,238	\$ 156,188,238	\$ 159,070,885	\$ 159,070,885
Contractual Services	240,349,460	167,382,829	167,382,829	167,258,170	167,258,170
Commodities	37,093,370	42,963,312	42,963,312	46,731,321	46,731,321
Capital Outlay	34,368,755	20,995,132	20,995,132	23,189,400	23,189,400
Debt Service Interest	86,198,524	80,295,095	80,295,095	74,236,967	74,236,967
<i>Subtotal</i>	<i>\$ 539,902,040</i>	<i>\$ 467,824,606</i>	<i>\$ 467,824,606</i>	<i>\$ 470,486,743</i>	<i>\$ 470,486,743</i>
Aid to Local Units	197,976,275	215,435,143	225,878,231	216,719,072	227,336,065
Other Assistance	76,454,362	65,001,296	65,001,296	46,284,102	46,284,102
<i>Subtotal—Operating</i>	<i>\$ 814,332,677</i>	<i>\$ 748,261,045</i>	<i>\$ 758,704,133</i>	<i>\$ 733,489,917</i>	<i>\$ 744,106,910</i>
Capital Improvements	861,944,585	1,191,735,189	1,191,735,189	1,163,583,233	1,163,583,233
Debt Service Principal	121,350,000	127,385,000	127,385,000	133,610,000	133,610,000
TOTAL	\$ 1,797,627,262	\$ 2,067,381,234	\$ 2,077,824,322	\$ 2,030,683,150	\$ 2,041,300,143
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	50,904,403	18,674,068	18,674,068	1,265,000	1,265,000
All Other Funds	1,746,722,859	2,048,707,166	2,048,707,166	2,029,418,150	2,040,035,143
TOTAL	\$ 1,797,627,262	\$ 2,067,381,234	\$ 2,067,381,234	\$ 2,030,683,150	\$ 2,041,300,143
FTE Positions	2,250.3	2,297.3	2,297.3	2,297.3	2,297.3

FY 2022 ANALYSIS

FIGURE 5
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$	- \$ 2,207,304,645	\$ 2,207,304,645	2,250.3
1. No changes		-	-	--
<i>Subtotal—Legislative Approved</i>	\$	- \$ 2,207,304,645	\$ 2,207,304,645	2,250.3
Agency Revised Estimate:				
2. FTE Position Increases	\$	- \$ 4,263,716	\$ 4,263,716	47.0
3. Engineering Contractual Services	-	(13,913,170)	(13,913,170)	--
4. Litter Pickup and Highway Sweeping	-	1,300,000	1,300,000	--
5. Data Systems Analysis	-	920,000	920,000	--
6. Construction Materials and Diesel	-	(1,202,840)	(1,202,840)	--
7. Construction Equipment	-	(973,001)	(973,001)	--
8. Federal Grants	-	14,175,568	14,175,568	--
9. Rail and Freight Local Support	-	3,000,000	3,000,000	--
10. Short Line Rail Improvement	-	4,503,937	4,503,937	--
11. Coordinated Public Transportation	-	7,203,300	7,203,300	--
12. Transportation Tech Development	-	3,000,000	3,000,000	--
13. Construction - Expansion - CI	-	(256,823,113)	(256,823,113)	--
14. Construction - Local - CI	-	54,537,544	54,537,544	--
15. Construction - Modernization - CI	-	39,327,451	39,327,451	--
16. Construction - Preservation - CI	-	(4,490,269)	(4,490,269)	--
17. Buildings - CI	-	5,970,550	5,970,550	--
18. Other Adjustments	-	(723,084)	(723,084)	--
<i>Subtotal—Agency Revised Estimate</i>	\$	- \$ 2,067,381,234	\$ 2,067,381,234	2,297.3
Governor's Recommendation:				
19. Revised Highway Fund Estimate	\$	- \$ 10,443,088	\$ 10,443,088	--
TOTAL	\$	- \$ 2,077,824,322	\$ 2,077,824,322	2,297.3

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, no adjustments were made to the amount approved by the Legislature.

1. **NO CHANGES.** No adjustments were made to the FY 2021 approved budget.

AGENCY ESTIMATE

The **agency** requests \$2.1 billion, which includes a State Highway Fund decrease of \$179.7 million, or 8.3 percent, and an increase of federal and other funds of \$39.9 million, or 36.1 percent, from the FY 2022 approved amount. The agency requests 2,297.3 FTE positions, which is an increase of 47.0 FTE positions above the FY 2022 approved number.

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

2. **FTE POSITION INCREASES.** The agency requests the addition of \$4.3 million and 47.0 FTE positions, including 25.0 FTE positions in Administration, 31.0 FTE positions in Construction, 5.0 FTE positions in Local Support, and 10.0 FTE positions in Transportation Planning. The increases are partially offset by a reduction of 24.0 FTE positions in Maintenance. The increase for the Administration Program is in operations and support in the District Offices and human resources. The increase in the

Construction Program is in Inspection and Design Right of Way and related to implementation of the Eisenhower Legacy Transportation (IKE). The Transportation Planning increase is related to establishment of a new traffic safety program. The reduction in the Maintenance Program is across many districts and reflects a major realignment in District Maintenance with FTE position allocations.

3. **ENGINEERING CONTRACTUAL SERVICES.** The agency request decreases expenditures for contractual engineering services by \$13.9 million. The majority of the decrease is attributable to the Construction Program (\$24.0 million). The decrease is partially offset by increases in Administration and Maintenance for contract engineering. The Administration Program increase is due to a road use study in conjunction with the American Association of State Highway and Transportation Officials.
4. **LITTER PICKUP.** The agency requests the addition of \$1.3 million for litter pickup and highway sweeping for the Kansas City metropolitan area in District One.
5. **DATA SYSTEMS ANALYSIS.** The agency requests the addition of \$920,000 for improvements to systems used for storing and analyzing data on bridges, traffic management, and communications.
6. **CONSTRUCTION MATERIALS AND DIESEL.** The agency's revised estimate decreases by \$1.2 million in commodities for construction materials and diesel fuel. The adjustment reflects the current timing of projects.
7. **CONSTRUCTION EQUIPMENT.** The agency's revised estimate decreases by \$973,001 for construction equipment. According to the agency, additional equipment purchases in FY 2021 above the original estimate allow for reductions to occur in FY 2022.
8. **FEDERAL GRANTS.** The agency requests the addition of \$14.2 million, all from federal funds, for various federal grant programs. These are transit funds from the federal CARES Act.
9. **RAIL SAFETY IMPROVEMENT FUND.** The agency requests the addition of \$3.0 million, for a total of \$9.0 million, in rail safety improvement funds in FY 2022.
10. **SHORT LINE RAIL IMPROVEMENTS.** The agency requests the addition of \$4.5 million for short line rail improvements. These are unexpended carryover funds from FY 2021.
11. **COORDINATED PUBLIC TRANSPORTATION.** The agency requests the addition of \$7.2 million for Coordinated Public Transportation. This amount is carryover funds from FY 2021 that are being reflected in the FY 2022 budget.
12. **TRANSPORTATION TECH DEVELOPMENT.** The agency added \$3.0 million, from the Transportation Technology Development Fund, for investments in new technologies to increase efficiency in aviation and highway transportation.
13. **CONSTRUCTION EXPANSION - CI.** The agency's revised estimate decreases by \$256.8 million in capital improvements (CI) expansion projects. The majority of the decrease is in Non-Interstate Capacity Improvements (\$283.4 million), and a reduction in the Cost Share program (\$8.5 million). The decreases are partially offset by an increase of \$25.6 million in interstate expansion projects. Originally, the agency anticipated the US-69 project starting in FY 2022; that project timeline has been revised to FY 2023.

14. **CONSTRUCTION LOCAL - CI.** The agency requests the addition of \$54.5 million in capital improvements local projects. The increase is primarily from increases to federal aid projects (Federal Highway Administration) and transportation enhancements.
15. **CONSTRUCTION MODERNIZATION - CI.** The agency requests the addition of \$39.3 million in capital improvements modernization projects. The majority of the increase is in non-interstate projects (\$21.3 million). There are also substantial increases in lighting projects and corridor management.
16. **CONSTRUCTION PRESERVATION - CI.** The agency's revised estimate decreases by \$4.5 million in capital improvement preservation projects. The majority of the reduction is in bridge replacement (\$30.1 million) with a substantial shift of funding to basic preservation.
17. **BUILDINGS - CI.** The agency requests the addition of \$6.0 million in capital improvement expenditures for buildings. Details on this request can be found in the Capital Improvements Section at the end of this report.
18. **OTHER ADJUSTMENTS.** The agency's revised estimate includes the reduction of \$723,084 in various other adjustments.

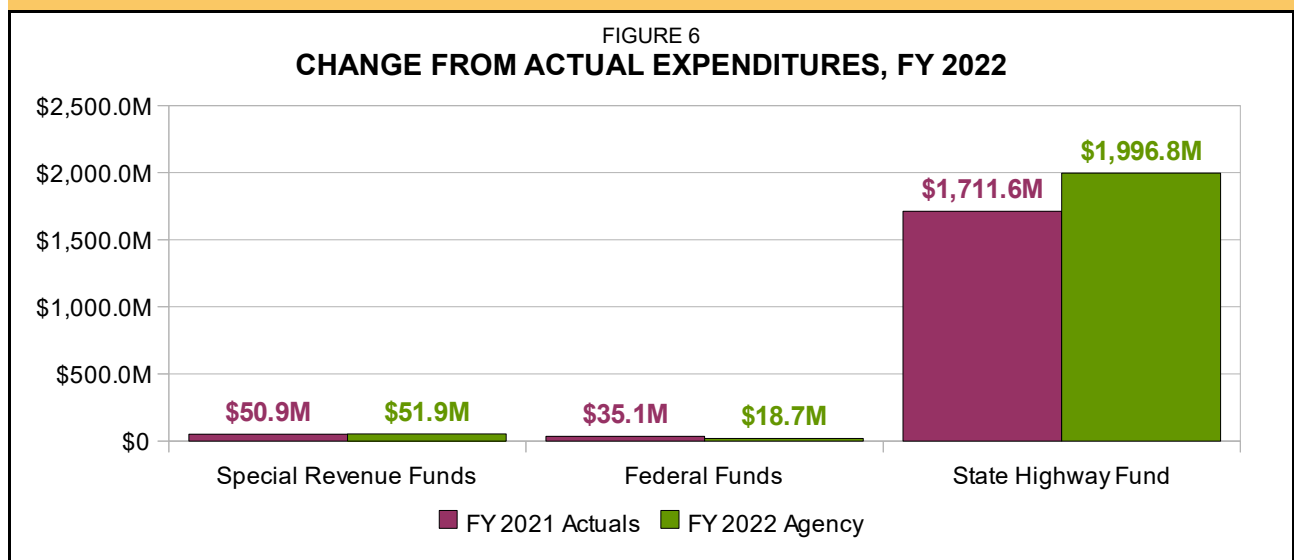
GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$2.1 billion, which is an increase of \$10.4 million, or 0.5 percent, above the FY 2022 agency revised estimate. The increase is attributable to a revised estimate for State Highway Fund revenues.

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

19. **REVISED HIGHWAY FUND ESTIMATE.** The Governor's recommendation adds \$10.4 million, all from the State Highway Fund, due to a revised estimate from the State Highway Fund Revenue Estimating Group.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency request adds \$269.8 million, or 15.0 percent, above the FY 2021 actual expenditures. The increase is primarily in new construction projects, partially offset by a reduction of \$16.4 million in federal funds.

FY 2023 ANALYSIS

FIGURE 7
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ -	\$ 2,067,381,234	\$ 2,067,381,234	2,297.3
Agency Request:				
1. Federal Grants—Other Assistance	\$ -	\$ (14,159,068)	\$ (14,159,068)	--
2. Short Line Rail Improvement	-	(4,503,937)	(4,503,937)	--
3. Rail Safety Improvements	-	(3,250,000)	(3,250,000)	--
4. Maintenance Program Commodities	-	3,478,482	3,478,482	--
5. Maintenance Program Equipment	-	3,668,098	3,668,098	--
6. Maintenance Program Salaries	-	2,858,837	2,858,837	--
7. Cost Share Program	-	(10,810,000)	(10,810,000)	--
8. Construction Reallocation	-	(19,385,437)	(19,385,437)	--
9. Transportation Tech Development	-	(3,000,000)	(3,000,000)	--
10. Non-Tech Aid to Local Units	-	4,283,929	4,283,929	--
11. Buildings – Capital Improvements	-	2,043,481	2,043,481	--
12. All Other Adjustments	-	2,077,531	2,077,531	--
Subtotal—Agency Estimate	\$ -	\$ 2,030,683,150	\$ 2,030,683,150	2,297.3
Governor's Recommendation:				
13. Revised Highway Fund Estimate	\$ -	\$ 10,616,993	\$ 10,616,993	--
TOTAL	\$ -	\$ 2,041,300,143	\$ 2,041,300,143	2,297.3

AGENCY REQUEST

The **agency** requests \$2.0 billion, including \$41.3 million in special revenue and federal funds, for FY 2023. The request is a decrease of \$36.7 million, or 1.8 percent, below the FY 2022 revised estimate.

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

- FEDERAL GRANTS—OTHER ASSISTANCE.** The agency requests a reduction of \$14.2 million in federal funds for other assistance grants.
- SHORT LINE RAIL IMPROVEMENTS.** The agency requests a reduction of \$4.5 million in short line rail improvements.
- RAIL SAFETY IMPROVEMENTS.** The agency requests a reduction of \$3.3 million in rail safety improvements.
- MAINTENANCE PROGRAM COMMODITIES.** The agency request increased expenditures for commodities in the Maintenance Program by \$3.5 million above the FY 2022 revised estimate. The majority of the increase is in highway construction materials (\$2.3 million), with the remainder in vehicle parts and fuel.
- MAINTENANCE PROGRAM EQUIPMENT.** The agency requests the addition of \$3.7 million in the Maintenance Program for road and other highway construction equipment.
- MAINTENANCE PROGRAM SALARIES.** The agency requests the addition of \$2.9 million in the Maintenance Program for salaries. The majority of the increase is in unclassified compensation (\$2.1 million). The increase is primarily attributable to the

increase in Equipment Operator starting pay through Executive Directive 20-539. The pay increase, which was included within the FY 2022 Agency Operations expenditure limitation, totals \$2.8 million for FY 2023.

7. **COST SHARE PROGRAM.** The agency requests a reduction of \$10.8 million from the Cost Share Program. The cost share estimate is based on known projects and requires a 15.0 percent non-state cash match.
8. **CONSTRUCTION REALLOCATION.** The agency requests a reduction of \$19.4 million in Construction Program Capital Improvements. The agency substantially reallocates expenditures from Expansion and Modernization to non-interstate local construction. The adjustment reflects the fact that construction priorities for FY 2023 were not set at the time of budget submission.
9. **TRANSPORTATION TECH DEVELOPMENT.** The agency request deletes \$3.0 million budgeted in FY 2022 for research investments in transportation technology.
10. **NON-TECH AID TO LOCAL UNITS.** Excluding Transportation Technology Development Fund expenditures, the agency requests the addition of \$4.3 million for Aid to Local Units. The majority of the increase is in Coordinated Public Transportation Assistance (\$2.0 million) and General Aviation (\$1.1 million).
11. **BUILDINGS - CAPITAL IMPROVEMENTS.** The agency request adds \$2.0 million for capital improvements for buildings. The majority of the increase is for construction of a new District One Headquarters in Topeka.
12. **ALL OTHER ADJUSTMENTS.** The agency requests the addition of \$2.1 million in other adjustments.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2023 expenditures of \$2.0 billion, which is an increase of \$10.6 million, or 0.5 percent, above the agency request. The Governor's recommendation also eliminates transfers from the State Highway Fund to the Kansas Department for Aging and Disability Services for mental health grants (\$9.8 million), the Office of Emergency Communications in the Adjutant General's Department (\$320,000), and for debt service on the Statehouse bonds (\$20.4 million). The recommendation also eliminates the transfer to the SGF as planned. The transfer adjustment reductions are partially offset by increases of transfers for KHP operations and to the Division of Vehicles Operating Fund in the Department of Revenue totaling \$6.7 million.

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

13. **REVISED HIGHWAY FUND ESTIMATE.** The Governor's recommendation adds \$10.6 million, all from the State Highway Fund, due to a revised estimate from the State Highway Fund Revenue Estimating Group budgeted as aid to locals.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

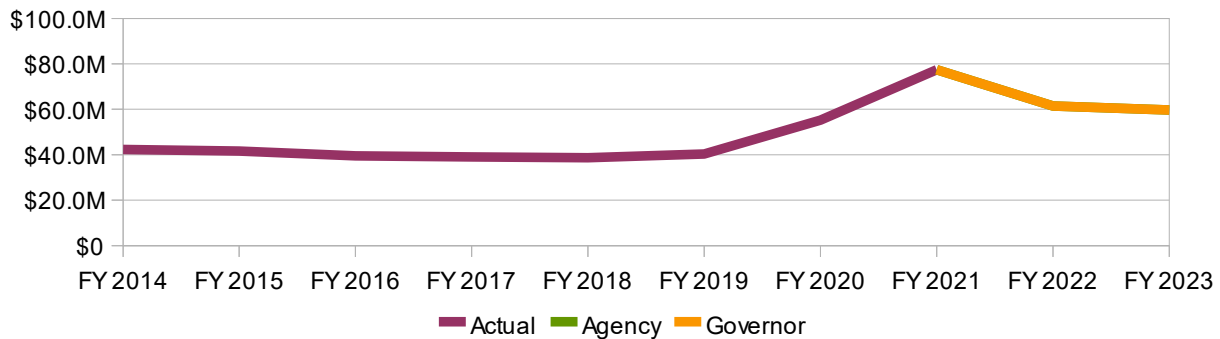
FIGURE 8 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 77,412,297	\$ 61,423,311	\$ 61,423,311	\$ 59,739,829	\$ 59,739,829
Transportation Planning and Modal Support	92,635,707	118,289,238	118,289,238	105,331,633	105,331,633
Local Support	180,115,028	177,240,380	187,683,468	177,882,620	188,499,613
Maintenance	160,911,270	158,575,781	158,575,781	169,788,161	169,788,161
Construction	1,286,552,960	1,551,852,524	1,551,852,524	1,517,940,907	1,517,940,907
TOTAL	\$ 1,797,627,262	\$ 2,067,381,234	\$ 2,077,824,322	\$ 2,030,683,150	\$ 2,041,300,143
FTE Positions:					
Administration	371.8	396.8	396.8	396.8	396.8
Transportation Planning and Modal Support	80.0	90.0	90.0	90.0	90.0
Local Support	18.0	23.0	23.0	23.0	23.0
Maintenance	1,166.0	1,142.0	1,142.0	1,142.0	1,142.0
Construction	614.5	645.5	645.5	645.5	645.5
TOTAL	2,250.3	2,297.3	2,297.3	2,297.3	2,297.3

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 9
ADMINISTRATION EXPENDITURES, FY 2014– FY 2023



STATUTORY BASIS: • KSA 75-5006, KSA 75-3717, KSA 68-2303 *et seq.*, KSA 68-2320 *et seq.*, KSA 75-3739, KSA 68-2315, KSA 75-6401-75-6407, KSA 75-3734, Title 23 Code of Federal Regulations; 23 USC 112

PROGRAM GOALS: • Provide the direction, planning, coordination, communication, and administrative support that foster an integrated, multi-modal transportation system to meet the needs of Kansas.

The stated goal of the Administration program is to provide the direction, planning, coordination, communication, and administrative support that foster an integrated, multi-modal transportation system to meet the needs of Kansas. KDOT maintains a central office with the state divided into six districts.

This program coordinates public outreach through media, legislative, and intergovernmental relations. To achieve these goals, the management program is composed of the following three subprograms: Administration, Office of the Secretary, and Operations Support.

FIGURE 10
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of bridges, by deck area, on the State Highway System in "Good" condition	71.0 %	70.7 %	71.2 %	69.0 %	67.0 %
2. Percent of bridges, by deck area, on the State Highway System in "Poor" condition *	1.5 %	2.0 %	1.6 %	1.5 %	-- %
3. Percent of Interstate State Highway System miles classified as "Good" for pavement condition	62.0 %	66.0 %	64.7 %	66.0 %	65.0 %
4. Percent of Non-Interstate State Highway System Miles classified as "Good" for pavement condition	62.0 %	59.0 %	60.7 %	57.0 %	58.0 %
4. Percent of the person-miles traveled on the Interstate Highway System that are classified as "Reliable" *	94.7 %	99.2 %	96.2 %	96.0 %	-- %

FIGURE 10
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
4. Percent of the person-miles traveled on the Non-Interstate Highway System that are classified as "Reliable" *	95.7 %	97.4 %	96.3 %	98.0 %	-- %
4. National Highway System (NHS) truck travel time Reliability Index*	1.18	1.13	1.16	1.16	N/A
4. Percent of highway construction projects completed early or on-time*	98.0 %	95.0 %	97.3 %	98.0 %	-- %
5. Percent of total cost of highway construction projects completed over (+) or (-) total highway construction budget*	(0.1) %	1.7 %	1.4 %	-- %	-- %
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	30,434,010		3,250,000	-
All Other Funds	45,456,869	46,978,757		58,171,311	59,739,829
TOTAL	\$ 45,456,869	\$ 77,412,767		\$ 61,421,311	\$ 59,739,829
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	12.9 %	70.3 %		(20.7) %	(2.7) %
FTE Positions	360.8	371.8		396.8	396.8

*The Governor's Office does not use this performance measure for evaluation.

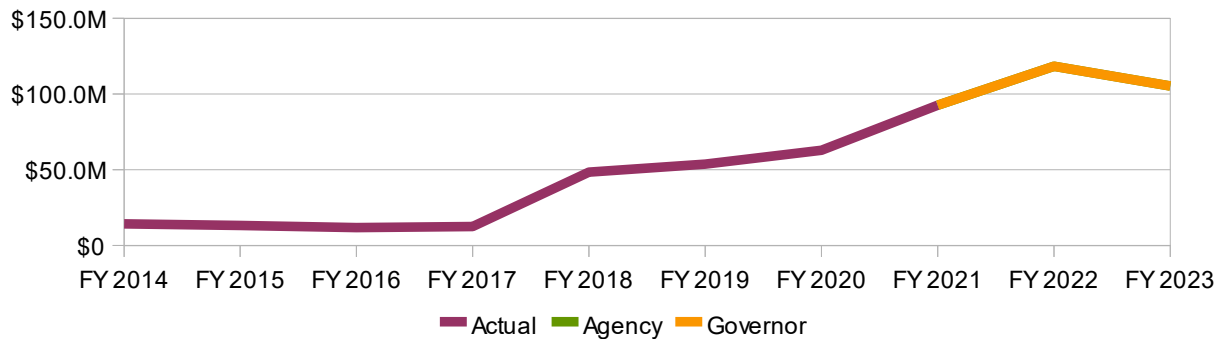
BUDGET ANALYSIS

The agency requests Administration program expenditures of \$59.7 million, all from the State Highway Fund, for FY 2023. The request is a decrease of \$1.7 million, or 2.7 percent, below the FY 2022 agency revised estimate. The decrease is attributable to \$3.3 million less in federal funds.

The **Governor** concurs with the agency request for the Administration program for FY 2023.

TRANSPORTATION PLANNING AND MODAL SUPPORT

FIGURE 11
TRANSPORTATION PLANNING AND MODAL SUPPORT EXPENDITURES, FY 2014 – FY 2023



STATUTORY BASIS: • Federal Highway Safety Act of 1966, 23 USC Chapter 4, KSA 75-5032 through 75-5048, KSA 68-2314b, 49 USC 5311(f), KSA 68-5010, KSA 75-5011, KSA 75-5061, KSA 75-5048.

PROGRAM GOALS: • Provide planning, coordination, and assistance to ensure a safe, efficient, and reliable multi-modal transportation network on and off the State Highway System.

The stated goal of the Transportation Planning and Modal Support program is to provide planning, coordination, and assistance to ensure a safe, efficient, and reliable multi-modal transportation network on and off the State Highway System. The Transportation Planning and Modal Support program handles planning and management of the agency's transportation program efforts, such as the Eisenhower Legacy Transportation Program (IKE). The program provides for capital and

operating assistance for public transportation, preservation or improvement of rail service through loans or grants, improvement of public-use aviation facilities, and highway safety activities designed to reduce traffic accidents and fatalities through modification of driver behavior. To achieve these goals, the management program is composed of the following five subprograms: Traffic Safety, Transit, Transportation Planning, Aviation, and Rail and Freight.

FIGURE 12
TRANSPORTATION PLANNING AND MODAL SUPPORT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Kansas alcohol-related crashes	2,214	2,100	2,158	2,050	2,025
2. Serious injuries per hundred million vehicle miles	5.71	4.40	4.84	5.18	3.83
3. Fatalities per hundred million vehicle miles	1.52	1.36	1.38	1.38	1.28
4. Percentage of drivers and passengers using safety belts	85.0 %	86.0 %	83.7 %	86.0 %	87.0 %
Output Measure:					
6. Percent of counties with transit services available*	84.0 %	84.0 %	83.7 %	85.0 %	-- %
7. Annual ridership for rural public transit operators in Kansas*	2,194,746	1,111,907	1,941,052	1,337,784	--
8. Annual ridership for urban public transit operators in Kansas*	6,115,467	3,386,886	5,593,599	3,998,358	--

FIGURE 12

TRANSPORTATION PLANNING AND MODAL SUPPORT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Percent of Kansas Aviation Airport Improvement Program dollars funded of total dollars requested*	19.0 %	18.0 %	18.3 %	21.0 %	-- %
Number of miles of track rehabilitated/constructed*	163	163	163	163	163
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ --	\$ --		\$ --	\$ --
Federal Funds	3,198,302	4,684,979		15,424,068	1,265,000
All Other Funds	59,732,278	87,950,728		102,868,170	104,066,633
TOTAL	\$ 62,930,580	\$ 92,635,707		\$ 118,292,238	\$ 105,331,633
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	72.9 %	47.2 %		27.7 %	(11.0) %
FTE Positions	81.0	80.0		90.0	90.0

*The Governor's Office does not use this performance measure for evaluation.

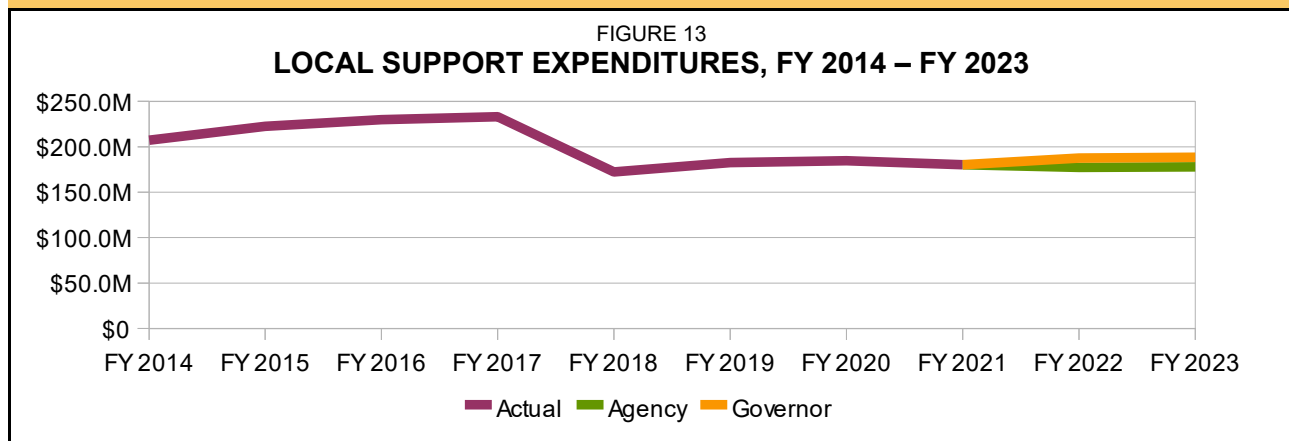
BUDGET ANALYSIS

The agency requests Transportation Planning and Modal Support program expenditures of \$105.3 million, including \$66.0 million from the State Highway Fund, for FY 2023. The request is a decrease of \$13.0 million, or 11.0 percent, below the FY 2022 agency revised estimate.

The reduction is attributable to CARES Act federal funding not being present in the FY 2023 agency request.

The **Governor** concurs with the agency request for FY 2023.

LOCAL SUPPORT



STATUTORY BASIS: • KSA 79-3425, KSA 79-3425c, KSA 68-2301 *et seq.*, KSA 68-169, KSA 68-412, KSA 68-2301 *et seq.*, Title 23 Code of Federal Regulations

PROGRAM GOALS: • Assist in providing safe, efficient, and reliable local transportation systems.

The stated goal of the Local Support program is to assist in providing safe, efficient, and reliable local transportation systems. This program provides planning and financial assistance to local governments and administers both state and federal funding for city and county roads, street, and bridge improvements; rural public transportation planning and assistance; transportation for the elderly and disabled; and highway safety plans and programs. The Local Support program includes aid to local units of government through the Special City and County Highway Fund (SCCHF). The SCCHF receives funding from motor fuel taxes and motor carrier property taxes. The funds are distributed quarterly, with

57.0 percent distributed to counties and 43.0 percent distributed to cities. Each county receives a base allocation of \$5,000, with the remainder distributed on a formula based on motor vehicle registration fees, average daily vehicle miles traveled, and total road miles within each county. The city distribution is based on population. This program includes safety programs targeting seat belt usage, drunk driving, underage drinking, and community awareness such as the “Click It or Ticket” and “You Drink, You Drive, You Lose” media campaigns. To achieve these goals, the Local Support program is composed of the two following subprograms: Special City and County Aid, and Local Projects.

FIGURE 14
LOCAL SUPPORT, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Total number of dollars (millions) awarded to local Public Government authorities*	\$ 142.4	\$ 122.4	\$ 111.6	\$ 125.0	--
2.Total number of projects awarded to local public government authorities	182	165	144	150	--
3.Percentage of programmed local road and street projects that are let in the programmed year*	47.0%	46.0%	56.0%	70.0%	--

Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	184,754,236	180,115,028		187,683,468	188,499,613
TOTAL	<u>\$ 184,754,236</u>	<u>\$ 180,115,028</u>		<u>\$ 187,683,468</u>	<u>\$ 188,499,613</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	1.2 %	(2.5) %		4.2 %	0.4 %
FTE Positions	21.0	18.0		23.0	23.0

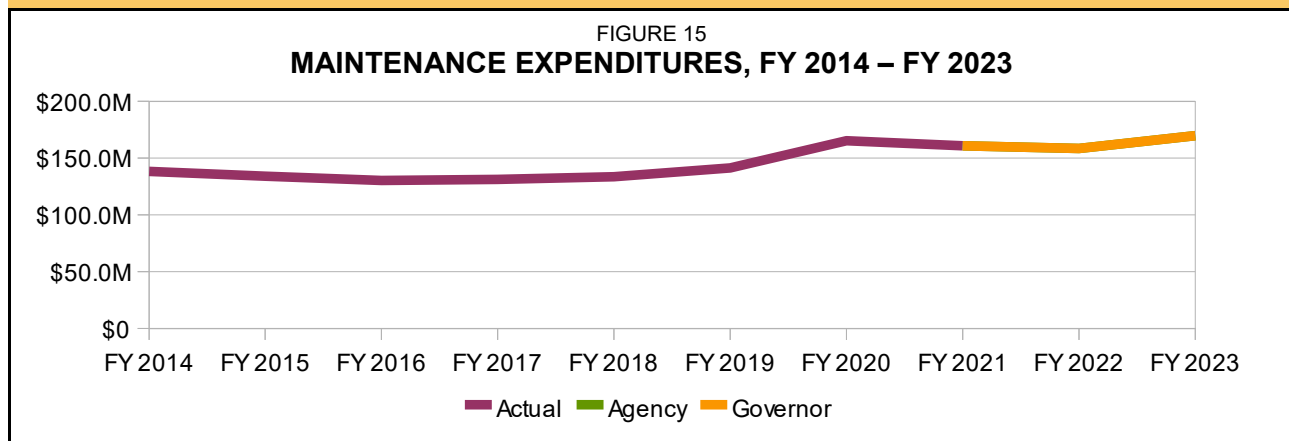
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests Local Support program expenditures of \$177.9 million, which is an increase of \$642,240, or 0.4 percent, above the FY 2022 agency revised estimate. The increase is attributable to enhanced aid to local units of government.

The **Governor** recommends expenditures of \$188.5 million, which is an increase of \$10.6 million, or 6.0 percent, above the FY 2023 agency request. The increase is attributable to revised revenue estimates for the State Highway Fund.

MAINTENANCE



STATUTORY BASIS: • KSA 75-5001 *et seq.*, KSA 68-401 *et seq.*, KSA 75-5073 through 75-5076

PROGRAM GOALS: • Preserve the State Highway System as built or in an improved condition providing safe and reliable highway facilities.
• Maintain an interoperable statewide 800 MHz radio system to allow local units of government and other potential users onto the system.

The stated goal of the Maintenance program is to maintain the State Highway System providing safe and reliable highway facilities. The program contains all regular highway and bridge maintenance functions performed by the State. Regular maintenance activities are designed to preserve, repair, and restore the roadway system to its designed or accepted standards. System elements include travel-way surfaces, shoulders, roadsides, drainage facilities, bridges, signs, and markings. Also included are traffic services, such as lighting and signal operation, snow and ice removal, and operation of roadside rest areas.

Maintenance activities are undertaken to offset the effects of deterioration, damage, and vandalism. Deterioration includes the effects of aging, weather, material fatigue, and design and construction weaknesses. Activities also include repair of buildings and equipment essential to perform maintenance activities. Funds also are provided to cities to assist in maintenance of routes designated as highway connecting links. Costs for maintenance of

these links are apportioned between KDOT and the city as determined by agreement. KDOT reimburses cities and counties at the rate of \$5,000 per lane mile for links maintained. In addition, funds are available for substantial maintenance on city connecting links, and costs for maintenance of these links are apportioned between KDOT and the city as determined by agreement. When cities enter into an agreement for the city connecting links to be maintained by the State, KDOT then becomes responsible for all maintenance on the connecting link.

Also included in this program are Communication System expenditures for the agency's interoperable communications towers. The agency maintains the interoperable statewide 800 MHz radio system for use by the State, KDOT, and local public safety agencies. Agency leasing expenditures are included as non-reportable expenditures, while federal funds for the program are included as reportable expenditures.

FIGURE 16

MAINTENANCE, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1.Total level of service for Maintenance Quality Assurance Program	89.6	89.0	89.0	89.6	89.5
2.Percent of equipment exceeding minimum usage or age in years for replacement consideration*	50.0 %	50.0 %	49.3 %	48.0 %	-- %
3.Expenditure per lane mile for maintenance expenditures (state-owned/state-controlled highways)	\$ 4,200	\$ 4,500	\$ 4,433	\$ 4,500	\$ 4,500
Output Measure:					
4.Shoulder miles on State Highway System worked on by maintenance crews*	5,434	6,973	5,593	7,000	-
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ --	\$ --		\$ --	\$ --
Federal Funds	9,500	-		-	-
All Other Funds	133,553,138	160,911,270		158,575,781	169,788,161
TOTAL	\$ 133,562,638	\$ 160,911,270		\$ 158,575,781	\$ 169,788,161
Percentage Change:					
SGF	(87.3) %	-- %		-- %	-- %
All Funds	(5.5) %	20.5 %		(1.5) %	7.1 %
FTE Positions	1,244.0	1,166.0		1,142.0	1,142.0

*The Governor's Office does not utilize this measure for evaluation purposes.

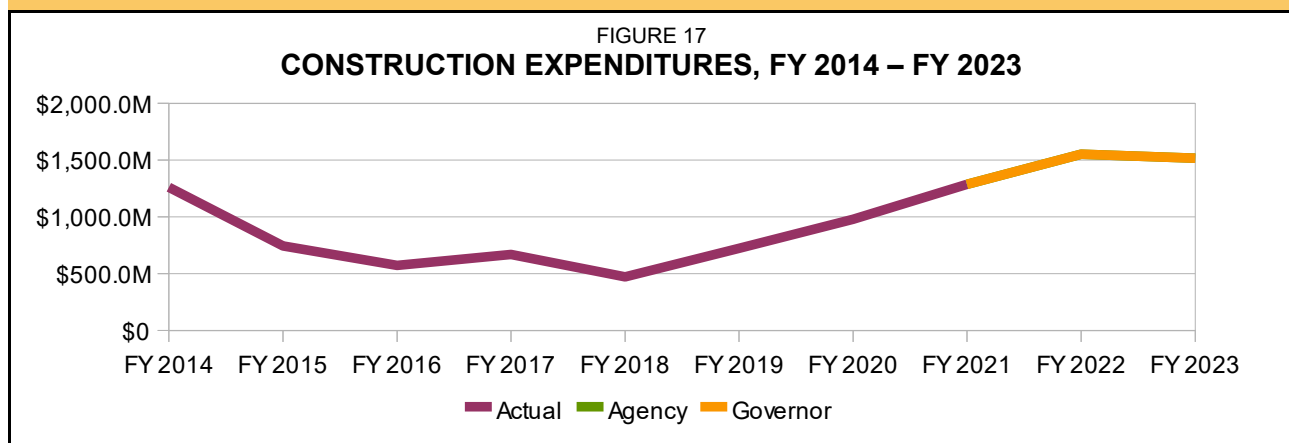
BUDGET ANALYSIS

The agency requests Maintenance program expenditures of \$169.8 million, which is an increase of \$11.2 million, or 7.1 percent, above the FY 2022 agency revised estimate. The increase is attributable to salary adjustments for maintenance personnel and increased maintenance work planned for FY 2023.

The agency also substantially increases the equipment replacement scheduled after a reduction in FY 2022.

The **Governor** concurs with the Maintenance Program request for FY 2023.

CONSTRUCTION



STATUTORY BASIS: • *Kansas Constitution* Article II, Title 23 Code of Federal Regulations, 49 USC 24, KSA 68-401, KSA 68-404, KSA 68-406, KSA 68-407, KSA 68-413 *et seq.*, KSA Chapter 26, KSA 75-5001 *et seq.*, KSA 75-5006 *et seq.*

PROGRAM GOALS: • Develop and construct projects that continue to provide a quality state highway network that effectively meets the needs of the traveling public.

The stated goal of the Construction program is to develop and construct projects that continue to provide a quality state highway network or preserve the existing system. The program includes functions and activities associated with constructing new highways and performing major renovations of existing state highways and facilities.

The program is divided into eight subprograms: Debt Service, Design/Right of Way, Construction Inspection, Expansion (State Projects), Modernization, Buildings, Local Construction, and Preservation. Activities include right-of-way purchase, design, construction supervision, materials testing, facilities construction and remodeling, and payment of principal and interest on construction financed through the issuance of bonds. In addition, federal aid to local governments is included in this program. Highway construction projects are classified as preservation, modernization, or expansion/enhancement.

PRESERVATION. Preservation functions are intended to protect public investment by preserving the as-built condition as long as possible and minimizing the need for major improvements. Preservation activities include resurfacing, bridge painting, bridge and culvert repair, major sign replacement, and safety improvements.

MODERNIZATION. This program encompasses activities that bring a roadway or intersection up to current design standards. This can be accomplished by widening or adding shoulders, flattening hills, or removing curves in a road.

EXPANSION/ENHANCEMENT. This program includes projects that are designed to improve safety, relieve congestion, improve access, and enhance economic development. The categories are corridor improvements, bypass construction, and interchange and separation improvements. Projects must be on the State Highway System or a logical addition to the State Highway System.

FIGURE 18
CONSTRUCTION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percentage of highway construction projects completed on time or early	98.0 %	95.0 %	-- %	98.0 %	98.0 %
2. Number of bridges and culverts repaired and repainted	36	38	48	43	44
3. Number of preservation miles programmed for construction	1,885	1,600	1,716	1,788	1,594
4. Number of bridges and culverts programmed for construction	61	91	--	104	98
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	22,088	-		-	-
All Other Funds	978,372,708	1,286,552,960		1,551,852,524	1,517,940,907
TOTAL	<u>\$ 978,394,796</u>	<u>\$ 1,286,552,960</u>		<u>\$ 1,551,852,524</u>	<u>\$ 1,517,940,907</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	35.1 %	31.5 %		20.6 %	(2.2) %
FTE Positions	644.2	614.5		645.5	645.5

BUDGET ANALYSIS

The agency requests Construction program expenditures of \$1.3 billion for FY 2023. The request is a decrease of \$24.0 million, or 2.3 percent, below the FY 2022 agency revised

estimate. The decrease is attributable to estimated engineering expenses in FY 2023.

The **Governor** concurs with the agency request for FY 2023.

DEBT SERVICE

FIGURE 19 DEBT SERVICE, GOVERNOR'S RECOMMENDATION, FY 2022 – FY 2023						
	Principal	FY 2022 Interest	Total	Principal	FY 2023 Interest	Total
TOTAL	\$ 127,385,000	\$ 80,295,095	\$ 207,680,095	\$ 133,610,000	\$ 74,236,967	\$ 207,846,967
Financing:						
SGF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-	-
All Other Funds	127,385,000	80,295,095	207,680,095	133,610,000	74,236,967	207,846,967
TOTAL	<u>\$ 127,385,000</u>	<u>\$ 80,295,095</u>	<u>\$ 207,680,095</u>	<u>\$ 133,610,000</u>	<u>\$ 74,236,967</u>	<u>\$ 207,846,967</u>

This section details principal, interest, and administrative costs related to bond debt for KDOT. These expenditures are included as part of the Construction program. At the beginning of FY 2022, outstanding transportation programs debt totaled \$2.5 billion with \$1.9 billion in

projected principal payments and \$631.8 million in interest payments. The final payment of \$29.3 million is scheduled for FY 2038.

CAPITAL IMPROVEMENTS

KDOT maintains approximately 981 buildings, comprising approximately 3.0 million square feet. Structures include 208 buildings housing KDOT and Kansas Highway Patrol personnel, offices, shops, and labs, and 773 support structures functioning as chemical, equipment, and materials storage facilities, as well as wash

buildings. In addition, there are 36 Safety Rest Areas that are maintained throughout the state. These expenditures are included as part of the Construction program; the following table is provided as a breakdown for additional detail on buildings expenditures.

FIGURE 20 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehabilitation and Repair	\$ 183,712	\$ 4,579,348	\$ 4,579,348	\$ 4,200,000	\$ 4,200,000
Reroof Buildings	-	1,541,442	1,541,442	527,117	527,117
Subarea Modernization	5,654,738	9,465,907	9,465,907	5,377,137	5,377,137
Purchase Land	432	121,711	121,711	45,000	45,000
District Two Annex	1,425,630	-	-	-	-
Chemical Storage Facilities	-	244,644	244,644	256,876	256,876
Update Electrical and Bay Extension Area Shops	-	1,568,920	1,568,920	1,660,980	1,660,980
Relocate Area / Construction Office - Concordia	-	3,455,040	3,455,040	-	-
Construct District One Headquarters - Topeka	-	-	-	10,953,383	10,953,383
<i>Subtotal–Projects</i>	<i>\$ 7,264,512</i>	<i>\$ 20,977,012</i>	<i>\$ 20,977,012</i>	<i>\$ 23,020,493</i>	<i>\$ 23,020,493</i>
Debt Service Principal:					
Highway Bonds	\$121,350,000	\$127,385,000	\$127,385,000	\$133,610,000	\$133,610,000
<i>Subtotal–Debt</i>	<i>\$121,350,000</i>	<i>\$127,385,000</i>	<i>\$127,385,000</i>	<i>\$133,610,000</i>	<i>\$133,610,000</i>
TOTAL	\$128,614,512	\$148,362,012	\$148,362,012	\$156,630,493	\$156,630,493
Financing:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	128,614,512	148,362,012	148,362,012	156,630,493	156,630,493
TOTAL	\$128,614,512	\$148,362,012	\$148,362,012	\$156,630,493	\$156,630,493

FY 2022 CAPITAL IMPROVEMENTS

The **agency** requests \$21.0 million in capital improvements for buildings in FY 2022. The request is an increase of \$6.0 million above the FY 2022 approved budget. The majority of the increase is in subarea modernization.

REHABILITATION AND REPAIR. The agency requests \$4.6 million, all from the State

Highway Fund, for rehabilitation and repair in FY 2022. Individual locations and repair specifics vary from year to year depending on "wear and tear" and natural events. Any improvement project or space alteration is based on a building/site condition analysis and an assessment of the impact on operating functions. Expenditures target repairs and

equipment replacements for improved energy efficiency, emergency repairs, and other unanticipated utility-related occurrences at the building. In addition, this program includes repairs to the non-structural improvements to the land (e.g. sidewalks and parking lots.)

ESTIMATED RE-ROOFING EXPENDITURES FOR 11 LOCATIONS. The agency's FY 2022 revised estimate includes expenditures of \$1.5 million, all from the State Highway Fund, for re-roofing projects for 11 locations. The agency states that the determination to re-roof completely is based upon the following factors: a) age of roof, b) current condition of roof, c) storm damage, d) previous maintenance, e) economics of repair versus replacement, and f) the effects of leaks on building contents or usage.

Re-roofing locations in the FY 2022 revised estimate include:

- Wamego Const./Conference, Holton Dome, Abilene Standard Salt Storage, Yates Center Cone, Lawrence Cone, Liberal Dome, Montgomery County, Iola Cone, Coldwater Cone, Hutchinson Construction Office, and Dighton Dome.

SUBAREA MODERNIZATIONS FOR FOUR LOCATIONS. The agency's FY 2022 revised estimate includes expenditures of \$9.5 million, all from the State Highway Fund, for subarea modernizations for four locations. The agency states that subarea facilities were originally constructed in the late 1950s and early 1960s, and that current equipment, technologies, and bay sizes are evaluated to improve efficiency and effectiveness.

Subarea modernization locations in the FY 2022 revised estimate include: Hill City, Oberlin, Osborne, and Scott City.

LAND PURCHASE TO EXPAND AN EXISTING LOCATION IN GARNETT AND INDEPENDENCE. The agency's FY 2022 revised estimate includes expenditures of \$121,711, all from the State Highway Fund, for

the purchase of land. The agency states that these requests to expand and improve KDOT operations include requests for: land along the highway to provide an area to mix and store highway maintenance materials; land adjacent to a current KDOT facility to allow expansion of current storage and operations rather than relocate; or land to relocate a KDOT facility for safety and effectiveness.

CHEMICAL STORAGE FACILITY. The agency's FY 2022 revised estimate includes expenditures of \$244,644, all from the State Highway Fund, for the construction of one remote chemical storage facility in FY 2022.

The agency states that these facilities are constructed to provide storage where it is determined to be inadequate. A chemical storage building is in the FY 2022 revised estimate for Sublette.

UPDATE OF THE ELECTRICAL BAY AND EXTENSION DISTRICT SHOP. The agency's FY 2022 revised estimate includes \$1.6 million, all from the State Highway Fund, to update an electrical bay and extension district shop. The project is to consolidate the electrical systems from several different electrical panels of the shop buildings. This project is to update the main service panels to 800-amp 3 Phase 208-volt service. This would replace the existing 400-amp service panels, which are not up to code requirements or agency needs.

The main shops are currently 40 feet in depth. The agency states that the depth of the shop does not allow for some current equipment to fit in the shop and creates safety concerns when working on large pieces of equipment. This project is scheduled to extend the existing bays 30 feet to the rear of the building with a 30 ft. x 120 ft. addition. The addition portion of the end bay would have a 14 ft. x 16 ft. overhead door to make it a single drive-through bay, with a 3-ton, 100 ft. long overhead single rail crane running across the addition to provide for lifting needs in the extended shop area. Alternatively, the agency states that drive-through bays may be added to the rear or side of the building depending on the site configuration.

The FY 2022 update is scheduled for Wichita Hillside.

RELOCATE AREA – CONCORDIA. The agency's revised estimate includes \$3.5 million, all from the State Highway Fund, to relocate the current area office from Mankato to Concordia. KDOT area office operations require local business support. Mankato is experiencing a decline in businesses that support KDOT operations. The 1954 brick building is functionally obsolete. The 1995 metal supply storage building could be relocated. The current Area Construction office is located in Belleville.

The Construction office, a 1963 concrete block building, does not provide the space to adequately accommodate equipment and staff. The separation of the Area office and Area Construction offices presently complicates the management of construction administration. The agency indicates relocating these facilities to Concordia would consolidate the operations resulting in improved effectiveness.

The **Governor** concurs with the agency's revised estimate for capital improvements in FY 2022.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests \$23.0 million in capital improvements for buildings for FY 2023. The request is an increase of \$2.0 million above the FY 2022 revised estimate. The majority of the increase is for construction of a new District One Headquarters in Topeka.

REHABILITATION AND REPAIR. The agency requests \$4.2 million, all from the State Highway Fund, for Rehabilitation and Repair for FY 2023. Individual locations and repair specifics vary from year to year depending on "wear and tear" and natural events. Any improvement projects or space alteration is based on a building/site condition analysis and an assessment of the impact on operating functions. Expenditures target repairs and equipment replacements for improved energy efficiency, emergency repairs, and other unanticipated utility-related occurrences at the building. In addition, this program includes repairs to the non-structural improvements to the land (e.g. sidewalks and parking lots.)

ESTIMATED RE-ROOFING EXPENDITURES FOR NINE LOCATIONS. The agency's FY 2022 revised estimate includes expenditures of \$527,117, all from the State Highway Fund, for re-roofing projects for nine locations. The agency states that the determination to re-roof completely is based upon the following factors: a) age of roof, b) current condition of roof, c) storm damage, d) previous maintenance, e) economics of repair versus replacement, and f) the effects of leaks on building contents or usage.

Re-roofing locations in the FY 2023 request include:

- Troy Cone, Manhattan Dome, Norton Cone, Belleville MC Station, Waverly Dome, Pratt Cone, Anthony Dome, Hugoton Cone, and Ashland Dome.

SUBAREA MODERNIZATIONS FOR FOUR LOCATIONS. The agency's FY 2023 revised estimate includes expenditures of \$5.4 million, all from the State Highway Fund, for subarea modernizations for four locations. The agency states that subarea facilities were originally constructed in the late 1950s and early 1960s, and that current equipment, technologies, and bay sizes are evaluated to improve efficiency and effectiveness.

Subarea modernization locations in the FY 2023 request include:

- Abilene, Beloit, Iola, and Medicine Lodge.

LAND PURCHASE TO EXPAND AN EXISTING LOCATION IN ERIE AND LYONS. The agency's FY 2023 request includes expenditures of \$45,000, all from the State Highway Fund, for the purchase of land. The agency states that these requests to expand and improve KDOT operations include requests for: land along the highway to provide an area to mix and store highway maintenance materials; land adjacent to a current KDOT facility to allow expansion of current storage

and operations rather than relocate; or land to relocate a KDOT facility for safety and effectiveness.

CHEMICAL STORAGE FACILITY. The agency's FY 2023 request includes expenditures of \$256,876, all from the State Highway Fund, for the construction of one remote chemical storage facility.

The agency states that these facilities are constructed to provide storage where it is determined to be inadequate. A chemical storage building is included in the FY 2023 request for Pratt.

UPDATE OF THE ELECTRICAL BAY AND EXTENSION DISTRICT SHOP. The agency's FY 2023 request includes \$1.7 million, all from the State Highway Fund, to update an electrical bay and extension district shop. The project is to consolidate the electrical systems from several different electrical panels of the shop buildings. This project is to update the main service panels to 800-amp 3 Phase 208-volt service. This would replace the existing 400-amp service panels, which are not up to code requirements or agency needs.

The main shops are currently 40 feet in depth. The agency states that the depth of the shop does not allow for some current equipment to fit in the shop and creates safety concerns when working on large pieces of equipment. This project is scheduled to extend the existing bays 30 feet to the rear of the building with a 30 ft. x 120 ft. addition. The addition portion of the end bay would have a 14 ft. x 16 ft. overhead door to make it a single drive-through bay, with a 3-ton, 100 ft. long overhead single rail crane running across the addition to provide for lifting needs in the extended shop area. Alternatively, the agency states that drive-through bays may be added to the rear or side of the building depending on the site configuration.

The FY 2023 update is scheduled for Ulysses.

CONSTRUCT DISTRICT ONE HEADQUARTERS – TOPEKA. The agency requests \$11.0 million, all from the State

Highway Fund, for construction of a new District One Headquarters. The project would be completed in two phases, with \$7.5 million budgeted for FY 2024.

This project would relocate and consolidate to a single site the following facilities: District One Headquarters Office and Maintenance Shop, Materials Lab, and Supply and Stockroom.

The complex would be built on existing KDOT property near the I-70 interchange at 21st and Rice Road in east Topeka. The proposed facility would include a new District One Headquarters complex composed of multiple new buildings and would be constructed in several phases over two years. This project would relocate the current District One complex. The current District One Office/Shop was originally constructed in 1934. Additions were made in 1958, 1961, and 1985. The District One Materials Lab was constructed in 1936.

The proposed Administration office and conference building would be designed and constructed as a standalone building. The Office would be approximately 14,000 square feet and include office space for district staff, conference/meeting room, employee break room, rest rooms, and file storage.

The proposed Supply/Stockroom and the proposed District Materials Lab would each be stand-alone buildings. The Supply/Stockroom and storage building would be approximately 7,500 square feet. This building would include office space for stockroom staff and a loading dock.

The District Materials Lab would be approximately 6,800 square feet and include office space, storage space, an aggregate and compaction room, an area for laboratory testing equipment, an asphalt extraction room, a sample breakdown area, a nuclear meter storage area, and a garage. The proposed structure would accommodate existing testing equipment and equipment for new testing procedures related to the use of highway materials quality control/quality assurance specification requirements.

The **Governor** concurs with the agency request for capital improvements for FY 2023.